HOUSE OF REPRESENTATIVES—*Thursday, June 17, 1993*

The House met at 10 a.m.

Rev. Washington Johnson II, Norwood Seventh-day Adventist Church, Birmingham, AL, offered the following prayer:

Let us pray. Eternal God, whose mighty hands brought forth this world into an existence, we acknowledge Your presence in the 20th century. We are cognizant of Your bountiful blessings upon this great Nation, from the sandy beaches of the western coast to the majestic Appalachians.

For these magnificent works, we duly exult Your name. In our quest for world peace and justice, we entreat Your divine guidance, for we are aware that You and You alone can restore universal tranquillity and moral uprightness.

We pray Your blessings of wisdom and understanding upon our President, Members of Congress, and all others who render services to You through service to their country.

As a nation, may we aspire toward peaceful relations with all other nations, by giving the world an example of love, understanding, devotion to Your cause and purpose. 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.

PLEDGE OF ALLEGIANCE

The SPEAKER. Will the gentleman from Indiana [Mr. ROEMER] please come forward and lead the House in the Pledge of Allegiance.

Mr. ROEMER 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.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Hallen, one of its clerks, announced that the Senate had passed a joint resolution and a concurrent resolution of the following titles, in which the concurrence of the House is requested:

S.J. Res. 71. Joint resolution to designate June 5, 1993, as "National Trails Day".

S. Con. Res. 29. Concurrent resolution relating to the Asia Pacific Economic Cooperation Organization.

The message also announced that pursuant to Public Law 101–194, the Chair, on behalf of the President pro tempore, appoints Walter B. Gerken, of California, to the Citizens' Commission on Public Service and Compensation.

WELCOME TO ELDER WASHINGTON JOHNSON II

(Mr. BEVILL asked and was given permission to address the House for 1 minute.)

Mr. BEVILL. Mr. Speaker, it is my great honor to rise today to welcome the very distinguished Elder Washington Johnson II to the floor of the U.S. House of Representatives. Elder Johnson is delivering our prayer today and I am delighted that he and his family are here.

Elder Johnson is the pastor of the Norwood Seventh-day Adventist Church in Birmingham. But, he is originally from Gadsden, AL, which is in my district. So, I will always consider him and his family to be my constituents.

Elder Johnson is a highly respected spiritual leader and I know that his message today will lift our hearts and minds and give us the guidance we need throughout our day.

These prayers are a source of hope for us and I certainly appreciate Elder Johnson taking the time to travel to Washington to be with us today.

ANNOUNCEMENT BY THE SPEAKER

The SPEAKER. The Chair will announce that it will receive requests for 1-minute speeches from 10 Members on each side.

WELCOMING THE REVEREND WASHINGTON JOHNSON

(Mr. HILLIARD asked and was given permission to address the House for 1 minute.)

Mr. HILLIARD. Mr. Speaker, it is indeed an honor and a pleasure to be able to welcome a dynamic and inspirational man of God. The Reverend Washington Johnson of the Norwood Seventh-day Adventist Church is one of the finer constituents of the Seventh Congressional District of Alabama. This young man of integrity and character provides quality leadership in the district not only in the areas of spiritual concern but also for the community at large. It is with pleasure that I welcome and greet Reverend Johnson, and I know that God will continue to use him and his ministry.

Again, thank you Reverend Johnson for offering the prayer of the day.

FLIP FLOP

(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, it's summer, and a lot of my staffers are putting on their flip-flops this weekend and going to the beach. Listening to them made me think of another great flip-flop here in town—President Clinton and his policies:

First, it was the middle-class tax cut. Then it was no middle-class tax cut. Then it was cut spending. Then it became increased spending. Then it was no Btu tax. Then we were going to have a Btu tax. Now we are back to talking about a Btu tax again, but, no, we are not going to have a Btu tax.

It was allow immigrants with AIDS into our country. Then, no, we are not going to allow immigrants with AIDS into the country.

Yes; now we are back to wanting immigrants with AIDS back in the country.

It was a health care plan in 100 days. Then it was no health care plan in 100 days. Cut the White House staff. Now we are going to increase the White House staff.

Mr. Speaker, it is too bad President Clinton's flip-flops are not restricted to his feet.

A CHANGE OF DIRECTION FOR AMERICA

(Mr. VISCLOSKY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. VISCLOSKY. Mr. Speaker, President Clinton campaigned on the promise to change the direction of America and to put our people back to work.

In February, the President announced his economic plan and since then a quiet confidence has begun to build across our land.

By June 1, unemployment had dipped below 7 percent for the first time in a year and a half. Interest rates have continued to drop. New home sales hit a 7-year high in April.

And most importantly, 775,000 new jobs have been created. The House passed the President's plan. The other body continues to move President Clinton's proposal forward.

As the President's plan moves ahead, so, too, will the American economy, providing its people with better jobs and a brighter future for their children.

AUTHENTICATED U.S. GOVERNMENT INFORMATION GPO

THE PRESIDENT'S AIDS IMMIGRANT POLICY

(Mr. EVERETT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. EVERETT. Mr. Speaker, during the campaign, candidate Clinton attacked President Bush for his Haiti policy. Once in office, President Clinton adopted that policy.

Once in office, President Clinton talked about lifting the ban on allowing AIDS immigrants to enter the United States. As a result, the Nation expressed outrage. Congress voted overwhelmingly to keep the existing ban, which allowed people with AIDS to enter the country on an individual basis. President Clinton signed that legislation into law just last Friday.

So what happened when a court ruled a group of Haitian immigrants infected with the virus would be allowed into the country? President Clinton decided not to appeal. He says he may appeal later, but not now. President Clinton decided not to decide. He did so despite the American people's support of the current policy, despite the Congress' overwhelming passage of legislation, and despite a law, which he signed himself.

Mr. Speaker, I am beginning to wonder how the President reaches his decision! With each new issue, Mr. Clinton shifts his position to suit the moment. Evidently, with this issue we have gone from reforming America's health care to reforming the world's.

IT IS CALLED HOPE

(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, there is hope in America. Our young people now see that they have the opportunity to achieve the American dream—owning a house. Just a year ago less than half of those under the age of 35 thought that they had a good chance to buy a home. Now, over 70 percent believe they have this opportunity.

There are encouraging signs that inflation is firmly under control. Long-term interest rates are at their lowest in 20 years. Mortgage rates are 10 percent less than they were on November 6, 1992.

People must have confidence if we are to succeed in turning this country around. The continued low inflation in combination with low interest rates is creating that climate of confidence that we need.

To those naysayers who are willing to promote gridlock for short-term political gain, I say that the people will not be fooled. Let us continue to rebuild America.

AIDS-INFECTED ALIENS

(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, I have with me today a copy of my grandparents' 1907 immigration papers.

Eighty-five years ago when my grandparents arrived at Ellis Island they were required to be in good health. It has been the policy of the United States for over a century to require standards for new immigrants.

The law of the United States, as signed by President Bill Clinton, does not permit HIV-infected aliens to enter our country.

This week Bill Clinton ignored that law.

When my immigrant grandfather died and left my grandmother with seven children they did not have Medicaid or food stamp programs. Our family worked to survive.

Today Florida and the American taxpayers will pick up the costly medical and social support tab for AIDS-infected aliens being flown to our shores.

Mr. Speaker, before the Members of Congress, I rise to protest this action.

□ 1010

KEEPING OUR EYE ON THE BALL

(Mr. PRICE of North Carolina asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PRICE of North Carolina. Mr. Speaker, as we move forward with our 13 appropriations bills within the tight spending restraints adopted in March, it is essential to remind ourselves of our long-term goals and objectives.

First and foremost, we aim to reduce the budget deficit and strengthen our economy. We have seen some encouraging signs. The bond market has responded favorably, inflation has stabilized, mortgage rates have dropped to record lows, new home sales hit a 7-year high in April. This has created 700,000 new jobs; in fact, unemployment has fallen below 7 percent.

Our economic plan can help sustain these trends for the long run and buoy this upswing in the housing industry. For example, the mortgage revenue bond program, an essential component of the housing economy, will become a permanent part of the Tax Code. In North Carolina alone last year this program created more than 1,200 jobs, generated $200 million in real estate activity, brought in nearly $14 million in State and local tax revenues, and enabled over 3,000 families to move into their own homes.

Mr. Speaker, renewing this important tax incentive and enacting the comprehensive economic package will bring renewed hope across this country that we can address our problems in a serious and sensible way, end the gridlock and the blame-laying, and build a better future for all of our people.

CLINTON THE ACROBAT

(Mr. SMITH of Texas asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SMITH of Texas. Mr. Speaker, earlier this week, President Bill Clinton said his Presidency was the most decisive in a long time.

That statement reminded me of a line in a song that I heard on the radio. "I must be an acrobat, to talk like this and act like that."

From his famed middle-class tax cut, to his illusionary White House staff cuts, to his mysterious Haitian immigrant policy, the President has consistently talked one way and acted another.

The President needs to understand that his low approval ratings do not stem from communication problems. They stem from his habit of saying one thing and doing another.

Mr. Speaker, the President is walking a tight rope of public opinion, and his safety net has disappeared. If he continues his acrobatic somersaults with the truth, his approval ratings are really going to crash to the ground.

THREE STRIKES AND THE SPACE STATION IS OUT

(Mr. ROEMER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ROEMER. Mr. Speaker, in baseball we have a classic saying that it is three strikes and you are out. However, with the space station, they were recently designated with the task of redesigning and coming up with three options: an option at $3 billion, at $7 billion, and at $9 billion.

In a hearing I recently asked Mr. Golden, the Director of NASA, "Did you hit any of those three targets?" He answered "No." They did not even come close. The three options came in at roughly $25 billion, $27 billion, and $28 billion. The price tag keeps going up and up and up, and the science keeps on going down and down and down.

Mr. Speaker, I specifically ask the new Members of this body that came here to change the status and reduce the budget deficit to vote for the Roemer-Zimmer amendment next week to terminate the space station and give it its third out, not give it the five redesigns that it has already had and the three options that are over budget.

RECOMMENDING A MANDATORY INTERNATIONAL EMBARGO ON CUBA

(Mr. DIAZ-BALART asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DIAZ-BALART. Mr. Speaker, last night the United Nations Security Council took the quite dramatic step of saying that 18 months of dictatorship in Haiti are 18 months too much, and imposing a worldwide mandatory embargo against the military regime in Haiti.

Yesterday the U.S. House of Representatives adopted the following language:

> The President should advocate, and should instruct the United States Representatives to the United Nations to support and consult with Members of the Security Council with respect to, a mandatory international embargo against the totalitarian government of Cuba pursuant to Chapter VII of the Charter of the United Nations.

similarly as it is doing with respect to Haiti.

> Mr. President and Secretary Christopher, we have asked you to act. We will continue to ask you to act. We await your response to the formal request of the United States House of Representatives.

AMERICA'S ECONOMIC IMPROVEMENT TIED TO INVESTMENT IN FAMILIES AND CHILDREN

(Mr. NEAL of Massachusetts asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. NEAL of Massachusetts. Mr. Speaker as the other body works to meet their Friday deadline to reach a compromise on a budget package, I have specific concerns about proposals that have been discussed.

The Ways and Means Committee put time and effort in trying to construct a package that would accomplish the goals of President Clinton's economic program. The reconciliation package passed by the House embodies all the basic elements of the President's program. In the reconciliation plan, there are enough entitlement cuts to fund $100 billion in deficit reduction and pay for important new investments including: child immunization, family preservation, and expansion of the earned income tax credit.

The reconciliation legislation passed by the House contains important elements which will enable our country to get back on track. Three of these elements are childhood immunizations, expansion of the earned income tax credit, and increased funding for food stamps. I do not believe these provisions are unnecessary or frivolous.

The purpose of the provision is to invest in our future—the children of this country. These provisions would provide vaccines to children who have no health insurance coverage; reduce the U.S. child-poverty rate, which in 1991 encompassed one out of every four children under the age of 6; and assist the estimated 5 million hungry children in the United States.

If we are going to improve our economy, it is vital for us to invest in individual Americans, especially families and children. As we continue the budget reconciliation process, I urge Congress to support programs that will ultimately rebuild our country. We cannot continue to be a Nation that neglects its children.

ESSENTIAL REFORMS FOR OSHA POLICY

(Mr. BARTLETT of Maryland asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BARTLETT of Maryland. Mr. Speaker, as a participant of the Republican relay team, I stand before you today to spotlight the unwarranted costs associated with many of our regulatory practices.

Unnecessary regulations are not just stifling the economy and job growth but are putting small companies out of business.

A constituent of mine, Sy Shifler of Hagerstown, MD knows firsthand the difficulty of complying with OSHA standards. His company, Shifler Electric employs about 50 people and is a prime example of a business that suffers under superfluous restrictions.

As a construction subcontractor, he has experienced a recent surge in fines imposed by OSHA. He was recently fined $600 for an extension cord left on a site by another contractor. But because he was the electrician on the job, Sy was forced to pay.

This type of ludicrous compliance is ultimately going to cost American jobs. Less construction work will cause contractors and subcontractors to hire less people and it may result in layoffs and the closing of many small businesses' doors.

OSHA fines have become a way in which the Federal Government can collect revenues. That is simply wrong. Fines should only be given in cases of blatant disregard for safety. They should not be issued to raise money to fund more wasteful Government programs.

OSHA reforms that reduce these burdens are urgently needed if we truly want to bring this country back to economic greatness.

ECONOMIC AND POLITICAL REFORM WILL RESTORE AMERICA'S GREATNESS

(Mr. MAZZOLI asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MAZZOLI. Mr. Speaker, as recently as Tuesday of this week President Clinton said that economic reform and political reform go hand in hand. It was, therefore, very fitting and appropriate that yesterday the Senate took actions on two of those measures. For economic reform, the Senate Finance Committee has made a move toward adopting a deficit reduction-economic stimulus program, and as we know, cloture was voted on campaign finance reform moving it along toward passage.

It does seem to me that these two issues and these two matters are fundamentally at the heart of what makes America great: that is, the economic ability we have to secure jobs and to educate our families and to provide for our futures, and a respect for and a reliance upon the political system which yields these economic judgments and decisions.

□ 1020

So it is very, very encouraging to me, Mr. Speaker, that we will have a chance yet this summer to vote upon two basic elements to make America better, economic reform and political reform.

U.S. TAXPAYERS SPENDING BILLIONS ON ILLEGAL ALIENS, NONCITIZENS

(Mr. DUNCAN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DUNCAN. Mr. Speaker, a Federal judge has now ordered that HIV-positive Haitian immigrants be released from Cuba, and they are being brought here.

No other country would take them.

The Miami Herald reported Friday that "workers will immediately plug the Haitians into a wide network of agencies that provide cash, medical care, counseling, jobs, and other services."

The paper said, that on average, it costs $100,000 to care for someone from the time he or she is infected with HIV until death.

This is the cost just for the medical care.

Week before last, an economist from Rice University presented a new study which shows that we spend at least $12.5 billion on the approximately 5 million illegal aliens here now.

Even more significantly, the study found that there are 11.8 million legal immigrants here—noncitizens—who cost all levels of government $45 billion above the taxes they pay.

In other words, we are spending at least $57.5 billion in tax money on noncitizens.

I certainly sympathize with everyone who is living in another nation under very bad conditions.

But the fact is that this is a tremendously growing problem.

We simply cannot take in all the millions who want to come here.

Even more importantly, the taxpayers of this Nation should not have to pay out additional billions to provide all sorts of medical, employment, and welfare benefits for people who are not U.S. citizens.

INTRODUCTION OF BILL TO GIVE TAX INCENTIVES ON INSTALLATION OF POLLUTION ABATEMENT EQUIPMENT

(Mr. PAYNE of New Jersey asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PAYNE of New Jersey. Mr. Speaker, I rise today to let my colleagues know of legislation I am introducing today which would provide a tax incentive to small businesses who install pollution abatement equipment at their facilities.

The bill aims to promote American industry and competitiveness, help to clean the environment, and help level the playing field with other industrialized nations that offer similar incentives to encourage manufacturers to acquire antipollution equipment.

The pollution abatement industry is a relatively young industry, and I believe, as do many, that it is one in which the United States should be a world leader.

Hand in hand with this, is the fact that the United States has the most stringent environmental laws anywhere in the world. As the Clean Water and Clean Air Acts are strengthened and enforced, companies who pollute will be required to clean up their acts.

My bill will provide a tangible incentive for utilities to speed up their environmental compliance plans, which will help clean the environment as well as have a direct, positive effect on the rate of job creation in the pollution abatement industry.

Mr. Speaker, I encourage all my colleagues from both sides of the aisle to look at this initiative, and lend it their support.

CELEBRATING LIFE AND LEGACY OF MILWARD SIMPSON

(Mr. THOMAS of Wyoming asked and was given permission to address the House for 1 minute.)

Mr. THOMAS of Wyoming. Mr. Speaker, I rise today to share with this body the celebration of the life of a great man and his legacy in this country, both in Washington and in Wyoming. Milward Simpson, the father of the distinguished current Senator from Wyoming, ALAN SIMPSON, passed on to a greater life this week. With his passage we are reminded of his excellence and his leadership, a great man who comes from pioneer stock in Wyoming and forged his way to represent the people of that great State in the Governor's office and in the U.S. Senate.

In Wyoming, Milward Simpson is history. I grew up in Cody, WY, where Milward had his home, along with his sons, Pete and Alan. Milward Simpson was the kind of guy who took an interest in children, took an interest in making sure that young people were able to go to high school, had them living in his home so he would make sure they would go to high school. He had that same concern for people, and that same willingness to be concerned with many others, as he rose through State and national office. Through his deeds, honesty, and statesmanship, we know his contributions to this great country and my State are etched in our collective memory.

His passage is a loss to us all. His life enriched us all.

SAFE SCHOOLS ACT OF 1993

(Mr. ENGEL asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ENGEL. Mr. Speaker, I want to make our colleagues aware that along with Senator DODD and my colleagues, Mr. OWENS and Mr. SERRANO, I have introduced the Safe Schools Act of 1993, which would provide $75 million to combat crime and violence in our Nation's schools. It would give local districts the flexibility to spend that money with a plan as they see fit to combat drugs and violence in the schools.

Let me relate some shocking statistics.

According to a 1990 survey by the National Centers for Disease Control, 1 in 5 high school students carries a weapon at least once a month in America for self-protection or use in a fight.

In 1991, a U.S. Department of Justice statistic showed that approximately 100,000 students of the Nation's 45 million students bring guns to school.

In 1992, the American Medical Association reported that guns had become second only to automobile accidents as the leading cause of death among young adults.

According to the national crime survey, almost 3 million crimes occur on or near school campuses every year, which breaks down to 16,000 per school day, or one every 6 seconds.

Mr. Speaker, we cannot wait any longer. I urge my colleagues to pass this bill. President Clinton and Secretary Riley both are on board. America needs this law.

RESTORING U.S. LEADERSHIP IN POPULATION STABILIZATION

(Mrs. MORELLA asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. MORELLA. Mr. Speaker, today my friend TONY BEILENSON and I have introduced the International Population Stabilization and Reproductive Health Act, legislation which will restore U.S. global leadership in efforts to curb population growth and improve access to family planning services worldwide. Senators BINGAMAN and SIMPSON have introduced similar legislation in the Senate.

In recent years, it has become evident that population growth is a critical factor in air and water pollution, deforestation, civil unrest, and political instability. Moreover, the status of women in a particular country directly corresponds to its ability to achieve sustainable development and reduce fertility rates.

With this in mind, our legislation establishes population stabilization as a principal objective of U.S. foreign policy, authorizes increased funding for family planning services, literacy and education programs for women and girls, basic health and nutrition programs for women and children, and the bill establishes an AIDS prevention and control fund for research, treatment, and prevention of AIDS around the world.

This bill is not about more foreign assistance. It is about foreign assistance priorities. I urge my colleagues to join in support of this vitally needed legislation.

SENDING THE AMERICAN DREAM ABROAD

(Mr. APPLEGATE asked and was given permission to address the House for 1 minute.)

Mr. APPLEGATE. Mr. Speaker, I would like to praise LEE HAMILTON and BEN GILMAN for doing what they have done in cutting down on the foreign aid package.

Let me say that foreign aid in my district is anathema. People do not like it. I have high unemployment. We are losing businesses and jobs, we are losing our young people. Our people are losing their health insurance. The quality of life is leaving. They cannot buy the cars, they cannot get the education, house, clothe and feed their families like they once did.

Why? Because we are sending our jobs to other countries in the world. Yet we are asking our people to cough up more money in taxes, and asking more domestic programs to be cut so that other people in the world can enjoy the things that we want to enjoy with our own money.

Since 1980 we have spent $3 trillion on defense to defend a lot of these countries of the world, who then in turn burn our flag, condemn our people and, yes, in some instances they kill our kids. And I am just saying, let us use some common sense. Let us listen to the American people for a change.

□ 1030

A MESSAGE FOR THE PRESIDENT

(Mr. HOKE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HOKE. Mr. Speaker, this morning I have a message for the President of the United States.

Like the words of the song, "Pick yourself up, dust yourself off, and start all over again."

We have 3½ years to go here, and we want to have a fair fight. Mr. President, the American people do not appreciate piling on. They do not like the idea of kicking somebody when they are down. They like to see a fair fight, and we would like you to get back up on your feet and get back into the ballgame with us.

Can you not hear what they are saying to you? They are beckoning to you, Mr. President—come back, come back to us—do the things that you pledged, keep the promises that you made during the campaign, reduce taxes on the middle class, cut the deficit by 50 percent, put in place those structural reforms that you promised us that will in fact lead to permanently balanced budgets.

And when you do quit fumbling and bumbling from one misstep to the next, we will be there again to challenge you on a daily basis so that we can have a complete debate in this country.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. FIELDS of Louisiana). The gentleman should address his remarks to the Chair, not to the President.

FOREIGN OPERATIONS, EXPORT FINANCING, AND RELATED PROGRAMS APPROPRIATIONS ACT, 1994

Mr. DERRICK. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 200 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 200

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. 2295) making appropriations for foreign operations, export financing, and related programs for the fiscal year ending September 30, 1994, and making supplemental appropriations for such programs for the fiscal year ending September 30, 1993, 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. After general debate, which shall be confined to the bill and the amendment in the nature of a substitute recommended by the Committee on Appropriations and which shall not exceed one hour equally divided and controlled by the chairman and ranking minority member of the Committee on Appropriations, the pending question shall be the adoption of the amendment in the nature of a substitute recommended by the Committee on Appropriations now printed in the bill. The committee amendment in the nature of a substitute shall be designated and shall be debatable for twenty minutes equally divided and controlled by the chairman and ranking minority member of the Committee on Appropriations. All points of order against the committee amendment in the nature of a substitute, and against provisions in the bill if so amended, are waived. If the committee amendment in the nature of a substitute is adopted, then the bill as so amended shall be considered as the original bill for the purpose of further amendment under the five-minute rule and shall be considered as read. 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, shall not be subject to amendment except as specified in the report, and shall not be subject to a demand for division of the question in the House or in the Committee of the Whole. 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 finally adopted. Any Member may demand a separate vote in the House on any amendment adopted in the Committee of the Whole to the bill or to the committee amendment in the nature of a substitute. 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.

The SPEAKER pro tempore. The gentleman from South Carolina [Mr. DERRICK] is recognized for 1 hour.

Mr. DERRICK. Mr. Speaker, for the purpose of debate only, I yield the customary 30 minutes to the gentleman from New York [Mr. SOLOMON], pending which 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 200 will allow the House to consider H.R. 2295, the Foreign Operations Appropriations Act for fiscal 1994. The rule provides for 1 hour of general debate equally divided and controlled by the chairman and ranking minority member of the Committee on Appropriations. The rule waives all points of order against consideration of the bill.

The rule provides that after general debate, the pending question shall be the adoption of the amendment in the nature of a substitute recommended by the Committee on Appropriations and now printed in the bill. The committee amendment in the nature of a substitute shall be debatable for 20 minutes equally divided and controlled by the chairman and ranking minority member of the committee on Appropriations. All points of order against the committee amendment in the nature of a substitute and against provisions in the bill if amended are waived.

The rule provides that if the committee amendment in the nature of a substitute is adopted, then the bill as amended shall be considered as the original bill for the purpose of further amendment under the 5-minute rule and shall be considered as read.

Under the rule, no further amendment to the bill is in order except for the amendments printed in the report of the Committee on Rules accompanying this resolution. Each amendment may be offered only in the order printed and by the named proponent or a designee. The amendments shall be considered as read and shall be debatable for the time specified in the report equally divided and controlled by the proponent and an opponent.

The amendments shall not be subject to amendment except as specified in the report and shall not be subject to a demand for division of the question in the House or in the Committee of the Whole.

Finally the rule provides for one motion to recommit with or without instructions.

Mr. Speaker, H.R. 2295 is the foreign operations, export financing and related programs appropriations bill for 1994. The bill provides for $13 billion in new budget authority for fiscal year 1994 which is $956 million below the amount appropriated for fiscal year 1993 and is $1.4 billion below the President's request.

Recommendations in this bill reflect several new trends which include continuing deficit reduction. The bill contains large reductions in virtually all accounts and will require new approaches to the delivery of aid.

The bill displays a new policy emphasis on emerging democracies and provides a total of $2.5 billion in technical and humanitarian assistance for the new Independent States of the former Soviet Union and $400 billion for Eastern Europe and the Baltics.

The bill also reflects a continuing shift from security and military assistance to economic development and the alleviation of poverty. The bill places special emphasis on children and provides $530 million for child survival activities through the Agency for International Development and UNICEF. The bill also provides funding for basic education, displaced children, and for children in Romania and Cambodia.

The bill provides $785 million for export and trade related programs and provides a subsidy appropriation of $700 million for the Export Import Bank and $40 million for the Trade and Development Agency which is the same level of funding provided last year.

In the security assistance programs, the committee has recommended significant spending reductions. For the

Economic Support Fund, the Committee has provided $2.3 billion which is a reduction of $217 million from the President's request.

The bill also contains $219 million for the Peace Corps and $100 million for international narcotics control and provides funding for various environmental initiatives including the United Nations Environment Fund and AID's Office of Energy. The bill provides $20 million for biodiversity programs and $15 million for the Montreal Protocol Facilitation Fund.

Mr. Speaker, House Resolution 200 will expedite consideration of this important bill. I urge my colleagues to support the rule and the bill.

Mr. Speaker, I reserve the balance of my time.

Mr. SOLOMON. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I oppose this rule because it severely limits the right of House Members to offer amendments to this foreign operations appropriations bill.

Only four first-degree amendments are made in order by this rule, plus one second-degree, substitute amendment by the chairman of the Foreign Operations Subcommittee.

Mr. Speaker, we have strongly protested restrictive rules on appropriations bills before because they take away the most fundamental constitutional prerogative of this House, and that is the power of the purse.

Under this rule, Members will not be allowed to offer the usual amendments to reduce or strike amounts appropriated by this bill. That is a travesty on the rights of this House, its Members and the people we represent who want us to cut spending.

And believe me, we are talking about real money, lots of dollars, big bucks, in this foreign aid bill—nearly $13 billion for fiscal year 1994, and over $1.5 billion in supplemental funds for the current fiscal year.

If ever we needed to exercise our control over the purse strings and make spending cuts, this is the bill. And yet, this rule denies us that full right.

Mr. Speaker, some 33 amendments were submitted to the Rules Committee on this bill. And while some were withdrawn, and others required waivers, several legitimate cutting amendments were denied by the Rules Committee. Those Members, Republicans and Democrats alike, and the people they represent, are being disenfranchised by this rule.

Mr. Speaker, I am grateful to the Rules Committee for making in order my amendment to reduce spending for the Export-Import Bank, as well as the amendment I have cosponsored with the gentleman from Alabama [Mr. CALLAHAN], and Mr. MFUME and Mr. RANGEL to delete the $1.6 billion for the former Soviet Union.

But I regret that other Members of this House will not have the same right to reduce or strike spending items that they think are excessive. That is the way it should be and has been in the past. Let's not forfeit this fundamental power we have over the purse strings of this Government by acceding to such restrictive rules.

Mr. Speaker, I think it is again important to point out that this is the second general appropriations bill to come through the Rules Committee to this floor in this session. And it is the second time the chairman of the Appropriations Committee has not requested a rule.

Once again the subcommittee chairmen rather than the chairman are requesting these rules. I think that is wrong.

I again want to commend the full committee chairman Mr. NATCHER on the principled stand he has taken in trying to avoid coming to the Rules Committee to protect unauthorized and legislative provisions in these bills. He is standing up for the regular authorizing and appropriations process.

Only when we begin to put our foot down on these matters will we begin to restore the committee system and a strong authorization-appropriations process in this House.

We can't very well point the finger at the other body for legislating on appropriations bills when our own dirty fingerprints are all over such provisions as well.

Mr. Speaker, I appreciate the fact that the entire bill in this case would have been subject to a point of order had we not granted this rule since the authorization bill has not been enacted.

To remedy this, we offered an alternative open rule up in the Rules Committee yesterday. It would have waived clause 2 of rule XXI against the unauthorized provisions in the bill, but not against legislative language.

That would have been a fair and reasonable compromise, it seems to me, yet it was rejected on a party line vote.

Mr. Speaker, I urge the defeat of this restrictive rule so that we can once again allow House Members to work their will on amendments to cut spending as they have for most of the 205-year history of this House.

On the bill itself, I have many concerns, but the one that bothers me most is the $2.5 billion giveaway to the former Soviet Union, $1.6 billion of which is in the form of a supplemental for 1993.

Mr. Speaker, yesterday on the floor I argued that it was necessary to secure reimbursement for the majority of our aid to the former Soviet Union, and we passed my amendment, a sense-of-the-House amendment to that effect.

I also spoke in favor of the Kyl amendment which would have reduced the authorization for Russia aid by $700 million.

The reasons I gave were fiscal restraint and accountability to the voters. The same reasons dictate that we defeat this appropriation bill here today. A $2.5 billion giveaway is simply indefensible in this day of $300 billion deficits and tax increases, and the voters won't stand for it!

But further, Mr. Speaker, I would like to take issue with the substance of the administration's Russian aid package itself, which is not questioned in either this bill or the authorization bill we passed yesterday.

First, as I stated yesterday, almost none of this aid is reimbursable. It is nearly all in the form of grants. Meanwhile, our main competitor, Japan, has quietly offered their aid package for Russia and 82 percent of it is reimbursable. Once again, we are the sugar daddy and Japan laughs all the way to the bank.

Yesterday, this House passed my amendment that expressed the sense of Congress that a similar percentage of our aid to Russia ought to be reimbursable. This was a step in the right direction, but there needs to be more teeth put into this concept.

Second, there ought to be an acid test applied to every penny of this aid, even if it is reimbursable, and that is: Does it promote the building of democratic and free market institutions in the recipient country?

Mr. Speaker, the administration's program does not meet this test.

Let's take a look at three of the Clinton proposals which account for well over half of what the administration promised at Tokyo in April.

First, $500 million for a privatization fund. Now who, except for perhaps the Nation magazine, is not for privatization? But providing subsidies for these newly privatized firms is highly problematic. These firms will mostly be run by the same bureaucrats who ran them under Communism.

They are bound to maintain a cozy, non-market oriented relationship with government ministries. You can just see the enormous potential for politicization and corruption with this fund.

Second, $150 million in assistance for the state-owned oil and gas sector, which is still a monopoly and is subject to controls that keep prices well below market.

Mr. Speaker, these two ideas will likely lead not to the marketization of Russia, but to a continued state corporation.

Third, $150 million to build houses for returning Russian soldiers.

This is outrageous. At a time when we are sending our own soldiers out into the cold, we are going to build houses for an occupation army? Besides, the program is unnecessary. All reports are that the Russian withdrawal is proceeding anyway.

So tell me, why would we want to engage in centrally planned ransom, when this is something the Russians should do, and are already doing?

Mr. Speaker, the administration has fashioned an aid package for Russia which is based mostly on the very government-to-government aid that has failed so miserably in the Third World.

It is the very sort of aid which we on the Gephardt codel to Russia were warned to avoid.

Several reformist Russian parliamentarians reiterated these sentiments here in Congress in May. These are the people who know their system best. They live with the corruption every day. They are no doubt laughing at our naivete at this very moment.

Mr. Speaker, the best thing we could do right now is reject H.R. 2295.

It would allow us to fashion a new approach to foreign aid; one that requires small budgets, requires reimbursement for more of our aid, and one that sunsets programs that perpetuate the statist mentality in the recipient countries.

If we had an open rule, we could operate and remedy these failures that are prevalent throughout this bill.

Defeat this rule and let the entire House work its will.

H. RES.__ PROVIDING AN OPEN RULE FOR THE FOREIGN OPERATIONS APPROPRIATIONS BILL (H.R. 2295)

"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. 2295) making appropriations for foreign operating, export financing, and related programs for the fiscal year 1994, and making supplemental appropriations for such programs for the fiscal year ending September 30, 1993, and for other purposes, and the first reading of the bill shall be dispensed with. After general debate which shall be confined to the bill and the amendment made in order by this resolution, and which shall not exceed one hour to be equally divided and controlled by the chairmen and ranking minority member of the Committee on Appropriations, the bill shall be considered for amendment under the five-minute rule. The provisions of clause 2, rule XXI are waived only against unauthorized programs and provisions but not with respect to any legislative provisions. 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. 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."

Explanation: This amendment to the proposed rule provides for a one-hour, open rule for the consideration of H.R. 2295, the Foreign Operations Appropriations bill for fiscal year 1994. The rule waives clause 2 of rule XXI only against the unauthorized programs and provisions in the bill but not against any legislative provisions.

AMENDMENTS SUBMITTED TO H.R. 2295 FOREIGN OPERATIONS APPROPRIATIONS ACT, FY 1994

1. Burton—Cuts $41 million in development aid, the amount requested for Developmental Aid to India.

2. Burton—Cuts International Military Education and Training (IMET) funding by $345,000, the amount requested for India.

3. Inslee—Reduces the funding for Foreign Operations (except AID-Population development assistance) by 1% and increases the Population development assistance fund by the aggregate amount reduced.

4. Conyers—Increases from $979 million to $1,744 billion the amount allocated to DoD for the purpose of providing assistance to the former Soviet Union. The $765.5 million increase is then to be directed to the DoL for funding a summer jobs program for poor American youths.

5. Callahan—Strikes Title VI, supplemental appropriations for the former Soviet Union.

6. Callahan—Strikes Title VI, supplemental appropriations for the former Soviet Union.

7. Kyl—Strikes $703.820 million out of assistance for former Soviet Union, leaving $200 million.

8. Solomon—Strikes FY 1994 funds for aid to the former Soviet Union.

9. Solomon—Strikes 50% of $979 million in FY 1993 supplemental funds, to be disbursed through DoD, for aid to the former Soviet Union.

10. Solomon—Strikes 50% of $630 million in FY 1993 supplemental funds designated as foreign assistance funds for the former Soviet Union.

11. Solomon—Strikes the $979 million supplemental FY 93 appropriation for the former Soviet Union under the heading of "Department of Defense, Operation and Maintenance". (Same as Delay #29)

12. Solomon—Reduces assistance for the New Independent States of the Former Soviet Union from $903,820,000 to $451,910,000.

13. Solomon—Reduces appropriations for the Export-Import Bank from $700,000,000 to $621,767,018.

14. Solomon—Strikes the $630,000,000 supplemental FY 93 appropriations for the former Soviet Union under the heading of "Assistance for the New Independent States of the former Soviet Union".

15. Traficant—Across-the-board cut of 10% except for Contributions to the International Development Association; Contribution to the Inter-American Development Bank—Fund for Special Operations; Contribution to the Asian Development Fund; Contribution to the African Development Fund; International Organizations and Programs; Development Assistance Fund; Population, Development Assistance; Development Fund for Africa; African Development Foundation; Inter-American Foundation; Peace Corps; International Narcotics Control; and Trade and Development Agency.

16. Traficant—Across-the-board cut of 5% with the same exceptions as amendment #15.

17. Traficant—Aross-the-board cut of 1% with the same exceptions as amendment #15.

18. Goodling—Prohibits IMET funds to nations that do not maintain a 25% vote with the U.S. in the UN General Assembly. Exempt humanitarian and developmental assistance, and narcotics-related assistance.

19. Orton—Strikes the Housing Guaranty Program Account ($134,317,000).

20. Durbin—Conditions aid to Russia on a Presidential certification that (1) Russian and CIS forces have been withdrawn for the Baltic states or negotiated agreements between Russia and the Baltics have been completed, including a timetable for withdrawal; and (2) Russia has undertaken good faith efforts to end other military practices that violate the sovereignty of the Baltics or interfere in Baltic airspace or territorial waters, has not introduced additional troops into the Baltics without Baltic permission, and has not imposed an economic blockade or interrupted energy supplies. Contains exception for funds for officer housing and for food, clothing, medicine, other humanitarian supplies.

21. Kasich—Strikes paid-in capital contribution to the International Bank for Reconstruction and Development (IBRD)($55,821,000) and the corresponding provision on limitation on callable capital contribution to the IBRD.

22. Kasich—Reduces the paid-in capital contribution to the International Bank for Reconstruction and Development (IBRD) from $55,821,000 to $40,000,000. Reduces the corresponding callable capital contribution to the IBRD from $1,804,879,000 to $1,293,333,400.

23. Kasich—Strikes paid-in capital contribution to the Asian Development Bank (ADB)($13,026,366) and the corresponding provision on limitation on callable capital contribution to the ADB.

24. Kasich—Reduces the amount for operating expenses of the Agency for International Development from $501,760,000 to $476,672,000.

25. Roth—Requires the President to deobligate unexpended funds which have remained obligated for a period of more than 3 years but have not been expended. Grants the President authority to waive this requirement on a case-by-case basis.

26. Rangel—Strikes the total amount of aid for the former Soviet Union, including the $1.6 billion FY '93 supplemental and the $904 million FY '94 appropriation.

27. Smith (TX)— Establishes a reserve account for salaries and expenses, beginning with FY '94, of 5% of the amount incurred for those salaries and expenses for the previous year. Provides that the President make recommendations to Congress as to the use of the reserve funds and provides fast track procedures for consideration of the President's recommendations.

28. DeLay—Prohibits any funds in this act to be used for elephant conservation of preservation. ($7 million)

29. DeLay—Deletes section containing $979 million in FY 1993 supplemental funds, to be disbursed through DoD, for aid to the former Soviet Union.

30. DeLay—Prohibits any funds in this act to be used in any way to encourage or allow entry into this country an alien with AIDS or infected with HIV.

31. Brown (CA)—Strikes the exemption which allows AID to pursue activities in the informal sector that contribute to the violation of internationally recognized worker rights.

32. Obey—Substitute to Burton #1, Reduces appropriation for Development Assistance from $816,000,000 to $811,900,000.

33. Rangel—Limitation on funds for provisions relating to Cuba.

AMENDMENTS MADE IN ORDER TO H.R. 2295, FOREIGN OPERATIONS APPROPRIATIONS ACT, FY 1994

A committee amendment in the nature of a substitute printed in the bill to be considered as pending (20 minutes).

(Listed in the order they will appear in the report.)

1. Kasich (#21)—Strikes paid-in capital contribution to the International Bank for Reconstruction and Development (IBRD) ($55,821,000) and the corresponding provision on limitation on callable capital contribution to the IBRD (30 mins).

2. Burton (#1)—Cuts $41 million in development aid, the amount requested for Developmental Aid to India (20 mins).

3. Obey (#32)—Substitute amendment to Burton (20 mins).

4. Solomon (#13)—Reduced appropriations for the Export-Import Bank from $700,000,000 to $696,421,462 (30 mins).

5. Callahan/Solomon/Mfume/Rangel (#5)—Strikes Title VI, supplemental appropriations for the former Soviet Union (60 mins).

OPEN VERSUS RESTRICTIVE RULES—95TH–103D CONGRESS

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
103rd (1993–94)	22	5	23	17	77

[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 bills 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 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 percentages are restrictive rules as a percent of total rules granted.

Sources: Rules Committee Calendars & Surveys of Activities, 95th–102d Congress; "Notices of Action Taken," Committee on Rules, 103d Congress, through June 17, 1993.

OPEN VERSUS RESTRICTIVE RULES—103D CONGRESS

Rule number and date reported	Rule type	Bill number and subject	Amendments 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: 248–163 (3/3/93)
H. Res. 119—Mar. 17, 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	1335: Emergency supplemental approps	37 (D–8; R–29)	1 (not submitted) (D–1; R–0)	A: 240–185 (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–6)	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)	A: 244–176 (06/15/93)
H. Res. 197—June 15, 1993	MO	H.R. 2333: State Dept	53 (D–20; R–33)	27 (D–12; R–15)	A: 294–129 (6/16/93)
		H.R. 2404: Foreign Aid			
H. Res. 199—June 16, 1993	C	H.R. 1876: Ext. of "Fast Track"	N/A	N/A	
H. Res. 200—June 16, 1993	MC	H.R. 2295: For. Ops. appropriations	33 (D–11; R–22)	5 (D–1; R–4)	

Code: C-Closed; MC-Modified closed; MO-Modified open; O-Open; D-Democrat; R-Republican; PQ: Previous Question; A-Adopted; F-Failed.

□ 1050

Mr. DERRICK. Mr. Speaker, for purposes of debate only, I yield 2 minutes to the gentleman from New Mexico [Mr. RICHARDSON], the chief deputy whip.

Mr. RICHARDSON. Mr. Speaker, I rise in strong support of the rule and this bill.

This is the key bill that fuels our foreign policy. The cornerstone of the Clinton foreign policy is in this bill. Let us allow the President to run foreign policy.

I can remember many times when my colleagues on the other side supported President Bush on his foreign policy initiatives. We have a new President. He is going to be in Tokyo for the G–7 meetings. The worst thing that we could do is to send a signal that we are not supporting the President on his Soviet aid package, that we are not supporting the President on his Middle East peace process, that we are not supporting the President on a very constructive increase in development assistance for Africa. This bill emphasizes development assistance over military assistance.

Mr. Speaker, there is a killer amendment, the amendment on Soviet aid, the Callahan amendment. We should reject that very strongly.

What are the Soviet people going to think if the United States cannot deliver? What are our allies in Europe going to think if they perceive the United States as weak in supporting the Soviet aid package?

Passage of this bill is in our interest. America will make money. American business will make money from the Soviet package. We spent billions of dollars on the cold war. Now this small amount of money can help win the peace.

Mr. Speaker, let us not embarrass President Clinton on his first foreign policy test. These are the first foreign policy votes we are casting in the House. This is an enormously important bill. The rule is fair.

The Burton amendment that we defeated yesterday is up again in a show of fairness.

Mr. Speaker, later today we will vote on the foreign aid appropriations bill, a bill I support because it is money spent in America's self-interest. Part of that bill appropriates funds for Russia.

I can think of few things that rival in importance our efforts to cultivate democracy in the former Soviet Union. As a nation, it is in our economic and security interest to ensure that Russia move peacefully to democracy and a market economy. As the Russian economy gains strength:

Our markets will grow; our exports will increase; new American jobs will be created; and the U.S. economy will benefit.

In addition, this bill provides $400 million to support the dismantling of nuclear weapons, obviously providing a lasting benefit to each and every American.

Mr. Speaker, we have literally spent trillions of dollars to win the cold war. It would be a cruel and unforgivable act to balk today and block the appropriation of a few billion dollars to help win the peace.

The SPEAKER pro tempore. The time of the gentleman from New Mexico [Mr. RICHARDSON] has expired.

Mr. DERRICK. Mr. Chairman, I yield 1 additional minute to the gentleman.

Mr. RICHARDSON. Mr. Speaker, I would like to ask the gentleman from South Carolina, it is my understanding this is an eminently fair rule.

Did we not yesterday vote on the same amendment of the gentleman from Indiana on India?

Mr. DERRICK. Mr. Speaker, if the gentleman will yield, the answer is yes, and we will have an opportunity to vote again today on basically the same thing.

It is a very fair rule. It was worked out by those on the majority and the minority, and it is a fair rule.

Mr. RICHARDSON. Mr. Speaker, I think the gentleman from Wisconsin

has been enormously constructive in his efforts to develop a bipartisan bill, and with my good friend from New York also.

I am surprised at his concern over the rule. I participated in many meetings where it was emphasized that Members of the minority were getting most everything that they wanted in terms of the rule.

Mr. Speaker, I yield to my colleague, the gentleman from New York, to ask if that is not correct.

The SPEAKER pro tempore. The time of the gentleman from New Mexico [Mr. RICHARDSON] has again expired.

Mr. SOLOMON. Mr. Speaker, I yield myself such time as I may consume.

Let me just say as the gentleman leaves the well that I have great respect for him, as he knows.

But you know, for 205 years on the floor of this body, Mr. Speaker, we have always had the right to offer legitimate germane striking amendments. We are not allowed on this.

Again, I was gracious to the subcommittee chairman. We have great respect for him, but the truth of the matter is there are Members on both sides of the aisle that are being denied.

We do thank the gentleman for making the amendments in order that they did, but again every Member, all 435 of us, ought to have the right to work our will.

Having said that, Mr. Speaker, I yield 5 minutes to the gentleman from Illinois [Mr. PORTER], a member of the Committee on Appropriations.

Mr. PORTER. Mr. Speaker, I thank the distinguished gentleman from New York for yielding me time. I plan to make comments on the bill when we get to general debate, but I want to take a moment to reflect on one aspect of this bill with which I have been involved with for some years.

Since I have been a member of the Foreign Operations Subcommittee, the members of the subcommittee and the House as a whole have struggled to find the proper balance in our Nation's relationship with our allies in the eastern Mediterranean, Greece and Turkey.

Turkey was a cold war ally who has deemed crucial to our defense along the southern flank of the Soviet Union and now has a role to play in guiding the newly crated Moslem majority nations of Central Asia to take the path of secularism and eschew the militant fundamentalism of Iran and Iraq. Greece has been a strong, supportive ally of the United States in every war this country and is playing a very positive, moderating role in the potentially explosive Balkan situation. It is beneficial for the United States to have close relations with both Greece and Turkey and the subcommittee has gone out of its way to treat the two nations comparably.

I believe, however, that we have come to a point where we must reassess carefully our relations with Turkey. In a time of very tight foreign assistance budgets—sending this year is approximately 50 percent of what it was in 1985—we obviously must prioritize our spending. I believe that we should base difficult spending decisions on shared values with the nations we assist, and Turkey is a nation that must improve substantially in several areas.

Turkey is cited by the United States Department and all the major human rights groups as having an abysmal human rights record. As chairman of the Congressional Human Rights Caucus I try to assess the general direction a country is going in with respect to its human rights practices. If the country is genuinely trying to improve its human rights record and is getting incrementally better—even though they may not yet be up to international standards—I consider that to warrant ongoing support.

I am sorry to say that I have seen no signs that Turkey is moving in the right direction. On the contrary, human rights conditions in Turkey remain medieval. Arbitrary arrests, torture in detention, and terrible prison conditions are everyday facts of life in Turkey despite constant United States calls for improvements. In addition, although Turkey has legitimate security concerns regarding the Kurdish separatist movement, the PKK, Turkey's treatment of its own Kurdish population is simply unacceptable.

Turkey's failure to use its influence to resolve the ongoing division of Cyprus is also a very problematic aspect of our relationship that is severely hampering closer relations. Last year, the Appropriations Committee indicated that it would carefully monitor the positions adopted by all parties in the last year's U.N. talks. After the talks ended inconclusively, the U.N. Secretary General and the Security Council implicitly blamed Mr. Denktash for adopting an intransigent position at odds with the Set of Ideas drafted by the U.N. after consultations with both sides.

The report to the foreign assistance authorization bill that passed yesterday reflects very accurately that the Turkish-Cypriots—who are supported by 35,000 Turkish troops on the island of Cyprus—refused to negotiate in good faith and calls on them to adopt a more cooperative approach. The Foreign Affairs Committee also makes it clear that it believes that the Turks are a key to solving this ongoing problem and calls on them to use their influence to bring about a resolution.

Mr. Speaker, I am very concerned that we are providing $125 million in cash grants and $405 million in loans to buy military items to a nation whose values apparently so sharply deviate from our own. I strongly support the underlying bill for many, many reasons, I commend the chairman for bringing it to the floor and I urge Members to vote for it. At the same time, I urge Members to keep an eye on Turkey and judge for themselves during the next year whether its human rights practices and position on Cyprus warrant continued high levels of assistance.

□ 1100

Mr. SOLOMON. Mr. Speaker, I yield 3 minutes to the distinguished gentleman from Wisconsin [Mr. ROTH], a member of the Committee on Foreign Affairs with whom I served on that committee for many, many years and a classmate of mine.

Mr. ROTH. Mr. Speaker, I thank the gentleman from New York [Mr. SOLOMON], my friend, for yielding this time to me. I enjoyed working on the Committee on Foreign Affairs with him, and I wish he were still on the Committee on Foreign Affairs.

Mr. Speaker, the reason I speak on this rule is because sometimes it is not easy to understand the rationale that governs the Committee on Rules. It is almost as if the guidelines for the Committee on Rules revolve solely around whim and caprice.

The reason I say that is because I had a very important amendment before the Committee on Rules and asked that this amendment be ruled in order. Two years ago, the House adopted this same amendment during action on the foreign aid bill. Now, when it is preeminently the time to address the question of AID funding, the Committee on Rules has refused to allow the amendment.

Two years ago, the Committee on Rules allowed this very amendment, and this amendment was approved by this body, 216 to 203, although leadership was opposed to it and although most of the committee was opposed to it. But when the Members came to the floor of the House to vote, Mr. Speaker, they voted for it.

It was inspiring for me to see the Members assert themselves when they voted for my amendment. Of course, when the House-Senate conference committee met subsequently, the power structure reasserted itself, and the conference refused to accept this amendment, even though this House had voted 216 to 203 to accept the amendment.

So, the Committee on Rules, by their action on this rule, is really thwarting the will of this House; not the leadership and the committee chairman, but the Members. This rule before us prevents the House from a full, and fair and free debate.

Many Members have real questions about this bill, and I ask the members of the Committee on Rules, "What are you afraid of? Why didn't you allow this amendment? The House voted on it 2 years ago and they approved it."

There are other real questions about this bill. This bill will send $12 billion overseas, just weeks after the majority passed the largest tax increase in history, including a $29 billion tax on seniors' Social Security benefits. Mr. Speaker, America is overextended and we must focus on our domestic problems for a change. We must have a free and open debate on foreign aid. I ask my colleagues to vote against this rule so that the Committee on Rules will make in order amendments like mine that this entire House should debate and decide. It is not fair for the Committee on Rules to shut off the entire House by saying: "No, you can't vote on this amendment."

Mr. Speaker, the majority leadership is proposing that only five amendments be allowed to this bill.

If this rule is adopted, Members will be prevented from offering amendments to all but a handful of the provisions of this legislation.

This is the foreign aid appropriations bill.

It contains: $7.3 billion in economic assistance to foreign countries, $1.8 billion in contributions to international financial organizations, and $3 billion in foreign military aid.

That is a total of $12.1 billion to be sent overseas.

But this proposed rule would allow only 5 amendments; and one of those is a substitute for another. So, there are really only four issues open for amendment.

It is clear from this rule that the Democrat leadership cares more about ramming foreign aid through Congress than it does for saving money for the American taxpayers.

Our national debt is $4.1 trillion.

Our annual deficit is $400 billion.

Even with a trillion dollars a year in revenues, one Federal dollar in three is borrowed money.

Interest costs of $200 billion a year eat up one tax dollar out of every five sent to Washington. And in the face of this fiscal disaster, what is the Democrats' priority?

Here it is—$12 billion in foreign spending.

I doubt whether the American people, if they knew what was going on, would approve of this bill.

Certainly the people of northeast Wisconsin would say "no."

In my annual questionnaire, with almost 30,000 responses, the vote against foreign aid is overwhelming—9 out of 10.

I am sure that sentiment is the same across our State.

So, I urge my colleagues to join with me today and vote "no" on this rule and vote "no" on foreign aid giveaways that the American people do not want and cannot afford.

And to the Democrat leaders of this House, I say: "If you are going to tax Social Security by $29 billion, just so you can push another $12 billion overseas, your day of reckoning with the American people is coming."

Mr. Speaker, this rule is not worthy of the democratic process. I thank the gentleman from New York [Mr. SOLOMON] for having yielded this time to me.

Mr. DERRICK. Mr. Speaker, I yield 2 minutes to the gentleman from Wisconsin [Mr. OBEY].

Mr. OBEY. Mr. Speaker, I just want to say that I never heard more nonsense in my life than I just heard from the previous speaker. If the gentleman is going to lecture the House on the rules, it would be nice if he understood them first. And the fact is that the gentleman's amendment, under an open rule, would not be allowed on this bill because it is a legislative amendment. The gentleman's amendment belongs on the authorization bill. He happens to be a member of the authorizing committee.

I say to the gentleman, "Don't blame the Appropriations Committee for not trying to legislate on an appropriations bill. We get lectured from your committee all the time about how we should not interfere in your jurisdiction. Your amendment would not be in order on this bill under an open rule, and, if you don't know it, you ought to, gentleman from Wisconsin."

The second point I will simply make is that every single amendment being allowed on this bill is a Republican amendment. Every single amendment being allowed is a Republican amendment.

Mr. SOLOMON. Mr. Speaker, will the gentleman yield?

Mr. OBEY. I yield to the gentleman from New York.

Mr. SOLOMON. Mr. Speaker, there is an exception, the amendment offered by the gentleman from Wisconsin [Mr. OBEY].

Mr. OBEY. No, Mr. Speaker, mine is a substitute. That amendment would be in order, under an open rule, to the Burton amendment. There is no change in the handling of the Burton amendment from what would be the case under an open rule. The gentleman from Indiana [Mr. BURTON] has an opportunity to offer his amendment. I would have a right to offer a substitute. That is the same if we were operating under an open rule.

So, Mr. Speaker, I think the gentleman from Wisconsin [Mr. ROTH] ought to go back and study the rules book before he asks the Appropriations Committee to legislate on an appropriations bill.

Mr. SOLOMON. Mr. Speaker, I yield myself such time as I may consume.

Let me just say to my good friend, the gentleman from Wisconsin [Mr. OBEY] who I have great respect for, that he is right, that the gentleman from Wisconsin [Mr. ROTH] would be legislating in an appropriations bill and that would not be allowed under an open rule.

However, Mr. Speaker, in most of the rules that come before this floor we waive those points of order to allow legislating in appropriations bills. We have done it for the gentleman walking down in the well now, for the gentleman from New Jersey [Mr. TORRICELLI], on many, many occasions, and I supported him.

I might also point out to my good friend, the gentleman from Wisconsin [Mr. OBEY], that he does have an amendment. It is a substitute amendment. But the truth of the matter is that this bill the gentleman brings to the floor would not be able to come to this floor under the rules of the House if we did not waive points of order because the bill is unauthorized. So I just point that out, being friendly about it.

Mr. ROTH. Mr. Speaker, will the gentleman yield?

Mr. SOLOMON. I yield to the gentleman from Wisconsin and ask him, "Aren't you from the same State as the gentleman, by the way?"

Mr. ROTH. We are neighbors, and we are good friends, and I thank the gentleman from New York [Mr. SOLOMON] for having yielded to me. He, the gentleman from New York, serves on this Committee on Rules. I have been before the Committee on Rules many, many times,

I think what it boils down to is: "If the Rules Committee says your amendment is germane, it's germane. If they say it isn't, it isn't."

That is about the size of it; is that not correct?

Mr. SOLOMON. It sure is.

Mr. Speaker, I really wish we were going to have the opportunity to debate and offer amendments on this floor dealing with the issue of aid for the former Soviet Union. The issue is whether we are going to give that aid in the form of grants and gifts, or whether we are going to give that aid in the form of a loan and credits, or whether we are going to barter the aid that we are giving, which means that they have to pay us back either in goods, in natural resources, in commodities, or in products that they produce in their country. But at least collateralize it, and make sure we are going to get repaid, the taxpayers are going to be repaid.

But we cannot have that debate on the floor here today, and that is too bad.

Mr. Speaker, having said all that, I would just urge defeat of the rule.

Mr. Speaker, I yield back the balance of my time.

□ 1110

Mr. DERRICK. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I would just like to comment on the rhetoric I have heard on this rule from across the aisle.

Members of the majority and the minority joined together in crafting this rule. It is a very fair rule. It allows quite a number of amendments.

The Members on the other side keep talking about a fair rule and an open rule. They do not really want an open rule, because when they tell us what they would like as far as an open rule is concerned, what they describe is not really an open rule. What they want is what they want, and if they cannot have it, then they start complaining about open rules. They vote for closed rules quite often in the Rules Committee.

Mr. Speaker, 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. ROTH. 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 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 263, nays 160, not voting 11, as follows:

[Roll No. 233]

YEAS—263

Abercrombie
Ackerman
Andrews (ME)
Andrews (NJ)
Andrews (TX)
Applegate
Bacchus (FL)
Baesler
Barca
Barlow
Barrett (WI)
Bateman
Becerra
Beilenson
Bereuter
Berman
Bevill
Bilbray
Bishop
Blackwell
Bonior
Borski
Boucher
Brewster
Brooks
Browder
Brown (CA)
Brown (FL)
Brown (OH)
Bryant
Byrne
Callahan
Cantwell
Cardin
Carr
Chapman
Clay
Clayton
Clement
Clyburn
Coleman
Collins (IL)
Collins (MI)
Condit
Conyers
Cooper
Coppersmith
Costello
Coyne
Cramer
Danner
Darden
Deal
DeFazio
DeLauro
Dellums
Derrick
Deutsch
Dicks
Dingell
Dixon
Dooley
Durbin
Edwards (CA)
Edwards (TX)
Engel
English (AZ)
English (OK)
Eshoo
Evans
Farr
Fazio
Fields (LA)
Filner
Fingerhut
Fish
Flake
Foglietta
Ford (MI)
Ford (TN)
Frank (MA)
Frost
Furse
Gejdenson
Gephardt
Geren
Gibbons
Gillmor
Gilman
Gingrich
Glickman
Gonzalez
Gordon
Green
Gunderson
Gutierrez
Hall (OH)
Hall (TX)
Hamburg
Hamilton
Harman
Hastings
Hayes
Hefner
Hilliard
Hinchey
Hoagland
Hochbrueckner
Holden
Horn
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)
Lightfoot
Lipinski
Livingston
Lloyd
Long
Lowey
Maloney
Mann
Manton
Margolies-Mezvinsky
Markey
Martinez
Matsui
Mazzoli
McCloskey
McCrery
McCurdy
McDermott
McHale
McKinney
McMillan
McNulty
Meehan
Meek
Menendez
Mfume
Michel
Miller (CA)
Mineta
Minge
Mink
Moakley
Mollohan
Montgomery
Moran
Murphy
Murtha
Nadler
Natcher
Neal (MA)
Oberstar
Obey
Olver
Ortiz
Orton
Owens
Pallone
Parker
Pastor
Payne (NJ)
Payne (VA)
Penny
Peterson (FL)
Peterson (MN)
Pickett
Pomeroy
Porter
Poshard
Price (NC)
Rangel
Reed
Reynolds
Richardson
Roemer
Rose
Rostenkowski
Rowland
Roybal-Allard
Rush
Sabo
Sanders
Sangmeister
Sarpalius
Sawyer
Schenk
Schroeder
Schumer
Scott
Serrano
Sharp
Shepherd
Sisisky
Skaggs
Skelton
Slattery
Slaughter
Smith (IA)
Spratt
Stark
Stenholm
Stokes
Strickland
Studds
Stupak
Swett
Swift
Synar
Tanner
Tauzin
Tejeda
Thompson
Thornton
Thurman
Torres
Torricelli
Towns
Traficant
Tucker
Unsoeld
Valentine
Velazquez
Vento
Visclosky
Volkmer
Washington
Waters
Watt
Waxman
Wheat
Whitten
Williams
Wise
Woolsey
Wyden
Yates

NAYS—160

Allard
Archer
Armey
Bachus (AL)
Baker (CA)
Baker (LA)
Ballenger
Barrett (NE)
Bartlett
Barton
Bentley
Bilirakis
Bliley
Blute
Boehlert
Boehner
Bonilla
Bunning
Burton
Buyer
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
Fowler
Franks (CT)
Franks (NJ)
Gallegly
Gallo
Gekas
Gilchrest
Goodlatte
Goodling
Goss
Grams
Grandy
Greenwood
Hancock
Hansen
Hastert
Hefley
Herger
Hobson
Hoekstra
Hoke
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)
Linder
Machtley
Manzullo
McCandless
McCollum
McHugh
McInnis
McKeon
Meyers
Mica
Miller (FL)
Molinari
Moorhead
Morella
Myers
Nussle
Oxley
Packard
Paxon
Petri
Pombo
Portman
Pryce (OH)
Quillen
Quinn
Rahall
Ramstad
Ravenel
Regula
Ridge
Roberts
Rogers
Rohrabacher
Ros-Lehtinen
Roth
Roukema
Royce
Santorum
Saxton
Schaefer
Schiff
Sensenbrenner
Shaw
Shays
Shuster
Skeen
Smith (MI)
Smith (NJ)
Smith (OR)
Smith (TX)
Snowe
Solomon
Spence
Stearns
Stump
Sundquist
Talent
Taylor (MS)
Taylor (NC)
Thomas (CA)
Thomas (WY)
Torkildsen
Upton
Vucanovich
Walker
Walsh
Weldon
Wolf
Young (FL)
Zeliff
Zimmer

NOT VOTING—11

Barcia
de la Garza
Fields (TX)
Henry
McDade
Neal (NC)
Pelosi
Pickle
Wilson
Wynn
Young (AK)

□ 1133

Messrs. THOMAS of Wyoming, KYL, and ROYCE changed their vote from "yea" to "nay."

Mr. BATEMAN changed his vote from "nay" to "yea."

So the resolution was agreed to.

The result of the vote was announced as above recorded.

A notion to reconsider was laid on the table.

The SPEAKER pro tempore. (Mr. FIELDS of Louisiana). Pursuant to House Resolution 200 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. 2295) making appropriations for foreign operations, export financing, and related programs for the fiscal year ending September 30, 1994, and making supplemental appropriations for such programs for the fiscal year ending September 30, 1993, and for other purposes.

□ 1133

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. 2295) with Mr. RICHARDSON 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 Wisconsin [Mr. OBEY] will be recognized for 30 minutes, and the gentleman from Louisiana [Mr. LIVINGSTON] will be recognized for 30 minutes.

The Chair recognizes the gentleman from Wisconsin [Mr. OBEY].

Mr. OBEY. Mr. Chairman, I yield 2 minutes to the gentleman from Kentucky [Mr. NATCHER], the distinguished chairman of the Committee on Appropriations.

Mr. NATCHER. Mr. Chairman, this is the second appropriations bill for fiscal year 1994 to come before the House.

I want to commend the gentleman from Wisconsin [Mr. OBEY], chairman of this subcommittee, and the gentleman from Louisiana [Mr. LIVINGSTON], the ranking minority member on the subcommittee. This is one of the most difficult bills to bring to the floor that we have on our Committee on Appropriations. All of the 14 Members composing the Subcommittee on Foreign Operations are able members of our committee and able Members of the House. I want to commend them on a good bill.

At this time, on the Committee on Appropriations, we have marked up 12

of our 13 bills in subcommittee. We have completed five full committee mark ups. Next week we have seven more scheduled.

Members on the committee from both sides of the aisle have helped, and I want my colleagues to know that I appreciate it. I want to commend the chairman of this subcommittee and the ranking member and all of the other subcommittee members for a job well done.

I urge adoption of this bill.

Mr. OBEY. Mr. Chairman, I yield myself 5 minutes.

Mr. Chairman, I simply want to say that the bill that we bring to the House today is an absolutely, totally bipartisan bill. As I said in the full committee and in the Committee on Rules, I do not think there was a partisan comment made through the entire consideration of this bill, including the hearing process. I want to very much express my appreciation to all the members of the subcommittee, and particularly to the ranking Republican on the subcommittee, the gentleman from Louisiana [Mr. LIVINGSTON], who has replaced our old friend, Mickey Edwards, as the ranking Republican on the subcommittee this year.

I would also like to thank the staff, Terry Peel and Bill Schuerch, Mark Murray, Lori Maes, Karen Brown, Mike Marek, and the minority staff, Dean Sachett, Jim Kulinowski, and Bob Lester, and all of the associate staff who worked to make this bill the bipartisan product it is today.

Mr. Chairman, a vote for this bill today will cut the President's request for foreign assistance by $1,400,000,000. It will reduce last year's expenditures by $1 billion. It will bring the bill in over $800 million below the committee's budget ceiling under the 602 authority for budget authority, and I think it represents an effort to do things in a very different way from past bills.

Two examples. One is the fact that this bill makes excruciating cuts in a number of accounts in the bill.

□ 1140

For example, when the administration finishes setting aside the funding that it is planning to use for the Middle East, we will be cutting for the rest of the world for economic support funds by 37 percent, and we will be cutting our foreign military aid by 52 percent for those same regions of the world. It will mean that this bill, which has been cut about 30 percent since I became chairman a number of years ago, is being cut by another $1 billion from last year's level. And yet within that squeezed bill we are able to meet the administration's request to fully fund assistance for the former Republics of the former Soviet Union.

We did that by receiving the cooperation of the Defense Appropriations Subcommittee chairman, the gentleman from Pennsylvania [Mr. MURTHA], and the ranking Republican on that subcommittee, the gentleman from Pennsylvania [Mr. MCDADE]. So we were able to take $979 million in allowed but unappropriated defense money and use it instead to fund the 1993 supplemental for Russian aid.

I would simply make one other point before yielding the floor. I know this is not a very popular bill to vote for. It is probably the most difficult appropriation bill, with the possible exception of the legislative appropriation bill, to bring before the House. But the fact is that there is a price for participation in the world. There is a price for leadership of the world if you intend to play a leadership role.

We are the only remaining superpower in the world, and it is in the interest of our taxpayers, it is in the interest of our young people who might otherwise have to fight in foreign wars for us to be making these limited kinds of expenditures, to try to stabilize the economic and social conditions which could otherwise lead to chaos and lead to conditions around the world which would require our direct military involvement.

I have never understood people who are willing to pay $200 or $300 billion a year to build the weapons of war, but are not willing to spend a tiny fraction of that amount, 1 percent of the budget, in order to try to create the economic and social conditions that can avoid the use of war as a tool of national policy. So I would simply say that if Members want to cast a vote for deficit reduction, vote for this bill.

The Russian aid which we are providing supplements something which has been going on since the Iron Curtain fell under President Bush's administration. The fact is we have been able to save well over $900 billion in military expenditures because Gorbachev and Yeltsin have been running the Soviet Union rather than the old boys who ran it before. This is a tremendous savings to our taxpayers. It is a tremendous blessing to the entire world.

This bill, for a tiny fraction of those savings, tries to tie down those political and economic gains. It is well worth the price, and I urge Members to give their bipartisan support for the product.

I include for the RECORD details of the expenditures in the bill, as follows:

FY 1994 FOREIGN OPERATIONS APPROPRIATIONS BILL (H.R. 2295)

	FY 1993 Enacted	FY 1994 Estimate	Bill	Bill compared with Enacted	Bill compared with Estimate
TITLE I - MULTILATERAL ECONOMIC ASSISTANCE					
FUNDS APPROPRIATED TO THE PRESIDENT					
International Financial Institutions					
World Bank Group					
Contribution to the International Bank for Reconstruction and Development:					
Paid-in capital	62,180,100	70,126,332	55,821,000	-6,359,100	-14,305,332
(Limitation on callable capital)	(2,010,512,700)	(2,267,418,063)	(1,804,879,000)	(-205,633,700)	(-462,539,063)
Contribution to the Global Environment Facility	30,000,000	30,810,000	30,000,000	.....	-810,000
Total, contribution to the International Bank for Reconstruction and Development	(2,102,692,800)	(2,368,354,395)	(1,890,700,000)	(-211,992,800)	(-477,654,395)
Contribution to the International Development Association	1,024,332,000	1,250,000,000	1,024,332,000	.....	-225,668,000
Contribution to the International Finance Corporation	35,761,500	50,000,000	35,761,500	.....	-14,238,500
Total, World Bank Group	(3,162,786,300)	(3,668,354,395)	(2,950,793,500)	(-211,992,800)	(-717,560,895)
Budget authority	1,152,273,600	1,400,936,332	1,145,914,500	-6,359,100	-255,021,832
Limitation on callable capital	(2,010,512,700)	(2,267,418,063)	(1,804,879,000)	(-205,633,700)	(-462,539,063)
Contribution to the Inter-American Development Bank:					
Inter-regional paid-in capital	56,466,000	57,313,368	56,166,000	-300,000	-1,147,368
Fund for special operations	20,272,000	20,576,000	20,164,000	-108,000	-412,000
(Limitation on callable capital)	(2,202,040,000)	(2,235,076,561)	(2,190,283,457)	(-11,756,543)	(-44,793,104)
Enterprise for the Americas Multilateral Investment Fund	90,000,000	100,000,000	75,000,000	-15,000,000	-25,000,000
Total, contribution to the Inter-American Development Bank	(2,368,778,000)	(2,412,965,929)	(2,341,613,457)	(-27,164,543)	(-71,352,472)
Contribution to the Asian Development Bank:					
Paid-in capital	38,014,303	13,026,366	13,026,366	-24,987,937	.....
Development fund	62,500,000	170,000,000	62,500,000	.....	-107,500,000
(Limitation on callable capital)	(278,518,000)	.....	(95,438,437)	(-183,079,563)	(+95,438,437)
Total, contribution to the Asian Development Bank	(379,032,303)	(183,026,366)	(170,964,803)	(-208,067,500)	(-12,061,563)
Contribution to the African Development Fund	103,893,000	135,000,000	132,300,000	+28,407,000	-2,700,000
Contribution to the European Bank for Reconstruction and Development:					
Paid-in capital	60,000,000	61,000,000	.....	-60,000,000	-61,000,000
(Limitation on callable capital)	(140,000,000)	(163,381,400)	.....	(-140,000,000)	(-163,381,400)
Total, contribution to the European Bank for Reconstruction and Development	(200,000,000)	(224,381,400)	.....	(-200,000,000)	(-224,381,400)
International Monetary Fund					
United States quota, International Monetary Fund	12,313,857,000	.....	.....	-12,313,857,000	.....
Total, contribution to International Financial Institutions	(18,528,346,603)	(6,623,728,090)	(5,595,671,760)	(-12,932,674,843)	(-1,028,056,330)
Budget authority	13,897,275,903	1,957,852,066	1,505,070,866	-12,392,205,037	-452,781,200
(Limitation on callable capital)	(4,631,070,700)	(4,665,876,024)	(4,090,600,894)	(-540,469,806)	(-575,275,130)
Department of State					
International organizations and programs	310,000,000	390,000,000	339,500,000	+29,500,000	-50,500,000
International Fund for Agricultural Development (by transfer)	(15,000,000)	.....	.....	(-15,000,000)	.....
Total, title I, contribution for Multilateral Economic Assistance	(18,838,346,603)	(7,013,728,090)	(5,935,171,760)	(-12,903,174,843)	(-1,078,556,330)
Budget authority	14,207,275,903	2,347,852,066	1,844,570,866	-12,362,705,037	-503,281,200
(Limitation on callable capital)	(4,631,070,700)	(4,665,876,024)	(4,090,600,894)	(-540,469,806)	(-575,275,130)
TITLE II - BILATERAL ECONOMIC ASSISTANCE					
FUNDS APPROPRIATED TO THE PRESIDENT					
Agency for International Development					
Development Assistance Fund	1,037,480,000	921,480,000	816,000,000	-221,480,000	-105,480,000
Population, development assistance	350,000,000	400,000,000	392,000,000	+42,000,000	-8,000,000
Sub-Saharan Africa:					
Development assistance	800,000,000	800,000,000	784,000,000	-16,000,000	-16,000,000
Africa disaster assistance	100,000,000	.....	.....	-100,000,000	.....
Private sector revolving fund:					
Operating expenses	1,347,000	.....	.....	-1,347,000	.....
Subsidy appropriations	4,057,000	.....	.....	-4,057,000	.....
(Estimated level of direct/guaranteed loans)	(81,319,000)	.....	.....	(-81,319,000)	.....
American schools and hospitals abroad	30,000,000	.....	.....	-30,000,000	.....
Transfer	500,000	.....	.....	-500,000	.....
International disaster assistance	48,965,000	148,965,000	145,985,000	+97,020,000	-2,980,000
Housing and other credit guaranty programs:					
Subsidy appropriations	16,407,000	16,407,000	16,078,000	-329,000	-329,000
Operating expenses	8,407,000	8,407,000	8,239,000	-168,000	-168,000
(Estimated level of guaranteed loans)	(150,000,000)	(110,000,000)	(110,000,000)	(-40,000,000)	.....
Subtotal, development assistance	2,397,163,000	2,295,259,000	2,162,302,000	-234,861,000	-132,957,000
Payment to the Foreign Service Retirement and Disability Fund	42,677,000	44,151,000	44,151,000	+1,474,000	.....
Operating expenses of the Agency for International Development	512,000,000	512,000,000	501,760,000	-10,240,000	-10,240,000
(By transfer)	(4,300,000)	.....	.....	(-4,300,000)	.....

FY 1994 FOREIGN OPERATIONS APPROPRIATIONS BILL (H.R. 2295)—Continued

	FY 1993 Enacted	FY 1994 Estimate	Bill	Bill compared with Enacted	Bill compared with Estimate
Operating expenses of the Agency for International Development Office of Inspector General	39,316,000	39,916,000	39,118,000	-198,000	-798,000
Debt restructuring	50,000,000	45,427,000	7,000,000	-43,000,000	-38,427,000
Subtotal, Agency for International Development	3,041,156,000	2,936,753,000	2,754,331,000	-286,825,000	-182,422,000
Economic Initiatives					
Economic support fund	2,670,000,000	2,582,000,000	2,364,562,000	-305,438,000	-217,438,000
Rescission			-185,000,000	-185,000,000	-185,000,000
International fund for Ireland	19,704,000	20,000,000	19,600,000	-104,000	+19,600,000
Assistance for the Philippines: Multilateral assistance initiative for the Philippines	40,000,000	40,000,000	20,000,000	-40,000,000	-40,000,000
Assistance for Eastern Europe	400,000,000	408,951,000	400,000,000		-8,951,000
Assistance for former republics of the Soviet Union	417,000,000	903,820,000	903,820,000	+486,820,000	
(1993 Supplemental - Foreign Operations)		(630,000,000)	(630,000,000)	(+630,000,000)	
(1993 Supplemental - Defense)		(979,000,000)	(979,000,000)	(+979,000,000)	
Demobilization and transition fund (by transfer)	(29,000,000)			(-29,000,000)	
Subtotal, Economic Initiatives	3,546,704,000	3,934,771,000	3,502,982,000	-43,722,000	-431,789,000
Total, Agency for International Development	6,587,860,000	6,871,524,000	6,257,313,000	-330,547,000	-614,211,000
Independent Agencies					
African Development Foundation					
Appropriations	16,905,000	16,905,000	16,905,000		
Inter-American Foundation					
Appropriations	30,960,000	30,960,000	30,340,000	-620,000	-620,000
Overseas Private Investment Corporation					
Loan subsidies:					
Direct		2,937,000	2,717,000	+2,717,000	-220,000
Guaranteed	9,800,000	6,863,000	6,348,000	-3,452,000	-515,000
Total	9,800,000	9,800,000	9,065,000	-735,000	-735,000
Operating expenses	8,128,000	8,128,000	7,518,000	-610,000	-610,000
(Limitation on direct loans)		(20,712,000)			(-20,712,000)
(Limitation on guaranteed loans)	(650,000,000)	(375,027,000)		(-650,000,000)	(-375,027,000)
Total, Overseas Private Investment Corporation	17,928,000	17,928,000	16,583,000	-1,345,000	-1,345,000
Total, Funds Appropriated to the President	6,653,653,000	6,937,317,000	6,321,141,000	-332,512,000	-616,176,000
Peace Corps					
Appropriations	218,146,000	219,745,000	219,745,000	+1,599,000	
Department of State					
International narcotics control	147,783,000	147,783,000	100,000,000	-47,783,000	-47,783,000
Montreal Protocol Facilitation Fund (by transfer)	(15,000,000)			(-15,000,000)	
Migration and refugee assistance	620,688,000	640,688,000	670,688,000	+50,000,000	+30,000,000
United States Emergency Refugee and Migration Assistance Fund	49,261,000	49,261,000	19,261,000	-30,000,000	-30,000,000
Anti-terrorism assistance	15,555,000	15,555,000	15,244,000	-311,000	-311,000
Total, Department of State	833,287,000	853,287,000	805,193,000	-28,094,000	-48,094,000
Total, title II, Bilateral economic assistance	7,705,086,000	8,010,349,000	7,346,079,000	-359,007,000	-664,270,000
(By transfer)	(48,300,000)			(-48,300,000)	
(Limitation on direct loans)		(20,712,000)			(-20,712,000)
(Limitation on guaranteed loans)	(650,000,000)	(375,027,000)		(-650,000,000)	(-375,027,000)
(Estimated level of direct/guaranteed loans)	(231,319,000)	(110,000,000)	(110,000,000)	(-121,319,000)	
TITLE III - MILITARY ASSISTANCE					
FUNDS APPROPRIATED TO THE PRESIDENT					
International Military Education and Training	42,500,000	42,500,000	21,250,000	-21,250,000	-21,250,000
Foreign Military Financing Program:					
Grants	3,300,000,000	3,231,657,000	3,175,000,000	-125,000,000	-56,657,000
(Limitation on administrative expenses)	(26,000,000)	(25,558,000)	(23,558,000)	(-2,442,000)	(-2,000,000)
Direct concessional loans:					
Subsidy appropriations	149,000,000	120,263,000	46,530,000	-102,470,000	-73,733,000
Administrative expenses	200,000	194,000		-200,000	-194,000
(Estimated loan program)	(855,000,000)	(855,000,000)	(769,500,000)	(-85,500,000)	(-85,500,000)
FMF program level	(4,155,000,000)	(4,086,657,000)	(3,944,500,000)	(-210,500,000)	(-142,157,000)
Subtotal, Foreign military financing program	3,449,200,000	3,352,114,000	3,221,530,000	-227,670,000	-130,584,000
Reappropriation (deobligation/reobligation) authority (sec. 515):					
Foreign military financing		500,000	500,000	+500,000	
Total, Foreign military assistance	3,449,200,000	3,352,614,000	3,222,030,000	-227,170,000	-130,584,000
Special Defense Acquisition Fund:					
(Limitation on obligations)	(225,000,000)			(-225,000,000)	
Fund elimination		-266,000,000	-266,000,000	-266,000,000	

FY 1994 FOREIGN OPERATIONS APPROPRIATIONS BILL (H.R. 2295)—Continued

	FY 1993 Enacted	FY 1994 Estimate	Bill	Bill compared with Enacted	Bill compared with Estimate
Peacekeeping operations	27,166,000	77,166,000	75,623,000	+48,457,000	-1,543,000
Nonproliferation and Disarmament Fund	.....	50,000,000	10,000,000	+10,000,000	-40,000,000
Total, title III, Military assistance programs	3,518,866,000	3,256,280,000	3,062,903,000	-455,963,000	-193,377,000
(Limitation on obligations)	(251,000,000)	(25,558,000)	(23,558,000)	(-227,442,000)	(-2,000,000)
(Estimated loan program)	(855,000,000)	(855,000,000)	(769,500,000)	(-85,500,000)	(-85,500,000)
TITLE IV - EXPORT ASSISTANCE					
EXPORT-IMPORT BANK OF THE UNITED STATES					
Limitation of Program Activity:					
Subsidy appropriations	757,000,000	757,000,000	700,000,000	-57,000,000	-57,000,000
(Estimated loan program)	(15,500,000,000)	(16,500,000,000)	.....	(-15,500,000,000)	(-16,500,000,000)
Administrative expenses	45,683,000	46,295,000	45,369,000	-314,000	-926,000
Negative subsidy	-16,533,000	-51,783,000	-51,783,000	-35,250,000	.....
Total, Export-Import Bank of the United States	786,150,000	751,512,000	693,586,000	-92,564,000	-57,926,000
FUNDS APPROPRIATED TO THE PRESIDENT					
Trade and Development Assistance					
Trade and development	40,000,000	60,000,000	40,000,000	.....	-20,000,000
Total, title IV, Export assistance	826,150,000	811,512,000	733,586,000	-92,564,000	-77,926,000
(Estimated loan program)	(15,500,000,000)	(16,500,000,000)	.....	(-15,500,000,000)	(-16,500,000,000)
Grand total, all titles:					
New budget (obligational) authority	26,257,377,903	14,425,993,066	12,987,138,866	-13,270,239,037	-1,438,854,200
(Limitation on obligations)	(251,000,000)	(25,558,000)	(23,558,000)	(-227,442,000)	(-2,000,000)
(Limitation on guaranteed loans)	(650,000,000)	(375,027,000)	.....	(-650,000,000)	(-375,027,000)
(Limitation on direct loans)	.....	(20,712,000)	.....	.....	(-20,712,000)
(Limitation on callable capital)	(4,631,070,700)	(4,665,876,024)	(4,090,600,894)	(-540,469,806)	(-575,275,130)
(Estimated level of direct/guaranteed loans)	(231,319,000)	(110,000,000)	(110,000,000)	(-121,319,000)	.....
(Estimated loan program)	(16,355,000,000)	(17,355,000,000)	(769,500,000)	(-15,585,500,000)	(-16,585,500,000)

Mr. LIVINGSTON. Madam Chairman, I yield such time as he may consume to the gentleman from Alabama [Mr. BACHUS].

Mr. BACHUS of Alabama. Madam Chairman, I rise in support of H.R. 2295.

I would first like to take this occasion to commend Mr. OBEY and Mr. LIVINGSTON for providing the following provisions in this legislation: For providing sufficient funding levels to honor our Camp David commitments to Israel and Egypt and for providing $2.5 billion for Russia and the former Soviet Republics to facilitate their transition to democracy and a free-market economy.

I believe that these appropriations to Israel, Egypt, Russia, and the former Soviet Republics will translate into expanded United States exports, new jobs and reduced United States defense expenditures.

I also commend them for the multilateral banks cut of 23 percent and for zeroing out funding for the European Bank for Reconstruction and Development. Finally, I commend them for retaining the Kemp/Kasten language prohibiting U.S. funding of abortions and for the refugee assistance funding which I believe addresses basic humanitarian needs.

Madam Speaker, foreign aid is a concept that is all too often mischaracterized as a giveaway program to other countries. It is seen by many people as an effort by the American Government to give money away when it should be used here at home.

This is not a fair representation of the facts. The fact is that foreign aid is a wise investment. It is an investment which benefits our economy and our Nation far more than it costs.

To make an informed decision on the value and merits of foreign aid, several questions must be answered. These are the same questions anyone would ask themselves when deciding on whether or not to invest their own money.

The first question we must answer is "What does foreign aid cost?" For the fiscal year 1994 budget, foreign aid is $9.7 billion. While this sounds like a large amount of money, it is important to remember that this figure represents less than 1 percent of the total budget and only slightly more than two-tenths of 1 percent of our gross national product. These numbers pale in comparison to the amount of return we receive from them.

This brings up the second question, "What return do we see for the money we invested?"

By providing economic assistance to other countries, we actually create our own markets for trade. For example, a Pentagon study found that the money given to our allies to purchase military equipment from American defense contractors actually injects $20 to $30 billion a year into the U.S. economy. This is responsible for the creation of more than 200,000 jobs for American workers.

Through foreign aid, we are able to stabilize the economies of other countries and, therefore, open up new avenues for exports. Consider the export promotion programs which are funded through foreign aid. In 1991, alone, these programs helped generate more than $16 billion in American exports and over 300,000 jobs.

In my home State of Alabama many companies have been able to expand their exports due to gains made through foreign aid. Alabama exports $134 million in textiles, $113 million in lumber products, and $300 million worth of agriculture products. Alabama's total exports for 1990 totaled almost $3.4 billion and accounted for more than 68,000 jobs.

Foreign aid is also preventative medicine. By strengthening fledgling democracies and equipping them to defend themselves, we create allies. We also avoid the future risk of being forced to send in our own troops to calm a trouble spot. This results in both future peace dividends and future export markets.

Many people automatically associate foreign aid and humanitarian aid and are critical of it because there are needy people in this country. Humanitarian aid is only a small part of foreign aid but one that shows tremendous benefits. Although it only costs each American 16 cents per year, U.S. humanitarian aid is responsible for fully immunizing 80 percent of all children in developing countries, eradicating smallpox, and saving 20 million people from starvation in Africa during the last decade.

Traditionally, Americans have not been supportive of foreign aid. In 1947, only 17 percent of the American public approved of President Truman's Marshall Plan. Yet through this investment of our money, we were able to make allies out of enemies; markets out of battlefields; and order out of chaos. Now, there are other areas of the world that need this same assistance—this same opportunity to grow. Mr. Speaker, I submit that to refuse this aid would be to forget the lessons of the past and ignore the opportunities and possibilities for the future.

In conclusion, Madame Speaker, I would like to encourage my fellow Republicans to join me in support for H.R. 2295. The budget request in H.R. 2295 is $1.4 billion below

President Clinton's fiscal year 1994 budget request and $1.1 billion below foreign aid appropriations for fiscal year 1993.

For all of the above reasons, I would urge my fellow Republicans to give careful consideration to and support for H.R. 2295.

Mr. LIVINGSTON. Madam Chairman, I yield myself such time as I may consume.

Madam Chairman, I rise in vigorous support of H.R. 2295. First I would like to offer my sincere congratulations and thanks to Chairman OBEY and his staff for their bipartisan approach to the fiscal year 1994 foreign operations appropriations bill. It has been a pleasure to work with them on this. They have bent over backward to be cooperative and helpful, and since this is my first year as the ranking member of the subcommittee, I truly appreciate the efforts of the chairman to accommodate me and my staff as we familiarized ourselves with the many nuances of this often contentious and controversial bill.

Madam Chairman, I am happy to report that H.R. 2295 continues a recent downward trend in foreign aid spending by cutting $1.4 billion from President Clinton's fiscal year 1994 request and $1.2 billion from last year's foreign aid level. This bill is also $840 million below our subcommittee's 602(b) allocation. All titles are cut below fiscal year 1993 levels, and with almost every account taking at least a 2 percent cut.

H.R. 2295 contains no earmarks, but provides sufficient funding levels in relevant accounts to allow the President to honor the Camp David commitments.

The cuts in H.R. 2295, while necessary to reflect the changes in the world and the budgetary constraints under which this body operates, do not come without pain.

The cuts in H.R. 2295 while necessary to reflect changes in the world and budget constraints, do not come without pain. I am concerned about cuts in assistance to our ally, Turkey. As the only predominantly Muslin nation with a secular, democratic government, Turkey can be an example to the emerging Muslin states of the former Soviet Union. Turkey is a staunch ally who supported us fully during the Gulf war at great economic expense.

I am also concerned about the $217 million cut in Economic Support Funds [ESF]. After Israel and Egypt receive their ESF allotments under the Camp David accords, only $350 million remains to service the rest of the world. Effectively, ESF monies for all other countries have been cut by 38 percent. Likewise, grant military assistance for all countries besides Israel and Egypt has been cut by 57 percent. The United States has many interests around the world and these cuts diminish our ability to effectively meet the needs of many of our friends.

I could elaborate on other cuts that perhaps in past years might not have been taken, but were necessary this year.

Especially hard hit in H.R. 2259 were the multilateral banks which are cut about $449 million, a full 23 percent under last year. U.S. arrearages to the multilateral banks will increase to about $822 million. And while I am no fan of the multilateral banks, it should be noted that these arrearages will only diminish our voting share in the banks and lessen our ability to influence decisions about lending practices and loan recipients.

One bank which I am very pleased to say received a zero figure, no funding at all, is the European Bank for Reconstruction and Development. The chairman and I agreed that extravagant expenditures by that bank's president, paired with the fact that the bank spent twice as much on its facilities, its staff and its overhead as it did on development in Eastern Europe, more than justified withholding the $70 million request for EBRD.

H.R. 2295 is far from perfect, but there are some bright spots in the legislation. I am pleased that funding for the Peace Corps was not cut, and in fact, increased by a modest $5.1 million over fiscal year 1993 levels to $220 million. That is a fine institution which is doing a very good job around the world, and especially in Russia and the newly Independent States.

I am also pleased that we are able to find a creative solution to offset a $57 million cut in the Export-Import Bank subsidy appropriation. This cut was the last made in the bill and was done reluctantly. Fortunately, because of the gentleman from Iowa, Mr. LIGHTFOOT's persistence, and Chairman OBEY's flexibility, we are able to transfer $125 million in additional moneys from the Russian aid package to Exim to promote United States exports to the NIS. U.S. exports will be enhanced, resulting in jobs for Americans because of this shift.

Lastly, Madam Chairman, perhaps the most controversial and the most important aspect of H.R. 2295 is the $2.5 billion in aid for Russia and the newly Independent States. By fostering democracy and free enterprise in Russia, and by helping them dismantle their nuclear arsenal and resettling their troops so they do not become lost and revolutionary, we are ultimately helping ourselves.

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A democratic free-market Russia will be a boon for United States business interests and exports, and if we are successful in bringing Russia into the fold of Western industrial nations, the savings to the United States in defense expenditures alone will more than pay for the small amount of Russian aid in H.R. 2295.

Most importantly, the peace and the tranquility of future generations around the world will be bolstered tremendously. I will expand on my support for Russian aid in my comments in opposition to the Callahan amendment later on.

Mr. LEWIS of California. Mr. Chairman, will the gentleman yield.

Mr. LIVINGSTON. I am happy to yield to the gentleman from California.

Mr. LEWIS of California. Mr. Chairman, I appreciate my colleague doing this. I am not going to be able to be here for a while. The gentleman is making a very important point, and I must say that within the bill, as I understand it, there is approximately $3.175 billion for foreign military finance programs. Is that correct?

Mr. LIVINGSTON. Reclaiming my time, that is right. That is correct.

Mr. LEWIS of California. The gentleman has spoken to the need for assistance to that emerging country that is so important in terms of our hope for freedom in the world, and I very much appreciate that and intend to support that portion of the bill.

What concerns me, and I would like to have my colleague just respond in part now, and we can discuss it further from this point. As I understand it, there is $3.175 billion for foreign military finance programs. But the vast percentage of those moneys go to three countries. They are Egypt, Israel, and Russia. I understand that, as well.

But I also understand the bill only leaves then about $50 million for all of the rest of our friends in the world. Now, I know that my friend would support our having a broader base of support for those other allies, and I am wondering just kind of out loud if maybe it is not time for us to think about moving that portion of our appropriations to another bill rather than having it tied to foreign assistance. If we could do that, we might very well broaden the base.

Mr. LIVINGSTON. I think the gentleman has raised a very important point. In view of the fact that we are in a new administration, and they are feeling their way in foreign policy, we want to provide them as much flexibility as possible. We have not provided them with any earmarking in this bill, but there exist major world commitments, what with Camp David, and the President's commitments to Russia. We really cannot avoid tightening of the belt because of budget restrictions. So this year's priorities are set in stone.

But next year is another year, and I give warning, just as the gentleman has pointed out, we are going to have to reassess our priorities. I am serving notice on the administration that we need to sit down and really take a hard look at where we want to go from here. We need to determine whether we can afford to concentrate all of our foreign aid budget in the pockets of just a few countries.

Mr. LEWIS of California. I would say to my friend that I have always known my friend to be very quick on his feet, but his response is most thoughtful, and I appreciate it.

Mr. LIVINGSTON. Mr. Chairman, I reserve the balance of my time.

Mr. OBEY. Mr. Chairman, I yield 5 minutes to the distinguished gentlewoman from New York [Mrs. LOWEY], a member of the subcommittee.

Mrs. LOWEY. Mr. Chairman, I rise in strong support of H.R. 2295, the foreign operations, export financing, and related programs appropriation bill of 1994.

First, I want to commend our chairman, DAVID OBEY, for the fine work he has done in moving this bill to the floor. As a new member of the subcommittee, I want to thank him and his terrific staff for all the help they have given me. Thank you, Mr. Chairman.

I want to talk about two foreign policy triumphs addressed in this bill.

The first is peace in the Middle East. Back in 1979, our President, Jimmy Carter, brokered a peace treaty between Israel and Egypt that ended 30 years of war. That peace treaty has saved countless Israeli and Arab lives over the past 14 years. It may also have saved American lives. The aid we provide to Israel and Egypt in this bill is part of that Camp David agreement.

It is not inexpensive. But it is far, far less expensive than the cost of war.

Another related United States triumph can also be seen in this bill: $80 million for the resettlement of Soviet and Ethiopian Jews in Israel. It was our country that fought to get the Soviet Jews out of Russia. It was our country that worked directly to get the Ethiopian Jews on those planes to Israel.

Refugee assistance is a tribute to us as a country—and, on a personal note, it is a tribute to DAVID OBEY, who has dedicated himself to helping refugees, in Israel and throughout the world.

The other triumph that can be seen in this bill is in our aid to the former Soviet Union. We won the cold war. The Soviet Union is no more.

Instead of spending $4 trillion for nuclear weapons, we can spend $2.5 billion to ensure that no Fascist or Communist threat arises from the ashes of the Soviet state.

Aid to Russia is a defense expenditure, a small amount of aid to ensure that our children will not be threatened by a new totalitarian Russian state in the future.

I urge my colleagues to vote for this bill.

Let us not make the mistake we made when World War I ended and America hid its head in the sand. The result was a Second World War 20 years later.

Let us learn from history. Let us do the right thing. Let us enact this bill.

Mr. Chairman, I would like now to enter into a colloquy with the Chair of this committee.

Mr. Chairman, I rise in strong support of the bill, and I want to commend the chairman for his leadership on what is always a tough piece of legislation. I would ask if the chairman would be willing to engage in a colloquy.

Mr. OBEY. Mr. Chairman, will the gentlewoman yield?

Mrs. LOWEY. I am happy to yield to the gentleman from Wisconsin.

Mr. OBEY. I am happy to engage in a colloquy.

Mrs. LOWEY. Mr. Chairman, the fiscal year 1993 foreign operations appropriation contained a range of exchange programs for students and other professionals from the former Soviet States. Included in this package was a graduate student program modeled after the Edmund Muskie Fellowships.

The Muskie Fellowship Program enables students from the former Soviet Union to study for 1 to 2 years in American universities in the fields of business administration, economics, law, and public administration. It has enabled many promising young students, who will undoubtedly play a key role in the transition to a market economy, to have a high-quality education in the United States.

Mr. Chairman, I would very much like to see a similar program modeled after the Muskie Program be applied to Eastern Europe as well. While it is important to focus on the transition to democracy and a market economy in Russia, investments in Eastern Europe are very critical, and the same needs for trained economists, businessmen, and public officials that exist in Russia also exist in Eastern Europe.

Because of the justifiable need to avoid earmarks and maintain flexibility for the President concerning aid to both Russia and Eastern Europe, I know that the fiscal year 1994 legislation does not contain specific proposals for how exchanges will be funded under the President's assistance package. But I would ask the chairman if he would be willing to support funding for the Muskie Program, or a similar model, for both the former Soviet States and Eastern Europe, when this issue arises in conference with the other body.

Mr. OBEY. Mr. Chairman, if the gentlewoman will yield further, let me say that I certainly appreciate the gentlewoman's position and share her interest in making certain we do not forget about Eastern Europe, even as we do focus on the Soviet Union.

Undoubtedly the issue will arise as we work with the other body in conference. I would be very happy to work with the gentlewoman to try to see to it that funding may be applied to both Eastern Europe and the Soviet Union.

Mrs. LOWEY. I thank the chairman.

Mr. LIVINGSTON. Mr. Chairman, I yield 5 minutes to the gentleman from Illinois [Mr. PORTER], a member of the subcommittee.

Mr. PORTER. Mr. Chairman, the story is told of the Member who went back to his district and addressed a group of his constituents regarding foreign assistance. In the heat of his oration he promised them, "This year I will cut foreign aid $150 billion and next year I will cut the rest."

Mr. Chairman, we do not have anything like that amount of resources devoted to foreign assistance. This bill appropriates $13 billion for all of the U.S.'s foreign assistance programs in the coming absolute year. That is 0.8 percent of the $1,500 billion Federal budget, and the amount of foreign assistance and the percentage both are shrinking. In the wake of World War II in the late forties, the United States was spending nearly 3.25 percent of its gross national product on foreign aid. In 1985, Congress appropriated $21 billion in foreign assistance, about 0.4 percent of our GNP. This year, in the wake of the cold war, we are appropriating $13 billion, less than 0.25 percent of the GNP. We could eliminate all foreign assistance and make only a 4-percent dent in our deficit for this year, but we would lose much of our influence overseas.

I would make the case that we are not spending too much on foreign aid. The end of the cold war represents a golden opportunity for the United States to extend its influence around the globe and be a true leader in promoting a sharing of our values of human rights, democracy, the rule of law and free markets. Newly free and developing nations are hungry for change. Totalitarian ideology is on the run around the globe. While we see and read about the terrible genocide in the Balkans, we must recognize that the nature of news is essentially negative and remind ourselves Democracy and a new respect for human rights are germinating and growing in South and Central America, the former Soviet Union and Asia. We stand on the threshold of a new world that no one envisioned 10 years ago. As the sole remaining superpower, the United States cannot abdicate its responsibility to lead.

One benefit of the changed global situation is enhanced U.S. security. We are safer now than we have been in over 40 years. As a consequence, we are able to reduce our military expenditures substantially. Without the economic, military, and development assistance in this bill our ability to project U.S. influence overseas would be limited to military options, and the defense budget would not be able to be reduced as substantially as is planned.

The best example of this trade off is the $2.5 billion in assistance included for the States of the former Soviet Union. This small investment in securing the fragile democracy there may ultimately save us tens or hundreds of billions of dollars if we can help ensure that totalitarianism and a new militarism does not return to Russia.

This may be a difficult political vote for some Members. I urge those Members to keep in mind that this bill is not a giveaway. It is in our best national interest to provide this funding. That—our own national interest—is the bedrock of any nation's foreign policy and the basis of all our foreign assistance programs.

I would like to mention several items in the bill that I believe are of special importance.

The subcommittee has provided ample funds in the ESF and FMF accounts to fully meet our Camp David commitments to Israel and Egypt and has made it very clear in this bill that it expects the administration to disperse these funds as it has in the past. Israel is the United States' most important ally in the Middle East. More importantly, it is a haven for refugees from the former Soviet Union and Ethiopia, where they have been persecuted, both officially and unofficially, for hundreds of years.

The funding that the United States provides to Israel helps it maintain its qualitative military edge in a region where all but one of its neighbors refuse to recognize its right to exist. It also assists the Israelis in assimilating the huge number of new arrivals and provide decent housing and economic opportunity for them. I am very pleased that the Foreign Operations Subcommittee has included these funds and that the Foreign Affairs Committee showed clear support for Israel by earmarking them.

This bill also makes a strong statement about the importance of strengthening bilateral and multilateral voluntary family planning programs. H.R. 2295 contains $392 million for the AID population program and $50 million for the United Nations Population Fund.

Rapid population growth is one of the most pressing problems facing the world. Poverty, environmental degradation, malnutrition, and infant and child mortality caused by improperly spaced births are all direct results of the lack of adequate global access to voluntary family planning services. In addition, as Prof. Paul Kennedy clearly lays out in his latest book, rapid population growth that is not accompanied by economic growth is a politically destabilizing force. The highest growth rates in the world today are in the Arab States of the Middle East.

World population is presently increasing by 1 billion people every 11 years. The human misery and irreversible environmental problems caused by population growth will only increase without action. This bill addresses this urgent need and makes substantial increases in funding for population programs.

The bill also forcefully addresses the pressing problem of global environmental degradation with a central focus on promoting sustainable development. As the report to accompany the bill makes clear, economic growth must be predicated on sustainable use of resources, rather than their exploitation. Funding is provided for an appropriately structured global environmental facility, which is designed to assist developing countries pursue projects with global environmental benefits, focusing on four areas: First, global warming, second, biological diversity, third, pollution of international waters, and fourth, stratospheric ozone depletion. In addition, funding for the AID biodiversity program and the global warming initiative are maintained, renewable energy programs are promoted, and the important roles of women and fertility in development are highlighted. Environmental issues know no national borders and assisting developing nations to promote sustainable development and address environmental problems helps people in both the developing nations and our own.

Mr. Chairman, I would like to close by thanking the subcommittee chairman, the gentleman from Wisconsin [Mr. OBEY] and the gentleman from Louisiana [Mr. LIVINGSTON], the ranking minority member—who has done a truly outstanding job in his first year in the position—for navigating this bill through the subcommittee and committee with great skill and in a strictly bipartisan way.

I would also like to thank the staff of the subcommittee—Terry Peel, Bill Schuerch, Mark Murray, Lori Maes, and Karen Brown, a detailee from AID—for the long hours they have put in to bring this bill to the floor and their attention to detail. Finally, thank you to the staffers of the members of the subcommittee including Dean Sackett, Mr. LIVINGSTON's able and diligent assistant, Bill Deere, Nancy Tippins, Jim Kulikowski, minority staff on the full committee, Carolyn Bartholomew, David Orlin, Nancy Alcalde, Michael Rosenberg, and Virginia Johnson.

I urge Members to support this important legislation.

□ 1200

Mr. LIVINGSTON. Mr. Chairman, I am pleased to yield 7 minutes to another member of the subcommittee, the gentleman from Iowa [Mr. LIGHTFOOT].

Mr. LIGHTFOOT. I thank the gentleman for yielding this time to me.

Mr. Chairman, I would like to congratulate the gentleman from Wisconsin, DAVE OBEY and the gentleman from Louisiana, BOB LIVINGSTON on a job well done. This is not a popular or easy bill to write and, within the limited resources available, they have done a fine job.

I offered an amendment at subcommittee to increase funds for the Eximbank. The bill report now includes language detailing that $125 million of the Russian aid account will go to Exim and other credit export programs.

I believe that helps take care of a difficult problem and I commend both DAVE and BOB for their continuing efforts to find more money for Exim. At the conclusion of these remarks I would like to engage Mr. OBEY and Mr. LIVINGSTON in a colloquy.

At subcommittee markup of the bill, I also offered an amendment conditioning aid to the newly independent States of the former Soviet Union and Warsaw Pact countries to their halting arms sales to terrorist nations. In addition, the amendment conditioned aid to these nations on Presidential certification that they were not selling components that could lead to the development of ballistic missiles or weapons of mass destruction.

I offered this amendment as an expansion of a provision in last year's bill in which Congress required negotiations with Russia to reduce arms sales to Iran.

At the request of Chairman OBEY, I withdrew the amendment and, working with committee staff and the State Department, developed report language.

The report language in the bill requires a report to Congress on the types and amounts of arms and component sales to terrorist states by any former Soviet Republic or Warsaw Pact nation. Most importantly, the report requires an assessment of how these sales effect regional strategic balances for the United States and its allies.

I am concerned about how these sales could eventually effect regional strategic balances. For example, it is reported that Ukraine has sold Sunburn-class antiship cruise missiles to Iran. This was part of a larger, three way deal that also included Russian tanks and planes.

For those of you unfamiliar with the Sunburn-class missile, it travels at mach 2.5, 15 feet above the water. Our Navy has no defense against such a missile. Interestingly, the Washington Post reported on Sunday that the Department of Defense is trying to buy $600 million of these missiles so they can learn how to defend against it.

I want Members to know that I support aid to the former Soviet Union because it is in our Nation's best interest to help these countries make a successful transition to a market economy.

However, it is not in our national interest to give any country foreign aid money, that destabilizes a region with arms sales to terrorist nations.

I know the State Department has been hard at work on this problem. So far, the Russians have been willing to discuss this problem. The report language in the bill allows Congress to measure the progress of negotiations between the United States and Russia,

among others. If progress is not made, we will revisit this issue next year with stronger measures.

The people of the former Soviet Union and Warsaw Pact nation's must make a determination of what is in their own national interest, the short-term gain of weapons sales to nations which support terrorism or, the long-term benefits of a market economy and help from the West. I suggest they take note of our concern and end these sales sooner, rather than later.

In closing, I want to urge my colleagues to support this bill. It is easy to bash this bill, to vote against it because it makes you look like you are doing something about the deficit.

This bill is small in relation to our entire budget, less than 1 percent of what we will spend this year. But it is huge in the amount of good it does, for our long-term national interest in Russia, for allies like Israel, and for the numerous programs to help suffering people all over the world.

This bill represents the best of the American spirit, our ability to reach out and help others, even when times are tough here at home. I hope this House will strongly support this bill.

At this time I would like to engage the chairman of our committee, the gentleman from Wisconsin, Mr. OBEY, and our ranking minority member, the gentleman from Louisiana, Mr. LIVINGSTON, in a colloquy, if I may.

First of all, to the gentleman from Wisconsin, Mr. OBEY.

Mr. Chairman, in the report accompanying this year's bill, we encourage the transfer of $125 million from the Russian aid account to the Export-Import Bank and other export credit programs.

I commend both of you for working within the tight constraints of this bill to find additional funds for these very important programs.

Is it the intention of the committee that the transferred funds are to be used solely for programs in support of U.S. exports to the new Independent States? Further, given the nature of Exim's mission, when does the committee envision the transfer of funds to take place?

Mr. OBEY. Mr. Chairman, will the gentleman yield?

Mr. LIGHTFOOT. I yield to the gentleman from Wisconsin.

Mr. OBEY. I thank the gentleman for yielding.

First, the gentleman from Iowa is correct, the $125 million transferred from the Russian aid account is for Exim and other export credit programs only in the new independent states.

I appreciate the gentleman's concern about the prompt transfer of funds from the Russian aid account to Exim. Obviously Exim cannot commit funds to applicants if it is unsure of the total amount available for commitment.

Given the fact that the $125 million transfer appears to be part of the administration plan, I expect the transfer to occur in a very timely manner.

Mr. LIVINGSTON. Mr. Chairman, if the gentleman would yield further, let me concur in the opinion of the gentleman from Wisconsin [Mr. OBEY]. It is very difficult for Exim and the Trade Development Agency to do their job if $125 million is being controlled by the newly Independent States task force.

□ 1210

To hold these funds in limbo for any great amount of time is not fair to applications for American exports to other parts of the world. If the $125 million is not transferred to Exim and other export credit programs in a timely manner, I would say that the Appropriations Committee would have to consider revisiting the issue and perhaps resort to outright reprogramming of the funds.

Mr. LIGHTFOOT. Mr. Chairman, I thank both gentlemen for their clarification and support in this matter. I urge my colleagues to support the bill as a whole.

Mr. OBEY. Mr. Chairman, I yield 1 minute to the distinguished gentleman from Florida [Mr. PETERSON].

Mr. PETERSON of Florida. Mr. Chairman, I rise in strong support of H.R. 2295, the foreign operations appropriations bill.

I want to commend my colleagues, the gentleman from Wisconsin [Mr. OBEY] and the gentleman from Louisiana [Mr. LIVINGSTON] for bringing to the floor a bill that truly represents America's new role in the international community following the end of the cold war.

I am particularly pleased that they and other members of the Appropriations Committee have had the foresight and wisdom to understand the critical importance of America's need to invest in the former Soviet Union's quest for freedom and democracy.

As a nation, America cannot miss this opportunity of a lifetime to perpetuate our ideals of freedom to the peoples of Russia and the new Republics.

The funding contained in this bill is not just throwing dollars overseas. It is direct and specific investment set to impact on the most productive segments of the Russian economy. This is an investment in the cruelest sense of the word. Our failure to help Russia during its transition to democracy will cost this Nation billions of dollars in the future should they fail to make the trip.

Mr. Chairman, I strongly urge my colleagues to support this important bill and ask that we pass it in a timely manner.

Mr. LIVINGSTON. Mr. Chairman, I am delighted to yield 2 minutes to my friend, the gentleman from Alabama [Mr. CALLAHAN], another member of the subcommittee.

Mr. CALLAHAN. Mr. Chairman, I rise in support of H.R. 2295 in a modified version.

Later on I intend to offer an amendment which will, I think, make this a better bill and give us further opportunity and more extended opportunity to debate the section of the bill that relates to foreign aid to Russia.

A foreign aid bill is a difficult bill to handle, and I would like to commend Chairman OBEY for the manner in which he has handled it, as well as ranking member LIVINGSTON. Handling a foreign aid bill I would parallel to changing diapers in the life of a father. It is certainly something that is not a pleasant thing to do, but it is a necessary thing to do, and it is very necessary that we do try to spread democracy and try to help our neighbors who need this help desperately, and certainly Russia is one of those countries that needs help. It is not my purpose with the amendment that I intend to introduce to do any harm toward that effort to help Russia in her efforts to move more rapidly towards democracy.

Mr. Chairman, I thank the committee chairman for bringing this bill to the floor in the manner in which he has and for the courtesies that he has extended to me during this debate.

Mr. OBEY. Mr. Chairman, I yield 1 minute to the gentleman from California [Mr. STARK].

Mr. STARK. Mr. Chairman, I want to thank the distinguished gentleman for yielding me this time.

Mr. Chairman, if I could engage in a brief colloquy.

Mr. Chairman, nuclear proliferation is a serious military threat to the United States and its allies. A key tool to address this threat is the International Atomic Energy Agency, the U.N. watchdog on nonproliferation.

We have appropriated, or will, $2.5 billion for Russia and the former Soviet Republics and recommend that it be used for a number of important programs, including nuclear reactor safety and energy and environmental initiatives.

The International Atomic Energy Agency is spending a good deal of resources on nuclear safety and nonproliferation activities in the former U.S.S.R. I would like to ask the gentleman from Wisconsin whether the committee would recommend that a mere $10 million of the $2.5 billion in aid to the newly Independent States be used as an additional U.S. contribution to the International Atomic Energy Agency for nonproliferation safeguard and nuclear safety activities. I yield to the gentleman for his reaction.

Mr. OBEY. Mr. Chairman, I would simply say to the gentleman, I think that is a very good idea and I would be very surprised if there is any problem in the committee in following that line.

Mr. STARK. Mr. Chairman, I would like to thank the gentleman for his

longstanding leadership on these important issues.

Mr. LIVINGSTON. Mr. Chairman, I yield 3 minutes to the gentleman from Nebraska [Mr. BEREUTER].

Mr. BEREUTER. Mr. Chairman, I thank the gentleman for yielding me this time.

I want to begin by announcing my support for the legislation and commend the committee chairman and the ranking member and all members of the Appropriations Subcommittee for the excellent work they have done in crafting what is perhaps the best bill we have seen on this subject in memory, and they have done it under difficult financial and fiscal conditions.

EBRD

Mr. Chairman. I rise in support of the legislation. Mr. Chairman, this Member would particularly note his strong approval of the committee's decision not to appropriate a single dollar of the administration's request of over $70 million for the European Bank for reconstruction and Development [EBRD]. As the ranking member of the Banking Committee's subcommittee which authorizes and conducts oversight over the U.S. involvement in the EBRD and other MDB's—the Subcommittee on International Development, Finance, and Trade—this Member fully shares appropriator's outrage at the capricious behavior and blatant excesses of EBRD President Jacques Attali.

Mr. Chairman, there are extremely serious questions of leadership when the European Bank for Reconstruction and Development spends over $87 million to refurbish their personal offices that are located on the most posh section of London, or when they shell out $78,000 for a staff Christmas party, or when the Bank orders 1.2 million dollars' worth of Italian marble for the Bank's lobby because the marble that had been in the lobby was not the proper color. Indeed, the Bank has spent more in overhead than it has dispersed in loans. As the appropriator's report correctly notes, this behavior gives the strong impression that the EBRD leadership is more interested in feathering their worn nest than in helping the countries of Eastern and Central Europe that the Bank was created to help. This Member would note that the EBRD's behavior casts a pall upon all multilateral banking institutions, and that is most unfortunate.

Last week, the G-7 finance ministers, including Treasury Secretary Bentsen, have made it clear that major changes in EBRD management and policies are necessary. In the next few weeks a comprehensive outside audit will to be completed, and, hopefully, this should provide added impetus for change. Certainly, everyone agrees that a fundamental shakeup is needed at the EBRD. The June 12, 1993 edition of the Economist notes that the European members of the Bank had decided to keep Mr. Attali in his place as President, but to appoint a manager—the American No. 2 at the World Bank—who would strictly oversee operations. Clearly the Bank needs operational oversight. As the Economist states:

> Two years after its creation, it still has no clearly useful role. Loan disbursements have been slow. The bank's staff of 700 is too concentrated in London; if is to lend to small and medium-sized firms in Eastern Europe, it needs more people in the field.

This Member would go even further, and continue to strongly urge that the change at the EBRD should begin with the firing of Jacques Attali as the Bank's President. If Mr. Attali feels it is essential to charter jet aircraft whenever he travels, and if he feels it is necessary for him to live in imperial splendor, let him pay for it with his own money, and let him do so in the private sector. But the United States should have no part in supporting the outrageous lifestyle of Jacques Attali.

Mr. Chairman, I would ask and implore the distinguished subcommittee chairman, Mr. OBEY, and ranking minority member Mr. LIVINGSTON, if it is their firm ironclad intentive to maintain the House position in conference against any funds for the EBRD fiscal year in 1994?

NAA ROSE-ROTH OUTREACH

Mr. Chairman, second this Member also would raise a matter that relates to Eastern Europe and the Baltic nations. As the chairman of the committee is aware, the fiscal year 1993 foreign assistance appropriations—Public Law 102-391—directed that to the maximum extent possible, the principal Agency for International Development [AID] officer in each SEED country should have primary responsibility for the day-to-day implementation of the assistance program. It is entirely appropriate that the people on the ground have maximum flexibility in tailoring the most effective assistance package possible. This Member fully supports the effort and get AID headquarters in Washington out of the business of micromanaging the field offices.

However, in setting out language to achieve this laudable goal, there has been an unintended victim. It turns out that it is near impossible to get the necessary country-officer approval for several multilateral programs that seek to draw participants from all the SEED countries. Consequently, AID has become reluctant to fund multilateral efforts such as the Rose-Roth outreach program of the North Atlantic Assembly, and the American Bar Association's multilateral attempt at building legal institutions. This Member would note that the Rose-Roth program—named after the distinguished former NAA President, CHARLIE ROSE and another distinguished NAA leader, Senator WILLIAM ROTH of Delaware—has been an extremely effective instrument in bringing Eastern European parliamentarians together to discuss security matters such as the status of Russian troops in the Baltics and nuclear weapons in the Ukraine.

In the foreign assistance authorization that was approved yesterday by this body, we included report language that acknowledged and approved of your effort to increase the flexibility of local AID program officers. But we also noted that such an effort was in no way intended to preclude or make unduly difficult AID support for multilateral initiatives such as the Rose-Roth outreach program of the North Atlantic Assembly. This report language is designed to give AID the flexibility they feel they need so that they may support worthy multilateral initiatives.

This Member would ask the chairman whether the interpretation set forth by the authorizing committee is in keeping with the interpretation of the appropriators?

Mr. Chairman, I yield to the gentleman from Wisconsin for any comments he would like to make.

Mr. OBEY. Mr. Chairman, I want to assure the gentleman that this committee will under no circumstances, if I have anything to say about it, provide one dime for the European Development Bank so long as it is being run in the present manner by the present Director. That Bank simply does not get it. The president of the Bank does not understand that taxpayers sweat damned hard for their money and they have the right to expect it to be spent in a manner more consistent with that recognition, and that Bank simply has not gotten the message.

Mr. BEREUTER. Mr. Chairman, I thank the gentleman. I appreciate those strong words.

Mr. Chairman, I yield to the gentleman from Louisiana [Mr. LIVINGSTON].

Mr. LIVINGSTON. Mr. Chairman, I appreciate the gentleman yielding to me.

I just want to emphasize what the chairman has said. There was unanimous agreement, strong agreement of all the members of the committee that the European Bank for Reconstruction and Development has grossly wasted their resources. They have served as an example for the way a multilateral bank should not behave. We will hold to that position all the way through the conference.

Mr. BEREUTER. Mr. Chairman, I thank the gentleman.

Finally, in the previous appropriation bill there was a direction with respect to the distribution of seed money, the country's specific aid officer has specific responsibilities for making decisions. That has created some problems for multilateral assistance programs to the ABA and the Rose-Roth seminar.

I believe we have report language now both in the authorization and appropriations bills which would at least

express our concerns that things like the Rose-Roth seminar that attempt to provide assistance with seed money on a multilateral basis could go forward with flexibility.

I yield to the committee chairman for his expression on the subject.

Mr. OBEY. Mr. Chairman, the gentleman's understanding is correct.

Mr. BEREUTER. Mr. Chairman, I thank the gentleman.

To the ranking member, is that the gentleman's intention? I yield to the gentleman from Louisiana.

Mr. LIVINGSTON. That is correct.

Mr. BEREUTER. Mr. Chairman, I am sure Chairman ROSE would like to associate himself with my remarks in this respect, and I thank the committee for their understanding.

Mr. OBEY. Mr. Chairman, I yield 1 minute to the distinguished gentlewoman from Connecticut [Ms. DELAURO].

Ms. DELAURO. Mr. Chairman, I would like to take a moment to thank Chairman OBEY, the ranking minority member, Mr. LIVINGSTON, and the committee staff for their excellent work on this bill. In particular, the bill contains a great deal of enlightened language regarding U.S. policy in Central America.

If the State Department follows these recommendations, this country would be engaged—for the first time in more than a decade—in a constructive, farsighted policy in a region of the world that has been alternatively abused and neglected.

The committee has sought to encourage development that will protect and sustain democracy in the countries of Central America. Achieving these goals will require that we maintain adequate levels of economic and development aid. But it will also require that the President and the State Department follow through on the policy recommendations contained in this bill. Such action will keep these countries on the road to true democracy, and protect the well-being and rights of their poorest and most vulnerable citizens. I commend the work of the gentleman from Wisconsin [Mr. OBEY] has done and urge the House to support this bill.

□ 1220

Mr. LIVINGSTON. Mr. Chairman, I yield 1 minute to the gentlewoman from Maryland [Mrs. MORELLA].

Mrs. MORELLA. Mr. Chairman, while we all recognize the need to cut spending, I want to take a moment to express my concern that the United States follow through on its expressed support for peace and economic recovery in Central America. We must maintain our commitment to reconciliation and sustainable growth and development in that region.

The United States has pledged significant assistance over the long term to Nicaragua and El Salvador as part of the national reconciliation which those countries are undergoing. Support for the human, economic, and environmental recovery of the Central American nations is in our national interest. It will help to stabilize the region, facilitate more trade, and stem illegal immigration.

Failure to support long-term recovery in the region is courting the demise of democratic initiatives in the region and increases the potential that Central America will fall back into renewed crisis and civil unrest.

Mr. LIVINGSTON. Mr. Chairman, I yield myself such time as I may consume.

Again, Mr. Chairman, I just want to take this opportunity to thank the chairman and all of the staff of the committee, majority, minority, and all of the members of the subcommittee and the full committee, for their cooperation. This has been my first chance as ranking member, and it has been a pleasure to work with the chairman and all of the folks involved to bring together this bill which I believe is a truly remarkable and historical bill. I urge all of the Members of this body to support it. I think that future generations will depend on the fact that this bill will be successful in years to come.

Mr. Chairman, I yield back the balance of my time.

Mr. OBEY. Mr. Chairman, I simply want to echo the comments made by the gentleman from Louisiana [Mr. LIVINGSTON]. I also neglected to mention the tremendous help we got from Bob Lester at AID in drafting this legislation.

Mr. MCDADE. Mr. Chairman, I support H.R. 2295, the foreign operations appropriations bill for fiscal year 1994.

I would like to congratulate the chairman, the gentleman from Wisconsin, and the gentleman from Louisiana [Mr. LIVINGSTON], making his debut as ranking minority member, for bringing to the floor a fiscally restrained foreign aid bill that still manages to address the key issues of the times.

This is a restrained bill, providing $12.98 billion for 1994, and $1.1 billion reduction from 1993, and $1.4 billion below the President's budget request.

The bill also provides an additional $1.6 billion in 1993 funding—unspent funds available under the applicable defense and international spending caps—for aid to Russia and the other newly independent republics. The issue we will be debating today—whether to strip out that additional aid to Russia under the Callahan amendment—is an issue of major historic significance.

It was Thomas Jefferson who said, in words now engraved on the Jefferson Memorial, "I have sworn upon the altar of God, eternal hostility against every form of tyranny over the mind of man." For the last half century, after the defeat of fascism, the tyranny we swore our hostility against was the spread of communism from the Soviet Union. Communism, based on thought control, abolition of freedom of speech, of expression, and of worship, elimination of the free-market economy, militant expansionism, and military might, was inimical to our way of life. We, as Americans, and as leaders of the Free world, stood firm, and never swayed from that unmovable hostility that led to communism's collapse in the U.S.S.R.

Now, it is a new world for the people of the old Soviet Union, as they struggle to establish a new way of life based on principles that are ours—democracy, a free-market economy, freedom of expression, of immigration. And, as a result, it is a new world for us, no longer based on confrontation. It is up to us, this Congress, in working with the President, to decide what the new relationship with our former adversaries will be, to help shape the world we had hoped for so long that our children, or if not our children, then our grandchildren would live in.

Santayana said that "Those who cannot remember the past are condemned to repeat it." I remember, running for Congress for the first time in 1962, at a Republican rally, turning on the TV sets, to hear President Kennedy tell the Nation of the blockade against Soviet ships bringing missiles into Cuba, as we stood on the verge of nuclear war.

I remember the moment, during the Yom Kippur war, when Soviet surface to air missiles sited in Egypt were decimating the Israeli Air Force, when President Nixon took our forces, for the second time in history, to the highest level of military readiness short of nuclear war.

Put that in contrast to the cooperation of all nations, including Russia, that allowed United Nations Forces, under United States command, to remove Saddam Hussein from Kuwait, and to stop an aggressor nation like Iraq in its tracks.

Look at what this new relationship, if it succeeds will mean for the United States. At the height of the cold war, 1962, over 8 percent of our gross domestic product went to defense. At the height of the Reagan buildup, defense was 6.3 percent of our GDP. Today, defense is 4.3 percent of GDP, and under this administration, if it has its way, the defense share is projected to be down to 3 percent by 1998.

At the height of the cold war, almost half, 47 percent, of the Federal budget went to defense. At the height of the Reagan buildup, defense was 27 percent of the Federal budget. Today, defense is 19 percent, and the President wants to take it to 13.5 percent by 1998.

Since Gorbachev came into office in 1985, defense has been cut in real terms every single year. Since 1988, 533,000 military and DOD civilians have been taken off the rolls. Since 1991, over 130,000 troops have been pulled out of Europe and 120 domestic, and over 700 overseas military bases, have been set for closure. Over 120 weapons programs have been canceled or stopped, including such Desert Storm war-winners as the F–117 Stealth fighter, the Patriot surface to air missile, the laser-guided smart bombs, the M–1 tank, the Bradley fighting vehicle, and the F–14 and F–15 fighters. And then, of course, there is the promise of an end to the nuclear face-off.

All it takes to turn this around is for the changes in Russia not to succeed. The United States could sit back, and let history take its course, or we can try to lead, to help a very old country adapt to very new and difficult political and economic changes. The stakes have never been higher. The potential has never been greater.

The worst thing that can happen would be to let this new world, that is within our grasp, slip away for lack of trying. This foreign aid appropriations bill, more so than any time in the recent past, merits our support.

Ms. SHEPHERD. Mr. Chairman, I wish to rise today in support of H.R. 2295, the Foreign Operations, Export Financing, and Related Programs Appropriations Act. In particular, I wish to support the efforts of the committee and the administration to support peace in the Middle East. My colleague, NITA LOWEY, has spoken on the critical importance of U.S. assistance for stability in the Middle East. I agree wholeheartedly. However, this aid is also crucial for Israel's continued progress toward economic reform. Like Russia, Israel is in the midst of shedding the burden of a huge state sector and moving toward a free-market system. At the same time, it is struggling to absorb nearly 500,000 new immigrants and create decent jobs and housing for them. To meet these challenges, the Rabin government is undergoing significant structural reform.

In the last 2 years alone, the budget deficit has been cut by more than 50%. Israel's budget contains deep cuts in defense, housing, and consumer subsidies, with much of the savings devoted to education and infrastructure development. More than $575 million in State-controlled assets have been sold, with $1 billion in further sales planned. These reforms are starting to pay off. Israel has seen strong economic expansion, export growth, and job creation, together with deep cuts in inflation. Israel's GDP grew by 6.4 percent in 1992, one of the highest growth rates in the world. Inflation was reduced from 18 percent to 9.4 percent, a drop of almost 50 percent. More than 80,000 jobs were created in 1992.

However, these welcome developments could evaporate if peace is not realized. As in this country, spiraling defense costs could undermine all efforts at fiscal reform. As we should support aid to Russia, we should also support aid to Israel and Egypt in fulfillment of our obligation under the Camp David accords. I urge my colleagues to vote in favor of the bill. Thank you.

Ms. VELÁZQUEZ. Mr. Chairman, I rise in opposition to the foreign appropriations legislation before the House today.

Let me state, for the record, that I do not oppose the concept of foreign assistance in general. I understand and support our country's economic and humanitarian assistance to developing countries. However, I cannot in good conscience, support more than $13 billion in foreign aid today, when my congressional district, and other economically distressed communities, are starved for a domestic assistance package that does not materialize.

Why should my constituents accept sending their tax dollars overseas when they desperately need vital housing, health services, education, drug counseling, and infrastructure investment? Even in the midst of a slow and jobless recovery from an economic recession that hit poor and working families most hard, this Congress was unable to pass a $16 billion stimulus package to revitalize our communities.

If this Government cannot commit the adequate resources to find shelter for our people, or protect them as they walk through their neighborhoods, then I cannot support this funding for foreign assistance.

Mr. LEHMAN. Mr. Chairman, I rise today to voice my concern for H.R. 2295, the foreign operations appropriation bill. First, I would like to commend Chairman OBEY for his hard work in formulating a streamlined foreign assistance package.

H.R. 2295, which is $1.4 billion less than the administration requested, is a balanced package which will allow the United States to assist developing countries in their quest to join the world community. While I support many of the provisions in H.R. 2295, the continuance of United States assistance to the Government of Turkey without assurances that the blockage imposed on Armenia will be lifted, does not allow me to support this legislation.

I find it appalling that the United States continues to give hundreds of millions of dollars to a country, Turkey, which is impeding efforts to deliver aid to the starving Republic of Armenia.

The Turkish Government has publicly stated it will not allow humanitarian assistance destined for Armenia, including International Red Cross aid, to cross over Turkish soil. Turkey's actions have caused the international community, including the United States, to resort to dangerous transportation corridors through the war-torn Republic of Georgia to deliver aid to Armenia.

The actions by the Turkish Government to ignore United States requests to deliver humanitarian assistance to Armenia is a blatant disregard for human life. As an advocate of bringing accountability to our foreign aid program, I firmly believe that assistance to Turkey at the present time is ill advised.

We must send Turkey a clear message that denial of International Red Cross aid to the Republic of Armenia will not be tolerated. Therefore, I urge my colleagues to oppose the foreign aid package on the floor today.

Mr. REED. Mr. Chairman, I rise today to commend the Appropriations Committee for its continued support for the ban on military aid to Indonesia. Indonesia remains a human rights violator of gross proportions and should not be reconsidered for such aid until its government reforms its treatment of the people of East Timor.

Since the invasion of East Timor in 1975, many thousands of people on East Timor have disappeared, victims of the murderous policies of the Indonesian Government. In addition, 17,000 people remain on an Indonesian Government black list which prohibits their entry or exit from the country. Among those prohibited from leaving is Gabriela Pinto, the wife of Constancio Pinto, a student at Brown University in Rhode Island. Since Mr. Pinto's escape from East Timor in 1992, Gabriela Pinto has been under constant surveillance and has been repeatedly interrogated and intimidated by Indonesian Government officials.

The Portuguese Government officially informed Indonesia on May 7 of this year that both Gabriela Pinto and her young son Tilson will be accepted upon arrival. On May 8, the Indonesian military police informed Gabriela Pinto that she would not gain her freedom until she turned in the names of people in the underground movement, a movement in which she is not involved. Senator CLAIBORNE PELL, who Chairs the other body's Foreign Affairs Committee, filed a formal request for the emigration of both Gabriela and Tilson with Indonesia's Foreign Minister, Mr. Alatas, who stated that their departure would not be prohibited. In conjunction with the Portuguese Government, the International Red Cross transmitted a formal request to the Indonesian Government for their emigration. Yet, they both are still prohibited from leaving East Timor.

As this international appeal continues, Gabriela Pinto continues to be harassed and threatened by the military police. The most recent interrogation that we know of lasted 5 hours and was conducted on June 4 by a staff officer of an Indonesian commander.

I call on the Government of Indonesia to allow Gabriela Pinto out of East Timor to join her husband, and to allow all of its people to live freely without fear of violence and intimidation.

Finally, despite prior assurances to the contrary, the Indonesian Government has refused to allow the ICRC unrestricted access to the detainees in Indonesia. This is a deplorable situation that must be remedied.

Mr. OWENS. Mr. Chairman, I rise in strong support of the Foreign Appropriations Act for Fiscal Year 1994 (H.R. 2295), and particularly the $3 billion in assistance it would provide to the nation of Israel.

I recently returned from an extraordinary visit to Israel. This was my second visit to that nation, 10 years after the first, and there were, of course, numerous physical changes. But nothing on the streets or over the landscape was really unexpected or startling. Israel is a modern nation developing at a pace which leaves its counterparts in the dust. Although presently quite impressive, this real estate, agricultural, and high technology boom was well underway in 1983.

The big difference in 1993 is the optimism and the preoccupation with the future not merely in terms of tomorrow's security but also in projections for prosperity in the next few decades. Israel is destined to play a major role in a new economic order for the Middle East.

The present optimism is fueled partially by the influx of Jews from Russia who bring many assets to Israel's high technology agenda. The doctors and engineers with violins may represent the finest products of the failed Soviet experiment. These gifts from Gorbachev are already having a significant impact on Israeli society including politics.

Although at the other extreme in terms of technological know-how, the Jews from Ethiopia—about 45,000 to date—have brought home the Judaism of King David and the Temple. Israeli leaders describe these newcomers as strong, resilient, patient, and quick to adapt, especially the youth. We met some of these extraordinary youth who in physical appearance were not unlike the children I see

everyday in my district. But in their relationship to their society and their government, these youth experience a world of difference.

The Ethiopian youth and their families are the beneficiaries of the same absorption program that Israel provides for all immigrants. But according to the Minister in charge of absorption, the government is more flexible and goes much further to nurture the most productive possible integration of Ethiopians from a rural and pastoral culture into the modern culture of their new homeland. Certainly the 250 Ethiopian youth at the Yemen Orde residential school which we visited received every possible form of academic, personal, and social assistance. As a result of the government's concrete manifestations of concern the performance of the Ethiopian students and their post-graduate achievements are comparable to their Israeli-born fellow students.

Israel's aggressive outreach to the black Jews of Ethiopia in a world saturated with racism and ethnic conflicts will stand in history as one of this tiny nation's unique triumphs. One should not oversimplify or minimize the challenges generated by the presence of a small minority of blacks in the midst of a predominantly white nation. But with its eyes wide open Israel has nobly accepted these challenges.

Despite the endless state of siege, Israel has survived and prospered as a result of its deep leadership pool which spawns tough and resilient politicians. Many of these same leaders have also displayed great wisdom and creative vision. Making peace is no less difficult than surviving in war. The same combination of toughness, resilience, wisdom, and vision is still needed. After 6 days of dialog and analysis one leaves Israel confident that the present leadership has all of the attributes necessary to forge a broad and enduring peace.

The future of our modern civilization is inextricably interwoven with the future of Israel and the Middle East. In support of the completion of the peace process the United States and the rest of the world should provide Israel and the region with as much assistance as possible. At stake is a pivotal portion of the fate of human kind.

I urge my colleagues to support H.R. 2295 and the vital security and economic assistance it would provide to the nation of Israel.

Mr. Chairman, I yield back the balance of my time.

Mr. CHAIRMAN. All time for general debate has expired.

Pursuant to the rule, the pending question is the adoption of the amendment in the nature of a substitute printed in the reported bill.

The Clerk will designate the amendment in the nature of a substitute.

(For the text of the committee amendment in the nature of a substitute, see ensuing pages of this RECORD. Following the 20 minutes of debate, and the rollcall vote on this said amendment.)

The CHAIRMAN. Pursuant to the rule, the gentleman from Wisconsin [Mr. OBEY] will be recognized for 10 minutes, and the gentleman from Louisiana [Mr. LIVINGSTON] will be recognized for 10 minutes.

The Chair recognizes the gentleman from Wisconsin [Mr. OBEY].

Mr. OBEY. Mr. Chairman, I yield myself 4 minutes.

Mr. Chairman, I do not expect to take the full 10 minutes.

The amendment now before us will simply adopt the committee's recommendations which would, in effect, cut the President's request by $1.4 billion. A vote for this committee substitute is a vote to cut the international banks by $450 million, or 23 percent, from the President's request. It is a vote to zero fund the European Development Bank, denying them the $70 million which they asked for. It will cut U.N. programs by $50 million. It will cut development assistance by $113 million. It will cut economic support funds by $217 million. It will cut military assistance by $85 million. It will cut Export-Import Bank by $57 million.

Mr. Chairman, the committee bill is $840 million less than the amount allocated to us under the 602(b) budget authority allocation. I would urge Members to support the committee bill cut, as reported.

Mr. Chairman, I reserve the balance of my time.

Mr. LIVINGSTON. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, as the ranking minority member and as a Republican, as a conservative, I want to say that this Member will never object when the chairman of a committee stands up and voluntarily moves to cut the President's request by $1.4 billion, especially on a topic of this nature.

So, I wholeheartedly endorse the gentleman's amendment. I support it. All of my remarks preceding this point were intended to relate to this amendment. I join in it, and I urge our Members to support the amendment.

Mr. Chairman, I yield back the balance of my time.

Mr. OBEY. Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. The question is on the committee amendment in the nature of a substitute.

The question was taken; and the Chairman announced that the ayes appeared to have it.

Mr. OBEY. Mr. Chairman, I demand a recorded vote, and pending that, I make the point of order that a quorum is not present.

The CHAIRMAN. The Chair will count.

Twenty-five Members are present, not a quorum. Pursuant to the provisions of clause 2 of rule XXIII, the Chair announces that he will reduce to a minimum of 5 minutes the period of time within which a vote by electronic device, if ordered, will be taken on the pending question following the quorum call. Members will record their presence by electronic device.

The Chair will announce this is a regular quorum call followed by a 5-minute vote.

The call was taken by electronic device.

The following Members responded to their names:

[Roll No. 234]

Abercrombie
Ackerman
Allard
Andrews (ME)
Andrews (NJ)
Andrews (TX)
Applegate
Archer
Armey
Bacchus (FL)
Bachus (AL)
Baesler
Baker (LA)
Ballenger
Barca
Barcia
Barlow
Barrett (NE)
Barrett (WI)
Bartlett
Barton
Becerra
Beilenson
Bentley
Bereuter
Berman
Bevill
Bilbray
Bilirakis
Bishop
Blackwell
Bliley
Blute
Boehlert
Boehner
Bonilla
Borski
Boucher
Brewster
Brooks
Browder
Brown (CA)
Brown (FL)
Brown (OH)
Bryant
Bunning
Burton
Buyer
Byrne
Callahan
Calvert
Camp
Canady
Cantwell
Cardin
Carr
Castle
Chapman
Clay
Clayton
Clement
Clinger
Clyburn
Coble
Coleman
Collins (GA)
Collins (IL)
Collins (MI)
Combest
Condit
Conyers
Cooper
Coppersmith
Costello
Cox
Coyne
Cramer
Crane
Crapo
Cunningham
Danner
Darden
de Lugo (VI)
DeFazio
DeLauro
DeLay
Dellums
Derrick
Deutsch
Diaz-Balart
Dickey
Dicks
Dingell
Dixon
Dooley
Doolittle
Dornan
Dreier
Duncan
Dunn
Durbin
Edwards (CA)
Edwards (TX)
Emerson
Engel
English (AZ)
English (OK)
Eshoo
Evans
Everett
Ewing
Farr
Fawell
Fazio
Fields (LA)
Filner
Fingerhut
Fish
Flake
Foglietta
Ford (MI)
Ford (TN)
Fowler
Franks (CT)
Franks (NJ)
Furse
Gallegly
Gallo
Gejdenson
Gekas
Geren
Gibbons
Gilchrest
Gillmor
Gilman
Gingrich
Glickman
Gonzalez
Goodlatte
Goodling
Gordon
Goss
Grams
Grandy
Green
Greenwood
Gunderson
Gutierrez
Hall (OH)
Hall (TX)
Hamburg
Hamilton
Hancock
Hansen
Harman
Hastert
Hastings
Hayes
Hefley
Hefner
Herger
Hilliard
Hinchey
Hoagland
Hobson
Hochbrueckner
Hoekstra
Hoke
Holden
Horn
Houghton
Hoyer
Huffington
Hughes
Hutchinson
Hutto
Hyde
Inglis
Inhofe
Inslee
Istook
Jacobs
Jefferson
Johnson (CT)
Johnson (GA)
Johnson (SD)
Johnson, E. B.
Johnson, Sam
Johnston
Kanjorski
Kaptur
Kasich
Kennedy
Kennelly
Kildee
Kim
King
Kingston
Kleczka
Klein
Klink
Klug
Knollenberg
Kolbe
Kopetski
Kreidler
Kyl
LaFalce
Lambert
Lancaster
Lantos
LaRocco
Laughlin
Lazio
Leach
Lehman
Levin
Levy
Lewis (CA)
Lewis (FL)
Lewis (GA)
Lightfoot
Linder
Lipinski
Livingston
Lloyd
Long
Lowey
Machtley
Maloney
Mann
Manton
Manzullo
Margolies-Mezvinsky
Markey
Martinez
Matsui
Mazzoli
McCandless
McCloskey
McCollum
McCrery
McCurdy
McDermott
McHale
McHugh
McInnis
McKeon
McKinney
McMillan
McNulty
Meehan
Meek
Menendez

Meyers
Mfume
Mica
Michel
Miller (CA)
Miller (FL)
Mineta
Minge
Mink
Moakley
Molinari
Mollohan
Montgomery
Moorhead
Morella
Murphy
Murtha
Myers
Nadler
Natcher
Neal (MA)
Norton (DC)
Nussle
Oberstar
Obey
Olver
Ortiz
Orton
Owens
Oxley
Packard
Pallone
Parker
Pastor
Paxon
Payne (NJ)
Payne (VA)
Penny
Peterson (FL)
Peterson (MN)
Petri
Pickett
Pombo
Pomeroy
Porter
Portman
Poshard
Price (NC)
Pryce (OH)
Quillen
Quinn
Rahall
Ramstad
Rangel
Ravenel
Reed
Regula
Reynolds
Richardson
Ridge
Roberts
Roemer
Rogers
Rohrabacher
Ros-Lehtinen
Rose
Rostenkowski
Roth
Roukema
Rowland
Roybal-Allard
Royce
Rush
Sabo
Sanders
Sangmeister
Santorum
Sarpalius
Sawyer
Saxton
Schaefer
Schenk
Schiff
Schroeder
Schumer
Scott
Sensenbrenner
Serrano
Sharp
Shaw
Shays
Shepherd
Shuster
Sisisky
Skaggs
Skeen
Skelton
Slaughter
Smith (IA)
Smith (MI)
Smith (NJ)
Smith (OR)
Smith (TX)
Snowe
Solomon
Spence
Spratt
Stearns
Stenholm
Stokes
Strickland
Studds
Stump
Stupak
Sundquist
Swett
Swift
Synar
Talent
Tanner
Tauzin
Taylor (MS)
Taylor (NC)
Tejeda
Thomas (CA)
Thomas (WY)
Thompson
Thornton
Thurman
Torkildsen
Torres
Torricelli
Towns
Traficant
Tucker
Underwood (GU)
Unsoeld
Upton
Valentine
Velazquez
Vento
Visclosky
Volkmer
Walker
Washington
Waters
Watt
Waxman
Weldon
Wheat
Whitten
Williams
Wise
Wolf
Woolsey
Wyden
Wynn
Yates
Young (FL)
Zeliff
Zimmer

□ 1246

The CHAIRMAN. Four hundred fifteen Members have answered to their names, a quorum is present, and the Committee will resume its business.

PARLIAMENTARY INQUIRY

Mr. LIVINGSTON. Mr. Chairman, I have a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. LIVINGSTON. Mr. Chairman, am I correct in understanding that this is a vote on the Obey amendment which cuts last year's foreign aid appropriation by $1 billion and the President's request by $1.5 billion?

The CHAIRMAN. The question of the gentleman from Lousiana [Mr. LIVINGSTON] is technical and is not a parliamentary inquiry. Debate does indicate that the gentleman's question is correct.

RECORDED VOTE

The CHAIRMAN. The pending business is the demand of the gentleman from Wisconsin [Mr. OBEY] for a recorded vote. Five minutes will be allowed for the vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 423, noes 0, not voting 16, as follows:

[Roll No. 235]

AYES—423

Abercrombie
Ackerman
Allard
Andrews (ME)
Andrews (NJ)
Andrews (TX)
Applegate
Archer
Armey
Bacchus (FL)
Baesler
Baker (CA)
Baker (LA)
Ballenger
Barca
Barcia
Barlow
Barrett (NE)
Barrett (WI)
Bartlett
Barton
Bateman
Becerra
Beilenson
Bentley
Bereuter
Berman
Bevill
Bilbray
Bilirakis
Bishop
Blackwell
Bliley
Blute
Boehlert
Boehner
Bonilla
Bonior
Borski
Boucher
Brewster
Brooks
Browder
Brown (CA)
Brown (FL)
Brown (OH)
Bryant
Bunning
Burton
Buyer
Byrne
Callahan
Calvert
Camp
Canady
Cantwell
Cardin
Carr
Castle
Chapman
Clay
Clayton
Clement
Clinger
Clyburn
Coble
Coleman
Collins (GA)
Collins (IL)
Collins (MI)
Combest
Condit
Conyers
Cooper
Coppersmith
Costello
Coyne
Cramer
Crane
Crapo
Cunningham
Danner
Darden
de Lugo (VI)
Deal
DeFazio
DeLauro
DeLay
Dellums
Derrick
Deutsch
Diaz-Balart
Dickey
Dicks
Dingell
Dixon
Dooley
Doolittle
Dornan
Dreier
Duncan
Dunn
Durbin
Edwards (CA)
Edwards (TX)
Emerson
Engel
English (AZ)
English (OK)
Eshoo
Evans
Everett
Ewing
Farr
Fawell
Fazio
Fields (LA)
Filner
Fingerhut
Fish
Flake
Foglietta
Ford (MI)
Ford (TN)
Fowler
Frank (MA)
Franks (CT)
Franks (NJ)
Frost
Furse
Gallegly
Gallo
Gejdenson
Gekas
Gephardt
Geren
Gibbons
Gilchrest
Gillmor
Gilman
Gingrich
Glickman
Gonzalez
Goodlatte
Goodling
Gordon
Goss
Grams
Grandy
Green
Greenwood
Gunderson
Gutierrez
Hall (OH)
Hall (TX)
Hamburg
Hamilton
Hancock
Hansen
Harman
Hastert
Hastings
Hayes
Hefley
Hefner
Herger
Hilliard
Hinchey
Hoagland
Hobson
Hochbrueckner
Hoekstra
Hoke
Holden
Horn
Houghton
Hoyer
Huffington
Hughes
Hutchinson
Hutto
Hyde
Inglis
Inhofe
Inslee
Istook
Jacobs
Jefferson
Johnson (CT)
Johnson (GA)
Johnson (SD)
Johnson, E. B.
Johnson, Sam
Johnston
Kanjorski
Kaptur
Kasich
Kennedy
Kennelly
Kildee
Kim
King
Kingston
Kleczka
Klein
Klink
Klug
Knollenberg
Kolbe
Kopetski
Kreidler
Kyl
LaFalce
Lambert
Lancaster
Lantos
LaRocco
Laughlin
Lazio
Leach
Lehman
Levin
Levy
Lewis (CA)
Lewis (FL)
Lewis (GA)
Lightfoot
Linder
Lipinski
Livingston
Lloyd
Long
Lowey
Machtley
Maloney
Mann
Manton
Manzullo
Margolies-Mezvinsky
Markey
Martinez
Matsui
Mazzoli
McCandless
McCloskey
McCollum
McCrery
McCurdy
McDermott
McHale
McHugh
McInnis
McKeon
McKinney
McMillan
McNulty
Meehan
Meek
Menendez
Meyers
Mfume
Mica
Michel
Miller (CA)
Miller (FL)
Mineta
Minge
Mink
Moakley
Molinari
Mollohan
Montgomery
Moorhead
Moran
Morella
Murphy
Murtha
Myers
Nadler
Natcher
Neal (MA)
Norton (DC)
Nussle
Oberstar
Obey
Olver
Ortiz
Orton
Owens
Oxley
Packard
Pallone
Parker
Pastor
Paxon
Payne (NJ)
Payne (VA)
Penny
Peterson (FL)
Peterson (MN)
Petri
Pickett
Pombo
Pomeroy
Porter
Portman
Poshard
Price (NC)
Pryce (OH)
Quillen
Quinn
Rahall
Ramstad
Rangel
Ravenel
Reed
Regula
Reynolds
Richardson
Ridge
Roberts
Roemer
Rogers
Rohrabacher
Ros-Lehtinen
Rose
Rostenkowski
Roth
Roukema
Rowland
Roybal-Allard
Royce
Rush
Sabo
Sanders
Santorum
Sarpalius
Sawyer
Saxton
Schaefer
Schenk
Schiff
Schroeder
Schumer
Scott
Sensenbrenner
Serrano
Sharp
Shaw
Shays
Shepherd
Shuster
Sisisky
Skaggs
Skeen
Skelton
Slattery
Slaughter
Smith (IA)
Smith (MI)
Smith (NJ)
Smith (OR)
Smith (TX)
Snowe
Solomon
Spence
Spratt
Stark
Stearns
Stenholm
Stokes
Strickland
Studds
Stump
Stupak
Sundquist
Swett
Swift
Synar
Talent
Tanner
Tauzin
Taylor (MS)
Taylor (NC)
Tejeda
Thomas (CA)
Thomas (WY)
Thompson
Thornton
Thurman
Torkildsen
Torres
Torricelli
Towns
Traficant
Tucker
Underwood (GU)
Unsoeld
Upton
Valentine
Velazquez
Vento
Visclosky
Volkmer
Walker
Walsh
Washington
Waters
Watt
Waxman
Weldon
Wheat
Whitten
Williams
Wise
Wolf
Woolsey
Wyden
Wynn
Yates
Young (FL)
Zeliff
Zimmer

NOT VOTING—16

Bachus (AL)
Cox
de la Garza
Faleomavaega (AS)
Fields (TX)
Henry
Hunter
McDade
Neal (NC)
Pelosi
Pickle
Romero-Barcelo (PR)
Sangmeister
Vucanovich
Wilson
Young (AK)

□ 1255

So the committee amendment in the nature of a substitute was agreed to.

The result of the vote was announced as above recorded.

The CHAIRMAN. Pursuant to the rule, the committee amendment in the nature of a substitute is considered as an original bill for the purpose of further amendment and is considered as read.

The text of the committee amendment in the nature of a substitute is as follows:

H.R. 2295

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for foreign operations, export financing, and related programs for the fiscal year ending September 30, 1994, and for other purposes, namely:

TITLE I—MULTILATERAL ECONOMIC ASSISTANCE

FUNDS APPROPRIATED TO THE PRESIDENT

INTERNATIONAL FINANCIAL INSTITUTIONS

CONTRIBUTION TO THE INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT

For payment to the International Bank for Reconstruction and Development by the Secretary of the Treasury, for the United States share of the paid-in share portion of the increases in capital stock for the General Capital Increase, $55,821,000, to remain available until expended.

For payment to the International Bank for Reconstruction and Development by the Secretary of the Treasury, for the United States contribution to the Global Environment Facility (GEF), $30,000,000, to remain available until expended.

LIMITATION ON CALLABLE CAPITAL SUBSCRIPTIONS

The United States Governor of the International Bank for Reconstruction and Development may subscribe without fiscal year limitation to the callable capital portion of the United States share of increases in capital stock in an amount not to exceed $1,804,879,000.

CONTRIBUTION TO THE INTERNATIONAL DEVELOPMENT ASSOCIATION

For payment to the International Development Association by the Secretary of the Treasury, $1,024,332,000, for the United States contribution to the replenishment, to remain available until expended: Provided, That funds appropriated under this heading are available subject to authorization.

CONTRIBUTION TO THE INTERNATIONAL FINANCE CORPORATION

For payment to the International Finance Corporation by the Secretary of the Treasury, $35,761,500, for the United States share of the increase in subscriptions to capital stock, to remain available until expended: Provided, That of the amount appropriated under this heading not more than $5,364,000 may be expended for the purchase of such stock in fiscal year 1994.

CONTRIBUTION TO THE INTER-AMERICAN DEVELOPMENT BANK

For payment to the Inter-American Development Bank by the Secretary of the Treasury for the United States share of the paid-in share portion of the increase in capital stock, $56,166,000, and for the United States share of the increases in the resources of the Fund for Special Operations, $20,164,000, to remain available until expended.

LIMITATION ON CALLABLE CAPITAL SUBSCRIPTIONS

The United States Governor of the Inter-American Development Bank may subscribe without fiscal year limitation to the callable capital portion of the United States share of such capital stock in an amount not to exceed $2,190,283,457.

CONTRIBUTION TO THE ENTERPRISE FOR THE AMERICAS MULTILATERAL INVESTMENT FUND

For payment to the Enterprise for the Americas Multilateral Investment Fund by the Secretary of the Treasury, for the United States contribution to the Fund to be administered by the Inter-American Development Bank, $75,000,000 to remain available until expended.

CONTRIBUTION TO THE ASIAN DEVELOPMENT BANK

For payment to the Asian Development Bank by the Secretary of the Treasury, for the paid-in share portion of the United States share of the increase in capital stock, $13,026,366, to remain available until expended: Provided, That funds appropriated under this heading are available subject to receipt by the Congress of the President's budget request for such funds.

CONTRIBUTION TO THE ASIAN DEVELOPMENT FUND

For the United States contribution by the Secretary of the Treasury to the increases in resources of the Asian Development Fund, as authorized by the Asian Development Bank Act, as amended (Public Law 89–369), $62,500,000, to remain available until expended: Provided, That funds appropriated under this heading are available subject to authorization.

LIMITATION ON CALLABLE CAPITAL SUBSCRIPTIONS

The United States Governor of the Asian Development Bank may subscribe without fiscal year limitation to the callable capital portion of the United States share of increases in the capital stock in an amount not to exceed $95,438,437: Provided, That the authority provided under this heading is available subject to receipt by the Congress of the President's budget request for such authority.

CONTRIBUTION TO THE AFRICAN DEVELOPMENT FUND

For payment to the African Development Fund by the Secretary of the Treasury, $132,300,000, for the United States contribution to the sixth replenishment of the African Development Fund, to remain available until expended.

INTERNATIONAL ORGANIZATIONS AND PROGRAMS

For necessary expenses to carry out the provisions of section 301 of the Foreign Assistance Act of 1961, and of section 2 of the United Nations Environment Program Participation Act of 1973, $339,500,000: Provided, That none of the funds appropriated under this heading shall be made available for the following: the United Nations Fund for Science and Technology, the G–7 Nuclear Safety Fund, the OECD Center for Cooperation with European Economies in Transition, and United Nations Electoral Assistance activities: Provided further, That funds appropriated under this heading may be made available for the International Atomic Energy Agency only if the Secretary of State determines (and so reports to the Congress) that Israel is not being denied its right to participate in the activities of that Agency: Provided further, That unless the President certifies to the Congress that the United Nations Population Fund (UNFPA) has terminated all activities in the People's Republic of China, not more than $36,215,500 of the funds appropriated under this heading may be made available for UNFPA: Provided further, That none of the funds appropriated under this heading may be made available for UNFPA until March 1, 1994, unless the President has made the certification referred to in the previous proviso.

TITLE II—BILATERAL ECONOMIC ASSISTANCE

FUNDS APPROPRIATED TO THE PRESIDENT

For expenses necessary to enable the President to carry out the provisions of the Foreign Assistance Act of 1961, and for other purposes, to remain available until September 30, 1994, unless otherwise specified herein, as follows:

AGENCY FOR INTERNATIONAL DEVELOPMENT

DEVELOPMENT ASSISTANCE FUND

For necessary expenses to carry out the provisions of sections 103 through 106 of the Foreign Assistance Act of 1961, $816,000,000.

POPULATION, DEVELOPMENT ASSISTANCE

For necessary expenses to carry out the provisions of section 104(b), $392,000,000: Provided, That none of the funds made available in this Act nor any unobligated balances from prior appropriations may be made available to any organization or program which, as determined by the President of the United States, supports or participates in the management of a program of coercive abortion or involuntary sterilization: Provided further, That none of the funds made available under this heading may be used to pay for the performance of abortion as a method of family planning or to motivate or coerce any person to practice abortions; and that in order to reduce reliance on abortion in developing nations, funds shall be available only to voluntary family planning projects which offer, either directly or through referral to, or information about access to, a broad range of family planning methods and services: Provided further, That in awarding grants for natural family planning under section 104 of the Foreign Assistance Act of 1961 no applicant shall be discriminated against because of such applicant's religious or conscientious commitment to offer only natural family planning; and, additionally, all such applicants shall comply with the requirements of the previous proviso: Provided further, That nothing in this subsection shall be construed to alter any existing statutory prohibitions against abortion under section 104 of the Foreign Assistance Act of 1961.

DEVELOPMENT FUND FOR AFRICA

For necessary expenses to carry out the provisions of chapter 10 of part I of the Foreign Assistance Act of 1961, $784,000,000, to remain available until September 30, 1995: Provided, That none of the funds appropriated by this Act to carry out chapters 1 and 10 of part I of the Foreign Assistance Act of 1961 shall be transferred to the Government of Zaire.

PRIVATE AND VOLUNTARY ORGANIZATIONS

None of the funds appropriated or otherwise made available by this Act for development assistance may be made available to any United States private and voluntary organization, except any cooperative development organization, which obtains less than 20 per centum of its total annual funding for international activities from sources other than the United States Government: Provided, That the requirements of the provisions of section 123(g) of the Foreign Assistance Act of 1961 and the provisions on private and voluntary organizations in title II of the "Foreign Assistance and Related Programs Appropriations Act, 1985" (as enacted in Public Law 98–473) shall be superseded by the provisions of this section.

INTERNATIONAL DISASTER ASSISTANCE

For necessary expenses for international disaster relief, rehabilitation, and reconstruction assistance pursuant to section 491 of the Foreign Assistance Act of 1961, as amended, $145,985,000 to remain available until expended.

PAYMENT TO THE FOREIGN SERVICE RETIREMENT AND DISABILITY FUND

For payment to the "Foreign Service Retirement and Disability Fund", as authorized by the Foreign Service Act of 1980, $44,151,000.

OPERATING EXPENSES OF THE AGENCY FOR INTERNATIONAL DEVELOPMENT

For necessary expenses to carry out the provisions of section 667, $501,760,000.

OPERATING EXPENSES OF THE AGENCY FOR INTERNATIONAL DEVELOPMENT OFFICE OF INSPECTOR GENERAL

For necessary expenses to carry out the provisions of section 667, $39,118,000, which sum shall be available for the Office of the Inspector General of the Agency for International Development.

HOUSING GUARANTY PROGRAM ACCOUNT

For the subsidy cost, as defined in section 13201 of the Budget Enforcement Act of 1990, of guaranteed loans authorized by sections 221 and 222 of the Foreign Assistance Act of 1961, $16,078,000: Provided, That these funds are available to subsidize total loan principal, any part of which is to be guaranteed, not to exceed $110,000,000: Provided further, That these funds are available to subsidize loan principal, 100 percent of which shall be guaranteed, pursuant to the authority of such sections: Provided further, That the President shall enter into commitments to guarantee such loans in the full amount provided under this heading, subject to

the availability of qualified applicants for such guarantees. In addition, for administrative expenses to carry out guaranteed loan programs, $8,239,000, all of which may be transferred to and merged with the appropriation for Operating Expenses of the Agency for International Development: Provided further, That none of the funds appropriated under this heading shall be obligated except through the regular notification procedures of the Committees on Appropriations.

DEBT RESTRUCTURING

For the cost, as defined in section 13201 of the Budget Enforcement Act of 1990, of modifying direct loans and loan guarantees, as the President may determine, for which funds have been appropriated or otherwise made available for programs within the International Affairs Budget Function 150, $7,000,000, to remain available until expended.

ECONOMIC SUPPORT FUND

For necessary expenses to carry out the provisions of chapter 4 of part II, $2,364,562,000, to remain available until September 30, 1995: Provided, That funds appropriated under this heading that are made available for Israel shall be available on a grant basis as a cash transfer and shall be disbursed within thirty days of enactment of this Act or by October 31, 1993, whichever is later: Provided further, That funds appropriated under this heading that are made available for Egypt shall be provided on a grant basis, and of which sum cash transfer assistance may be provided with the understanding that Egypt will undertake significant economic reforms which are additional to those which were undertaken in previous fiscal years: Provided further, That in exercising the authority to provide cash transfer assistance for Israel and Egypt, the President shall ensure that the level of such assistance does not cause an adverse impact on the total level of nonmilitary exports from the United States to each such country: Provided further, That it is the sense of the Congress that the recommended levels of assistance for Egypt and Israel are based in great measure upon their continued participation in the Camp David Accords and upon the Egyptian-Israeli peace treaty: Provided further, That none of the funds appropriated under this heading shall be made available for Zaire: Provided further, That not more than $50,000,000 of the funds appropriated under this heading may be made available to finance tied-aid credits, unless the President determines it is in the national interest to provide in excess of $50,000,000 and so notifies the Committees on Appropriations through the regular notification procedures of the Committees on Appropriations: Provided further, That none of the funds made available or limited by this Act may be used for tied-aid credits or tied-aid grants except through the regular notification procedures of the Committees on Appropriations: Provided further, That none of the funds appropriated by this Act to carry out the provisions of chapters 1 and 10 of part I of the Foreign Assistance Act of 1961 may be used for tied-aid credits: Provided further, That as used in this heading the term "tied-aid credits" means any credit, within the meaning of section 15(h)(1) of the Export-Import Bank Act of 1945, which is used for blended or parallel financing, as those terms are defined by sections 15(h) (4) and (5), respectively, of such Act: Provided further, That funds appropriated under this heading shall remain available until September 30, 1995.

INTERNATIONAL FUND FOR IRELAND

For necessary expenses to carry out the provisions of part I of the Foreign Assistance Act of 1961, $19,600,000, which shall be available for the United States contribution to the International Fund for Ireland and shall be made available in accordance with the provisions of the Anglo-Irish Agreement Support Act of 1986 (Public Law 99-415): Provided, That such amount shall be expended at the minimum rate necessary to make timely payment for projects and activities: Provided further, That funds made available under this heading shall remain available until expended.

ASSISTANCE FOR EASTERN EUROPE AND THE BALTIC STATES

(a) For necessary expenses to carry out the provisions of the Foreign Assistance Act of 1961 and the Support for East European Democracy (SEED) Act of 1989, $400,000,000, to remain available until expended, which shall be available, notwithstanding any other provision of law, for economic assistance for Eastern Europe and the Baltic States.

(b) Funds appropriated under this heading or in prior appropriations Acts that are or have been made available for an Enterprise Fund may be deposited by such Fund in interest-bearing accounts prior to the Fund's disbursement of such funds for program purposes. The Fund may retain for such program purposes any interest earned on such deposits without returning such interest to the Treasury of the United States and without further appropriation by the Congress. Funds made available for Enterprise Funds shall be expended at the minimum rate necessary to make timely payment for projects and activities.

(c) Funds appropriated under this heading shall be considered to be economic assistance under the Foreign Assistance Act of 1961 for purposes of making available the administrative authorities contained in that Act for the use of economic assistance.

ASSISTANCE FOR THE NEW INDEPENDENT STATES OF THE FORMER SOVIET UNION

For necessary expenses to carry out the provisions of chapter 11 of part I of the Foreign Assistance Act of 1961 and the FREEDOM Support Act, for assistance for the new independent states of the former Soviet Union and for related programs, $903,820,000, to remain available until expended: Provided, That the provisions of 498B(j) of the Foreign Assistance Act of 1961 shall apply to funds appropriated by this paragraph.

INDEPENDENT AGENCIES

AFRICAN DEVELOPMENT FOUNDATION

For necessary expenses to carry out the provisions of title V of the International Security and Development Cooperation Act of 1980, Public Law 96-533, and to make such contracts and commitments without regard to fiscal year limitations, as provided by section 9104, title 31, United States Code, $16,905,000: Provided, That, when, with the permission of the President of the Foundation, funds made available to a grantee under this heading are invested pending disbursement, the resulting interest is not required to be deposited in the United States Treasury if the grantee uses the resulting interest for the purpose for which the grant was made: Provided further, That this provision applies with respect to both interest earned before and interest earned after the enactment of this provision.

INTER-AMERICAN FOUNDATION

For expenses necessary to carry out the functions of the Inter-American Foundation in accordance with the provisions of section 401 of the Foreign Assistance Act of 1969, and to make such contracts and commitments without regard to fiscal year limitations, as provided by section 9104, title 31, United States Code, $30,340,000.

OVERSEAS PRIVATE INVESTMENT CORPORATION

PROGRAM ACCOUNT

For the subsidy cost as defined in section 13201 of the Budget Enforcement Act of 1990, of direct and guaranteed loans authorized by section 234 of the Foreign Assistance Act of 1961, as follows: cost of direct and guaranteed loans, $9,065,000. In addition, for administrative expenses to carry out the direct and guaranteed loan programs, $7,518,000: Provided, That the funds provided in this paragraph shall be available for and apply to costs, direct loan obligations and loan guaranty commitments incurred or made during the period from October 1, 1993 through September 30, 1995: Provided further, That such sums are to remain available through fiscal year 2002 for the disbursement of direct and guaranteed loans obligated in fiscal year 1994, and through 2003 for the disbursement of direct and guaranteed loans obligated in fiscal year 1995.

The Overseas Private Investment Corporation is authorized to make, without regard to fiscal year limitations, as provided by 31 U.S.C. 9104, such noncredit expenditures and commitments within the limits of funds available to it and in accordance with law (including an amount for official reception and representation expenses which shall not exceed $35,000) as may be necessary.

PEACE CORPS

For expenses necessary to carry out the provisions of the Peace Corps Act (75 Stat. 612), $219,745,000, including the purchase of not to exceed five passenger motor vehicles for administrative purposes for use outside of the United States: Provided, That none of the funds appropriated under this heading shall be used to pay for abortions: Provided further, That funds appropriated under this heading shall remain available until September 30, 1995: Provided further, That not to exceed $3,000,000 from amounts appropriated under this heading may be transferred to the "Foreign Currency Fluctuations, Peace Corps, Account", as authorized by section 16 of the Peace Corps Act, as amended.

DEPARTMENT OF STATE

INTERNATIONAL NARCOTICS CONTROL

For necessary expenses to carry out the provisions of section 481 of the Foreign Assistance Act of 1961, $100,000,000.

MIGRATION AND REFUGEE ASSISTANCE

For expenses, not otherwise provided for, necessary to enable the Secretary of State to provide, as authorized by law, a contribution to the International Committee of the Red Cross and assistance to refugees, including contributions to the Intergovernmental Committee for Migration and the United Nations High Commissioner for Refugees; salaries and expenses of personnel and dependents as authorized by the Foreign Service Act of 1980; allowances as authorized by sections 5921 through 5925 of title 5, United States Code; hire of passenger motor vehicles; and services as authorized by section 3109 of title 5, United States Code; $670,688,000: Provided, That not more than $11,500,000 of the funds appropriated under this heading shall be available for the administrative expenses of the Office of Refugee Programs of the Department of State.

UNITED STATES EMERGENCY REFUGEE AND MIGRATION ASSISTANCE FUND

For necessary expenses to carry out the provisions of section 2(c) of the Migration and Refugee Assistance Act of 1962, as amended (22 U.S.C. 260(c)), $19,261,000, to remain available until expended: Provided, That the funds made available under this heading are appropriated notwithstanding the provisions contained in section 2(c)(2) of the Migration and Refugee Assistance Act of 1962 which would limit the amount of funds which could be appropriated for this purpose.

ANTI-TERRORISM ASSISTANCE

For necessary expenses to carry out the provisions of chapter 8 of part II of the Foreign Assistance Act of 1961, $15,244,000.

TITLE III—MILITARY ASSISTANCE

FUNDS APPROPRIATED TO THE PRESIDENT

INTERNATIONAL MILITARY EDUCATION AND TRAINING

For necessary expenses to carry out the provisions of section 541 of the Foreign Assistance Act of 1961, $21,250,000: Provided, That up to $300,000 of the funds appropriated under this heading may be made available for grant financed military education and training for any country whose annual per capita GNP exceeds $2,349 on the condition that that country agrees to fund from its own resources the transportation cost and living allowances of its students: Provided further, That the civilian personnel for whom military education and training may be provided under this heading may also include members of national legislatures who are responsible for the oversight and management of the military: Provided further, That none of the funds appropriated under this heading shall be available for Indonesia and Zaire.

FOREIGN MILITARY FINANCING PROGRAM

For expenses necessary for grants to enable the President to carry out the provisions of section 23 of the Arms Export Control Act, $3,175,000,000: Provided, That funds appropriated by this paragraph that are made available for Israel shall be available as grants and shall be disbursed within thirty days of enactment of this Act or by October 31, 1993, whichever is later: Provided further, That funds appropriated by this paragraph that are made available for Egypt shall be available as grants: Provided further, That funds made available under this paragraph shall be nonrepayable notwithstanding any requirement in section 23 of the Arms Export Control Act.

For the cost, as defined in section 13201 of the Budget Enforcement Act of 1990, of direct loans authorized by section 23 of the Arms Export Control Act as follows: cost of direct loans, $46,530,000: Provided, That these funds are available to subsidize gross obligations for the principal amount of direct loans of not to exceed $769,500,000: Provided further, That the rate of interest charged on such loans shall be not less than the current average market yield on outstanding marketable obligations of the United States of comparable maturities: Provided further, That funds appropriated under this heading shall be made available for Portugal, Greece and Turkey only on a loan basis: Provided further, That the principal amount of loans made available for Greece and Turkey shall be made available according to a 7 to 10 ratio.

None of the funds made available under this heading shall be available to finance the procurement of defense articles, defense services, or design and construction services that are not sold by the United States Government under the Arms Export Control Act unless the foreign country proposing to make such procurements has first signed an agreement with the United States Government specifying the conditions under which such procurements may be financed with such funds: Provided, That all country and funding level increases in allocations shall be submitted through the regular notification procedures of section 515 of this Act: Provided further, That funds made available under this heading shall be obligated upon apportionment in accordance with paragraph (5)(C) of title 31, United States Code, section 1501(a): Provided further, That none of the funds appropriated under this heading shall be available for Zaire, Sudan, Liberia, Guatemala, Peru, and Malawi: Provided further, That not more than $100,000,000 of the funds made available under this heading shall be available for use in financing the procurement of defense articles, defense services, or design and construction services that are not sold by the United States Government under the Arms Export Control Act to countries other than Israel and Egypt: Provided further, That only those countries for which assistance was justified for the "Foreign Military Sales Financing Program" in the fiscal year 1989 congressional presentation for security assistance programs may utilize funds made available under this heading for procurement of defense articles, defense services or design and construction services that are not sold by the United States Government under the Arms Export Control Act: Provided further, That funds appropriated under this heading shall be expended at the minimum rate necessary to make timely payment for defense articles and services: Provided further, That the Department of Defense shall conduct during the current fiscal year nonreimbursable audits of private firms whose contracts are made directly with foreign governments and are financed with funds made available under this heading (as well as subcontractors thereunder) as requested by the Defense Security Assistance Agency: Provided further, That not more than $23,558,000 of the funds appropriated under this heading may be obligated for necessary expenses, including the purchase of passenger motor vehicles for replacement only for use outside of the United States, for the general costs of administering military assistance and sales: Provided further, That not more than $290,000,000 of funds realized pursuant to section 21(e)(1)(A) of the Arms Export Control Act may be obligated for expenses incurred by the Department of Defense during the fiscal year 1994 pursuant to section 43(b) of the Arms Export Control Act, except that this limitation may be exceeded only through the regular notification procedures of the Committees on Appropriations: Provided further, That none of the funds appropriated under this heading, and no employee of the Defense Security Assistance Agency, may be used to facilitate the transport of aircraft to commercial arms sales shows.

SPECIAL DEFENSE ACQUISITION FUND

Notwithstanding section 51 of the Arms Export Control Act, collections in excess of obligational authority provided in prior appropriations Acts shall be deposited in the Treasury as miscellaneous receipts.

PEACEKEEPING OPERATIONS

For necessary expenses to carry out the provisions of section 551 of the Foreign Assistance Act of 1961, $75,623,000.

NONPROLIFERATION AND DISARMAMENT FUND

For necessary expenses for a "Nonproliferation and Disarmament Fund", $10,000,000, to remain available until expended, to promote bilateral and multilateral activities: Provided, That such funds may be used pursuant to the authorities contained in section 504 of the FREEDOM Support Act: Provided further, That such funds may also be used for such countries other than the new independent states of the former Soviet Union and international organizations when it is in the national security interest of the United States to do so: Provided further, That funds appropriated under this heading may be made available notwithstanding any other provision of law: Provided further, That funds appropriated under this heading shall be subject to the regular notification procedures of the Committees on Appropriations.

TITLE IV—EXPORT ASSISTANCE

EXPORT-IMPORT BANK OF THE UNITED STATES

The Export-Import Bank of the United States is authorized to make such expenditures within the limits of funds and borrowing authority available to such corporation, and in accordance with law, and to make such contracts and commitments without regard to fiscal year limitations, as provided by section 104 of the Government Corporation Control Act, as may be necessary in carrying out the program for the current fiscal year for such corporation: Provided, That none of the funds available during the current fiscal year may be used to make expenditures, contracts, or commitments for the export of nuclear equipment, fuel, or technology to any country other than a nuclear-weapon State as defined in article IX of the Treaty on the Non-Proliferation of Nuclear Weapons eligible to receive economic or military assistance under this Act that has detonated a nuclear explosive after the date of enactment of this Act.

SUBSIDY APPROPRIATION

For the cost of direct loans, loan guarantees, insurance, and tied-aid grants as authorized by section 10 of the Export-Import Bank Act of 1945, as amended, $700,000,000: Provided, That such costs, including the cost of modifying such loans, shall be as defined in section 502 of the Congressional Budget Act of 1974: Provided further, That such sums shall remain available until 2009 for the disbursement of direct loans, loan guarantees, insurance and tied-aid grants obligated in fiscal year 1994: Provided further, That up to $50,000,000 of funds appropriated by this paragraph shall remain available until expended and may be used for tied-aid grant purposes: Provided further, That none of the funds appropriated by this paragraph may be used for tied-aid credits or grants except through the regular notification procedures of the Committees on Appropriations: Provided further, That funds appropriated by this paragraph are made available notwithstanding section 2(b)(2) of the Export-Import Bank Act of 1945, in connection with the purchase or lease of any product by any East European country, any Baltic State, or any agency or national thereof.

ADMINISTRATIVE EXPENSES

For administrative expenses to carry out the direct and guaranteed loan and insurance programs (to be computed on an accrual basis), including hire of passenger motor vehicles and services as authorized by 5 U.S.C. 3109, and not to exceed $20,000 for official reception and representation expenses for members of the Board of Directors, $45,369,000: Provided, That necessary expenses (including special services performed on a contract or fee basis, but not including other personal services) in connection with the collection of moneys owed the Export-Import Bank, repossession or sale of pledged collateral or other assets acquired by the Export-Import Bank in satisfaction of moneys owed the Export-Import Bank, or the investigation or appraisal of any property, or the evaluation of the legal or technical aspects of any transaction for which an application for a loan, guarantee or insurance commitment has been made, shall be considered nonadministrative expenses for the purposes of this heading.

FUNDS APPROPRIATED TO THE PRESIDENT

TRADE AND DEVELOPMENT AGENCY

For necessary expenses to carry out the provisions of section 661 of the Foreign Assistance Act of 1961, $40,000,000.

TITLE V—GENERAL PROVISIONS

OBLIGATIONS DURING LAST MONTH OF AVAILABILITY

SEC. 501. Except for the appropriations entitled "International Disaster Assistance", and "United States Emergency Refugee and Migration Assistance Fund", not more than 15 per centum of any appropriation item made available by this Act shall be obligated during the last month of availability.

PROHIBITION OF BILATERAL FUNDING FOR INTERNATIONAL FINANCIAL INSTITUTIONS

SEC. 502. None of the funds contained in title II of this Act may be used to carry out the provisions of section 209(d) of the Foreign Assistance Act of 1961.

LIMITATION ON RESIDENCE EXPENSES

SEC. 503. Of the funds appropriated or made available pursuant to this Act, not to exceed

$126,500 shall be for official residence expenses of the Agency for International Development during the current fiscal year: Provided, That appropriate steps shall be taken to assure that, to the maximum extent possible, United States-owned foreign currencies are utilized in lieu of dollars.

LIMITATION ON EXPENSES

SEC. 504. Of the funds appropriated or made available pursuant to this Act, not to exceed $5,000 shall be for entertainment expenses of the Agency for International Development during the current fiscal year.

LIMITATION ON REPRESENTATIONAL ALLOWANCES

SEC. 505. Of the funds appropriated or made available pursuant to this Act, not to exceed $95,000 shall be available for representation allowances for the Agency for International Development during the current fiscal year: Provided, That appropriate steps shall be taken to assure that, to the maximum extent possible, United States-owned foreign currencies are utilized in lieu of dollars: Provided further, That of the funds made available by this Act for general costs of administering military assistance and sales under the heading "Foreign Military Financing Program", not to exceed $2,000 shall be available for entertainment expenses and not to exceed $50,000 shall be available for representation allowances: Provided further, That of the funds made available by this Act under the heading "International Military Education and Training", not to exceed $50,000 shall be available for entertainment allowances: Provided further, That of the funds made available by this Act for the Inter-American Foundation, not to exceed $2,000 shall be available for entertainment and representation allowances: Provided further, That of the funds made available by this Act for the Peace Corps, not to exceed a total of $4,000 shall be available for entertainment expenses: Provided further, That of the funds made available by this Act under the heading "Trade and Development Agency", not to exceed $2,000 shall be available for representation and entertainment allowances.

PROHIBITION ON FINANCING NUCLEAR GOODS

SEC. 506. None of the funds appropriated or made available (other than funds for "International Organizations and Programs") pursuant to this Act, for carrying out the Foreign Assistance Act of 1961, may be used, except for purposes of nuclear safety, to finance the export of nuclear equipment, fuel, or technology.

PROHIBITION AGAINST DIRECT FUNDING FOR CERTAIN COUNTRIES

SEC. 507. None of the funds appropriated or otherwise made available pursuant to this Act shall be obligated or expended to finance directly any assistance or reparations to Cuba, Iraq, Libya, the Socialist Republic of Vietnam, Iran, Serbia, or Syria: Provided, That for purposes of this section, the prohibition on obligations or expenditures shall include direct loans, credits, insurance and guarantees of the Export-Import Bank or its agents.

MILITARY COUPS

SEC. 508. None of the funds appropriated or otherwise made available pursuant to this Act shall be obligated or expended to finance directly any assistance to any country whose duly elected Head of Government is deposed by military coup or decree: Provided, That assistance may be resumed to such country if the President determines and reports to the Committees on Appropriations that subsequent to the termination of assistance a democratically elected government has taken office.

TRANSFERS BETWEEN ACCOUNTS

SEC. 509. None of the funds made available by this Act may be obligated under an appropriation account to which they were not appropriated, unless the President, prior to the exercise of any authority contained in the Foreign Assistance Act of 1961 to transfer funds, consults with and provides a written policy justification to the Committees on Appropriations of the House of Representatives and the Senate: Provided, That the exercise of such authority shall be subject to the regular notification procedures of the Committees on Appropriations.

DEOBLIGATION/REOBLIGATION AUTHORITY

SEC. 510. (a) Amounts certified pursuant to section 1311 of the Supplemental Appropriations Act, 1955, as having been obligated against appropriations heretofore made under the authority of the Foreign Assistance Act of 1961 for the same general purpose as any of the headings under the "Agency for International Development" are, if deobligated, hereby continued available for the same period as the respective appropriations under such headings or until September 30, 1994, whichever is later, and for the same general purpose, and for countries within the same region as originally obligated: Provided, That the Appropriations Committees of both Houses of the Congress are notified fifteen days in advance of the deobligation and reobligation of such funds in accordance with regular notification procedures of the Committees on Appropriations.

(b) Obligated balances of funds appropriated to carry out section 23 of the Arms Export Control Act as of the end of the fiscal year immediately preceding the current fiscal year are, if deobligated, hereby continued available during the current fiscal year for the same purpose under any authority applicable to such appropriations under this Act.

AVAILABILITY OF FUNDS

SEC. 511. No part of any appropriation contained in this Act shall remain available for obligation after the expiration of the current fiscal year unless expressly so provided in this Act: Provided, That funds appropriated for the purposes of chapter 1 of part I, section 667, and chapter 4 of part II of the Foreign Assistance Act of 1961, as amended, shall remain available until expended if such funds are initially obligated before the expiration of their respective periods of availability contained in this Act: Provided further, That, notwithstanding any other provision of this Act, any funds made available for the purposes of chapter 1 of part I and chapter 4 of part II of the Foreign Assistance Act of 1961 which are allocated or obligated for cash disbursements in order to address balance of payments or economic policy reform objectives, shall remain available until expended: Provided further, That the report required by section 653(a) of the Foreign Assistance Act of 1961 shall designate for each country, to the extent known at the time of submission of such report, those funds allocated for cash disbursement for balance of payment and economic policy reform purposes.

LIMITATION ON ASSISTANCE TO COUNTRIES IN DEFAULT

SEC. 512. No part of any appropriation contained in this Act shall be used to furnish assistance to any country which is in default during a period in excess of one calendar year in payment to the United States of principal or interest on any loan made to such country by the United States pursuant to a program for which funds are appropriated under this Act: Provided, That this section and section 620(q) of the Foreign Assistance Act of 1961 shall not apply to funds made available in this Act or during the current fiscal year for Nicaragua, and for any narcotics-related assistance for Colombia, Bolivia, and Peru authorized by the Foreign Assistance Act of 1961 or the Arms Export Control Act.

COMMERCE AND TRADE

SEC. 513. (a) None of the funds appropriated or made available pursuant to this Act for direct assistance and none of the funds otherwise made available pursuant to this Act to the Export-Import Bank and the Overseas Private Investment Corporation shall be obligated or expended to finance any loan, any assistance or any other financial commitments for establishing or expanding production of any commodity for export by any country other than the United States, if the commodity is likely to be in surplus on world markets at the time the resulting productive capacity is expected to become operative and if the assistance will cause substantial injury to United States producers of the same, similar, or competing commodity: Provided, That such prohibition shall not apply to the Export-Import Bank if in the judgment of its Board of Directors the benefits to industry and employment in the United States are likely to outweigh the injury to United States producers of the same, similar, or competing commodity.

(b) None of the funds appropriated by this or any other Act to carry out chapter 1 of part I of the Foreign Assistance Act of 1961 shall be available for any testing or breeding feasibility study, variety improvement or introduction, consultancy, publication, conference, or training in connection with the growth or production in a foreign country of an agricultural commodity for export which would compete with a similar commodity grown or produced in the United States: Provided, That this subsection shall not prohibit—

(1) activities designed to increase food security in developing countries where such activities will not have a significant impact in the export of agricultural commodities of the United States; or

(2) research activities intended primarily to benefit American producers.

(c) None of the funds provided in this Act to the Agency for International Development, other than funds made available to carry out Caribbean Basin Initiative programs under the Tariff Schedules of the United States, section 1202 of title 19, United States Code, schedule 8, part I, subpart B, item 807.00, shall be obligated or expended—

(1) to procure directly feasibility studies or prefeasibility studies for, or project profiles of potential investment in, the manufacture, for export to the United States or to third country markets in direct competition with United States exports, of import-sensitive articles as defined by section 503(c)(1) (A) and (E) of the Tariff Act of 1930 (19 U.S.C. 2463(c)(1) (A) and (E)); or

(2) to assist directly in the establishment of facilities specifically designed for the manufacture, for export to the United States or to third country markets in direct competition with United States exports, of import-sensitive articles as defined in section 503(c)(1) (A) and (E) of the Tariff Act of 1930 (19 U.S.C. 2463(c)(1) (A) and (E)).

SURPLUS COMMODITIES

SEC. 514. The Secretary of the Treasury shall instruct the United States Executive Directors of the International Bank for Reconstruction and Development, the International Development Association, the International Finance Corporation, the Inter-American Development Bank, the International Monetary Fund, the Asian Development Bank, the Inter-American Investment Corporation, the African Development Bank, and the African Development Fund to use the voice and vote of the United States to oppose any assistance by these institutions, using funds appropriated or made available pursuant to this Act, for the production or extraction of any commodity or mineral for export, if it is in surplus on world markets and if the assistance will cause substantial injury to United States producers of the same, similar, or competing commodity.

NOTIFICATION REQUIREMENTS

SEC. 515. For the purposes of providing the Executive Branch with the necessary administrative flexibility, none of the funds made available under this Act for "Development Assistance Fund", "Population, Development Assistance", "Development Fund for Africa", "International organizations and programs", "American schools and hospitals abroad", "Trade and development agency", "International narcotics control", "Economic support fund", "Peacekeeping operations", "Operating expenses of the Agency for International Development", "Operating expenses of the Agency for International Development Office of Inspector General", "Anti-terrorism assistance", "Foreign Military Financing Program", "International military education and training", "Inter-American Foundation", "African Development Foundation", "Peace Corps", or "Migration and refugee assistance", shall be available for obligation for activities, programs, projects, type of materiel assistance, countries, or other operation not justified or in excess of the amount justified to the Appropriations Committees for obligation under any of these specific headings unless the Appropriations Committees of both Houses of Congress are previously notified fifteen days in advance: Provided, That the President shall not enter into any commitment of funds appropriated for the purposes of section 23 of the Arms Export Control Act for the provision of major defense equipment, other than conventional ammunition, or other major defense items defined to be aircraft, ships, missiles, or combat vehicles, not previously justified to Congress or 20 per centum in excess of the quantities justified to Congress unless the Committees on Appropriations are notified fifteen days in advance of such commitment: Provided further, That this section shall not apply to any reprogramming for an activity, program, or project under chapter 1 of part I of the Foreign Assistance Act of 1961 of less than 20 per centum of the amount previously justified to the Congress for obligation for such activity, program, or project for the current fiscal year: Provided further, That the requirements of this section or any similar provision of this Act requiring notification in accordance with the regular notification procedures of the Committees on Appropriations may be waived if failure to do so would pose a substantial risk to human health or welfare: Provided further, That in case of any such waiver, notification to the Congress, or the appropriate congressional committees, shall be provided as early as practicable, but in no event later than three days after taking the action to which such notification requirement was applicable, in the context of the circumstances necessitating such waiver: Provided further, That any notification provided pursuant to such a waiver shall contain an explanation of the emergency circumstances.

Drawdowns made pursuant to section 506(a)(2) of the Foreign Assistance Act of 1961 shall be subject to the regular notification procedures of the Committees on Appropriations.

LIMITATION ON AVAILABILITY OF FUNDS FOR INTERNATIONAL ORGANIZATIONS AND PROGRAMS

SEC. 516. (a) Notwithstanding any other provision of law or of this Act, none of the funds provided for "International Organizations and Programs" shall be available for the United States proportionate share for any programs for the Palestine Liberation Organization (or for projects whose purpose is to provide benefits to the Palestine Liberation Organization or entities associated with it), Libya, Iran, or, at the discretion of the President, Communist countries listed in section 620(f) of the Foreign Assistance Act of 1961, as amended: Provided, That, subject to the regular notification procedures of the Committees on Appropriations, funds appropriated under this Act or any previously enacted Act making appropriations for foreign operations, export financing, and related programs, which are returned or not made available for organizations and programs because of the implementation of this section or any similar provision of law, shall remain available for obligation through September 30, 1995.

(b) The United States shall not make any voluntary or assessed contribution—

(1) to any affiliated organization of the United Nations which grants full membership as a state to any organization or group that does not have the internationally recognized attributes of statehood, or

(2) to the United Nations, if the United Nations grants full membership as a state in the United Nations to any organization or group that does not have the internationally recognized attributes of statehood,

during any period in which such membership is effective.

ECONOMIC SUPPORT FUND ASSISTANCE FOR ISRAEL

SEC. 517. The Congress finds that progress on the peace process in the Middle East is vitally important to United States security interests in the region. The Congress recognizes that, in fulfilling its obligations under the Treaty of Peace Between the Arab Republic of Egypt and the State of Israel, done at Washington on March 26, 1979, Israel incurred severe economic burdens. Furthermore, the Congress recognizes that an economically and militarily secure Israel serves the security interests of the United States, for a secure Israel is an Israel which has the incentive and confidence to continue pursuing the peace process. Therefore, the Congress declares that it is the policy and the intention of the United States that the funds provided in annual appropriations for the Economic Support Fund which are allocated to Israel shall not be less than the annual debt repayment (interest and principal) from Israel to the United States Government in recognition that such a principle serves United States interests in the region.

PROHIBITION CONCERNING ABORTIONS AND INVOLUNTARY STERILIZATION

SEC. 518. None of the funds made available to carry out part I of the Foreign Assistance Act of 1961, as amended, may be used to pay for the performance of abortions as a method of family planning or to motivate or coerce any person to practice abortions. None of the funds made available to carry out part I of the Foreign Assistance Act of 1961, as amended, may be used to pay for the performance of involuntary sterilization as a method of family planning or to coerce or provide any financial incentive to any person to undergo sterilizations. None of the funds made available to carry out part I of the Foreign Assistance Act of 1961, as amended, may be used to pay for any biomedical research which relates in whole or in part, to methods of, or the performance of, abortions or involuntary sterilization as a means of family planning. None of the funds made available to carry out part I of the Foreign Assistance Act of 1961, as amended, may be obligated or expended for any country or organization if the President certifies that the use of these funds by any such country or organization would violate any of the above provisions related to abortions and involuntary sterilizations. The Congress reaffirms its commitments to Population, Development Assistance and to the need for informed voluntary family planning.

REPORTING REQUIREMENT

SEC. 519. The President shall submit to the Committees on Appropriations the reports required by section 25(a)(1) of the Arms Export Control Act.

SPECIAL NOTIFICATION REQUIREMENTS

SEC. 520. None of the funds appropriated in this Act shall be obligated or expended for Afghanistan, Cambodia, El Salvador, Guatemala, Haiti, Indonesia, Jordan, Liberia, Malawi, Peru, Sudan, Togo, or Zaire except as provided through the regular notification procedures of the Committees on Appropriations.

DEFINITION OF PROGRAM, PROJECT, AND ACTIVITY

SEC. 521. For the purpose of this Act, "program, project, and activity" shall be defined at the Appropriations Act account level and shall include all Appropriations and Authorizations Acts earmarks, ceilings, and limitations with the exception that for the following accounts: Economic Support Fund and Foreign Military Financing Program, "program, project, and activity" shall also be considered to include country, regional, and central program level funding within each such account; for the development assistance accounts of the Agency for International Development "program, project, and activity" shall also be considered to include central program level funding, either as (1) justified to the Congress, or (2) allocated by the executive branch in accordance with a report, to be provided to the Committees on Appropriations within thirty days of enactment of this Act, as required by section 653(a) of the Foreign Assistance Act of 1961.

FAMILY PLANNING, CHILD SURVIVAL AND AIDS ACTIVITIES

SEC. 522. Up to $8,000,000 of the funds made available by this Act for assistance for family planning, health, child survival, and AIDS, may be used to reimburse United States Government agencies, agencies of State governments, institutions of higher learning, and private and voluntary organizations for the full cost of individuals (including for the personal services of such individuals) detailed or assigned to, or contracted by, as the case may be, the Agency for International Development for the purpose of carrying out family planning activities, child survival activities and activities relating to research on, and the treatment and control of, acquired immune deficiency syndrome in developing countries: Provided, That such individuals shall not be included within any personnel ceiling applicable to any United States Government agency during the period of detail or assignment: Provided further, That funds appropriated by this Act that are made available for child survival activities or activities relating to research on, and the treatment and control of, acquired immune deficiency syndrome may be made available notwithstanding any provision of law that restricts assistance to foreign countries: Provided further, That funds appropriated by this Act that are made available for family planning activities may be made available notwithstanding section 512 of this Act and section 620(q) of the Foreign Assistance Act of 1961.

PROHIBITION AGAINST INDIRECT FUNDING TO CERTAIN COUNTRIES

SEC. 523. None of the funds appropriated or otherwise made available pursuant to this Act shall be obligated to finance indirectly any assistance or reparations to Cuba, Iraq, Libya, the Socialist Republic of Vietnam, Iran, Syria, North Korea, People's Republic of China, or Laos unless the President of the United States certifies that the withholding of these funds is contrary to the national interest of the United States.

RECIPROCAL LEASING

SEC. 524. Section 61(a) of the Arms Export Control Act is amended by striking out "1993" and inserting in lieu thereof "1994".

NOTIFICATION ON EXCESS DEFENSE EQUIPMENT

SEC. 525. Prior to providing excess Department of Defense articles in accordance with section 516(a) of the Foreign Assistance Act of 1961, the Department of Defense shall notify the Committees on Appropriations to the same extent and under the same conditions as are other committees pursuant to subsection (c) of that section:

Provided, That before issuing a letter of offer to sell excess defense articles under the Arms Export Control Act, the Department of Defense shall notify the Committees on Appropriations in accordance with the regular notification procedures of such Committees: Provided further, That such Committees shall also be informed of the original acquisition cost of such defense articles.

AUTHORIZATION REQUIREMENT

SEC. 526. Funds appropriated by Title I through V of this Act may be obligated and expended subject to section 10 of Public Law 91-672 and section 15 of the State Department Basic Authorities Act of 1956.

DEPLETED URANIUM

SEC. 527. None of the funds provided in this or any other Act may be made available to facilitate in any way the sale of M-833 antitank shells or any comparable antitank shells containing a depleted uranium penetrating component to any country other than (1) countries which are members of NATO, (2) countries which have been designated as a major non-NATO ally for purposes of section 1105 of the National Defense Authorization Act for Fiscal Year 1987 or, (3) Taiwan: Provided, That funds may be made available to facilitate the sale of such shells notwithstanding the limitations of this section if the President determines that to do so is in the national security interest of the United States.

OPPOSITION TO ASSISTANCE TO TERRORIST COUNTRIES BY INTERNATIONAL FINANCIAL INSTITUTIONS

SEC. 528. (a) INSTRUCTIONS FOR UNITED STATES EXECUTIVE DIRECTORS.—The Secretary of the Treasury shall instruct the United States Executive Director of each international financial institution to vote against any loan or other use of the funds of the respective institution to or for a country for which the Secretary of State has made a determination under section 6(j) of the Export Administration Act of 1979.

(b) DEFINITION.—For purposes of this section, the term "international financial institution" includes—

(1) the International Bank for Reconstruction and Development, the International Development Association, and the International Monetary Fund; and

(2) wherever applicable, the Inter-American Development Bank, the Asian Development Bank, the African Development Bank, the African Development Fund, and the European Bank for Reconstruction and Development.

PROHIBITION ON BILATERAL ASSISTANCE TO TERRORIST COUNTRIES

SEC. 529. (a) Notwithstanding any other provision of law, funds appropriated for bilateral assistance under any heading of this Act and funds appropriated under any such heading in a provision of law enacted prior to enactment of this Act, shall not be made available to any country which the President determines—

(1) grants sanctuary from prosecution to any individual or group which has committed an act of international terrorism, or

(2) otherwise supports international terrorism.

(b) The President may waive the application of subsection (a) to a country if the President determines that national security or humanitarian reasons justify such waiver. The President shall publish each waiver in the Federal Register and, at least fifteen days before the waiver takes effect, shall notify the Committees on Appropriations of the waiver (including the justification for the waiver) in accordance with the regular notification procedures of the Committees on Appropriations.

COMMERCIAL LEASING OF DEFENSE ARTICLES

SEC. 530. Notwithstanding any other provision of law, and subject to the regular notification requirements of the Committees on Appropriations, the authority of section 23(a) of the Arms Export Control Act may be used to provide financing to Israel and Egypt and NATO and major non-NATO allies for the procurement by leasing (including leasing with an option to purchase) of defense articles from United States commercial suppliers, not including Major Defense Equipment (other than helicopters and other types of aircraft having possible civilian application), if the President determines that there are compelling foreign policy or national security reasons for those defense articles being provided by commercial lease rather than by government-to-government sale under such Act.

COMPETITIVE INSURANCE

SEC. 531. All Agency for International Development contracts and solicitations, and subcontracts entered into under such contracts, shall include a clause requiring that United States marine insurance companies have a fair opportunity to bid for marine insurance when such insurance is necessary or appropriate.

STINGERS IN THE PERSIAN GULF REGION

SEC. 532. Except as provided in section 581 of the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1990, the United States may not sell or otherwise make available any Stingers to any country bordering the Persian Gulf under the Arms Export Control Act or chapter 2 of part II of the Foreign Assistance Act of 1961.

PROHIBITION ON LEVERAGING AND DIVERSION OF UNITED STATES ASSISTANCE

SEC. 533. (a) None of the funds appropriated by this Act may be provided to any foreign government (including any instrumentality or agency thereof), foreign person, or United States person in exchange for that foreign government or person undertaking any action which is, if carried out by the United States Government, a United States official or employee, expressly prohibited by a provision of United States law.

(b) For the purposes of this section the term "funds appropriated by this Act" includes only (1) assistance of any kind under the Foreign Assistance Act of 1961; and (2) credits, and guaranties under the Arms Export Control Act.

(c) Nothing in this section shall be construed to limit—

(1) the ability of the President, the Vice President, or any official or employee of the United States to make statements or otherwise express their views to any party on any subject;

(2) the ability of an official or employee of the United States to express the policies of the President; or

(3) the ability of an official or employee of the United States to communicate with any foreign country government, group or individual, either directly or through a third party, with respect to the prohibitions of this section including the reasons for such prohibitions, and the actions, terms, or conditions which might lead to the removal of the prohibitions of this section.

DEBT-FOR-DEVELOPMENT

SEC. 534. In order to enhance the continued participation of nongovernmental organizations in economic assistance activities under the Foreign Assistance Act of 1961, including endowments, debt-for-development and debt-for-nature exchanges, a nongovernmental organization which is a grantee or contractor of the Agency for International Development may place in interest bearing accounts funds made available under this Act or prior Acts or local currencies which accrue to that organization as a result of economic assistance provided under the heading "Agency for International Development" and any interest earned on such investment may be for the purpose for which the assistance was provided to that organization.

LOCATION OF STOCKPILES

SEC. 535. Section 514(b)(2) of the Foreign Assistance Act of 1961 is amended by striking out "$389,000,000 for fiscal year 1993, of which amount not less than $200,000,000 shall be available for stockpiles in Israel, and up to $189,000,000 may be available for stockpiles in the Republic of Korea" and inserting in lieu thereof "$200,000,000 for stockpiles in Israel for fiscal year 1994".

ASSISTANCE FOR PAKISTAN

SEC. 536. (a) The date specified in section 620E(d) of the Foreign Assistance Act of 1961 is amended to read as follows: "September 30, 1994".

(b) None of the funds appropriated in this Act shall be obligated or expended for Pakistan except as provided through the regular notification procedures of the Committees on Appropriations.

SEPARATE ACCOUNTS

SEC. 537. (a) SEPARATE ACCOUNTS FOR LOCAL CURRENCIES.—(1) If assistance is furnished to the government of a foreign country under chapters 1 and 10 of part I (including the Philippines Multilateral Assistance Initiative) or chapter 4 of part II of the Foreign Assistance Act of 1961 under agreements which result in the generation of local currencies of that country, the Administrator of the Agency for International Development shall—

(A) require that local currencies be deposited in a separate account established by that government;

(B) enter into an agreement with that government which sets forth—

(i) the amount of the local currencies to be generated, and

(ii) the terms and conditions under which the currencies so deposited may be utilized, consistent with this section; and

(C) establish by agreement with that government the responsibilities of the Agency for International Development and that government to monitor and account for deposits into and disbursements from the separate account.

(2) USES OF LOCAL CURRENCIES.—As may be agreed upon with the foreign government, local currencies deposited in a separate account pursuant to subsection (a), or an equivalent amount of local currencies, shall be used only—

(A) to carry out chapters 1 or 10 of part I or chapter 4 of part II (as the case may be), for such purposes as:

(i) project and sector assistance activities, or

(ii) debt and deficit financing; or

(B) for the administrative requirements of the United States Government.

(3) PROGRAMMING ACCOUNTABILITY.—The Agency for International Development shall take all appropriate steps to ensure that the equivalent of the local currencies disbursed pursuant to subsection (a)(2)(A) from the separate account established pursuant to subsection (a)(1) are used for the purposes agreed upon pursuant to subsection (a)(2).

(4) TERMINATION OF ASSISTANCE PROGRAMS.—Upon termination of assistance to a country under chapters 1 or 10 of part I or chapter 4 of part II (as the case may be), any unencumbered balances of funds which remain in a separate account established pursuant to subsection (a) shall be disposed of for such purposes as may be agreed to by the government of that country and the United States Government.

(5) CONFORMING AMENDMENTS.—The provisions of this subsection shall supersede the tenth and eleventh provisos contained under the heading "Sub-Saharan Africa, Development Assistance" as included in the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1989 and sections 531(d) and 609 of the Foreign Assistance Act of 1961.

(b) SEPARATE ACCOUNTS FOR CASH TRANSFERS.—(1) If assistance is made available to the government of a foreign country, under chapters 1 or 10 of part I (including the Philippines Multilateral Assistance Initiative) or chapter 4 of

part II of the Foreign Assistance Act of 1961, as cash transfer assistance or as nonproject sector assistance, that country shall be required to maintain such funds in a separate account and not commingle them with any other funds.

(2) APPLICABILITY OF OTHER PROVISIONS OF LAW.—Such funds may be obligated and expended notwithstanding provisions of law which are inconsistent with the nature of this assistance including provisions which are referenced in the Joint Explanatory Statement of the Committee of Conference accompanying House Joint Resolution 648 (H. Report No. 98–1159).

(3) NOTIFICATION.—At least fifteen days prior to obligating any such cash transfer or nonproject sector assistance, the President shall submit a notification through the regular notification procedures of the Committees on Appropriations, which shall include a detailed description of how the funds proposed to be made available will be used, with a discussion of the United States interests that will be served by the assistance (including, as appropriate, a description of the economic policy reforms that will be promoted by such assistance).

(4) EXEMPTION.—Nonproject sector assistance funds may be exempt from the requirements of subsection (b)(1) only through the notification procedures of the Committees on Appropriations.

COMPENSATION FOR UNITED STATES EXECUTIVE DIRECTORS TO INTERNATIONAL FINANCIAL INSTITUTIONS

SEC. 538. (a) No funds appropriated by this Act may be made as payment to any international financial institution while the United States Executive Director to such institution is compensated by the institution at a rate which, together with whatever compensation such Director receives from the United States, is in excess of the rate provided for an individual occupying a position at level IV of the Executive Schedule under section 5315 of title 5, United States Code, or while any alternate United States Director to such institution is compensated by the institution at a rate in excess of the rate provided for an individual occupying a position at level V of the Executive Schedule under section 5316 of title 5, United States Code.

(b) For purposes of this section, "international financial institutions" are: the International Bank for Reconstruction and Development, the Inter-American Development Bank, the Asian Development Bank, the Asian Development Fund, the African Development Bank, the African Development Fund, the International Monetary Fund, and the European Bank for Reconstruction and Development.

COMPLIANCE WITH UNITED NATIONS SANCTIONS AGAINST IRAQ

SEC. 539. (a) DENIAL OF ASSISTANCE.—None of the funds appropriated or otherwise made available pursuant to this Act to carry out the Foreign Assistance Act of 1961 (including title IV of chapter 2 of part I, relating to the Overseas Private Investment Corporation) or the Arms Export Control Act may be used to provide assistance to any country that is not in compliance with the United Nations Security Council sanctions against Iraq unless the President determines and so certifies to the Congress that—

(1) such assistance is in the national interest of the United States;

(2) such assistance will directly benefit the needy people in that country; or

(3) the assistance to be provided will be humanitarian assistance for foreign nationals who have fled Iraq and Kuwait.

(b) IMPORT SANCTIONS.—If the President considers that the taking of such action would promote the effectiveness of the economic sanctions of the United Nations and the United States imposed with respect to Iraq, and is consistent with the national interest, the President may prohibit, for such a period of time as he considers appropriate, the importation into the United States of any or all products of any foreign country that has not prohibited—

(1) the importation of products of Iraq into its customs territory, and

(2) the export of its products to Iraq.

POW/MIA MILITARY DRAWDOWN

SEC. 540. (a) Notwithstanding any other provision of law, the President may direct the drawdown, without reimbursement by the recipient, of defense articles from the stocks of the Department of Defense, defense services of the Department of Defense, and military education and training, of an aggregate value not to exceed $15,000,000 in fiscal year 1994, as may be necessary to carry out subsection (b).

(b) Such defense articles, services and training may be provided to Cambodia and Laos, under subsection (a) as the President determines are necessary to support efforts to locate and repatriate members of the United States Armed Forces and civilians employed directly or indirectly by the United States Government who remain unaccounted for from the Vietnam War, and to ensure the safety of United States Government personnel engaged in such cooperative efforts and to support United States Department of Defense-sponsored humanitarian projects associated with the POW/MIA efforts. Any aircraft shall be provided under this section only to Laos and only on a lease or loan basis, but may be provided at no cost notwithstanding section 61 of the Arms Export Control Act and may be maintained with defense articles, services and training provided under this section.

(c) The President shall, within sixty days of the end of any fiscal year in which the authority of subsection (a) is exercised, submit a report to the Congress which identifies the articles, services, and training drawn down under this section.

(d) There are authorized to be appropriated to the President such sums as may be necessary to reimburse the applicable appropriation, fund, or account for defense articles, defense services, and military education and training provided under this section.

MEDITERRANEAN EXCESS DEFENSE ARTICLES

SEC. 541. During fiscal year 1994, the provisions of section 573(e) of the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1990, shall be applicable, for the period specified therein, to excess defense articles made available under sections 516 and 519 of the Foreign Assistance Act of 1961.

PRIORITY DELIVERY OF EQUIPMENT

SEC. 542. Notwithstanding any other provision of law, the delivery of excess defense articles that are to be transferred on a grant basis under section 516 of the Foreign Assistance Act to NATO allies and to major non-NATO allies on the southern and southeastern flank of NATO shall be given priority to the maximum extent feasible over the delivery of such excess defense articles to other countries.

ISRAEL DRAWDOWN

SEC. 543. Section 599B(a) of the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1991 (as amended by Public Law 102–145, as amended, and Public Law 102–391), is further amended—

(a) by striking out "fiscal year 1993" and inserting in lieu thereof "fiscal year 1994"; and

(b) by striking out "Appropriations Act, 1993" and inserting in lieu thereof "Appropriations Act, 1994".

CASH FLOW FINANCING

SEC. 544. For each country that has been approved for cash flow financing (as defined in section 25(d) of the Arms Export Control Act, as added by section 112(b) of Public Law 99–83) under the Foreign Military Financing Program, any Letter of Offer and Acceptance or other purchase agreement, or any amendment thereto, for a procurement in excess of $100,000,000 that is to be financed in whole or in part with funds made available under this Act shall be submitted through the regular notification procedures to the Committees on Appropriations.

RESCISSION

SEC. 545. Of the unexpended balances of funds (including earmarked funds) made available for fiscal years 1987 through 1993 to carry out the provisions of chapter 4 of part II of the Foreign Assistance Act of 1961, $185,000,000 are rescinded.

AUTHORITIES FOR THE PEACE CORPS, THE INTER-AMERICAN FOUNDATION AND THE AFRICAN DEVELOPMENT FOUNDATION

SEC. 546. Unless expressly provided to the contrary, provisions of this or any other Act, including provisions contained in prior Acts authorizing or making appropriations for foreign operations, export financing, and related programs, shall not be construed to prohibit activities authorized by or conducted under the Peace Corps Act, the Inter-American Foundation Act, or the African Development Foundation Act. The appropriate agency shall promptly report to the Committees on Appropriations whenever it is conducting activities or is proposing to conduct activities in a country for which assistance is prohibited.

IMPACT ON JOBS IN THE UNITED STATES

SEC. 547. None of the funds appropriated by this Act may be obligated or expended to provide—

(a) any financial incentive to a business enterprise currently located in the United States for the purpose of inducing such an enterprise to relocate outside the United States if such incentive or inducement is likely to reduce the number of employees of such business enterprise in the United States because United States production is being replaced by such enterprise outside the United States;

(b) assistance for the purpose of establishing or developing in a foreign country any export processing zone or designated area in which the tax, tariff, labor, environment, and safety laws of that country do not apply, in part or in whole, to activities carried out within that zone or area, unless the President determines and certifies that such assistance is not likely to cause a loss of jobs within the United States; or

(c) assistance for any project or activity that contributes to the violation of internationally recognized workers rights, as defined in section 502(a)(4) of the Trade Act of 1974, of workers in the recipient country, including any designated zone or area in that country: Provided, That in recognition that the application of this subsection should be commensurate with the level of development of the recipient country and sector, the provisions of this subsection shall not preclude assistance for the informal sector in such country, micro and small-scale enterprise, and smallholder agriculture.

AUTHORITY TO ASSIST BOSNIA-HERCEGOVINA

SEC. 548. (a) Congress finds as follows:

(1) the United Nations has imposed an embargo on the transfer of arms to any country on the territory of the former Yugoslavia;

(2) the federated states of Serbia and Montenegro have a large supply of military equipment and ammunition and the Serbian forces fighting the government of Bosnia-Hercegovina have more than one thousand battle tanks, armored vehicles, and artillery pieces; and

(3) because the United Nations arms embargo is serving to sustain the military advantage of the aggressor, the United Nations should exempt the government of Bosnia-Hercegovina from its embargo.

(b) Pursuant to a lifting of the United Nations arms embargo against Bosnia-Hercegovina, the President is authorized to transfer to the government of that nation, without reimbursement, defense articles from the stocks of the Department of Defense of an aggregate value not to exceed $50,000,000 in fiscal year 1994: Provided, That the President certifies in a timely fashion to the Congress that—

(1) the transfer of such articles would assist that nation in self-defense and thereby promote the security and stability of the region; and

(2) United States allies are prepared to join in such a military assistance effort.

(c) Within 60 days of any transfer under the authority provided in subsection (b), and every 60 days thereafter, the President shall report in writing to the Speaker of the House of Representatives and the President pro tempore of the Senate concerning the articles transferred and the disposition thereof.

(d) There are authorized to be appropriated to the President such sums as may be necessary to reimburse the applicable appropriation, fund, or account for defense articles provided under this section.

SPECIAL AUTHORITIES

SEC. 549. (a) Funds appropriated in title II of this Act that are made available for Haiti, Afghanistan, Lebanon, and Cambodia, and for victims of war, displaced children, displaced Burmese, humanitarian assistance for Romania, and humanitarian assistance for the peoples of Bosnia-Hercegovina, Croatia, and Kosova, may be made available notwithstanding any other provision of law: Provided, That any such funds that are made available for Cambodia shall be subject to the provisions of section 531(e) of the Foreign Assistance Act of 1961 and section 906 of the International Security and Development Cooperation Act of 1985: Provided further, That the President shall terminate assistance to any Cambodian organization that he determines is cooperating, tactically or strategically, with the Khmer Rouge in their military operations.

(b) Funds appropriated by this Act to carry out the provisions of sections 103 through 106 of the Foreign Assistance Act of 1961 may be used, notwithstanding any other provision of law, for the purpose of supporting tropical forestry and energy programs aimed at reducing emissions of greenhouse gases with regard to the key countries in which deforestation and energy policy would make a significant contribution to global warming: Provided, That such assistance shall be subject to sections 116, 502B, and 620A of the Foreign Assistance Act of 1961.

POLICY ON TERMINATING THE ARAB LEAGUE BOYCOTT OF ISRAEL

SEC. 550. (a) FINDINGS.—The Congress finds that—

(1) since 1948 the Arab countries have maintained a primary boycott against Israel, refusing to do business with Israel;

(2) since the early 1950s the Arab League has maintained a secondary and tertiary boycott against American and other companies that have commercial ties with Israel;

(3) the boycott seeks to coerce American firms by blacklisting those that do business with Israel and harm America's competitiveness;

(4) the United States has a longstanding policy opposing the Arab League boycott and United States law prohibits American firms from providing information to Arab countries to demonstrate compliance with the boycott;

(5) with real progress being made in the Middle East peace process and the serious confidence-building measures taken by the State of Israel, an end to the Arab boycott of Israel and of American companies that have commercial ties with Israel is long overdue and would represent a significant confidence-building measure; and

(6) in the interest of Middle East peace and free commerce, the President must take more concrete steps to press the Arab states to end their practice of blacklisting and boycotting American companies that have trade ties with Israel.

(b) POLICY.—It is the sense of the Congress that—

(1) the Arab League countries should immediately and publicly renounce the primary boycott of Israel and the secondary and tertiary boycott of American firms that have commercial ties with Israel and

(2) the President should—

(A) take more concrete steps to encourage vigorously Arab League countries to renounce publicly the primary boycotts of Israel and the secondary and tertiary boycotts of American firms that have commercial relations with Israel as a confidence-building measure;

(B) take into consideration the participation of any recipient country in the primary boycott of Israel and the secondary and tertiary boycotts of American firms that have commercial relations with Israel when determining whether to sell weapons to said country;

(C) report to Congress on the specific steps being taken by the President to bring about a public renunciation of the Arab primary boycott of Israel and the secondary and tertiary boycotts of American firms that have commercial relations with Israel; and

(D) encourage the allies and trading partners of the United States to enact laws prohibiting businesses from complying with the boycott and penalizing businesses that do comply.

Titles I through V of this Act may be cited as the "Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1994".

TITLE VI—FISCAL YEAR 1993 SUPPLEMENTAL APPROPRIATIONS

The following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for the fiscal year ending September 30, 1993, and for other purposes, namely:

FUNDS APPROPRIATED TO THE PRESIDENT

ASSISTANCE FOR THE NEW INDEPENDENT STATES OF THE FORMER SOVIET UNION

For an additional amount for the "Assistance for the new independent states of the former Soviet Union" and for related programs, $630,000,000, to be available upon enactment and to remain available until expended, of which not to exceed $500,000,000 may be made available for a special privatization and restructuring fund: Provided, That the United States contribution for such fund shall not exceed one-quarter of the aggregate amount being made available for such fund by all countries: Provided further, That the provisions of section 498B(j) of the Foreign Assistance Act of 1961 shall apply to funds appropriated by this paragraph.

DEPARTMENT OF DEFENSE

OPERATION AND MAINTENANCE

OPERATION AND MAINTENANCE, DEFENSE AGENCIES

For an additional amount for "Operation and maintenance, Defense Agencies", $979,000,000, to be available upon enactment and to remain available until September 30, 1994: Provided, That the Secretary of Defense may transfer such funds to other appropriations available to the Department of Defense for the purposes of providing assistance to the new independent states of the former Soviet Union: Provided further, That the Secretary of Defense may transfer such funds to appropriations available to the Department of State and other agencies of the United States Government for the purposes of providing assistance and related programs for the new independent states of the former Soviet Union for programs that the President determines will increase the national security of the United States: Provided further, That the amounts transferred shall be available subject to the same terms and conditions as the appropriations to which transferred: Provided further, That the authority to make transfers pursuant to this provision is in addition to any other transfer authority of the Department of Defense.

This title may be cited as the "Supplemental Appropriations for the New Independent States of the Former Soviet Union Act, 1993".

The CHAIRMAN. Pursuant to the rule, no further amendment shall be in order except those amendments printed in House Report 103–134. The amendments may be considered in the order printed, may be offered only by the named proponent or a designee, shall be considered as read, shall not be subject to amendment except as specified in the report, and shall not be subject to amendment or to a demand for a division of the question. Debate time for each amendment shall be equally divided and controlled by the proponent and an opponent of the amendment.

It is now in order to consider amendment No. 1, printed in House Report 103–134.

AMENDMENT OFFERED BY MR. BURTON OF INDIANA

Mr. BURTON of Indiana. 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. BURTON of Indiana: Page 28, line 5, strike "$816,000,000" and insert "$775,000,000".

The CHAIRMAN. Pursuant to the rule, the gentleman from Indiana [Mr. BURTON] will be recognized for 10 minutes, and the gentleman from Wisconsin [Mr. OBEY] will be recognized for 10 minutes.

PARLIAMENTARY INQUIRY

Mr. OBEY. Mr. Chairman, I have a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. OBEY. Mr. Chairman, I have a substitute amendment made in order under the rule. I think it is the understanding that we will be combining the time on the two amendments.

The CHAIRMAN. The gentleman may offer his substitute at this time.

AMENDMENT OFFERED BY MR. OBEY AS A SUBSTITUTE FOR THE AMENDMENT OFFERED BY MR. BURTON OF INDIANA

Mr. OBEY. Mr. Chairman, I offer an amendment as a substitute for the amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Mr. OBEY as a substitute for the amendment offered by Mr. BURTON of Indiana: Page 28, line 5, strike "$816,000,000" and insert "811,900,000".

The CHAIRMAN. The gentleman from Indiana [Mr. BURTON] will be recognized for 15 minutes, and the gentleman from Wisconsin [Mr. OBEY] will be recognized for 15 minutes.

The Chair recognizes the gentleman from Indiana [Mr. BURTON].

□ 1300

Mr. BURTON of Indiana. Mr. Speaker, I yield myself 1 minute.

Mr. Speaker, yesterday we had a lengthy debate on the issue of human rights violations, particularly in the northwestern part of India, in a place called Punjab and Kashmir. We had, after the lengthy debate, a vote, and my amendment to cut $41 million in developmental assistance from the authorization bill for India was defeated by a vote of 230 to 202.

Mr. Speaker, this amendment today is very similar to the amendment yesterday, except that it does not, because we cannot legislate on an appropriations bill, it does not specifically state that the amount of money we want to cut in the amount of $41 million in developmental assistance will come out of the Indian developmental assistance that this country will grant to them.

However, I would like it to be clear in the debate that that is the purpose of my amendment. I have discussed this with the gentleman from Wisconsin [Mr. OBEY]. Mr. OBEY is going to propose an amendment to my amendment which would reduce the amount cut by 90 percent. I am prepared to accept that amendment, because I am more concerned about sending a strong message to the Indian Government than I am about the amount of money to be cut.

Mr. Chairman, I yield 2 minutes to the gentleman from Ohio [Mr. HOKE].

Mr. HOKE. Mr. Chairman, yesterday we defeated this amendment by a vote of 230 to 202. I was very disappointed at that result, and could only assume that my colleagues in the House did not know all the information with respect to what is really going on in northern India, and specifically in the Punjab region of northern India.

That is why I rise today in strong support of the Burton amendment. The fact is that this goes back at least several hundred years in terms of a conflict between the religious minority of the Punjab and the religious majority of the entire State of India. In 1984 the Sikh minority in Amritsar was specifically attacked inside the walls of the Golden Temple, and there was a massacre that occurred at that time, reigniting ancient hatreds between the two factions.

It is absurd that the U.S. Congress should now be earmarking money that would go to support any kind of foreign aid to India when the kind of atrocities that are occurring in the Punjab region continue to this day.

Mr. Chairman, I urge my colleagues in the House strongly to defeat any attempt to continue to fund India with foreign aid. It is wrong that we should be involved in the funding of what are very blatant and clear human rights abuses, where a religious minority is being persecuted by a majority. That is essentially what is at the bottom of this argument. That is the basis of what is going on here.

I want my colleagues on both sides of the aisle to be very aware that voting against this amendment is essentially a vote to continue the kind of human rights and religious persecution that includes tremendous torture and atrocities to keep going on in northern India, and specifically in the Punjab region.

Mr. Chairman, I rise today in strong support of the amendment.

Mr. OBEY. Mr. Chairman, I yield myself 5 minutes.

Mr. Chairman, I understand the concerns about human rights that are being expressed by the supporters of this amendment. God knows my record in this House has been a strong one in support of human rights. The problem with the amendment is that it does not do what it is described as doing.

The amendment suggests that we should cut $41 million out of the development account in order to express our unhappiness with the human rights situation in India. The fact is that the amendment does not cut aid to India. In fact, most of the money India gets is in a different account, the population account. They get $21 million out of the $41 million which is spent in India in the population account, not in this account.

I have offered my amendment, which would reduce the cut in the gentleman's amendment from $41 to $4.1 million, because while I am willing to cooperate in an effort to send a signal of concern on human rights, I am not willing to swallow an amendment which will kill a large number of children. The fact is that if we cut $41 million out of the development account, which we have already cut by $105 million from the administration request and $221 million from last year's level, that means simply that we will be killing a good number of children.

A $141 million cut in the Child Survival Program, for instance, is estimated to result in the deaths of 25,000 children who would otherwise be served by that program. In the AIDS-Prevention Program, which this account funds, a cut of $41 million we are told would result in 15,000 children not being served.

In the health programs that this account funds, we are told a cut of $41 million could result in the killing of almost 200,000 kids based on our ability to immunize a sufficient number of children and provide them with oral rehydration salts, for instance.

I would simply say that if people want to argue the issue of India, they ought to do what they did yesterday and take it to the authorizing bill. We had that debate yesterday. This amendment does not cut aid to India, it simply cuts $41 million out of the development assistance account. No one who cares about the survival of the poorest children in this world wants to do that.

That is why I have offered a substitute which would limit that cut to $4 million, so that the point is made about the concern on human rights without savaging programs that are meant to deal with the most unfortunate kids on God's green Earth.

Mr. Chairman, I reserve the balance of my time.

Mr. BURTON of Indiana. Mr. Chairman, I yield myself 1 minute.

Mr. Chairman, first of all I want to thank the gentleman from Wisconsin [Mr. OBEY] for working with us on this amendment. We do have a difference of opinion on whether or not my amendment would have caused the death of a lot of children over there. However, I want to make it clear that that was not our intent. We are giving India about $150 million in various aid projects, and $41 million is in developmental assistance. We are giving probably $100 million in food aid through other programs, so it was not the intention of this gentleman from Indiana to endanger the lives of anybody in India.

However, we did feel very strongly that we should send a strong signal to the Indian Government in as many ways as possible that the human rights atrocities that are taking place in places like Punjab, Kashmir, Nagaland, among Moslems, Sikhs, Christians, and others in that country should come to a halt.

I appreciate the gentleman's efforts to assist us in sending that signal.

Mr. Chairman, I yield 2 minutes to the gentleman from California [Mr. ROHRABACHER].

Mr. ROHRABACHER. Mr. Chairman, I rise in strong support of the Burton amendment. Yesterday I paid close attention to the arguments that were given on both sides of this debate. India receives a grant total of about $150 million in aid from the United States. The Burton amendment is suggesting that we withhold $41 million of that aid, development aid, unless India improves its human rights conditions. What could be a better request of a country receiving our aid than that it improve its human rights status in order to receive the money from the people of the United States of America?

There are two central arguments that were used against the gentleman from Indiana [Mr. BURTON] yesterday. No. 1, and we heard it again today, by withdrawing our aid, this $41 million, that we are hurting the poorest of the poor. In fact, now we hear we are killing children.

Let me note, and I hope the American people will understand, that we are talking about $41 million of their

money that we are giving to another country, and by not giving it to them we are being accused of being against children and hurting the poor.

India itself spends $8.2 billion a year for the last 3 years on weapons, including nuclear weapons. How can anyone claim that for us to try to promote human rights in India by using $41 million as leverage to promote human rights that we are attacking the poor in India and the children in India, when they themselves are spending billions, $8.2 billion a year, on weapons? That argument does not hold water.

The second argument against this resolution is that it is unbalanced, that there is violence on both sides. Yes, when people are being attacked they sometimes commence violent acts to defend themselves.

□ 1310

And yes, there are some people who are a little unbalanced there, who have seen their families murdered, and seen their women raped. The fact is when the government commits human rights atrocities there is a reaction.

The underlying tension in the Kashmir, for example, is caused by India's refusal, continual refusal since 1948 to permit an election so that the people of the Kashmir can determine their own destiny. When you have violence being committed against Sikhs, and against Christians, and against Muslims, you are going to have violence in return.

It is time to stop the violence. It is time for the United States to stand up for the human rights. That is how to create a more peaceful society.

Mr. OBEY. Mr. Chairman, I yield myself 1 minute.

Mr. Chairman, despite the remarks of the gentleman in the well, the facts are as follows: India gets $100 million in Public Law 480. Public Law 480 is not in this bill. India, in the account being cut by this amendment, only gets $21 million, and the gentleman is trying to cut it by $41 million, claiming that is going to penalize India.

The fact is you've got your facts screwed up, I say to the gentleman from California. The fact is you are going after the wrong account, and the fact is that if you do cut this account by $41 million, there will be thousands of kids who die, not just in India, but in Africa, in Latin America, in Asia, you name it. They will die.

Mr. BURTON of Indiana. Mr. Chairman, I yield myself 30 seconds.

Mr. Chairman, although the gentleman makes some very strong points, we do have a little difference of opinion on this. My main objective is to send a strong message.

The $41 million is not the important factor. The important factor is that a message is sent that the United States of America wants these human rights violations stopped, and these atrocities stopped. And I think with his cooperation, we are sending that message.

Once again, I want to thank the gentleman from Wisconsin for working with us on this.

Mr. OBEY. Mr. Chairman, I yield 2 minutes to the gentleman from New Jersey [Mr. PALLONE].

Mr. PALLONE. Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from Indiana.

Mr. Chairman, the gentleman is again trying to signal his displeasure with the Indian Government on human rights issues. Yesterday, his amendment to the authorization bill to cut the $41 million in development aid to India was defeated, with the chairmen and ranking minority members of the Foreign Affairs Committee and the Subcommittee on Asia speaking out in opposition. We debated at length yesterday over the wisdom—or, indeed, the lack of wisdom—of cutting development aid, intended for the poorest and vulnerable citizens of India as a means of putting pressure on the Government of India. We also discussed the fact that the violence and unrest in India has many sides, with the Government in conflict with various separatist movements.

Today's amendment by Mr. BURTON is even more misguided. Not having succeeded in amending the authorizing bill, the gentleman is now proposing that we cut the amount of aid intended for India—$41 million—with no solid provisions for where the cut will actually come from. Thus, under the guise of trying to send a message to the Indian Government, this amendment cuts development aid not only to the poor people of India, but to poor and vulnerable people throughout the developing world. It is hard to see how such a cruel step could be construed as a pro-human rights amendment.

What I find most disturbing about this amendment is that it sets its sights on the wrong target. The development assistance in question goes to such areas as health care, child immunizations, AIDS education, programs to improve the status of women, feed hungry children, provide clean drinking water and better housing—in brief, humanitarian programs in the best tradition of American assistance to people who truly need our help. Terminating this humanitarian assistance is not the right way to make America's moral persuasion felt in the world.

Voting for this amendment may make some of us feel like we've done something in the name of human rights. But, in reality, the amendment completely misses the point. We can do better than hollow, symbolic gestures that achieve no meaningful results. Let's use our relationship and our influence with India to promote the values of human rights that are so important to every one of us. Let us not cut off those people who desperately need this development assistance. I urge my colleagues to defeat this amendment.

Mr. BURTON of Indiana. Mr. Chairman, I yield myself 30 seconds.

Mr. Chairman, I hope the gentleman in the well will listen to what I am about to say. India spends $8.24 billion, that is $8,240 million a year on nuclear weapons and the development of other nuclear systems, while its neighbor, Pakistan, is not getting any support from the United States because it has started, or is alleged to have started a nuclear development program.

If India wants to, they could cut $100 million, $1 billion out of their massive defense budget, like we are doing here in the United States, to take care of some of its poor itself.

So I think the gentleman's argument ought to be directed at the Indian Government asking why they do not reduce just a little bit their defense spending like we are doing here in the United States to take care of their own poor.

Mr. OBEY. Mr. Chairman, I yield 1 minute to the gentleman from California [Mr. FAZIO] for purposes of engaging in a colloquy.

Mr. FAZIO. Mr. Chairman, yesterday for the first time in recent years the authorization bill for foreign assistance includes strong language on human rights as it relates to the violations of a number of minority groups that have occurred over the last several years in India. The gentleman from Wisconsin is asking to reduce the Burton funding by 90 percent. Could he indicate to me his feeling about the Indian Government and the way it has been dealing with its human rights abuses? I think it is most important that Members understand that there does not seem to be dissent here in our criticism about the way these issues have been handled.

Mr. OBEY. Mr. Chairman, will the gentleman yield?

Mr. FAZIO. I yield to the gentleman from Wisconsin.

Mr. OBEY. Mr. Chairman, I personally feel that India has a long way to go in meeting its human rights responsibilities, which is why I am willing to cooperate in making a small reduction to communicate that point. But I am not willing to accept a $41 million cut which will kill a lot of innocent kids, because somebody brings to the legislative floor a blunderbuss rather than a rifle.

Mr. FAZIO. But the gentleman is supportive of language that was included in the authorization yesterday, and is putting the pressure on the Indian Government to make the changes in the way their police and military have been functioning in Punjab, and Kashmir, and other parts of the country?

Mr. OBEY. I think the Indian Government would be mistaken if it did not recognize the unhappiness reflected in this amendment.

Mr. FAZIO. The gentleman's opposition to the amendment of the gentleman from Indiana is because it is an

across-the-board cut, and cannot then be a rifle shot into one country?

Mr. OBEY. The amendment does not even get to India. The amendment hits every place in the world, and is, in my view, draconian.

Mr. FAZIO. My purpose in asking the question was to point out the broad support that exists here on the floor for the intent of the gentleman from Indiana's amendment.

Mr. BURTON of Indiana. Mr. Chairman, I yield 2 minutes to the gentleman from Virginia [Mr. MORAN].

Mr. MORAN. Mr. Chairman, I think it is important to emphasize what we do agree on here. The audience listening in may have observed that in the first place there is a commonality in terms of the personalities of both Members, that they do not mince words, they do not pull their punches. Both are straightforward leaders of this House.

The fact is that neither do they disagree on the fact that there are gross human rights violations going on in India. People are being killed, they are being tortured, some are being burned, or buried alive, solely because they happen to be Sikhs, or because they happen to be Kashmiris. What the Indian military is doing is in complete contradiction to everything America and American foreign policy stands for.

And we are not, whatever the results of this amendment, we are not saying that we are turning our backs on this, that we are ignoring it or that we think that it should be in any way discounted. The fact is that America and this House of Representatives objects in the strongest possible terms to the torture and the execution that is going on by the Indian military and the Government in Punjab and in Kashmir. It is wrong, and we will continue the battle in any appropriate way to punish the Indian military for this. And both Members agree we do not want to punish children. We do not want to punish innocent civilians. The point is that innocent civilians are being severely punished and tortured, and it should not be allowed to continue.

Whatever the results of this, the House of Representatives is in agreement. The facts are the facts. It is wrong, and we will no longer tolerate it.

Mr. OBEY. Mr. Chairman, I yield 1 minute to the gentleman from New Jersey [Mr. MENENDEZ].

□ 1320

Mr. MENENDEZ. Mr. Chairman, I rise in opposition to the Burton amendment and to support your substitute amendment.

This would set an entirely wrong precedent for United States relationships with India and other parts of the world, as you have indicated from where the cuts would come. It is a misguided attempt to isolate India at a critical time in its political, economic, and cultural development.

As a member of the Committee on Foreign Affairs, I respect the concerns of the gentleman from Indiana [Mr. BURTON] for human rights issues throughout the world. However, drastically cutting United States assistance to India will not help the cause of human rights in India. I suggest to my colleague, the gentleman from Indiana, that this matter is more complex than his amendment would have us believe. I am afraid that, if passed, this amendment would only serve to strengthen the hands of those extremists and fundamentalist groups within India that have been bent on tearing that secular democracy apart.

By simply punishing and isolating India, this amendment would only hinder India's efforts to arrive at a solution to a difficult and complex domestic problem. Additionally, India has the world's sixth-largest economy, and only a strong democratic India is going to be able to move forward in the way we want.

I urge my colleagues to support the substitute offered by the chairman, the gentleman from Wisconsin [Mr. OBEY].

Mr. BURTON of Indiana. Mr. Chairman, I yield myself 30 seconds.

It is not the intent of my amendment or the amendment offered by the gentleman from Wisconsin [Mr. OBEY] to isolate the Government of India or the Indian people.

I respect and have great admiration for the Indian people, but I do disagree strongly with the human rights violations being perpetrated by the military at the direction of the Indian Government.

In Punjab, Kashmir, and in a place nobody has heard of called Nagaland where Christians are being persecuted as well as Muslims, in Kashmir, and the Sikhs in the Punjab. So it is not our intention to isolate India. It is our intention to send a very strong signal to the Indian Government, and hopefully from governments around the world, that we want human rights violations stopped in those areas.

Mr. OBEY. Mr. Chairman, I yield 1 minute to the gentleman from New York [Mr. ENGEL].

Mr. ENGEL. Mr. Chairman, I rise to oppose the Burton amendment.

I am glad that the gentleman from Wisconsin had the foresight to introduce a substitute amendment.

India is the world's largest democracy, and at a time when the United States and India are moving closer together in our bilateral arrangements and relations, this is not the time to start cutting developmental aid to India or to any other nation.

India needs American investment. India needs American cooperation, and with the collapse of the Soviet Union, relations between the United States and India have the ability to become closer than ever. We in Congress must try to enhance that relationship.

India is a very important country. Cutting aid to India will not change anything for the better. I fear that the amendment offered by the gentleman from Indiana would have the opposite effect. If there is some dissatisfaction, I believe that it can be handled on a bilateral basis.

This sends the wrong message at the wrong time. We ought to be moving closer together for closer relations with India.

Mr. OBEY. Mr. Chairman, I yield 1 minute to the gentleman from New York [Mr. NADLER].

Mr. NADLER. Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from Indiana.

This vote should not be viewed by our colleagues as a referendum on the human rights situation in India. Even those Members who agree with the assessment of that situation given by the author of this amendment should recognize the utter folly of cutting these funds, dedicated to relieving the plight of the poorest of the poor, because you are concerned about the actions of the police or the military.

You will not be penalizing a single soldier, or Government official, or police officer, by voting for this amendment. You will, however, punish the hungry, the homeless, the sick, those afflicted with AIDS, the very young, the very old, and the disadvantaged. In that sense, this amendment will inevitably have exactly the opposite effect intended by its author. That is why the human rights community, even where they find serious cause for concern, does not endorse cutting development assistance. Neither should the Members of this House even if they agree with the gentleman from Indiana's assessment of the situation in India.

There is one more consideration I would ask my colleagues to give careful attention before they vote. We are not dealing here with a totalitarian regime. India is the world's most populous democracy. Its leaders are accountable to the voters. No democratically elected government can be seen by its voters as changing course under the threat of a cut in aid by the United States. No Member of this House would want to face his or her constituents after having given in to such pressure and it is fanciful to believe that elected officials in other countries would behave differently.

I urge my colleagues to vote against the amendment.

PARLIAMENTARY INQUIRY

Mr. OBEY. Mr. Chairman, I have a parliamentary inquiry.

The CHAIRMAN pro tempore (Mr. LEHMAN). The gentleman will state his parliamentary inquiry.

Mr. OBEY. Mr. Chairman, which side is entitled to close debate?

The CHAIRMAN pro tempore. The gentleman from Wisconsin is entitled to close debate on the amendment.

Mr. OBEY. Mr. Chairman, I yield 2 minutes to the gentleman from New York [Mr. ACKERMAN].

Mr. ACKERMAN. Mr. Chairman, the terms of this debate are all wrong. First of all, this is not a discussion of human rights. This is not the same bill that was up yesterday, the amendment that was offered by the gentleman from Indiana [Mr. BURTON] that was beaten in this House by a rather substantial margin. This is not even the son of Burton nor the grandson of the great-grandson of Burton. This has nothing to do with India and nothing to do with human rights in India.

Those of us who are on the opposite side of the gentleman from Indiana [Mr. BURTON] have every bit as much concern about human rights as does he. But the amendment offered by the gentleman from Indiana [Mr. BURTON], and, indeed, his whole debate on this amendment today are completely off the mark. The amendment yesterday was completely unbalanced.

Those who are interested in human rights want to see India improve, but we also want to see everybody improve.

Nothing was mentioned in his whole discussion yesterday or any of his discussion today about Sikh militants blowing up the Prime Minister of India and other human rights. We cannot have that happen consistently. We have tried to be balanced.

I have spoken to everybody who offered language in the legislation that went through yesterday. They accommodated every Member who had human rights concerns. We took the language that the gentleman from New Jersey [Mr. TORRICELLI] had incorporated into the bill. We accepted the language offered by the gentleman from California [Mr. FAZIO] in his amendment which puts Presidential certification on aid to India, on IMET, but what the gentleman does here today has nothing to do with India at all.

He would take $41 million away from those people in this world, young children, who need it the most. He does not mention India. He takes it out of the whole fund.

I do not understand the logic of taking $41 million, how it hurts India, if you deprive health care to children in Nepal, and AIDS-prevention education for people in Thailand.

This is a shotgun approach. You are shooting at the wrong people. This is going to kill children all over and has nothing to do with India.

Mr. BURTON of Indiana. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, this debate is not binding upon the President of the United States, as has been mentioned in the well. But this debate will serve as a guide to our State Department and other agencies that it is our intent to send a very strong signal to India that we want these human rights violations stopped because of the cut of $4.1 million in developmental assistance.

Now, there are 1.1 million troops in Punjab and Kashmir, and I do not know how many are in Nagaland, torturing Christians, as are being tortured in Kashmir and Punjab.

But the fact of the matter is we cannot, as human beings who believe in human rights, turn our backs on the atrocities that have taken place.

I do not deny that there may have been some attacks from the other side in response to these human rights abuses. Nevertheless, we need to let the Indian Government know that we, as a nation, stand solidly against these human rights atrocities.

The gentleman from Wisconsin voted against my amendment yesterday. I believe he voted against it last year when we passed it, trying to send a signal, by 219 to 200. But the gentleman from Wisconsin has acknowledged, as the gentleman from New York who just spoke, that there are human rights violations taking place in India.

I do not deny that there are human rights violations taking place elsewhere in the world. But we have to take these on one at a time, because a shotgun approach simply will not work.

I feel very, very strongly, as I have for the past 5 years, about these violations. I believe that my amendment, as amended by the gentleman from Wisconsin [Mr. OBEY], will send a signal.

□ 1330

It is not going to dramatically hurt children in India, the way that Mr. OBEY has amended this. They are spending over $8 billion per year on military hardware in India. This is not really going to affect the balance of aid that is going to help the disadvantaged in that country.

It is an amendment that is very essential to send a signal. I appreciate very much the gentleman from Wisconsin [Mr. OBEY] working with us on this.

Mr. Chairman, I yield back the balance of my time.

Mr. OBEY. Mr. Chairman, I yield myself the balance of our time.

Mr. Chairman, as those of you who know me know, my favorite philosopher is Archie the cockroach. Archie said once, "Did you ever notice that when a politician gets an idea, he often gets it all wrong?" And, frankly, that is what this amendment does, well-meaning though it may be.

We are told by the sponsors of the original Burton amendment that it is not the intention of the amendment to kill children. The problem is that politicians often do a lot of things that they do not intend to do. And this time, the amendment which is offered does not cut aid to India, although the debate has been on India. What the amendment does is to cut the development account in this bill by twice as much as the entire aid which the administration provides to India under this account.

I also point out that President Clinton has in his budget cut the aid request for India by about 20 percent below the level requested by President Bush last year.

So I have offered this amendment, as I said earlier, my amendment to the Burton amendment, because while I am willing to cooperate in sending a signal that we need an improvement in the human rights situation in India, I am not willing to kill an awful lot of kids in the process, in India or anywhere else.

I do not think it is wise to reduce our ability to fight AIDS worldwide, I do not think it is wise to reduce our ability to provide childhood immunizations to prevent thousands and thousands of children's deaths. And if we do not adopt my substitute, those deaths will occur.

I think prudence and rationality indicate that the Obey amendment pass.

Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Wisconsin [Mr. OBEY] as a substitute for the amendment offered by the gentleman from Indiana [Mr. BURTON].

The question was taken; and the Chairman announced that the ayes appeared to have it.

RECORDED VOTE

Mr. OBEY. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The CHAIRMAN. Pursuant to clause 2(c) of rule XXIII, the Chair announces that he will reduce to a minimum of 5 minutes the time within which a recorded vote, if ordered, may be taken on the amendment offered by the gentleman from Indiana [Mr. BURTON], as amended or not, without intervening business or debate following the vote on the substitute amendment offered by the gentleman from Wisconsin [Mr. OBEY].

The vote was taken by electronic device, and there were—ayes 425, noes 0, not voting 14, as follows:

[Roll No. 236]

AYES—425

Abercrombie	Barrett (WI)	Bonior
Ackerman	Bartlett	Borski
Allard	Barton	Boucher
Andrews (ME)	Bateman	Brewster
Andrews (NJ)	Becerra	Brooks
Andrews (TX)	Beilenson	Browder
Applegate	Bentley	Brown (CA)
Archer	Bereuter	Brown (FL)
Armey	Berman	Brown (OH)
Bacchus (FL)	Bevill	Bryant
Bachus (AL)	Bilbray	Bunning
Baesler	Bilirakis	Burton
Baker (CA)	Bishop	Buyer
Baker (LA)	Blackwell	Byrne
Ballenger	Bliley	Callahan
Barca	Blute	Calvert
Barcia	Boehlert	Camp
Barlow	Boehner	Canady
Barrett (NE)	Bonilla	Cantwell

Cardin
Carr
Castle
Chapman
Clay
Clayton
Clement
Clinger
Clyburn
Coble
Coleman
Collins (GA)
Collins (IL)
Collins (MI)
Combest
Condit
Conyers
Cooper
Coppersmith
Costello
Cox
Coyne
Cramer
Crane
Crapo
Cunningham
Danner
Darden
de Lugo (VI)
Deal
DeFazio
DeLauro
DeLay
Dellums
Derrick
Deutsch
Diaz-Balart
Dickey
Dicks
Dingell
Dixon
Dooley
Doolittle
Dornan
Dreier
Duncan
Dunn
Durbin
Edwards (CA)
Edwards (TX)
Emerson
Engel
English (AZ)
English (OK)
Eshoo
Evans
Everett
Ewing
Faleomavaega (AS)
Farr
Fawell
Fazio
Fields (LA)
Filner
Fingerhut
Fish
Flake
Foglietta
Ford (MI)
Ford (TN)
Fowler
Frank (MA)
Franks (CT)
Franks (NJ)
Frost
Furse
Gallegly
Gallo
Gejdenson
Gekas
Gephardt
Geren
Gibbons
Gilchrest
Gillmor
Gilman
Gingrich
Glickman
Gonzalez
Goodlatte
Goodling
Gordon
Goss
Grams
Grandy
Green
Greenwood
Gunderson
Gutierrez
Hall (TX)
Hamburg
Hamilton
Hancock
Hansen
Harman
Hastert
Hastings
Hayes
Hefley
Hefner
Herger
Hilliard
Hinchey
Hoagland
Hobson
Hochbrueckner
Hoekstra
Hoke
Holden
Horn
Houghton
Hoyer
Huffington
Hughes
Hunter
Hutchinson
Hutto
Hyde
Inglis
Inhofe
Inslee
Istook
Jacobs
Jefferson
Johnson (CT)
Johnson (GA)
Johnson (SD)
Johnson, E. B.
Johnson, Sam
Johnston
Kanjorski
Kaptur
Kasich
Kennedy
Kennelly
Kildee
Kim
King
Kingston
Kleczka
Klein
Klink
Klug
Knollenberg
Kolbe
Kopetski
Kreidler
Kyl
LaFalce
Lambert
Lancaster
Lantos
LaRocco
Laughlin
Lazio
Leach
Lehman
Levin
Levy
Lewis (CA)
Lewis (FL)
Lewis (GA)
Lightfoot
Linder
Lipinski
Livingston
Lloyd
Long
Lowey
Machtley
Maloney
Mann
Manton
Manzullo
Margolies-Mezvinsky
Markey
Martinez
Matsui
Mazzoli
McCandless
McCloskey
McCollum
McCrery
McCurdy
McDermott
McHale
McHugh
McInnis
McKeon
McKinney
McMillan
McNulty
Meehan
Meek
Menendez
Meyers
Mfume
Mica
Michel
Miller (CA)
Miller (FL)
Mineta
Minge
Mink
Moakley
Molinari
Mollohan
Montgomery
Moorhead
Moran
Morella
Murphy
Murtha
Myers
Nadler
Natcher
Neal (MA)
Norton (DC)
Nussle
Oberstar
Obey
Olver
Ortiz
Orton
Owens
Oxley
Packard
Pallone
Parker
Pastor
Paxon
Payne (NJ)
Payne (VA)
Penny
Peterson (FL)
Peterson (MN)
Petri
Pickett
Pombo
Pomeroy
Porter
Portman
Poshard
Price (NC)
Pryce (OH)
Quillen
Quinn
Rahall
Ramstad
Rangel
Ravenel
Reed
Regula
Reynolds
Richardson
Ridge
Roberts
Roemer
Rogers
Rohrabacher
Ros-Lehtinen
Rose
Rostenkowski
Roth
Roukema
Rowland
Roybal-Allard
Royce
Rush
Sabo
Sanders
Sangmeister
Santorum
Sarpalius
Sawyer
Saxton
Schaefer
Schenk
Schiff
Schroeder
Schumer
Scott
Sensenbrenner
Serrano
Sharp
Shaw
Shays
Shepherd
Shuster
Sisisky
Skaggs
Skeen
Skelton
Slattery
Smith (IA)
Smith (MI)
Smith (NJ)
Smith (OR)
Smith (TX)
Snowe
Solomon
Spence
Spratt
Stark
Stearns
Stenholm
Stokes
Strickland
Studds
Stump
Stupak
Sundquist
Swett
Swift
Synar
Talent
Tanner
Tauzin
Taylor (MS)
Taylor (NC)
Tejeda
Thomas (CA)
Thomas (WY)
Thompson
Thornton
Thurman
Torkildsen
Torres
Torricelli
Towns
Traficant
Underwood (GU)
Unsoeld
Upton
Valentine
Velazquez
Vento
Visclosky
Volkmer
Vucanovich
Walker
Walsh
Waters
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Waxman
Weldon
Wheat
Whitten
Wilson
Wise
Wolf
Woolsey
Wyden
Wynn
Yates
Young (FL)
Zeliff
Zimmer

NOT VOTING—14

de la Garza
Fields (TX)
Hall (OH)
Henry
McDade
Neal (NC)
Pelosi
Pickle
Romero-Barcelo (PR)
Slaughter
Tucker
Washington
Williams
Young (AK)

□ 1353

Messrs. THOMAS of California, TOWNS, and JACOBS changed their vote from "no" to "aye."

So the amendment offered as a substitute for the amendment was agreed to.

The result of the vote was announced as above recorded.

PERSONAL EXPLANATION

Ms. SLAUGHTER. Mr. Chairman, I was unable to be present for the rollcall vote No. 236. Had I been present, I would have voted "aye."

The CHAIRMAN. The question is on the amendment offered by the gentleman from Indiana [Mr. BURTON], as amended.

The amendment, as amended, was agreed to.

The CHAIRMAN. It is now in order to consider amendment No. 3 to be offered by the gentleman from New York [Mr. SOLOMON], or his designee, debatable for not to exceed 30 minutes.

AMENDMENT OFFERED BY MR. SOLOMON

Mr. SOLOMON. 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. SOLOMON: Page 45, line 7, strike "$700,000,000" and insert "$696,421,462".

The CHAIRMAN. Under the rule, the gentleman from New York [Mr. SOLOMON] will be recognized for 15 minutes, and the gentleman from Wisconsin [Mr. OBEY] will be recognized for 15 minutes.

The Chair recognizes the gentleman from New York [Mr. SOLOMON].

Mr. SOLOMON. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I have already outlined several objections I have to the foreign operations appropriation bill, and another is the $700 million subsidy appropriation for the Export-Import Bank. The amendment that I offer now will strike just $3.5 million from the subsidy appropriation. Three point five million dollars is the amount of subsidy appropriation that would leverage $78 million in loans to China that was just approved by the White House. The loan is in connection with the purchase of equipment for a Government-owned iron ore mine in the People's Republic of China.

Mr. Chairman, I believe that this loan, which has not yet been disbursed, should be blocked, if at all possible. If not, we in Congress should send the message that similar loans will not go through in the future.

Mr. Chairman, these types of loans, like, most of our aid to the former Soviet Union, are simply incomprehensive to the bulk of the American people.

How can we explain this to them?

In fiscal 1992, Exim provided over $424 million worth of assistance, direct and indirect, to the People's Republic of China, and so far, in fiscal year 1993, that total stands at $236 million, and this is in addition to $2.5 billion in World Bank loans, most of it supplied by the United States of America Treasury.

Can we really make the case that it is in our constituents' interest to send their hard-earned money to China in order to shore up State-run industries, Government-owned industries? And of course, this is not even to mention China's abysmal human rights record, its unfair trade practices, and its roguish outlaw foreign policy.

Now many of my colleagues know that I am a very severe critic of the Chinese regime. In fact, I have a resolution before the Committee on Ways and Means right now that would terminate MFN status for China, which is one reason I brought in this amendment here today. Why is it? Because this regime continues its massive repression of its own people and the people of Tibet, which many of us on both sides of the aisle have taken the floor and have talked about in recent days.

□ 1400

Mr. Chairman, the next part of my statement is most interesting to Members on both sides of this aisle, because the people of the Republic of China have been running up huge trade surpluses against the United States of America, our free market, business and industry, unfairly discriminating against our own products. In fact, in the first quarter of this year our trade deficit with China grew by 25 percent more than in 1992.

In 1993 alone our trade deficit with the People's Republic of China increased by 50 percent, from $12.5 to $18 billion, and that means more and more

textile workers in America being put out of work because of these unfair trade practices.

Mr. Chairman, China is engaged in a massive military buildup that is making many Asian countries nervous. It pursues an outlaw foreign policy by selling missiles to Pakistan, giving nuclear technology to Iran, and by supporting the most roguish foreign policy government in the world today, North Korea.

Mr. Chairman, I believe it is long past time to start registering our discontent with China, and my amendment would be just one small step in that direction.

Mr. DICKS. Mr. Chairman, will the gentleman yield?

Mr. SOLOMON. I yield to the gentleman from Washington.

Mr. DICKS. Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from New York.

The Export-Import Bank is a critical element in our efforts to promote a more favorable balance of trade and stimulate employment for American firms. The fiscal year funding level for Exim subsidy is expected to result in 275,000 additional American jobs, a far better ratio of investment to job creation than virtually any other Federal program.

The potential for using the leverage that Export-Import Bank financing provides is enormous. Industry estimates based on potential customers indicate that Export-Import program authority of $18 to $20 billion could be used to provide American jobs in 1994, requiring a subsidy level of $1.1 to $1.3 billion. The recession in Japan, and throughout the world is driving demand for alternative credit sources. Without those sources, economic growth will be retarded, starting here in the United States. Exim financing is especially critical at this time for the U.S. aerospace industry which faces the twin challenges of defense reductions and financial instability of many U.S. airlines.

Frankly, I hoped that we would be able to provide at least some increase in Export-Import Bank funding in this bill. But I recognize the very real fiscal constraints we face and note that the bill already makes a $57 million reduction in this program from the administration request. But I welcome the language included in the committee report that encourages that up to $125 million of the funds provided for the newly Independent States be transferred to Exim to meet the demands of these states in order to avoid further competition for scarce credit resources.

This amendment seeks to cut an additional $3.5 million for Exim, which translates to support for $70 million in U.S. exports and 1,350 American jobs. The author intends that this will somehow punish the Government of China for a wide range of actions that all of us find objectionable. The administration has embarked on a policy that will forcefully and directly address our very legitimate disagreements with the Chinese Government. This amendment will not even impact the transaction to which the gentleman objects, which incidently had as its primary beneficiary a firm in Milwaukee, WI.

What the amendment will do is erode our ability to finance some transaction that in all likelihood will have absolutely nothing to do with China. This is clearly a case of cutting off our nose to spite our face and ought to be soundly rejected.

Mr. SOLOMON. Mr. Chairman, reclaiming my time, having said all that and making my point, and since my resolution of disapproval of most favored nation status for China will be on the floor early next week or the week after, I ask unanimous consent to withdraw this amendment from floor consideration so we can get on with the Callahan-Solomon-Mfume-Rangel amendment which deals with the question of whether or not we are going to grant loan aid or barter aid to the former Soviet Union.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. OBEY. Mr. Chairman, I would simply like to thank the gentleman from New York [Mr. SOLOMON] for withdrawing the amendment. I think it is the correct thing to do. But I want to make clear that the Export-Import Bank subsidies which we provide in this bill are not subsidies to any foreign country. They are in fact subsidies which enable American corporations to export their products to other countries.

If we have a trade imbalance with China, for instance, the Export-Import Bank helps to correct that, because the Export-Import Bank helps make it possible to export our products, not just to China, but to other countries. So I appreciate the fact that the gentleman from New York [Mr. SOLOMON] withdrew his amendment.

The CHAIRMAN. It is now in order to consider amendment No. 4 printed in House Report 103-134.

AMENDMENT OFFERED BY MR. CALLAHAN

Mr. CALLAHAN. 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. CALLAHAN: Page 85, strike line 16 and all that follows through page 87, line 11.

The CHAIRMAN. Pursuant to the rule, the gentleman from Alabama [Mr. CALLAHAN] will be recognized for 30 minutes, and a Member opposed will be recognized for 30 minutes.

The Chair recognizes the gentleman from Alabama [Mr. CALLAHAN].

Mr. CALLAHAN. Mr. Chairman, I rise today to offer this amendment to strike title VI from this bill, which is about $1.6 billion in supplemental appropriations for the former Soviet Union.

Let me say that I truly appreciate the courtesies which have been extended to me and the patience that Chairman OBEY, as well as the gentleman from Louisiana [Mr. LIVINGSTON], have shown in offering me the opportunity, both in subcommittee and in the full committee, to address my concerns, which are true concerns.

I am not here to demagogue aid to Russia. I am here simply to tell Members that title VI, which is just a portion of the moneys that we are giving to Russia to aid them in their efforts to formulate a democracy, should be reconsidered. We should send back a free-standing bill to the subcommittee and to the full committee and ultimately to this House, a measure which would give us the opportunity to attach such restraints as we want to attach to this bill.

Mr. Chairman, passage of this amendment will not impact the foreign aid bill. It still permits the bill to go forward with the aid to Israel that many Members are concerned about. It still gives us the opportunity to do those things which are necessary to do in the form of foreign aid, but without title VI which is $1.6 billion of the amount of money that we are going to give to Russia.

It still gives the administration the opportunity to continue in their efforts to aid Russia in her time of need. It still gives them an adequate supply of money, about $1 billion, with which to continue the programs which are currently in existence.

It simply tells Russia that when we reformulate title VI and bring it back to the floor of the House, that they are going to have to assist the United States of America in trying to spread democracy, not only in Russia, but around the world.

It will give them a message that we are going to request, in whatever bill we come back with, an opportunity for Russia to assist us with the problems that we have in Cuba. It will give us an opportunity to tell Russia that she has got to stop selling conventional arms to Serbia, which we feel are still getting into Bosnia. It will tell Russia that we have got to do something about North Korea, and that we need her assistance to insist that they stop their race to develop a nuclear capability. It will tell Russia that we do not want to give Iran and Iraq submarines which ultimately could do harm to worldwide freedom and democracy.

It does no harm to the foreign aid bill. It simply tells us that we should go back to committee, we should discuss in more detail, and we should certainly send Russia an indication that we want to help. That we are going to ensure that you do achieve your new found goals of a democratic form of government, but that you are going to do it in a different way.

My suggestions that I would come forth with in the subcommittee if we were successful in formulating a new policy for Russia would simply say that you are going to buy a lot of American-made products. It would simply mean if they wanted to build 5,000

new homes for their retired military people, if that is what it takes to formulate a democracy, well, then, that is what we should do. But maybe we should build these homes here in the United States in the form of a modular building and send these homes over on a ship flying an American flag into any Russian port, to show them that the American people are behind them and that this is our contribution to make sure that they are successful.

The amendment provides the administration with the capability of continuing the programs which are in existence today, but it gives this Congress an opportunity to report back and have a debate on how we want to send this money, and I think that this money should be spent in such a way as to help our own people here in the United States of America.

If we are going to tell the American people that they should sacrifice, that we need to increase taxes to the extent that we voted just a couple of weeks ago, if we tell the American people we are going to take $1.6 billion of this money and we are going to send it to Russia without any strings attached, then I think that we are negligent in our duty to the American people.

The American people understand that we should help Russia, but they do not understand that we should send them money in an unbridled sense and let them spend it in any way, shape, or form, and at the same time to have no encouragement to Russia to help us formulate democracy all over the world.

Mr. Chairman, I reserve the balance of my time.

Mr. OBEY. Mr. Chairman, I rise in opposition to the amendment.

The CHAIRMAN. The gentleman from Wisconsin [Mr. OBEY] is recognized for 30 minutes.

Mr. OBEY. Mr. Chairman, I yield myself 5 minutes.

Mr. Chairman, the best deficit cutting vote that anyone can make today is to oppose the Callahan amendment.

In 1985 I was meeting with a number of Russians in this very building. Their delegation was headed by Mr. Scherbitsky, who then ran the Ukraine for the Russian Communist Party. They got word that Mr. Chernenko, the last of the old boys who ran that country, had just died. They cut short their visit here to the United States and went home.

□ 1410

At that time President Reagan was estimating that our defense cost for the next 5 years would be $1 trillion 34 million. We would up spending $563 billion less on defense over the next 5 years, because Mr. Gorbachev and Mr. Yeltsin were running the country rather than the old boys who ran it before that time. In the next 3 years, we saved an additional $290 billion.

Russian arms exports to the Third World have now dropped from $30 billion to $2.5 billion. That is a far cry from what this country expected when, in 1962, two graduate students were sitting, one in the University of Michigan, one at the University of Wisconsin, studying Russian government and language and wondering how we were going to deal with them over the next two generations.

The student studying at the University of Michigan was Strobe Talbott; the student studying at the University of Wisconsin was me. We are now working on opposite ends of Pennsylvania Avenue to try to help the transition from what had been the most powerful military, totalitarian government in the history of the world into a fledgling democracy.

Now, the odds are not in favor of success. Every time that Russia has had a temporary opening to the West, in the end they have closed in upon themselves, and have become more dark force than they were before.

We owe it to our children, in my view, to try to make this time different. I think it is easy to forget that just 3 months ago we were watching American news magazines carry the cover story "Yeltsin's Last Stand."

We cannot determine what happens in Russia, but what we can do is to try to help along the most important historical change since the end of World War II.

I know there are those in this Congress who say, "Well, let's do it my way. Give them the aid but do it a little bit differently."

But the fact is, the signals have been called. They were called first by President Bush in his meetings with Mr. Yeltsin. They have now been called by President Clinton in his meetings with Yeltsin. And to slash this aid at this time that would send a disastrous signal to the Soviet Union, and it would, in fact, discredit the very democratic forces that we are trying to help.

In the 1920's, we were faced, as a society, with a similar choice. In Germany, the Weimar Republic was dying because of the incredible economic turmoil that faced that government. The West ignored what was happening. Hitler exploited those frustrations, came to power, and only 400,000 Americans were killed. Only 700,000 Americans were wounded, and only 40 million to 50 million people died worldwide.

We have paid a terrible price to get to this point in history. Every soldier who died in World War II did so to bring peace to the world. The process was interrupted by Russian aggression over the past 50 years. And every soldier who died in Vietnam and every soldier who fought or died in Korea, again, fought to bring peace to the world.

We are finally at the point where it may be possible to finish the job, as far as the old Soviet Union is concerned, and we owe it to every person who died or fought in World War II, in the Korean war and the Vietnam to take the steps this bill contemplates today.

We also owe it to every taxpayer. if we take the total amount of money which this country has spent to win the cold war and divide it by the number of taxpaying families paying income tax today, that comes out to a bill for every American family of about $82,000 to win the cold war.

It would be the height of folly for us to not to tie down that victory by taking the step that we are taking here today.

I ask every Member of this House, take this rare occasion to change history. Vote against the Callahan amendment. Vote for the committee product.

You will be glad you did and so will your children.

Mr. CALLAHAN. Mr. Chairman, I yield 5 minutes and 30 seconds to the gentleman from New York [Mr. RANGEL].

Mr. RANGEL. Mr. Chairman, I am a cosponsor of this amendment, and I support it entirely. And I do recognize that this great Nation of ours has a responsibility to give some type of assistance to Russia or any other country that we can afford to do it, especially when it is so directly related and tied to our national security.

But to put this in just one bill, without allowing the Members to have an opportunity to evaluate the type of cost that this is going to be and whether or not they can make amendments or how they would want to fashion it, I think it is wrong.

The chairman of the committee that I respect, he and the great work that they were doing, refer to the fact that we owe it to the veterans of Korea and Vietnam. I would like to remind him that I am a Korean veteran. I spent a year in combat in Korea. I fought the Communists. I came home with the Purple Heart and the Bronze Star.

In my community, there are so many young men and now women that served their country in combat and during times of war. And yet, when we say we owe it to them, I find that 50 percent of the homeless that we see in our great Nation are veterans, are veterans.

One may think that this is one way to thank the veterans for the sacrifices they have made, but I would strongly suggest that if one really wants to help the veterans of the United States, there is a more direct way and a more honest way that one can do it.

Not too long ago I walked on the House floor and heard one of our leaders speaking about this Nation's responsibility to the poor and to the homeless and to the jobless and, most important, to the hopeless. I had no idea that he was talking about the people in Russia.

I hear over and over again debate that, My God, if you don't show that

America is there when you need them, if you don't send some type of signal that you expect the contribution that they are making toward peace and to give them assistance when they need it, my God, these people might go the route of becoming violent.

And then the argument goes, And then what would it cost? This is money-saving type of thing. This isn't expenditure, the waste of billions of U.S. dollars. We are getting ahead of the curve. That is what we are doing. We are making an investment.

And I say, my God, isn't this the argument that so many of us have made on the floor as it relates to our constituents?

I know it sounds parochial and lacks the sophistication of seeing the broad picture, but I would suggest to my colleagues, when the kids drop out of school and have to walk the crime-ridden streets, exposed to automatic gunfire, having lack of training, when we see no job opportunities, no competency, even, in holding a job. When we take a look at our prison system and find that we have more people in prison today than any nation, per capita, on the face of the Earth and, in New York, we pay up to $60,000 a year to keep them in jail, over half of the people that are laying in the street today have drug and alcohol problems—if one of them gets pregnant and gives birth to a child, it costs us $6,000 a day in a hospital, a day in a hospital to keep that child alive, and we know it is going to cost millions if the child is born deformed or with any mental incompetency that, again, that society would have to take care of.

□ 1420

We can look on and on and see what we are not investing in these inner cities, but yet when it reaches the point that a kid feels that he has no hope and no future and he is willing to take the risk and join in in massive illogical insanity in destroying his own community, then we find it easy to find the funds to send in the National Guard, to pay the local police, and to keep them in jail at an expense that would be much less if we did for them what we intend to do for Russia.

Mr. Chairman, I conclude by saying that the Members can count on me at some time and place to be just as sophisticated as them in trying to relieve the pains of people, no matter where they are located on this Earth, if we can afford to do it. However, I strongly suggest, if we have this much compassion, we might think of starting off at home first.

Mr. OBEY. Mr. Chairman, I yield myself 1 minute.

In response to the gentleman who just spoke in the well, Mr. Chairman, I simply want to point out that for all my time in this House I have supported vigorously the education and the health and the job training and the housing and veterans programs here at home that he is talking about. Not one dime of aid to the Soviet Union is coming out of any program to help people here at home. This program is being funded by reductions in our other foreign aid accounts and by taking almost $1 billion out of the military budget.

If Russian reform fails, the defense budget will go up so fast there will be no room in our budget for any of the education or health or job initiatives that the gentleman from New York says he wants to see funded.

Mr. Chairman, I yield 5 minutes to the distinguished minority leader, the gentleman from Illinois [Mr. MICHEL].

Mr. MICHEL. Mr. Chairman, I thank the distinguished gentleman for yielding me the time.

Mr. Chairman, I rise in favor of aiding our country by aiding the nations of the former Soviet Union, and against the amendment offered by our colleague and good friend, the gentleman from Alabama [Mr. CALLAHAN].

We are told that the American people, already overburdened with taxes, facing a huge deficit, should not be asked to send tax dollars to the former Soviet Union. However, these same American people paid trillions in taxes over the years to defeat Soviet communism. We sacrificed thousands of lives. For decades we have lived in fear and anxiety of nuclear destruction.

Are we now going to say our cold war sacrifices were worthless, our fears about nuclear war will never end?

Will we say all our suffering for decades means nothing because the Congress refuses to follow through, as we should, to capitalize on our great victory and help the Russian people transform their old discredited system? Is that what we really want to tell our constituents, that it has all been in vain?

Have we come this far, have we sacrificed so much money and lives, have we endured decades of anxiety and tension, have we done all this to now turn our backs at the last moment when our great victory can be consolidated by helping democracy and free enterprise grow and survive? Have we won another ear, only to lose another peace?

When we visited Ukraine and Russia in April, we heard the words and phrases of the new situation: "hyperinflation, vouchers, privatization." In my mind, after having visited there on four previous occasions, there was one word in Ukraine and Russia that transcended all the rest, and that word was "hope."

Early in the cold war, when I first came to Washington, there was an American who left the Communist Party, and his exposé of Communist duplicity at great cost to himself was so stirring that one admirer said of him, "He has not returned from hell with empty hands." The same can be said about millions of Russians and Ukrainians and others who have endured so many decades in the Communist-made hell called the Soviet Union. They have not returned from hell with empty hands. They hold in their hands one thing I never thought I would see that they would possess in my time: hope.

They have returned from hell with hands ready to work in rebuilding not only new nations but new laws and new markets, new ways of life. However, they can fall prey to demagogs of the left and the right. They can get weary of the long struggle for democracy and free enterprise. They can lose the hope that now sustains them. Their fate is in their hands, but we can offer a helping hand.

To the older Members of this body I would say that we have known nothing in our adult lives except the fight against one totalitarianism or another: fascism, naziism, communism. Now, in the aftermath of what John Kennedy called the twilight struggle, can we turn away from people who have suffered so much from totalitarianism and who now want to have what we have, and are willing to work for it?

This morning's press carried an account of President Yeltsin's influence on the Congress of Soviet Deputies in fashioning a new constitution. How? A bicameral legislative body, three branches of Government, like ours, and the right to own private property. My goodness, look at the progress that is being made and recognize it.

To our younger Members I would say, when they get older and look back at life, they will discover that there are only a few big moments that stand out, moments that help define their characters or which their characters helped define. This is one of them.

I would urge my colleagues, by all means, to seize this particular moment and vote against this amendment. Do the right thing in really minuscule economic terms, relatively speaking here. I am sure for their children, future generations are going to be deeply grateful for that action that we take this very afternoon.

Mr. CALLAHAN. Mr. Chairman, I yield 4 minutes to the distinguished gentleman from New York [Mr. SOLOMON].

Mr. SOLOMON. Mr. Chairman, an earlier speaker said that the money for these funds earmarked for Russia in no way comes out of money for education, health, welfare, and so forth. I would remind the gentleman that it all comes out of the same pot; an empty pot at that, an empty pot at that.

Mr. Chairman, I have been arguing for 2 days that it would be irresponsible to plow $2.5 billion into the former Soviet Union. These appropriations would add to our $300 billion deficit, pushing up the cost of interest, depriving money from health, education, welfare, et cetera.

Mr. Chairman, it would arouse the ire of the voters, it would continue the failed status quo of our aid policies, and do nothing to help the former Soviet Union people.

It is for this reason that I have teamed up with the gentleman from Alabama [Mr. CALLAHAN], the gentleman from New York [Mr. RANGEL], and the gentleman from Maryland [Mr. MFUME], the coauthors of this amendment that would strike the entire $1.6 billion supplemental appropriation for just this year, not next year.

Mr. Chairman, if we pass this amendment, let us look at what would happen. First and foremost, we will have $1.6 billion right in our hands to put to better use. We all might differ on how the better use might be. My friend, the gentleman from New York [Mr. RANGEL], just outlined what he felt that use ought to be. I would prefer deficit reduction. Clearly, anything would be better than sending it to a far-off land where it is sure to line the pockets of corrupt officials and a new breed of Russian mafioso.

Let me tell the Members, we saw them when we were over there, that at this very minute they are absconding with already the millions of U.S. dollars already in the pipeline, depositing them in Swiss bank accounts and other bank accounts around this world.

Second, we will begin to regain the respect of the American people, of whom, according to the last poll that came out yesterday on CNN, says less than a third of the people have confidence in we, the Congress.

Third, we will open a window of opportunity to have a substantial debate on the nature of foreign aid. Someone will say that this would be a disaster. We will leave Boris Yeltsin out in the cold. That is absolutely not true. We did not give Mr. Yeltsin money when he was fighting his last stand that the gentleman mentioned just the other day. We gave him the moral support that he needed, we did not write him a check.

Mr. Chairman, the debate on this floor ought to be how are we going to disburse aid. I want to help Mr. Yeltsin, I want to help those poor Soviet people throw off the shackles of communism, but the Japanese, in giving their same amount of aid, are giving it in the form of loans and credits to be repaid to the Japanese Treasury. What are we doing? We are giving it in the form of grants and gifts, not to be repaid, not to be bartered.

□ 1430

The former Soviet Union has the greatest natural resources in the world. They can pay for this aid that we are giving them, and we can use that money to either reduce the deficit, like I want to do, or to put it to programs that are going to help the American people, like our American soldiers who are being furloughed because we are cutting our military budget, being put out on the streets without jobs and without houses so that we can take that money and give it to the Soviet Union, so they can furlough their soldiers, but give them new housing and pay their salaries. That does not make any sense. It is not reasonable, gentlemen.

Now reasonable people can disagree. We want to help. But it is a question of how we help. That is what should be debated on the floor. It is not.

If we pass this amendment we will come back to argue this the way we should have argued in the first place and come up with the right kind of aid. And again I thank the gentleman for yielding the time.

Mr. Chairman, an earlier speaker said that none of these funds earmarked for Russia in any way comes out of money for education, health, welfare, and so forth. I will remind the gentleman that it all comes out of the same pot—and an empty pot at that.

Mr. Chairman, I have been arguing for 2 days now that it would be irresponsible to plow $2.5 billion into the former Soviet Union. These appropriations will add to our $300 billion deficit, arouse the ire of the voters, continue the failed status quo of our aid policies and do nothing to help the former Soviet people.

It is for that reason that I have teamed up with Mr. CALLAHAN of Alabama, Mr. RANGEL of New York, and Mr. MFUME of Maryland to coauthor an amendment to H.R. 2295 that would strike the entire $1.6 billion supplemental appropriation for fiscal year 1993.

Mr. Chairman, if we pass this amendment, let's look at what will happen: First and foremost, we will have $1.6 billion right in our hands to put to better use. Now we all might differ on how to use that money—I would prefer deficit reduction—but clearly anything would be better than sending it to a far off land where it is sure to line the pockets of corrupt officials and a new breed of Russian mafiosos, that are this very minute absconding with millions of United States dollars already in the pipeline—that money is piling up in private Swiss bank accounts and other countries around the world.

Second, we will begin to regain the respect of the American people, of whom, according to a poll released yesterday, says less than a third have confidence in Congress.

Third, we will open a window of opportunity to have a substantive debate on the nature and role of foreign aid.

Now some will say that this would be a disaster. We will leave Boris Yeltsin out in the cold. This is not true. Our amendment would leave in place the $904 fiscal year 1994 appropriation for Russia, and that, of course, is in addition to the billions of United States and Western aid dollars that are already in the pipeline.

Certainly we ought to side with Boris Yeltsin and all other reformers in that part of the world, but is striking $1.6 billion from a Western aid package that totals $43 billion tantamount to leaving Yeltsin out in the cold? Clearly not.

Yeltsin is a clever, able man who seems to be taking care of himself just fine. He gained the upper hand over the hard-liners in March and April without this $1.6 billion gift. He did it by going to his people. We helped, certainly, but we helped by giving him moral and diplomatic support, and not by handing him a check.

The Callahan-Solomon amendment will not leave Boris Yeltsin out in the cold. But it would allow us to come back later and debate how this aid ought to be disbursed. It is simply a vote for fiscal sanity.

Mr. OBEY. Mr. Chairman, I yield 2 minutes to the distinguished gentleman from Illinois [Mr. HYDE].

Mr. HYDE. Mr. Chairman, we have just emerged from a 45-year-old cold war when we were haunted by the specter of nuclear weapons. Now that the cold war is over, the nuclear weapons are still there. There are 30,000 of them and they are aimed at us.

For us to abandon a nuclear-armed country to chaos, to the Fascist chaos that is waiting to take over should the fledgling Democratic efforts fail, is utter folly. We are about to win the race and we sit down in the track before we cross the finish line.

Us versus them, as I heard the gentleman from New York talk about our own needs, and of course, they are legion. There is not enough money in this Government to pay for all of the needs of the people in this country. We know that. But it is not us versus them. It is us and them, because what happens in Russia, what happens in the former Soviet Union will have a direct effect on peace in future generations and on our economy. To turn what have been 300 million enemies into 300 million customers will do an immense amount of good for their people and for our people.

Access to oil, to natural gas, to rare metals, to minerals, they have a boundless amount of them over there, and when we become trading partners instead of adversaries, the benefits will be incalculable.

The revolution of 1991 was fought without a shot being fired, and the Soviet Empire dissolved that had held us in bondage and hostage for 45 years. Do we want to ignore it and stand aside while it turns into a new Yugoslavia? Do we want all of the newly Independent States ethnically divided, religiously different to start fighting each other?

The transition from empire to new democracy, the transition from Communist dictatorship to a free-market country is painful and difficult. We are foolish, we are very foolish indeed if we do not assist them in making that transition.

Mr. CALLAHAN. Mr. Chairman, I yield 2 minutes to the distinguished gentlewoman from Florida [Ms. ROS-LEHTINEN].

Ms. ROS-LEHTINEN. Mr. Chairman, I rise in support of this amendment because of the strong economic, political

and military relationship between the new, Independent Soviet Republics and Cuba.

Although there have been previous press reports indicating that these ties may be cut, recent articles have clearly pointed to a real attempt at continuing the bad old ways. I would like to read part of an article that was published in the Miami Herald just 2 days ago.

Gen. Ulises Rosales del Toro, Cuba's armed forces chief of staff, told reporters that military cooperation would be included in efforts to improve overall relations between the two countries.

"Logically, this collaboration can certainly include a strong cooperation with the Russian armed forces," he said. Asked about arms, he said only: "We have sufficient arms to defend our revolution."

TRYING TO RECOVER TRADE

Experts in Russian-Cuban relations say that a recent ceremony is a symptom of increasingly warm ties between the two countries, which are trying to recover part of the trade they lost after the collapse of the Soviet bloc.

Yuri Pavlov, a former Soviet official who headed the Soviet Foreign Ministry's Latin American Department in the late 1980s, said in an interview in Miami Tuesday that "there is a general tendency in Russian foreign policy in recent months to re-establish economic relations with countries where the Soviet Union had active trade and cooperation."

"Because of the disastrous economic situation in Russia, the Russian government is trying to export as much as it can," Pavlov said.

Pavlov said Russia is also in desperate need of sugar and wants to increase trade to try to recover part of the $25 billion Cuba owes to the former Soviet Union.

The drastic drop in bilateral trade—from $13 billion in 1989 to $500 million in 1992—has moved many Russian officials to lobby for a revamping of the two countries' commercial ties, he said.

So as we see, there will be real attempts to revamp these commercial ties between Cuba and Russia. So the United States taxpayer gives money to Russia, and Russia turns around and gives help to Cuba.

Cuba is run by a completely totalitarian regime. Fidel Castro believes in a repressive, oppressive, totally regimented society which abuses human rights.

Just this week the renowned Human Rights Watch released a report which said, "Beatings, worsening conditions reported in Cuban jails."

True reforms must be called for, and we must call for them today.

Mr. OBEY. Mr. Chairman, I yield 2 minutes to the distinguished Democratic whip, the gentleman from Michigan [Mr. BONIOR].

Mr. BONIOR. Mr. Chairman, I thank my colleague for yielding the time to me.

Mr. Chairman, last year I rose to express my concern that the lion's share of the aid under the Freedom Support Act would go to Russia at the expense of the other Republics of the former Soviet Union. In our efforts to strengthen democracy in Russia, we must not ignore the equally important democratic challenges facing us in newly independent nations such as Ukraine.

Unfortunately, last year this is exactly what happened. Russia received 62 percent of all the Freedom Support Act funds. In comparison, Ukraine received less than one-tenth of what Russia got. On a per capita basis, Ukraine was third from last of all the former Soviet Republics. Only Uzbekistan and Azerbaijan received less per capita, and Azerbaijan is ineligible to receive aid because of its blockade of Armenia.

We must address this unbalance in aid levels. The economic and political transition in Ukraine and the other former Soviet Republics are no less difficult than in Russia and deserve our attention. With 52 million people, Ukraine is the fifth-largest nation in Europe—it was the industrial base of the Soviet Union and breadbasket of the entire region. It is imperative that we strengthen our ties with Ukraine.

Ukraine has legitimate security concerns that must be addressed. For good reasons, Ukrainians feel dwarfed by Russia. They remember the Czarist treatment of Ukraine, Stalin's imposition of collective farming, and the millions of Ukrainian deaths excused by this notion that to make an omlette, you have to break eggs.

During a recent congressional delegation visit to Ukraine and Russia, I could not help but notice that Russian Vice President Rutskoi still had an old map of the Soviet Empire hanging in his office.

I am heartened to see that Ikraine's security concerns are being approached on a more equitable basis. Les Aspin and Strobe Talbot made some constructive proposals last week in Kiev. The administration is correct in reversing the Bush policy of isolating Ukraine. This sentiment was echoed in a Washington Post editorial this weekend.

The aid provided under this legislation must reflect this new approach. Language that is in the report is a promising step in this direction. I agree that we must initiate a larger, more effective assistance program for Ukraine.

Our best interest will be served by helping all of the new democratic nations. As long as these nations are pursuing a course that respects human rights and self-determination, they deserve our help.

Mr. Chairman, I thank my colleague for his leadership and for allowing me the time to express my views on this issue.

□ 1440

Mr. CALLAHAN. Mr. Chairman, I yield such time as she may consume to the gentlewoman from Illinois [Mrs. COLLINS].

Mrs. COLLINS of Illinois. Mr. Chairman, I thank the gentleman for yielding time to me.

Mr. Chairman, I am in favor of this amendment.

Mr. Chairman, I rise today in support of the amendment being offered by Representatives CALLAHAN, SOLOMON, MFUME, and RANGEL. This amendment would eliminate $1.6 billion in supplemental assistance to Russia and the former Republics of the Soviet Union.

Clearly, there are strong arguments for supporting Russia and the former republics at this time. What is even more clear, however, is the fact that America must choose its budget priorities carefully if we want to strengthen our economy and restore our budget for a healthy, prosperous future. Only our highest, most essential priorities can be funded right now and so we must choose our spending carefully. For me, there is no question who needs our help the most, and Russia is not it.

In my district in Illinois, there are serious, urgent, tragic, frightening matters that need the aid and attention of the U.S. Congress. Families and young people are at the very end of their rope. They are poor, they are tired, they can't find work, and they are losing hope. Even more distressing are the children in my district who are starting out their lives with significant social, economic, educational, and nutritional disadvantages. The programs that we have designed to make up such gaps are not reaching all the kids who need them. Fewer than half of eligible young children can attend Head Start, barely half of those eligible receive WIC money, and 15 percent of Illinois children have no health insurance at all. This cannot continue.

Improving these statistics and helping the young people in my district is my priority and, considering the activities of the other body, now is the moment to begin to take care of ourselves and our own cities. This morning, the budget bill that will profoundly shape the future of millions of American is being considered by the Senate Finance Committee. Despite the desperate situation in my district and others, cuts in Medicare and the earned income tax credit are being seriously considered. The fact that these cuts are considered viable options, and are open to debate, is a clear indication to me that the little funding available must stay here at home where it's needed so that we do not continue to rob from one hungry American to feed another.

I simply cannot in good conscience ship American dollars to Russia when my own constituents and other Americans are so in need of help. I urge my colleagues to join me in supporting this important amendment.

Mr. CALLAHAN. Mr. Chairman, I yield 4 minutes to the gentleman from Maryland [Mr. MFUME].

Mr. CONYERS. Mr. Chairman, will the gentleman yield?

Mr. MFUME. I am happy to yield to the gentleman from Michigan.

Mr. CONYERS. Mr. Chairman, I rise to insert my remarks in support of the amendment and join the chairman of the Congressional Black Caucus and the chairman of the New York delegation in strong support of this amendment.

Mr. Chairman, 13 months ago—in May 1992—103 Members sent a letter to President Bush saying "We cannot support your plan for additional assistance to the former Soviet Republics until you have first addressed the issue of jobs and economic growth for America."

In our consideration today of H.R. 2295, we are again addressing this issue of the relative priority of jobs in this country and jobs in Russia. H.R. 2295, as reported by the Committee on Appropriations, has the effect of giving more favorable budgetary treatment to aid the former Soviet Union than Congress is giving to aid America's cities and towns. The Committee on Rules denied my request to offer an amendment to H.R. 2295 that would have eliminated this anomaly by suing the same financing technique for summer jobs for America's poor youth that H.R. 2295 uses to pay for aid to Russia.

Let me explain this point. H.R. 2295, as reported, appropriates $13 billion for foreign aid. Included in this total is $2.5 billion in aid for Russia and the other former Soviet Republics. Only about $900 million of this $2.5 billion is an appropriation for fiscal year 1994. The remaining $1.6 billion is contained in title VI of H.R. 2295 as a supplemental appropriation for fiscal year 1993 to be spent through fiscal year 1994. These supplemental funds are in addition to the $1.6 billion in Russian aid approved by the previous Congress, most of which—according to press reports—has not yet been spent.

The $1.6 billion in supplemental fiscal year 1993 funds is not paid for by cuts in other Federal programs in fiscal year 1993. Instead, title VI simply appropriates an additional $1.6 billion. First, it appropriates $630 million in additional foreign aid funds for the former Soviet Union. Second, it appropriates an additional $979 million for operation and maintenance for the Department of Defense and permits the Secretary of Defense to transfer these funds to the Department of State and other agencies for the purpose of providing assistance to the former Soviet Union. The Callahan-Solomon-Mfume-Rangel amendment would strike the entire $1.6 billion.

Critics of President Clinton's stimulus program said they could not support increasing the Federal budget deficit in order to finance additional Federal programs for summer jobs and other high priority domestic programs. Given this political reality, I cannot now support increasing the Federal budget deficit by $1.6 billion in order to finance additional aid for Russia.

Russia can use additional foreign aid. But there is no question that additional funds are also needed for summer jobs in this country. Last month the House of Representatives approved about $230 million for the general summer jobs program as part of H.R. 2244, the second supplemental appropriations bill. This extra summer jobs money was, of course, offset by cuts in other domestic programs.

Even with this additional $230 million, there will be $81 million less for jobs this summer than there was last summer: $1.159 billion last year and $1.078 billion this year.

The $230 million recently approved by the House, combined with the funds approved by the previous Congress, will meet only about 15 percent of the need throughout the country. There are 5 million poor American youth ages 14 to 21. Yet there will only be funds for 763,000 jobs this summer unless we take further action.

The need is tangible. Mayor Dinkins of New York City testified last month before the Government Operations Subcommittee chaired by Mr. TOWNS that in New York City there are 100,000 young people looking for jobs this summer, but funds for only 27,000. In Detroit, there are already 30,000 applications for summer jobs, but funds for only 6,100. Richmond, VA, has funds for only 400 summer jobs and more than 2,000 applications. President Clinton recognized the need for additional summer job money when he requested $1 billion as part of his stimulus program.

Summer unemployment is not a racial issue. According to data from the Bureau of the Census, 46 percent of poor youth are white; 28 percent are black; 20 percent are Hispanic; and 6 percent are American Indian, Alaskan Native, Asian, or Pacific Islander.

In conclusion, I support the amendment because I am unwilling to increase the Federal budget deficit to help Russia when we are not prepared to increase it to help poor youth in both our large cities and our rural areas.

Mr. MFUME. Mr. Chairman, I rise today in support of this amendment to delete title VI of the foreign ops, export financing, and related program appropriations bill.

Mr. Chairman, the legislation before us, as most of you know, provides $2.5 billion in aid to the newly independent states and the former Soviet Union. Mr. Chairman, an aid amount of this sort should be, at least in my opinion, considered as a freestanding bill. It ought to be brought to this floor under a separate vote.

What we are proposing to send to the Soviet Union, or the former Soviet Union, is the type of support that many Americans across the country are also calling for for themselves. Farmers would approve Congress appropriating domestic Federal assistance to develop agribusiness and technical assistance programs. Small and minority business persons would approve Congress appropriating a new domestic small business enterprise zone. Many businesses and others in our districts would approve an enhanced Federal role in promoting trade and investment.

Our own country is struggling with military down-sizing, base closures, and economic conversion, to name a few. Surely we can find a way to provide enhanced assistance for our own people to deal with these mounting problems.

To provide the former Soviet Union with $2.5 billion in direct spending now without a separate vote, I think, would be unfair to the American people. To defeat the domestic stimulus package in April and then somehow mysteriously pass Russian aid in June will create the perception that our priorities are in the wrong place. What a strange and bedeviling juxtaposition that is. It will be perceived that we are out of touch, quite frankly, with many in America who believe that many of us ought to be looking inwardly as well.

How fair is it to provide direct spending to the former Soviet Union, while only offering American citizens a few tax incentives and a few tax credits?

Mr. Chairman, I, along with many in this House, voted for the President's economic stimulus package. That bill, as you know, would have assisted our districts significantly by providing a one-time infusion of assistance. However, with the demise of that package, the hopes of our domestic and urban aid falls upon the concept of empowerment zones now and enterprise communities. These programs do not involve direct spending initiatives like what we are voting on today. These programs are for incentives and credits to lure businesses back into beleaguered communities.

Tax incentives and tax credits are good approaches, nonetheless, but these communities need similar provisions such as the ones that are included in this Russian aid bill.

The promotion of democracy and of democratic institutions should, in fact, be a worldwide endeavor by the United States, but there are many nations, from the First World through the Third World, who are also struggling for democracy.

Equally, there are many nations, from the First to the Third World, whose markets could be developed and opened up to U.S. interests.

There are many pent-up needs here at home and abroad that must be addressed by this Congress. Thousands of our people across this country are unemployed and homeless. Those are more than just urban problems. They are American problems.

When we talk about the problems of the American farmer and families trying to put their kids through school and develop the sort of society where crime does not eat us up, we must begin, also, to look at the needs here at home. And yet we are told, when we want to work with those communities, that we are driving up the deficit and providing pork.

Russian aid should be brought up under a separate vote, and if there is nothing to fear but fear itself, why do we not just go ahead and do that? Otherwise, we put on this clock of mystery, and we roll it into this bill, and we roll it before this public, and pretty soon we roll it over the American people.

I ask the Members of this body to be courageous, to call for a separate vote, so we can go on the record once and for all and to support this amendment.

Mr. OBEY. Mr. Chairman, I yield 3 minutes to the distinguished Republican whip, the gentleman from Georgia [Mr. GINGRICH].

Mr. GINGRICH. Mr. Chairman, I thank my friend, the gentleman from Wisconsin, for yielding me this time.

This is a very interesting day if you watch who is speaking up here on the various alliances that have been made for and against trying to help democracy and freedom and free enterprise in Russia.

I understand that some of my closest friends, with the greatest of sincerity, believe that it is useful to cut out over $1.6 billion from helping the people of Russia achieve prosperity and freedom.

Let me say that there are at least two levels where I think that is wrong. I think it is wrong, first of all, out of the narrowest American self-interest. You look at the impact of the Chernobyl reactor, and then you look at the $100 million we would spend on nuclear reactor safety, and you ask yourself: What is it worth to the next generations to help the people of Russia take what everybody on the planet admits are 17 badly designed Chernobyl-style plants and try to avoid the kind of disaster which we all lived through and which we all saw and which has had such an enormous impact on the people of Ukraine?

You look at the money that would be spent on the small-business enterprise fund, and you say to your friends who believe in small business, whether it is small business in the inner city or it is small business across America, for my conservative friends who believe in it so deeply: What could be more American than to help the people of Russia turn from communism, from a centralized dictatorship, to a small business enterprise fund?

All of my friends who talk about the importance of privatization, why would you cut out privatization technical assistance if you want freedom and free enterprise and prosperity and all those things we believe in as Americans; how could you block this effort to help the people of Russia?

But beyond that, there is a second level of American self-interest. We create local jobs through world sales. We have a chance today to reach out to 160 million people who could easily be one of our most important markets for the next generation.

We know now what the Japanese are doing. They are reaching out, because they want the export market. We know what the Germans are doing. They are reaching out, because they want that export market.

What are some of my very shortsighted friends saying? They are saying, "Let us give up a generation of jobs. Let us give up a generation of world sales. Let us be small-minded and stay here at home, and let us not go out and create the markets of the future."

These same friends later on will give speeches about unemployment. But the fact is we have a chance today to do what we can to make the world safer so our sons and daughters do not die in a war and so our cities are not incinerated. We have a chance to do what we can today to help the spread of democracy, the rule of law, and free elections so that the values we cherish can be shared by more people. We have a chance today to help teach an entire nation the virtues of free enterprise so that together we can be more prosperous, so we can have better jobs with higher pay.

Or we can turn away from the future. We can turn toward the past. We can cut out this legitimate investment, 1 percent of our defense spending at its peak, 1 percent, for a better, safer, more prosperous world.

I urge you to vote "no" on this well-meaning but wrong amendment.

Mr. CALLAHAN. Mr. Chairman, I yield 2 minutes to the distinguished gentleman from Indiana [Mr. BURTON].

Mr. BURTON of Indiana. To my dear friend from Georgia [Mr. GINGRICH], and to my dear leader, the gentleman from Illinois [Mr. MICHEL], I say we want the same things that you want for Russia.

The only problem is we believe there is a better way to do it than to give American taxpayers' money that we do not have to the Soviet Union. Let me give you some facts. Since 1990 there has been pledged to the Soviet Union almost $139 billion in moneys from throughout the world, and they have not been able to spend it all. In fact, probably half of it is still in the pipeline.

□ 1450

And what has happened with that money? They are continuing to send oil to Castro's Cuba.

What else are they doing with that money? They are selling weapons to terrorist states. They have sent $10 billion of our taxpayers' dollars into Swiss bank accounts for crooked Soviet officials. In addition to that, they are funding their space station, their space station, while we are cutting our space station.

Now, we all want Boris Yeltsin to succeed. We do not want a resumption of the cold war. But how can we do this? We can better do it by buying minerals from the Soviet Union, a business deal. They are one of the largest countries in the world, with the largest mineral deposits in the world, and instead of giving them our hard-earned taxpayers' money, why don't we buy oil from them? They are the largest oil producer in the world. Why do we not buy gold, manganese, nickel, diamonds, silver, instead of giving them our taxpayers' money?

We can do that, and that is the way we should be doing it, in a businesslike way. We will be helping Boris Yeltsin, we will be expanding their economy, we will be sending industry over there to get these minerals out of the ground, thus producing jobs. We will make them self-sufficient and we will get them heading in the right direction, which we all want, toward a more stable Russia, a more stable former Soviet Union and a more stable world.

But to give them taxpayers' dollars that are going down a rathole is the wrong thing to do.

I am sorry I have to oppose my dear leadership, but I do in this particular case.

Mr. OBEY. Mr. Chairman, I yield myself 1 minute.

Mr. Chairman, just for the hell of it, there ought to be some relationship between the facts and what we say on this House floor. Let me simply point out the gentleman says that $10 billion of American taxpayers' money has been stolen in Russia. That is a neat trick, considering the fact that so far they have only gotten half a billion dollars in total funding from us.

Where does the gentleman get those whacky numbers? The fact is we do not give the Russians cash. This money provides technical assistance. It provides money to help defuse their nuclear weapons. It provides money for exchanges.

We do not give checks to the Russians. I would suggest to the gentleman, if he wants to participate in the debate, he ought to get his facts straight.

Mr. BURTON of Indiana. Mr. Chairman, would the gentleman yield?

Mr. OBEY. No; I am sorry I do not have the time.

The fact is that the Soviet Union is getting technical assistance, they are getting educational assistance, they are getting privatization assistance; they are not getting checks. The gentleman knows that.

Mr. Chairman, I yield 30 seconds to the gentleman from Maryland [Mr. HOYER].

Mr. HOYER. I thank the gentleman for yielding, and I rise in strong opposition to the amendment and for the provisions in this bill. We have an historic opportunity. We need to seize it; we need to seize it in a bipartisan fashion, as is being done. Frankly, I rose when the minority whip [Mr. GINGRICH] was speaking so that I could associate my remarks with his.

We need to do this because this money invested today will save us vast sums in the future if it in fact helps crate a stable economic, cultural, political, and social environment in Russia alone, not to mention the other CIS States.

So I rise in strong support of the committee proposal.

Mr. OBEY. Mr. Chairman, I yield 6½ minutes to the distinguished ranking member on the subcommittee, the gentleman from Louisiana [Mr. LIVINGSTON].

Mr. LIVINGSTON. I thank the chairman for yielding this time to me.

You know, Mr. Chairman, nobody contends that it is not in the interest of every American citizen, or all the people in the entire world, to help dismantle the 14,000 missiles, the some 30,000 nuclear-tipped warheads that are in the former Soviet Union. Nobody should quarrel that it is in our best interest to see to it that some 30,000 Russian youngsters and political leaders come over here to understand the American way of life. But the Callahan amendment would eliminate the possibility these efforts will be realized.

Nobody should quarrel with the fact that it is in the United States' interest to promote technical and monetary assistance to emerging private enterprises and help privatize the incredibly inefficient businesses in the old Soviet Union. The Callahan amendment would gut that effort.

Nobody should contend that it is not in the American interest to provide humanitarian aid to people afflicted by Chernobyl and people afflicted by one of the worst medical systems in the history of the world, brought on by a totalitarian regime, a failed Communist empire which existed over the last 70 years, if it ultimately meant that those people would be friendly to Americans and would want to live in peace with us.

Nobody should really even contend that it is not in the American interest to help resettle troops in the Baltic nations and others spread throughout Eastern Europe if it meant that they would come home to Russia, lay down their arms, live in peace and harmony, learn the free enterprise system, join the industrialized, civilized world, and not revolt against their existing fledgling democracy.

Nobody should say that these moves are not in our interest. But if the Callahan amendment is adopted, these will not happen.

Now, Mr. Chairman, this is a changed world. To my friends on this side of the aisle I would say it is changed because of us, because Ronald Reagan, President of the United States, said it was in the national interest to go forward, to spend more money on our troops, spend more money on defense, on equipment, on planes, tanks, and all our war paraphernalia, to give us a stronger defense system in order to stand up to the "Evil Empire," so that we could look at all totalitarian leaders of the old Communist system and say, "We are not going to let you take another inch of world territory," and so that we could ultimately prevail and win the cold war.

We won it, folks, and now we have a responsibility to win the peace. And this little package of $2.5 billion, inclusive of the $1.6 billion that Mr. CALLAHAN would cut, is just a small investment in the future of mankind.

Yes, it would provide for troop withdrawal, but there were 4.5 million Soviet troops all over the eastern half of the world in 1985; today there are about 2 million. In 1991, 220,000 in East Germany alone; today, there are 113,000 in all of Eastern Europe.

Back in 1991, there were 140,000 troops in the Baltic States; today there are only about 40,000 there. In the next couple of years the Soviet Union will be reduced to an army the size of ours or lower and the troops will be out of Europe and out of the Baltic countries.

We have won the cold war and, as I say, it is time now for us to lead and provide for peace. If we do not, we do risk repeating history. What happened to Germany after World War I? Hitler rose and formed a military-industrial complex that threatened the entire world. Do we want to let the likes of a Vice President Rutskoi do exactly the same thing in Russia? All we have to do is cut $1.6 billion under the Callahan amendment, and that could happen.

President Yeltsin is right now formulating a constitutional convention that would provide a democratic way of life for all the Russian people. If we pull the rug out from under him with this amendment, he might fail, and they might once again—not be Communists, because that failed, but they might be totalitarian, and they might use those missiles against us one day, instead of dismantling them.

Mr. Chairman, I would only say that, God willing, all of us would live to be 90 years old, sit back in our rocking chairs, and if the world is at peace and if we voted for this bill, we can say that we contributed to the peaceful future of generations to come, and take great contentment from that fact.

On the other hand, if the world goes to chaos and anarchy, and if we have voted against this bill, we will have wreaked havoc upon ourselves and our progeny. Let us not take that chance.

Let us commit to our children, our grandchildren, and their grandchildren, that we are going to invest in peace and prosperity for the entire world and not just us in the United States.

Vote against the Callahan amendment.

□ 1500

The CHAIRMAN. The Chair would note to the gallery that expressions of support or nonsupport are prohibited.

Mr. CALLAHAN. Mr. Chairman, I yield 3 minutes to the distinguished gentleman from Arizona [Mr. KYL].

Mr. KYL. Mr. Chairman, I would like to respond to the comments of two of our esteemed colleagues; first of all, the chairman of the subcommittee, the gentleman from Wisconsin [Mr. OBEY], who challenged the gentleman from Indiana [Mr. BURTON] on his facts. I would like to respond for the gentleman from Indiana [Mr. BURTON] since he was not yielded time.

The gentleman from Indiana [Mr. BURTON] made the point that about $10 billion in Western aid has been the subject of capital flight and found its way into banks out of Russia.

The question was, Where did he get the information?

Well, first of all, Russian Vice President Rutskoy has admitted that about a billion dollars a month has been lost through capital flight.

Next, the Journal of Commerce has said that last year Russia sent $10 billion to foreign banks. That was the figure of the gentleman from Indiana [Mr. BURTON].

One Journal analyst, and I am quoting now, questioned "whether the West is wasting much of the money it is spending helping the economy."

Another one stated, "It seems useless to put additional money into the economy."

Michael Camdessus, who is the Managing Director of the IMF, on March 8, 1993, in a Reuters Business Report said:

> There is no sense sending limited resources to Russia if in the absence of more coherent, more effective monetary fiscal policies, the credits are immediately going to end up in bank accounts in Zurich, Paris, or London.

I think we all understand the fact that it is not possible to protect this money and that a lot of it is going to Western banks. It is not going for the purposes for which it was intended. That is one of the reasons for being very careful about spending more money than we can keep control of in this bill.

And to my friend, the gentleman from Georgia [Mr. GINGRICH], who said that if we send them more money, the Russians will be able to reform their energy system and not build Chernobyl-style reactors and so on; that is a very laudable purpose. I would feel a lot better about that, however, if the Russians were not funding the construction of a system much like the Chernobyl kind of reactor in Cienfuegos, Cuba. It seems to me they ought to reciprocate a little bit if they are going to use that kind of an argument to get our money.

The arguments of my friend, the gentleman from Georgia [Mr. GINGRICH] are very well meaning, I know, and they are very high-sounding; but I think it is somewhat ineffective to suggest that if we just send more money that we are going to solve the problem.

As a matter of fact, I know of no one more eloquent than my friend, the gentleman from Georgia [Mr. GINGRICH] in arguing that merely sending money to the liberal welfare state, for example, the inner-cities, is going to solve the problems of welfare, crime, and corruption, and so on.

Reform, not necessarily just more money, is the answer, and that is what some of us are arguing here.

Of the $140 billion that the GAO says has been committed from Western nations, only about $40 billion has been spent. The rest is in the pipeline.

Our argument is simply that it does not necessarily make economic sense to be committing this kind of money when you cannot control it, you cannot be sure it will not go to other places than those for which it is intended.

Finally, of this $1.8 billion, $1.6 billion is unauthorized, and ordinarily around here we do not appropriate money that is unauthorized.

Mr. CALLAHAN. Mr. Chairman, I yield 1 minute to the distinguished gentleman from California [Mr. CUNNINGHAM].

Mr. CUNNINGHAM. Mr. Chairman, I thank my friend for yielding me this time.

First of all, I would like to say, Mr. Chairman, to the gentleman from Wisconsin [Mr. OBEY] that we are trying to arrive at the same solution, but I think the gentleman fails to see the solution to a very simple problem.

We do not want to give Russia money. We want to trade them or barter for it. Titanium is only purchased in two parts of the world. One is South Africa. The other is Russia. Why can we not trade that which puts their workers to work?

It is the same thing the gentleman from Georgia [Mr. GINGRICH] referred to. That is called trade. That is not called welfare.

I remember a time in this country when it was heard, "The redcoats are coming. The redcoats are coming." We did pretty well without foreign aid helping us. I think we came out well because the issue was right. This issue is right.

I can remember sending millions and billions of dollars to the Philippine Islands to Marcos. We bought a heck of a lot of shoes for Imelda, and the $10 billion that is going into aid and into Swiss banks, I think our taxpayers could use it.

Mr. CALLAHAN. Mr. Chairman, I yield myself the final 3½ minutes.

Mr. Chairman, how awesome it is for me to stand in this well and debate probably some of the most brilliant people I have ever met, including the leadership of the minority side and the leadership of the majority side.

Many of you who have spoken in opposition to this amendment today have visited Russia, and I have not. It is a great disadvantage to me, I will admit, not having been there and not having had the opportunity to speak with the Russian leaders and not to see firsthand the needs of the Russian people; but I still have a responsibility, and all of you have missed the point of the Callahan amendment.

It is not my point not to assist Russia, but to the contrary, to assist Russia in her time of need. That is what the Callahan amendment ultimately will do.

My amendment simply allows this body to send Russia a message along with our aid which will be forthcoming and which will come forth with my assistance and not my opposition.

Yes, we must help Russia. I have heard many distinguished gentlemen of the House stand and talk about how we owe this to our children to do this, and yes, you are absolutely right. We do owe it to our children to do this because we are going to have to borrow money to do this and our children are going to have to pay it back. Ironically, we are probably going to have to borrow it from foreign nations.

There are certain segments of the language in this bill that currently exist which I seek to extract which gives me some heartburn.

Are we going to take $1 billion from our own national defense and send it to Russia in an unbridled manner, without any indication or message that we want them to help us democratize the world, that we want them to send a message to Cuba, that we want them to send a message to other terrorist nations, that we want them, the Russians, to send a message to North Korea and to Serbia that we want worldwide democracy?

The purpose of the removal of title VI does not in any way, shape, or form, deny us the opportunity to bring back, in just a couple weeks, a measure which can be debated and which can indeed have those measures that we are all concerned about in our message to Russia.

Should we not consider the possibility if we are going to, No. 1, deny our retired military people the same rights to have a home paid for? If we are going to send them the money to build 5,000 new homes for their retired soldiers, should we not consider the possibility of maybe sending some modular home manufacturers here in the United States to facilitate that need? Should we not even consider that?

Maybe I am wrong. Maybe my intelligence level is so inferior to the leadership of this House that I cannot comprehend the logic of what I am saying; but I believe the people that I represent in this Congress understand what I am saying, and I believe that the people you represent back in your respective districts would demand that if we are going to do this, that we do it in a responsible fashion and not just write a check and send it to them without the message that should come with it.

Would it not be wonderful if those modular homes, as a hypothetical example, were being brought into Russia on American flagships with the American flag flying on top of them so the Russian people could know that we are supporting them, that we want them to have what we already have, and that is a free government and democracy?

Would it not be wonderful if the surplus commodities that we send as a result of the new bill were shipped over there on an American ship, with American commodities that our farmers have grown?

So you have missed the point. I urge you to adopt the Callahan amendment. We will come back in a couple weeks and responsibly debate this issue of aid to Russia.

□ 1510

Mr. OBEY. Mr. Chairman, I yield myself 10 seconds to suggest to the gentleman from Indiana that the last person in the world I would cite for my statistics would be Mr. Rutskoi, the principal Russian opponent to the democratization process going on in the Soviet Union and the person who is the enemy of all the actions that we are trying to take in Russia.

Mr. Chairman, I yield the balance of my time to the distinguished majority leader, the gentleman from Missouri [Mr. GEPHARDT].

The CHAIRMAN. The gentleman from Missouri [Mr. GEPHARDT] is recognized for 5 minutes.

Mr. GEPHARDT. Mr. Chairman, I commend the chairman of the committee, the gentleman from Louisiana [Mr. LIVINGSTON], the gentleman from Georgia [Mr. GINGRICH], the gentleman from Illinois [Mr. MICHEL], and others who have worked so hard on this legislation.

Let me commend the gentleman from Alabama [Mr. CALLAHAN]. I commend his sincerity and know that he is well-meaning in his amendment. I respectfully disagree with his view and urge Members to vote against his amendment.

Mr. Chairman, when we were in Russia, all of the people we met said, "Don't give us a fish because we can only eat for one day. Teach us how to fish so that we can eat for a lifetime."

This program is specifically designed to give the people of Russia the ability, over time, to be self-sustaining, to achieve capitalism, to achieve private property, to achieve democracy, and to achieve a growing economy that will not require huge amounts of money from the West or anyone else.

I urge Members to look at the specific provisions in the plan. Most of it has to do with teaching people how to run an economy: exchange programs, programs for enterprise funds, programs for technical assistance, a privatization fund.

Mr. Chairman, we saw a privatization effort in an entire city in Russia that will be helped and supported by these efforts.

Over 70 percent of the money does not go to the Russian Government, does not go to bureaucrats in Russia, but goes to the people in Russia, or to people in the United States to support private American efforts in Russia.

This is a good program, it is a well thought out program, and I think it will be a successful program, and the administration has told us they will

continue to work with us to make sure that the program is working as we go along.

To my friends on the Democrat side who have supported this amendment because they believe that, by doing this, we are sapping programs that we need here in America, and there are some on this side who believe that as well, let me say this: I passionately believe that we need to do more for our people. We need to build housing. We need to educate. We need to do something about our cities. We need to train. There is a whole list of things that we need to do in this country, and we need to get our deficit down.

It is not a happy moment to be saying, "Let's borrow some more money, increase our own deficit, to do something to help Russia toward capitalism and democracy," but I say to my colleagues in the House that this is the most important issue of our lifetime. We have waited 45 years for this moment, and this is the moment. If we fail, if they fail, we will go back to a time and a set of expenditures on our part that will make us all heartsick. We will not have money for training or for the things that we should be doing today.

My colleagues are precisely right. We are not doing what we should do, but we cannot do those things by having failure in Russia.

I, just one more time, want to refresh our memory about Harry Truman. In 1947 we were in greater debt than we are today. We were at the end of a war. We were exhausted from a war. We were bankrupt in this country. And Harry Truman had the courage, and the American people followed when he said, "It is in our deep self-interest to get Western Europe back on its feet so that it doesn't go Communist." We spent $40 million in today's terms on the Marshall plan, and the American people did not favor that plan. Fourteen percent of the American people, by the Gallup poll, were for the Marshall plan, but the President and a bipartisan group in this Congress, Republican and Democrat, stood behind Harry Truman, and we did the right thing, and Western Europe was saved, and it saved us billions and trillions of dollars that could be used to invest in our people and our economy.

That is what is at stake today, and I urge Members, Republicans and Democrats, to stand behind the right policy in 1993. Vote against the Callahan amendment and vote for this legislation.

PARLIAMENTARY INQUIRY

Mr. MFUME. Mr. Chairman, I have a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. MFUME. Mr. Chairman, is it not true, as this Member understands it, that Members coming now to vote on this bill would, in fact, not be killing Russian aid? Does the vote merely separate the aid vote?

The CHAIRMAN. The gentleman from Maryland [Mr. MFUME] is not stating a parliamentary inquiry.

Mr. MFUME. Let me restate it, Mr. Chairman.

Does this particular amendment allow Members to vote for the amendment and then for Russian aid also?

The CHAIRMAN. The Chair cannot interpret the substance of the amendment.

The question is on the amendment offered by the gentleman from Alabama [Mr. CALLAHAN].

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. CALLAHAN. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 140, noes 289, not voting 10, as follows:

[Roll No. 237]

AYES—140

Allard
Andrews (NJ)
Applegate
Archer
Baker (CA)
Baker (LA)
Barcia
Bartlett
Becerra
Bilirakis
Blackwell
Blute
Bonilla
Brewster
Bunning
Burton
Buyer
Callahan
Camp
Canady
Chapman
Clay
Clyburn
Coble
Collins (GA)
Collins (IL)
Collins (MI)
Combest
Condit
Conyers
Cox
Crane
Crapo
Cunningham
Danner
DeFazio
DeLay
Diaz-Balart
Doolittle
Dornan
Duncan
English (OK)
Everett
Ewing
Fields (LA)
Flake
Ford (TN)
Fowler
Franks (CT)
Gallegly
Gekas
Goss
Grams
Green
Gutierrez
Hall (TX)
Hancock
Hansen
Hastert
Hefley
Herger
Hilliard
Hoke
Huffington
Hunter
Hutchinson
Hutto
Inglis
Inhofe
Inslee
Jacobs
Johnson, Sam
Kim
Kingston
Kyl
Lancaster
LaRocco
Lewis (FL)
Machtley
Manzullo
McHugh
McInnis
McKeon
Mfume
Mica
Miller (FL)
Moorhead
Murphy
Nussle
Packard
Petri
Pombo
Portman
Poshard
Quillen
Quinn
Rahall
Ramstad
Rangel
Regula
Reynolds
Roemer
Rogers
Rohrabacher
Ros-Lehtinen
Roth
Roukema
Royce
Sanders
Santorum
Sarpalius
Saxton
Schaefer
Sensenbrenner
Shays
Shuster
Smith (TX)
Snowe
Solomon
Spence
Stearns
Stump
Sundquist
Tauzin
Taylor (NC)
Thomas (WY)
Thompson
Thurman
Towns
Traficant
Tucker
Valentine
Velazquez
Volkmer
Vucanovich
Walsh
Waters
Young (FL)
Zeliff
Zimmer

NOES—289

Abercrombie
Ackerman
Andrews (ME)
Andrews (TX)
Armey
Bacchus (FL)
Bachus (AL)
Baesler
Ballenger
Barca
Barlow
Barrett (NE)
Barrett (WI)
Barton
Bateman
Beilenson
Bentley
Bereuter
Berman
Bevill
Bilbray
Bishop
Bliley
Boehlert
Boehner
Bonior
Borski
Boucher
Brooks
Browder
Brown (CA)
Brown (FL)
Brown (OH)
Bryant
Byrne
Calvert
Cantwell
Cardin
Carr
Castle
Clayton
Clement
Clinger
Coleman
Cooper
Coppersmith
Costello
Coyne
Cramer
Darden
de Lugo (VI)
Deal
DeLauro
Dellums
Derrick
Deutsch
Dickey
Dicks
Dingell
Dixon
Dooley
Dreier
Dunn
Durbin
Edwards (CA)
Edwards (TX)
Emerson
Engel
English (AZ)
Eshoo
Evans
Faleomavaega (AS)
Farr
Fawell
Fazio
Filner
Fingerhut
Fish
Foglietta
Ford (MI)
Frank (MA)
Franks (NJ)
Frost
Furse
Gallo
Gejdenson
Gephardt
Geren
Gibbons
Gilchrest
Gillmor
Gilman
Gingrich
Glickman
Gonzalez
Goodlatte
Goodling
Gordon
Grandy
Greenwood
Gunderson
Hall (OH)
Hamburg
Hamilton
Harman
Hastings
Hayes
Hefner
Hinchey
Hoagland
Hobson
Hochbrueckner
Hoekstra
Holden
Horn
Houghton
Hoyer
Hughes
Hyde
Istook
Jefferson
Johnson (CT)
Johnson (GA)
Johnson (SD)
Johnson, E. B.
Johnston
Kanjorski
Kaptur
Kasich
Kennedy
Kennelly
Kildee
King
Kleczka
Klein
Klink
Klug
Knollenberg
Kolbe
Kopetski
Kreidler
LaFalce
Lambert
Lantos
Laughlin
Lazio
Leach
Lehman
Levin
Levy
Lewis (CA)
Lewis (GA)
Lightfoot
Linder
Lipinski
Livingston
Lloyd
Long
Lowey
Maloney
Mann
Manton
Margolies-Mezvinsky
Markey
Martinez
Matsui
Mazzoli
McCandless
McCloskey
McCollum
McCrery
McCurdy
McDermott
McHale
McKinney
McMillan
McNulty
Meehan
Meek
Menendez
Meyers
Michel
Miller (CA)
Mineta
Minge
Mink
Moakley
Molinari
Mollohan
Montgomery
Moran
Morella
Murtha
Myers
Nadler
Natcher
Neal (MA)
Neal (NC)
Norton (DC)
Oberstar
Obey
Olver
Ortiz
Orton
Owens
Oxley
Pallone
Parker
Pastor
Paxon
Payne (NJ)
Payne (VA)
Penny
Peterson (FL)
Peterson (MN)
Pickett
Pomeroy
Porter
Price (NC)
Pryce (OH)
Ravenel
Reed
Richardson
Ridge
Roberts
Rose
Rostenkowski
Rowland
Roybal-Allard
Rush
Sabo
Sangmeister
Sawyer
Schenk
Schiff
Schroeder
Schumer
Scott
Serrano
Sharp
Shaw
Shepherd
Sisisky
Skaggs
Skeen
Skelton
Slattery
Slaughter
Smith (IA)
Smith (MI)
Smith (NJ)
Smith (OR)
Spratt
Stark
Stenholm
Stokes
Strickland
Studds
Stupak
Swift
Synar
Talent
Tanner
Taylor (MS)
Tejeda
Thomas (CA)
Thornton
Torkildsen
Torres
Torricelli
Underwood (GU)
Upton
Vento
Visclosky
Walker
Washington
Watt
Waxman
Weldon
Wheat
Whitten
Williams
Wilson
Wise
Wolf
Woolsey
Wyden
Wynn
Yates

NOT VOTING—10

de la Garza
Fields (TX)
Henry
McDade
Pelosi
Pickle
Romero-Barcelo (PR)
Swett
Unsoeld
Young (AK)

□ 1540

Ms. HARMAN and Messrs. BACHUS of Alabama, TEJEDA, LEWIS of California, and STRICKLAND changed their vote from "aye" to "no."

Messrs. SANDERS, HALL of Texas, ROYCE, BECERRA, ZELIFF, and EWING changed their vote from "no" to "aye."

So the amendment was rejected.

The result of the vote was announced as above recorded.

□ 1540

The CHAIRMAN. The Committee will rise informally so that the House may receive a message.

MESSAGE FROM THE PRESIDENT

The SPEAKER pro tempore (Mr. OBERSTAR) assumed the chair.

The SPEAKER pro tempore. The Chair will receive a message.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Edwin Thomas, one of his secretaries.

The SPEAKER pro tempore. The Committee will resume its sitting.

□ 1541

FOREIGN OPERATIONS, EXPORT FINANCING, AND RELATED PROGRAMS APPROPRIATIONS ACT, 1994

The Committee resumed its sitting.

The CHAIRMAN. It is now in order to consider amendment No. 5 printed in House Report 103–134.

AMENDMENT OFFERED BY MR. KASICH

Mr. KASICH. 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. KASICH: Page 23, strike lines 14 through 18.

Page 23, strike line 24 and all that follows through page 24, line 3.

The CHAIRMAN. Pursuant to the rule, the gentleman from Ohio [Mr. KASICH] will be recognized for 15 minutes, and the gentleman from Wisconsin [Mr. OBEY] will be recognized for 15 minutes.

The Chair recognizes the gentleman from Ohio [Mr. KASICH].

Mr. KASICH. Mr. Chairman, I yield myself 7 minutes.

Mr. Chairman, I want to speak on this side of the aisle, because I want to make an appeal to the majority to at least give some consideration to what I am trying to do in this World Bank amendment. I think when the Members hear the facts they will be unable to reach any other conclusion than that we need not to shut the Bank down, but we need to withhold the $56 million capital increase that the World Bank is asking for.

Why do I say that, Mr. Chairman? I just want the Members on this side to listen to the facts, along with the Republican Members of this Congress. I want the Members to think about this. The World Bank is now rebuilding its headquarters. It is going to cost, the rebuilding of their headquarters, $250 million to rebuild the World Bank headquarters. That is despite a cost-cutting effort that they have made to take out the pure marble floors and, instead, substitute terrazzo floors.

We closed the European Development Bank down because of the marble problems. The same thing is going on in the World Bank headquarters, $250 million. That is only the beginning of what is going on at this uncontrolled, unaudited operation.

First-class travel, first-class travel by the World Bank, costs the World Bank $30 million a year. Do the Members understand what I am saying? If the people who work at the World Bank decided to fly coach and not first class they would save $30 million a year.

A person can go play golf, if they happen to know someone who works at the World Bank, at the World Bank golf course out in Potomac, MD. Do the Members know why they built it? Because there were some diplomats in town who could not join Burning Tree, and they needed a place to play golf, so they opened up the Bretton Woods Golf Course, owned jointly by the World Bank and the International Monetary Fund. That is just the beginning.

They are fed by world class chefs, and the operating costs of the World Bank are $1 billion a year. So they own their own golf course, they fly first class at a cost of $30 million a year, they are rebuilding their building at a cost of $250 million, and their average employee salary costs $123,000.

That sounds like the kind of benefits that we would like to have for an operation that is being very successful. We would think that, wouldn't we? I also forgot to tell the Members, by the way, they do not pay income taxes on the $123,000 salary.

So, $250 million for a new building, $30 million in first-class travel costs, they own their own golf course, they pay no taxes. And what else? Their failure rate. Their failure rate of loans, their failure rate of their projects, is 37.5 percent. It has grown over the last 10 years. Almost 40 percent of the projects that they are involved with are deemed failures, and that estimate has not been made by an independent outside officer. The 37.5-percent failure rate is an internal World Bank audit.

What are we asking them to do? Oh, by the way, testifying against the World Bank loans, just so the Members know, because their loans have resulted in environmentally destructive projects, how about this: The Environmental Defense Fund, the Sierra Club, the Friends of the Earth, and the National Wildlife Federation testified that the World Bank projects are environmentally destructive. They are displacing millions of people all over the Earth.

They made loans last year to Iran, $5 billion in loans that the United States objected to, $5 billion. They just thumbed their nose at the United States and said, "We are going to do it anyway. If you don't like it, though."

What are we proposing in this amendment? We are saying that we do not want to close down the World Bank, but we are saying do not increase the flow.

Let me tell the Members another thing they have to understand. There is a $10 billion margin. If we do not give them the $56 million, it does not matter, because they have enough loan margins and enough reflows to be able to make $10 billion more in loans than what they are currently planning.

Mr. Chairman, I say to the Members, there is no consistency for this $56 million increase. They have a track record of failure. They have no independent audit. The Wapenhans Report, the Morris Report, every report that has looked at them has said they are out of control. The head of the Treasury of Canada said they have a deteriorating portfolio. They have a margin to make these loans, and I am saying, please, in the House, can we just step up to the plate and approve one reform measure?

We are not going to jeopardize Russian aid or any kind of aid in this proposal. We can come back a year from now and increase the flow if we have to. Yesterday, we did not accept the hard choice on AID. We got three-quarters of a loaf, not the full loaf. This one, it just speaks for itself. Their projects are not making sense, they are environmentally damaging, their internal operations are out of control, their costs are going through the roof.

I am asking my Democrat friends, my colleagues that run into me on the stairs and in the gymnasium and sidewalks and say "That is a good idea but I just cannot vote with you," come on, let us belly up here and let us cast a vote that sends a message to the World Bank that says to them "What you are doing is not tolerated anymore in this country. We want it to be fixed."

□ 1550

And I ask you to approve the amendment that I am offering along with my colleague, the gentleman from Connecticut [Mr. SHAYS], that just restores some sanity and fiscal operation to the way in which we are going to conduct our foreign policy operations.

Mr. OBEY. Mr. Chairman, I yield myself 4 minutes.

Mr. Chairman, to suggest that we ought to eliminate funding for the

World Bank because we do not, for instance, like the fact that some of their people travel first class on airplanes, would make about as much sense as eliminating the White House because we did not like the fact that John Sununu did the same thing.

The fact is that the World Bank, because of their management operations, produced the Wapenhans Report which is going to be the subject of a thorough review in the following months, and that is one of the reasons why we have already cut the funding for the bank by 20 percent.

I want to point out that the contribution to the World Bank were not negotiated by Bill Clinton. They were negotiated by George Bush. We had no international obligation to pay the money to the Bank until the Congress authorized that funding. It has now done so, and we have no choice but to pay the money. Despite that fact we cut their funds to demonstrate the fact that we are unhappy with the management of the Bank, and if they do not correct those problems they will meet the same fate that the European Development Bank met when we provided zero budgeting.

But, the fact is that despite the assurances of the gentleman who just offered the amendment, the World Bank is planning to offer $9 billion in loans to Russia over the next 3 years. We will endanger their ability to do that if we pass this amendment today.

I want to also point out that we only provide 19 percent of the funding for the World Bank. If we pull the plug on the World Bank, the pressure will come on the United States to pay a heck of a lot more than 19 percent in order to fund those same loans. The World Bank is the way we leverage other countries to provide assistance to countries like Russia rather than having to do it all ourselves.

I want to make three points.

Our contributions to the World Bank enable us to continue to expand export markets which mean crucial jobs in the United States. In the industrialized countries of the world, you have had about a 31-percent increase in our export markets. In the developing counties you have had twice that increase in export markets. That means an awful lot of jobs for American citizens.

I want to also point out that American firms have received 39 percent more in procurement last year than the United States contributed to all of the development banks. We contributed $1.6 billion. American corporations wound up earning $2.2 billion from that same World Bank in their programs. That has produced for the United States 42,000 U.S. jobs. If you want to throw that away, be my guest. I do not think it is prudent.

I also want to point out that because we leverage lending ability, the $62 million appropriation which we provided last year to the World Bank has resulted in $1,120,000,000 in procurement from the bank during the same period of time for American business. I think that is a good deal for the United States in terms of jobs. It is a good deal in terms of a return. I do not think Members are going to find very much better return in the entire Federal budget.

I want to make one additional point. If we eliminate our funding for the World Bank, that will not eliminate the management problems that the gentleman has talked about. That will not eliminate the World Bank. What it will do is give the Japanese management control of the bank. How much business do you think American corporations are going to get if the Japanese are running the affairs of the bank? I think you know what the answer is to that question.

Mr. KASICH. Mr. Chairman, I yield 5 minutes to the very distinguished gentleman from Connecticut [Mr. SHAYS].

Mr. SHAYS. Mr. Chairman, I appreciate very much the gentleman yielding me the time. I just want to make it very clear we are not pulling the plug on the World Bank. We are just saying that this year it will not get an appropriation from us, and the reason we are saying that is it has enough money from the flow of past loans to cover all of its expenditure needs and more. But we sure as heck need to send the World Bank a message.

A former employee of the World Bank, Michael Irwin, wrote a July 1991 article in U.S.A. Today. He said, "The World Bank is hypocritical in prescribing financial discipline and savings for developing countries while it lavishes handsome salaries and other benefits on its own bureaucrats," and "moreover, the bank's continued internal malaise and financial extravagance, along with the lack of any 'graduates' from its lending program raise serious questions about whether the U.S. or any Western nation should give the institution another dime."

As a Peace Corps volunteer, I have a hard time reconciling the World Bank and the way it functions, its golf course, its high-paid tax-free salaries, with the idea that it is supposed to be helping Third World nations.

Testifying on March 1, 1993, before Mr. OBEY's subcommittee, the House Appropriation Subcommittee on Foreign Operations, were environmental groups that talked about the World Bank. Friends of the Earth said, "(The World Bank's) withholding of most of the information generated in project preparation, its failure to provide for local participation on the part of its putative beneficiaries and the poor quality of its projects are causes for deep concern." And they go on to say, "The U.S. should seek G-7 support for withholding funding * * * until a reform plan is in place and operating successfully."

The National Wildlife Federation said in testimony before the committee, "If, in the future, the World Bank were able to make deep and sustainable reforms in its ways of doing business * * * there might be room for a renewal of U.S. participation. However, over the years I have become convinced that something drastic is needed to create a will to reform. Nothing short of a U.S. cutoff of funds will do it."

The Environmental Defense Fund and the Sierra Club testified before Mr. OBEY's subcommittee and said, "We have reached the conclusion that it would be environmentally, socially and economically irresponsible to appropriate any funds for either the IBRD—The World Bank—or IDA, given alarming evidence of the World Bank's lack of the most basic accountability and sense of responsibility for the environmental and social impact of its projects."

We have the Morse Commission that raised serious questions about what the World Bank was doing, with the Sardar Sarovar Dam in India. The Commission documented "a history of omissions, unmet deadlines and ex post facto revisions" that the Commission concluded amounts to "gross delinquency." Time magazine raised serious questions about what the World Bank is doing with the rainforests throughout the world. Environmentalists have reason to be concerned about the World Bank.

Then we have the World Bank's own report, the Wapenhans Task Force, which attribute the World Bank's failure to back sound investments to a number of factors such as:

A systematic and growing bias by staff in favor of optimistic rate of return expectations at appraisal.

The relentless pursuit of quantitative targets, or what has been coined inside the Bank, the pressure to move money.

A decline in financial management expertise and experience.

Insufficient management attention regarding the overall performance of the portfolio.

And we have the Canadian Auditor General saying, "Given Canada's growing financial exposure, the highly uncertain environment and the lack of adequate information on the quality of each institution's loan portfolio, prudence is recommended * * *." They are taking a good look at the World Bank.

Then we have the committee's own report of June 10, 1993, accompanying this bill and it says: "Last year the committee stated its frustration that there is no independent professional, nonpartisan body which carries out a reasonable oversight function addressing the international financial institutions."

Then they talk about the Wapenhans Report and the Morse Commission, and tell us, "the committee is disturbed with the findings of these reports which indicate declining portfolio performance, borrowers' noncompliance with legal covenants, and the finding of

an atmosphere in which moving bank loans is apparently more important than loan and project quality."

□ 1600

The report suggests that the Bank's pervasive preoccupation with new lending and its emphasis on loan approval rather than on loan implementation, and its conclusions, leads both staff and borrowers to view loan appraisal as a promotional rather than an objective process. The committee is uncertain how the Bank decisionmakers and staff are held accountable for the decisions and actions.

This is the report of the committee that is presenting the budget to us. This is its concern. And yet they want us to continue to fund the World Bank?

The World Bank does not need this appropriation of $56 million. It has enough money coming in from payment of past loans.

What I know for sure is its employees do not need a golf course. They do not need a new building.

This Bank is supposed to fund Third World nations. It is not supposed to be a boondoggle for the people who operate it.

We need to wake up the World Bank. I urge Members to support the Kasich amendment, and not provide additional funds to this organization in fiscal year 1994.

Mr. OBEY. Mr. Chairman, I yield myself 1 minute.

I simply want to make two points. The construction program of the World Bank is paid for by earnings out of the Bank. It is not aid for out of U.S. taxpayers' money.

The golf course which is being referred to is a golf course that was built in the 1950's because at that time the District of Columbia golf courses would not allow racial minorities to play on their courses, so it was built by a financial institution, the dMF so that racial minorities would have someplace to provide a recreational experience.

I suggest that the blame for that does not lie with the Bank. It lies with the past history of this community.

Mr. Chairman, I yield 2 minutes to the gentleman from Iowa [Mr. LEACH], the distinguished ranking minority member on the Committee on Banking, Finance and Urban Affairs.

Mr. LEACH. Mr. Chairman, I thank the gentleman for yielding me this time.

Mr. Chairman, first, let me put this amendment in perspective.

It is understandable that there are reservations at this time about foreign aid of any nature, let alone through international financial institutions. But if we take a historical perspective, there are two things that should be stressed. If we take the decisive events of this century—World War I, World War II, and the cold war—it is interesting that after World War I we treated the losers with such punitiveness that World War II was precipitated.

After World War II, we responded with generosity and created a safer world. But that generosity toward the losers stemmed almost exclusively from the United States. Because in the wake of World War II we created, through the Bretton Woods agreements, institutions like the World Bank, now we are able, not only to contemplate, but in effect compel burden-sharing. We now provide about 20 percent of the resources of the World Bank. That means that 80 percent comes from others.

If we withdraw the sums contemplated in this amendment, by a fourfold dimension we will be withdrawing support from Japan, France and others for world trade, much of which disproportionately comes to benefit jobs creation here in the United States.

Let me say also that in addition to leveraging dollars the World Bank leverages principles. It presses free markets. It presses the kinds of reforms this institution wants but that individual countries have a hard time gathering sufficient political will to advance.

As far as management is concerned, I think this institution ought to know that the World Bank is American-led. Barber Conable, probably the preeminent Member of this body in the 1970's, cut 10 percent of the staff at the World Bank. He did a superb job of leading. Like Conable, the current head of the World Bank is a former marine, Lewis Preston, who took a tenfold pay cut to work for the World Bank.

This implication that top management is weak should not stand.

But most importantly, we must look to the people we are trying to help by this regulation, those behind the Iron Curtain. If communism is not going to give away to nihilism or ultranationalism, hope has to be given to market economics and trade. That is what the World Bank supports, and that is what this institution ought to support.

Mr. KASICH. Mr. Chairman, I yield myself 30 seconds.

Mr. Chairman, I am glad the gentleman from Wisconsin brought up the issue of jobs.

Last year we lent $2.5 billion to China so they could send their products into this country and steal our jobs at the same time that we are debating whether we ought to give them an MFN.

We not only gave $2.5 billion to China but $500 million to Iran. And you want to talk about the jobs issue?

It is going to be our jobs that are going to be lost, not theirs.

Mr. Chairman, I yield sucb time as she may consume to the gentlewoman from Washington [Ms. DUNN].

Ms. DUNN. Mr. Chairman, I rise in support of this amendment.

Mr. OBEY. Mr. Chairman, I yield myself 30 seconds.

The fact is that this committee has already cut the World Bank callable capital by $450 million, because that was the same amount they lent Iran. We wanted to see to it that they paid a heavy price for it, and they do under the committee bill.

Mr. Chairman, I yield 2 minutes to the distinguished gentleman from Nebraska [Mr. BEREUTER].

Mr. BEREUTER. Mr. Chairman, my colleagues, I rise in strong opposition to the Kasich amendment.

I will give you a few facts in the time available. First, not one penny of what we contribute, or any nation contributes, to the World Bank goes for administrative costs there. Those are all charged to the borrower.

Second, U.S. citizens who are employed by the bank do pay taxes to the U.S. Government.

Under convention people employed by international institutions do not pay taxes to the country in which the institution is located.

The Kasich amendment would cut $56 million, but, in fact, it has the impact, because it is leveraged 118 times, which makes it undoubtedly the most single cost-effective element in our entire foreign aid budget, and the impact would be to lose $6.6 billion in World Bank lending.

The United States currently has a procurement benefit to our industries of about $1.1 billion as a result of projects funded by the IBRD.

This jeopardizes the U.S. board leadership in the largest financial institution in the world whose annual loans are $22 billion. Can you imagine the impact upon the world economy?

It undermines assistance and transition to free markets in former Communist countries.

It eliminates, as I said, I think, one of the most cost-effective programs of all.

We have heard some comments about its impact upon the environment. Unfortunately, most of those impacts that you hear about, that you read about, are 10 years old. Because of dramatic reforms that were pushed by the Congress during the Conable administration of the bank, it has been a remarkable turnaround. This year alone the World Bank will be lending over $2 billion for projects which promote and benefit the environment.

Last year, for example, the World Bank lent about three-quarters of a billion to Brazil for projects with pro-environmental goals.

The problems are in the past. The problems are not in the future.

At the current time, I urge my colleagues to reject the Kasich amendment.

As the budget gets tighter and tighter for international programs, we must put our money where the payoff is greatest for U.S.

economic, trade, and political interests. This amendment unfortunately singles out for elimination of what this Member believes might well be the single most cost-effective item in the entire foreign aid budget.

The capital contribution to the World Bank eliminated by this amendment leverages burden-sharing by other countries at a ratio greater than $4 for every $1 of U.S. contribution, and it leverages development financing by private capital markets of more than $32 for every $1 of U.S. government contribution.

The amendment strikes $55.8 million in capital contributions to the International Bank for Reconstruction and Development [IBRD] arm of the World Bank—that $56 million is the only budget saving in the amendment—and also cancels the backup capital pledge of $1.8 billion. This backup pledge does not and will not result in any cost to the Treasury but allows the World Bank to provide intermediation so that private capital markets provide billions in lending to stimulate global economic growth in poor countries that cannot access private capital markets on their own. For every $1 of capital the United States Government puts into the World Bank, the World Bank has lent $118; that is more than 100 to 1 cost-effectiveness ratio because of international burden-sharing and bringing in the private capital markets. Tell me where you can find that kind of leverage elsewhere in an international program or a U.S. Government program.

The World Bank is a well-run institution, formerly headed by our esteemed colleague from New York, Mr. Barber Conable, and presently headed by Mr. Lewis Preston, the distinguished and able former head of J.P. Morgan Bank. It has a triple AAA credit rating on Wall Street. It finances all of its operating costs out of service charges on loans paid by borrowing countries. None of the $56 million we are talking about here goes to pay a penny of the World Bank's administrative costs. This contribution pays the U.S. equity share in the capital of the institution, and determines the weight of the U.S. voice in board discussions. The U.S. is currently the largest single shareholder and perceived leader of the institutions. Other countries would jump at the chance to pass the United States in shares and influence in the Board of the single largest financial institution in the world if we give them the chance. Remember it only costs them about $60 million to pick up our entire annual share.

There is a parochial interest for the United States, too. IBRD lending in support of well-designed development projects abroad benefits U.S. companies and U.S. exports. Last year, U.S. companies won procurement contracts worth more than $1.1 billion. That creates or supports more than 20,000 U.S. jobs. U.S. procurement and exports alone gave more than an eighteenfold return on the $62 million Congress appropriated for the IBRD in fiscal year 1993. This is the type of cost-effective contribution the amendment would cut.

Because the World Bank can mobilize more assistance, at a far lower budget cost than bilateral aid, the United States consistently relies on the World Bank to address country and regional issues of critical importance to U.S. interest. For instance, the IBRD mobilized more than $4.4 billion during the last 2 years to support the transitions to market economies in Poland, Czechoslovakia, Hungary, Bulgaria, and Romania. Support for Russia has begun and there is up to $9 billion more in the pipeline when Russia is ready to implement its economic reform agenda seriously. Would we rather be paying that kind of money dollar for dollar out of bilateral aid, instead of multilateral aid using private capital markets, leveraged at better than 100 to 1?

This Member has worked hard for a number of years at getting exactly the kinds of reforms in the World Bank that the gentleman from Ohio is demanding. There has been significant progress on the environmental review and issues during the last 10 years, largely due to pressure from the U.S. Government at the instigation of Congress. Indeed, the U.N. Conference on Environment and Development last year gave the World Bank responsibility for administering the permanent global environment facility because it was the best institution for the job. There are old projects and projects designed before environmental consciousness became widespread which have been targeted as horror stories. But what is important is what the currently approved projects look like. All projects now have an environmental impact assessment prepared, and a substantial portion of the World Bank's portfolio this year—over $2 billion—will go to projects that promote and benefit the environment, according to Treasury estimates.

The gentleman from Ohio is concerned about resettlement issues. So is this Member. The World Bank pulled out of the Narmada Dam project in India this year because of the inadequate implementation of resettlement policies by the Government of India. There is no stronger way for the institution to send a message about the need for careful consideration of the rights of those displaced and disadvantaged by development projects.

This Member believes that there continue to be reforms needed in the World Bank. This view is strongly shared by the management of the World Bank, which commissioned the recent Wapenhans study of the quality of Bank-financed projects. Serious measures are being considered for action to address quality problems and to open the Bank's policies to more public scrutiny and review in order to spot emerging problems earlier. Without effective U.S. advocacy on the board of the World Bank, these concerns may never receive the attention and support they deserve. Other governments do not take nearly as proactive a position on environmental and management reform efforts in the IBRD as the United States has taken and continues to take.

For these reasons I strongly urge opposition to this amendment. It will eliminate the most cost-effective item in this entire bill and dramatically reduce U.S. influence in the major institution of the international economic arena. Economic policy and trade are emerging as the central arenas of competition in the post-cold-war world, and this Member would not want to erode our capabilities and preparedness, especially by the type of unilateral disarmament action as is proposed by this amendment by the distinguished and respected gentleman from Ohio.

Mr. Chairman, in summary fashion permit me to list the following points:

EFFECT OF AMENDMENT TO REDUCE/ELIMINATE PROPOSED $55.8 MILLION IN PAID-IN CAPITAL TO THE IBRD

IBRD has consistently demonstrated its value as a highly cost-effective instrument for promoting U.S. interests.

For every dollar of U.S. paid-in capital, the World Bank has lent $118.

IBRD lending abroad benefits U.S. business: Last year, the IBRD awarded U.S. companies procurement contracts amounting to $1,120 million. This was more than 18 times larger than the $62 million Congress appropriated for the IBRD in FY 1993; IBRD support for economic reform and development expands the import capacity of borrowing countries; for example, the IBRD played a major role in helping to revive the economies of Latin America providing $27 billion in new commitments over the last five years.

Because the IBRD can mobilize far more assistance than is feasible from our bilateral account, the United States consistently relies on the bank to address country and regional issues of critical importance to U.S. interests. Current examples include:

(1) Assistance to support market economies in the countries of Eastern Europe. IBRD commitments to Bulgaria, Czechoslovakia, Hungary, Poland and Romania over the past two years totalled $4.4 billion.

(2) Support for Russia and other countries of the Former Soviet Union. There have already been three IBRD loans totalling $760 million to Russia; a $610 million Oil Rehabilitation project will be considered on June 17. Assuming good progress on reform efforts, IBRD commitments to Russia over the next three years could total as much as $9 billion.

(3) Support for the new government in South Africa. The IBRD is preparing a lending program for South Africa which could reach as much as $1 billion annually once there is an agreement on a new government.

The extent to which the IBRD serves U.S. interests substantially outweighs its budgetary cost. In sum, it provide very good value for our money.

A further reduction or the elimination of funding for the IBRD could generate uncertainty in capital market on the reliability of future USG support for the Bank.

REBUTTAL TO CONGRESSMAN KASICH'S ARGUMENT THAT THE WORLD BANK PROJECTS CONTRIBUTE TO THE DESTRUCTION OF RAINFORESTS

1. The World Bank approved over 200 projects last year, some of which were specifically directed at protection of the environment in the developing world.

A. In this year alone, the Bank will have lent over $2 billion for projects which promote and benefit the environment.

B. Last year, the World Bank lent about $750 million to Brazil for projects with pro-environmental goals, of which $176 million was targeted specifically to project rainforest areas and biodiversity in the Amazon River Basin.

B. The Bank also supports afforestation efforts and projects to create protected areas. For example, with Bank support, the Philippines created 10 protected areas.

2. The projects with environmental problems were for the most part approved long before the Bank strengthened its guidelines on the environment.

A. Last year, the Bank adopted a new forest policy paper, a significant improvement over its previous policy, which had support from many in the NGO community.

B. The Bank also put in place environmental procedures for preparation of environmental impact assessments.

REBUTTAL TO CONGRESSMAN KASICH'S ARGUMENT THAT THE "WORLD BANK LOANS DISPLACE TENS OF THOUSANDS OF PEOPLE AND PAY THEM A SMALL PERCENTAGE OF THE FAIR MARKET VALUE OF THEIR PROPERTY"

1. The vast proportion of World Bank projects do not involve any population displacement. They create jobs, not destroy homes. (For example, the World Bank created 2,000 jobs in Bangladesh rebuilding homes, streets and industrial sites following a cyclone last year. And, some 11,000 jobs were created in Senegal recently by a project to build schools, highways and other infrastructure entities.)

2. The World Bank has explicit guidelines to limit displacement when it is necessary, and to ensure that the recipient government provides fair compensation. The compensation issue is controversial usually only because the project itself adds to property values.

3. These guidelines are strongly followed. In fact, the Bank found that the Government of India was not complying with its guidelines at the Narmada Dam project there, and yanked its support from the project. (This project is being continued by India, however, despite the World Bank pullout.)

4. The Bank's decision to pull out of Narmada sends the strongest message possible that it places highest priority on adherence to its displacement and compensation guidelines.

Mr. Chairman, for these and many other reasons I urge my colleagues to vote against the very harmful amendment from my good-intentioned and distinguished colleague from Ohio Mr. KASICH.

Mr. OBEY. Mr. Chairman, I yield 2 minutes to the gentleman from Massachusetts [Mr. FRANK], the distinguished chairman of the Subcommittee on International Financial Institutions of the Committee on Banking, Finance and Urban Affairs.

Mr. FRANK of Massachusetts. Mr. Chairman, I urge Members to defeat the amendment.

I think improvements are required in the way in which the World Bank functions, but I think this amendment cutting out all of the funds of the World Bank is a grave error and will do damage to people who do not deserve to be damaged.

No one who works at the World Bank, I believe, will be a nickel poorer if we adopt this amendment. No one who works at the bank will eat any less well if we adopt the amendment. But the people in various parts of the world who have been the beneficiaries of some of the programs will suffer.

As chairman of the Subcommittee on Multilateral Institutions, along with the ranking member who spoke, the gentleman from Nebraska, I have undertaken to try to get some improvements. We cannot legislate for the World Bank. We can, however, make it clear to the U.S. Treasury that in the absence of certain improvements we do not think we will be able to go ahead.

I have met with environmental organizations, I have met with nongovernmental organizations representing various African groups, and we have begun a process in a bipartisan way. We just voted on an authorization by 19 to 1 for the International Development Association, but it affected the World Bank itself.

We have begun a process in which I believe you are going to see some significant administrative improvements in the World Bank, and an appeals process being set up so people who are aggrieved by projects will have a place to go that is independent, and much better transmission of information.

I know that I can tell you that many of the groups that have been most critical of the bank are now hopeful, not convinced that everything is fine, but believing that we are on a path that could lead to significant improvement.

The problem is that by simply adopting this amendment we cut off our leverage for improvement, and more importantly, we deny the capacity of the institution to do some good.

□ 1610

We jeopardize aid to Russia and other places that should not be penalized.

Mr. KASICH. Mr. Chairman, I yield myself the balance of my time.

Mr. Chairman, last Saturday afternoon I was coming back from a trip to Wisconsin, and I landed in the Chicago airport, and I bought myself a piece of pizza, and I walked into a little area, this little restaurant area. There were no seats. There was a lady there who reminded me an awful lot of my mother. She was a lady that had a little towel. Do you know what her job was? Her job was to go to all the little counters when people got up and they left. Her job was to go over and clean the counter. And she stood there, I watched her for half an hour, stand there waiting, like this, standing there waiting for people to get done with their food so she could go and clean the place where they were eating. She was doing that to earn money.

I thought about that lady, and I thought about the tax bill, I thought about all the Government spending. Do you know what I thought? I almost walked up to her. I thought she would probably think I was crazy. But I wanted to go up to her and I wanted to say, "Ma'am, what do you think about what is going on in Washington right now? With the Social Security tax, the energy tax, all the waste you hear about, the Pentagon toilet seats, and all these programs you hear about?" If I had told her, "Do you know, ma'am, do you know the executives down at the World Bank are averaging $123,000 a year and they don't pay a dime in taxes? You know, ma'am, you have to do it because we have to help somebody overseas even though the loan portfolio program in the projects are failures. We got to get up here and we have to talk this rhetoric because we have to go out and help the world. But as for you, you just keep cleaning those tables, you just keep on coming to work and working your fingers to the bone, and you just keep paying taxes. And you know what, if there is a little bit of waste in Washington and if the bureaucrats are living too high on the hog and if the programs don't work, if they are destroying the environment, do you know what, ma'am? Don't worry about it. We are going to get around to fixing it," even though over the last 10 years the portfolio failure has grown. Things have gotten worse. There is no way that anybody could argue they have gotten better.

Do you know what I would have to tell that lady? "Tough, you pay the taxes, you keep going to work, you keep cleaning the tables."

Do you know what I am going to tell her, that there is a group of people in this House of Representatives who want to stand up for that lady, that want to clean it up, that want to fix it. And if you want to stand with that lady, you come to the floor today not to close down the World Bank but to send an important message that they have to tighten their belts, they can do their loans with the money they have and stop the rip-off of the taxpayers.

Pass the amendment.

Mr. OBEY. Mr. Chairman, I yield myself the remaining time.

Mr. Chairman, how many times have you heard somebody before say that we need to destroy something in order to save it? I heard that in Vietnam. It was no more persuasive then than it is today. I want to answer some of the ridiculous allegations made about the bank.

First of all, as to construction costs, I want to point out that the construction project now going on at the World Bank is costing about $112 per square foot. That is in the middle of the range in this city for commercial construction. It is meant to replace a 50-year-old building which had to be replaced because of an impossible asbestos problem.

The golf course which is talked about is not a World Bank golf course, it is an IMF golf course. World Bank employees can join that golf course and use it if they want, but they pay the fees themselves. You do not, and neither do the taxpayers.

As the gentleman from Nebraska pointed out, we do not pay administrative expenses for the World Bank. The World Bank pays for those administrative expenses out of their own earnings, and they charge those who borrow from the bank, not those who lend to them.

Mr. Chairman, I would also point out that the gentleman from Ohio [Mr. KASICH] talks about his concern for environmental causes. I checked to see. He and I were both rated by the League of Conservation Voters. His record is 25 percent in support of the environment, mine is 85 percent.

Now, I do not apologize for my position on the environment, nor do I apologize for the environmental position of the bank. I think they are making great progress on that.

Lastly, I would point out that if you gut this institution, the practical effect will be two things: First of all, you will deny them the ability to make the loans that they need to accomplish the changes we are trying to get in the Soviet Union; Nine billion dollars worth of pending loans to the Soviet Union are out of that institution. If they do not make those loans, who do you think is going to be asked to make them? Uncle Sam, that is who.

Right now, under the World Bank, we pay only 19 percent of the total cost to support that institution. It was set up by the Wise Men at the end of World War II so that Uncle Sam would not have to bear the entire burden for trying to provide economic development around the world. This is the way that we get our allies and our trading partners to meet their financial obligations in order to help develop those parts of the world that need development.

If we wipe out our ability to lead that bank, who becomes the lead contributor and who therefore gets to name the next director? The Japanese.

I ask you, do you believe that American corporations would be able to continue to earn $1.1 billion last year off of the American investment of $62 million if the Japanese were in control?

If you believe that, I have a bridge in my district I would like to sell you.

Mrs. LOWEY. Mr. Chairman, I rise in strong opposition to the amendment. Eliminating 64 percent of our aid package for the former Republics of the Soviet Union would undermine a major tenet of United States foreign policy and would jeopardize the future of a free, democratic Russia.

It would weaken the forces of democracy and would bolster the so-called Red-Brown coalition that seeks a return to totalitarianism and the cold war. Passage of this amendment might save $1.6 billion in the short run. But in the long run, it could eliminate the peace dividend and make more likely a return to the cold war footing that cost this Nation $4 trillion over the last 40 years. That would be a colossal mistake.

In April, I joined Chairman OBEY and the majority leader on a study mission to Russia and Ukraine. What I saw there was incredible progress, and incredible need. Throughout both countries there are hundreds of thousands of people who are dedicated to building modern democratic states with shriving free enterprise systems.

But they do not have the tools; 75 years of communism left Russia with an antiquated banking system and with an archaic legal system. Without outside assistance, there is no way that the people of the former Soviet Union could build a free society and a market economy. This bill helps provide those tools.

The aid for Russia and the other former Soviet States in this bill will establish exchange programs so that Americans can teach Russians how to build a democratic system and how to establish the rule of law. It will allow American corporations to go into Russia and the other States and help develop their energy industry. It will let American farmers help Russians to create a market-driven food production and distribution system.

In short, it will help create a modern economy and a business partner for American enterprise. Helping Russia and the other former Soviet Republics is not an act of charity. It is self-interest.

It also is an investment in peace and prosperity for this country. It will help prevent a new cold war and, as Russia's private sector grows, it will mean thousands of jobs and billions of dollars in trade for the United States.

The Russian aid in this bill is not just good for the people of Russia. More important, it is good for the people of the United States.

That is why we must defeat this amendment.

Ms. PELOSI. Mr. Chairman, I rise today in strong support of H.R. 2295, the foreign operations appropriations bill for fiscal year 1994. As a member of the Foreign Operations Subcommittee, I would like to extend my congratulations and thanks to Chairman OBEY for his leadership in developing this balanced bill which strives to meet diverse and growing foreign aid needs at a time of severe budget constraints. I would also like to commend the ranking minority member Mr. LIVINGSTON for his work in crafting this bill, which has bipartisan support. Finally, I would like to thank the Subcommittee staff, Terry Peel, Mike Marek, Mark Murray, Bill Schuerch, Lori Maes, and Karen Brown, for their assistance in addressing issues of particular concern.

The bill as passed by our subcommittee addresses pressing global funding needs while reducing overall spending. It appropriates a total of $13 billion, $1.4 billion less than the President's request. At the same time, it is true to our foreign aid priorities, providing much-needed assistance for refugee programs and for the newly emerging states of the former Soviet Union. As we developed this bill, we also tried to provide the highest possible funding levels for other priority needs, including family planning, the environment, and children.

The aid to the former Soviet Republics contained in this bill is a sound investment in global security. If the former Republics do not successfully make a peaceful transition to market economies and democratic states, we face the real possibility of an explosion of regional conflicts which would dwarf the tragic situation in the former Yugoslavia. Assistance provided now can save us from increased defense and military expenses in the future.

The report to H.R. 2295 contains a number of other provisions which I would like to note for the record. I thank Chairman OBEY for his interest in including human rights within the items of special interest portion of the report. The language highlights the subcommittee's support for making promotion of human rights around the world a primary consideration in United States foreign policy. Given the distressing push for cultural relativism in human rights by some of the world's worst human rights abusers, it is essential that the United States articulate our unwaivering commitment to human rights at every opportunity.

I am pleased that the report includes strong language about the importance of designing foreign assistance programs to address the needs of women in development. The Subcommittee urges the Agency for International Development [AID] and agency contractors, as well as other agencies involved in development assistance, to ensure that opportunities are designed to assist women in activities critical to their self-reliance and development. Women in the developing world play vital roles in their national economies. We must ensure that our foreign assistance programs recognize and foster women's contributions.

This bill also includes funding for programs to address two of the world's most serious problems, population growth and AIDS. While both of these global threats are health problems, they have far-reaching implications for all aspects of life, economic, political, social, and environmental, not only in the developing world, but also in the developed world. Unless we take real steps to address the global population and the global AIDS crises, our efforts to promote development assistance will not succeed. This foreign operations appropriations bill funds important programs, including the U.N. Population Fund, the WHO Global AIDS program, and AID programs for population assistance and AIDS prevention. These programs merit our support.

I would like to thank Chairman OBEY for including report language addressing several particular concerns of mine relating to the multilateral development [MDB] institutions. I hope that the language relating to the environmental assessment procedures of the private sector lending facilities of the MDB's will be taken seriously and will be used to expand public involvement in the planning stages of bank projects.

The report includes language expressing concern about the increase in World Bank loans to China and instructing the administration to seek support among our allies for restricting loans to China until and unless there are fundamental human rights improvements. I will be following up on this issue with the administration and will continue to monitor closely the World Bank's loans to China.

Mr. Chairman, there are many more good programs and provisions contained in this bill upon which I could elaborate. The final one which I would like to make a point of noting, however, is my support for the full level of funding for Israel and Egypt. This bill, for the first time since I have served in Congress, contains no earmarks of any sort. I would like to reaffirm for the record that this policy of no earmarks does not represent any weakening of our support for aid to Israel and Egypt, or any lack of commitment to the Middle East peace process. The report to the bill clearly states the committee's support for full funding for Israel and Egypt and the President is also on record in support of this funding.

Mr. Chairman, in closing I would like to congratulate once again Chairman OBEY and Representative LIVINGSTON for their dedication and commitment to developing and funding sound foreign policy programs. I am proud to have been able to work with them on this bill and urge my colleagues to support it. Thank you.

Ms. DUNN. Mr. Speaker, I reluctantly rise in support of the Foreign Operations Appropriations Bill. In my view, there are numerous, serious problems with the bill as reported out of the committee * * * so much so, that under most circumstances, I would simply oppose the bill's final passage.

But, in the final analysis, those serious problems are outweighed by the strategic importance to the United States of providing aid to Israel and Russia.

As every member of this body knows, Israel is perhaps our most critical strategic ally. Israel is the lone outpost of democracy in the volatile and strategically important Middle East. Former U.N. Ambassador Jeane Kirkpatrick is correct when she argues that it is in our best national interest to continue support to Israel; far better to provide that nation with financial aid than to see a bloody war break out in that region that would cost us far more both in dollars and, worse, human lives. The funds provided in this bill to assist in the total security of Israel represent the wiser, and less expensive course to take.

Mr. Speaker, the United States, the recognized leader of the world, cannot now afford to retreat into the false promise of isolationism. Isolationism will ultimately cost far more than aid; isolationism will be viewed as weakness, and weakness invites aggression. Peace, as always, comes through strength.

The same principle applies to Russia. As Ambassador Kirkpatrick again has observed, failure to support the struggling democratic government of Russia at this critical time would be penny-wise and pound-foolish. If Mr. Yeltsin and the democratic forces are subverted by hard-liners, Russia would become an international nightmare that Ambassador Kirkpatrick likens to "a Yugoslavia with nuclear arms." None of us wants to live in a world with that kind of instability and danger. A wise program of assistance to Russia at this time is the best hope to prevent that dangerous scenario from becoming a devastating reality that could once again place the world under the constant threat of nuclear conflict.

The nuclear threat aside, ignoring these two areas of our world—Israel and Russia—threatens to drag our Nation into expensive military confrontations. That possibility alone convinces me that support of this bill is the only prudent course of action.

That is unfortunate because there is much that is wrong with this bill.

Yes, this bill cuts about 10 percent—$1.4 billion—from the President's imprudent request.

Yes, it is about $1 billion below what was appropriated a year ago.

Yes, it includes vital funding for the Export-Import Bank which finances so many of our overseas sales by Boeing and other premier U.S. exporters.

While those are all moves in the right direction, this bill does not go nearly as far as most overburdened taxpayers of the Eighth District tell me they would have liked. Indeed, as I meet with taxpayers in communities like Renton, Auburn, or Kent, I hear genuine concern about the burden that is being placed upon them by their local, State, and Federal Governments. They do not request that we spend additional dollars on foreign aid that has little discernible connection to our national interest. Likewise, as I meet with people in Issaquah or Maple Valley, I hear a constant plea: keep America strong, but reduce unnecessary spending wherever possible.

Mr. Speaker, that could have been done in this bill. Just yesterday, we voted on a foreign aid authorization act that included serious reforms to the bilateral aid program administered through the Agency for International Development [AID]. In fact, we even approved a "Sunset Provision" that would have ended AID funding past fiscal year 1995. Yesterday, we passed an authorization that included a provision that I have cosponsored that would allow us to barter goods directly between our Nation and aid recipients: if a nation has strategic minerals to trade directly for United States grain, as is the case with Russia, there is no reason to deny our using that more direct, efficient, and creative way of directing aid in exchange for commodities that our own Nation needs. The authorization bill also included needed conditions on any aid to Cuba.

Unfortunately, this appropriations bill does none of those things. There is unnecessary spending in this bill. There is no reform of AID. Barter is disallowed. There are no conditions on aid to Cuba.

These are disturbing deletions, Mr. Speaker. AID employs 3,000 people and distributes roughly $7 billion of our precious tax dollars every year. And while doing so, that agency has been plagued with mismanagement and inefficiencies—so much so that even the Washington Post editorialized that the agency should be subjected to serious reform or perhaps even abolished. Some examples are instructive.

My colleague and friend from Ohio, Mr. KASICH, has pointed out that, in Rwanda, American contractors took 200 tons of needed food provided by AID, sold it, and used the ill-gotten proceeds to build a private tennis court. Where were AID officials?

Officials at AID shipped millions of condoms to Egypt for population control, then stood by as the condoms ended up in the hands of children who used them for balloons. Where were AID officials?

Also in Egypt, AID decided it was in our Nation's interest to use tax dollars from America to buy and disseminate ice cream makers to Egyptian schools. What were AID officials thinking?

With these inexplicable events in mind, Mr. KASICH and others tried to amend the authorization bill to require tough and necessary reforms at AID: prohibiting assistance to countries that have defaulted on U.S. loans, and sunsetting the agency on September 30 of next year unless it had implemented real reforms and reduced the number of nations on the assistance rolls.

While that amendment, which I supported, did not pass, the House did at least agree to sunset AID after 1995. That is only appropriate and right, Mr. Speaker, in light of the very real and tough economic problems right here at home.

Yet, this Foreign Operations appropriations bill denies any reform of AID. Instead, this bill offers only—business as usual—at the scandal-plagued AID.

It did not have to be that way, Mr. Speaker. Indeed, it should not have been that way. The American people, and taxpayers in the Eighth District of Washington, need to know that normal procedures in the House would have allowed us to offer amendments to the appropriations bill. I am convinced that the House, representing those hard-working Americans who must pay the tax bills, would have voted for the same kind of money-saving reforms that we included in the authorization had there been an opportunity for Members to vote for the reforms. Without question, we would have put conditions on aid to the Communist regime in China.

Instead, the Rules Committee said we were not allowed to freely offer amendments to reduce spending on those programs that cannot be justified at a time of persistent, huge Federal budget deficits. Instead, a mere handful of amendments was allowed, and the status quo at AID was specifically protected. That is tragically wrong, Mr. Speaker.

In fact, we were forced to make a choice that was unnecessary: whether to support vital aid to Israel and Russia that could stave off potential wars, or oppose the business as usual approach to foreign aid and run the risk of dangerous destabilization in the Middle East or the former Soviet Union.

Ultimately, my vote must go to support stability in the Middle East and democracy in Russia. Those are our highest national priorities among elements in this bill. But I want to state for the record that there remains a clear need to reform and reduce aid programs that are less than top priorities, or that are downright wasteful. American taxpayers will not and should not put up with such a lack of responsibility from their Congress.

So, with regrets about the way this has been handled by the Rules Committee, and with a strong desire to go much further in terms of reducing unnecessary foreign aid, I am compelled to support the bill.

Our final hope now must be that a conference bill might come back before the House that will allow us to vote for aid to Israel and Russia, for vital funding for the Eximbank, and for reform and reduction of less important aid programs. From Washington, DC to Enumclaw, Washington, that's what taxpayers want.

The CHAIRMAN. All time has expired.

The question is on the amendment offered by the gentleman from Ohio [Mr. KASICH].

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. KASICH. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 210, noes 216, not voting 13, as follows:

[Roll No. 238]

AYES—210

Allard	Baker (LA)	Bateman
Applegate	Ballenger	Bentley
Archer	Barcia	Bevill
Armey	Barlow	Bilirakis
Bachus (AL)	Barrett (NE)	Bliley
Baesler	Bartlett	Blute
Baker (CA)	Barton	Boehner

Bonilla
Brewster
Bunning
Burton
Buyer
Calvert
Camp
Canady
Clement
Coble
Collins (GA)
Combest
Condit
Costello
Cox
Crane
Crapo
Cunningham
Danner
Deal
DeFazio
DeLay
Diaz-Balart
Dickey
Doolittle
Dornan
Dreier
Duncan
Dunn
Durbin
Edwards (TX)
Emerson
English (OK)
Everett
Ewing
Fawell
Fingerhut
Fish
Fowler
Franks (CT)
Franks (NJ)
Gallegly
Gekas
Geren
Gillmor
Gingrich
Glickman
Goodlatte
Goodling
Gordon
Goss
Grams
Grandy
Green
Greenwood
Gunderson
Hall (TX)
Hancock
Hansen
Hastert
Hayes
Hefley
Herger
Hobson
Hoekstra
Hoke
Huffington
Hughes
Hunter
Hutchinson
Hutto
Inglis
Inhofe
Istook
Jacobs
Johnson, Sam
Kasich
Kim
King
Kingston
Klink
Klug
Kolbe
Kyl
Lambert
Lancaster
Laughlin
Lazio
Levy
Lewis (FL)
Linder
Lloyd
Machtley
Manzullo
Martinez
McCollum
McCrery
McHale
McHugh
McInnis
McKeon
Meehan
Meyers
Mica
Michel
Miller (CA)
Miller (FL)
Minge
Molinari
Mollohan
Montgomery
Moorhead
Murphy
Myers
Nussle
Oberstar
Oxley
Packard
Parker
Paxon
Peterson (MN)
Petri
Pombo
Portman
Poshard
Pryce (OH)
Quillen
Quinn
Rahall
Ramstad
Ravenel
Regula
Ridge
Roberts
Roemer
Rogers
Rohrabacher
Ros-Lehtinen
Roth
Rowland
Royce
Sanders
Sangmeister
Santorum
Saxton
Schaefer
Schiff
Schroeder
Sensenbrenner
Shaw
Shays
Shepherd
Shuster
Skeen
Skelton
Slattery
Smith (MI)
Smith (NJ)
Smith (OR)
Smith (TX)
Snowe
Solomon
Spence
Stark
Stearns
Stenholm
Strickland
Stump
Sundquist
Talent
Tanner
Tauzin
Taylor (MS)
Taylor (NC)
Thomas (CA)
Thomas (WY)
Torkildsen
Traficant
Upton
Valentine
Volkmer
Vucanovich
Walker
Washington
Wise
Wolf
Young (FL)
Zeliff
Zimmer

NOES—216

Abercrombie
Ackerman
Andrews (ME)
Andrews (NJ)
Andrews (TX)
Bacchus (FL)
Barca
Barrett (WI)
Becerra
Beilenson
Bereuter
Berman
Bilbray
Bishop
Blackwell
Boehlert
Bonior
Borski
Boucher
Brooks
Brown (CA)
Brown (FL)
Brown (OH)
Bryant
Byrne
Callahan
Cantwell
Cardin
Carr
Castle
Chapman
Clay
Clayton
Clinger
Clyburn
Coleman
Collins (IL)
Collins (MI)
Conyers
Cooper
Coppersmith
Coyne
Cramer
Darden
de Lugo (VI)
DeLauro
Dellums
Derrick
Deutsch
Dicks
Dingell
Dixon
Dooley
Edwards (CA)
Engel
English (AZ)
Eshoo
Evans
Faleomavaega (AS)
Farr
Fazio
Fields (LA)
Filner
Flake
Foglietta
Ford (MI)
Ford (TN)
Frank (MA)
Frost
Furse
Gallo
Gejdenson
Gephardt
Gibbons
Gilchrest
Gilman
Gonzalez
Gutierrez
Hall (OH)
Hamburg
Hamilton
Harman
Hastings
Hefner
Hilliard
Hinchey
Hoagland
Hochbrueckner
Holden
Horn
Houghton
Hoyer
Hyde
Inslee
Jefferson
Johnson (CT)
Johnson (GA)
Johnson (SD)
Johnson, E. B.
Johnston
Kanjorski
Kaptur
Kennedy
Kennelly
Kildee
Kleczka
Klein
Knollenberg
Kreidler
LaFalce
Lantos
LaRocco
Leach
Lehman
Levin
Lewis (CA)
Lewis (GA)
Lightfoot
Lipinski
Livingston
Long
Lowey
Maloney
Mann
Manton
Margolies-Mezvinsky
Markey
Matsui
Mazzoli
McCandless
McCloskey
McCurdy
McDermott
McKinney
McMillan
McNulty
Meek
Menendez
Mfume
Mineta
Mink
Moakley
Moran
Morella
Murtha
Nadler
Natcher
Neal (NC)
Norton (DC)
Obey
Olver
Ortiz
Orton
Owens
Pallone
Pastor
Payne (NJ)
Payne (VA)
Penny
Peterson (FL)
Pickett
Pomeroy
Porter
Price (NC)
Rangel
Reed
Reynolds
Richardson
Rose
Rostenkowski
Roukema
Roybal-Allard
Rush
Sabo
Sarpalius
Sawyer
Schenk
Schumer
Scott
Serrano
Sharp
Sisisky
Skaggs
Slaughter
Smith (IA)
Spratt
Stokes
Studds
Stupak
Swift
Synar
Tejeda
Thompson
Thornton
Thurman
Torres
Torricelli
Towns
Tucker
Underwood (GU)
Unsoeld
Velazquez
Vento
Visclosky
Walsh
Waters
Watt
Waxman
Wheat
Whitten
Williams
Wilson
Woolsey
Wyden
Wynn
Yates

NOT VOTING—13

Browder
de la Garza
Fields (TX)
Henry
Kopetski
McDade
Neal (MA)
Pelosi
Pickle
Romero-Barcelo (PR)
Swett
Weldon
Young (AK)

□ 1639

Ms. E.B. JOHNSON of Texas and Mr. HEFNER changed their vote from "aye" to "no."

Messrs. MCCOLLUM, BLILEY, and OBERSTAR 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. WELDON. Mr. Speaker, I ask that a personal explanation appear in the RECORD that I would have voted "aye" on rollcall vote No. 238 had I been present.

The CHAIRMAN. The question is on the committee amendment in the nature of a substitute, as amended.

The committee amendment in the nature of a substitute, as amended, was agreed to.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker pro tempore (Mr. MCNULTY) having assumed the chair, Mr. RICHARDSON, 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. 2295) making appropriations for foreign operations, export financing, and related programs for the fiscal year ending September 30, 1994, and making supplemental appropriations for such programs for the fiscal year ending September 30, 1993, and for other purposes, pursuant to House Resolution 200, he reported the bill back to the House with an amendment adopted by the Committee of the Whole.

H.R. 2295

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for foreign operations, export financing, and related programs for the fiscal year ending September 30, 1994, and for other purposes, namely:

TITLE I—MULTILATERAL ECONOMIC ASSISTANCE

FUNDS APPROPRIATED TO THE PRESIDENT

INTERNATIONAL FINANCIAL INSTITUTIONS

CONTRIBUTION TO THE INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT

For payment to the International Bank for Reconstruction and Development by the Secretary of the Treasury, for the United States share of the paid-in share portion of the increases in capital stock for the General Capital Increase, $55,821,000, to remain available until expended.

For payment to the International Bank for Reconstruction and Development by the Secretary of the Treasury, for the United States contribution to the Global Environment Facility (GEF), $30,000,000, to remain available until expended.

LIMITATION ON CALLABLE CAPITAL SUBSCRIPTIONS

The United States Governor of the International Bank for Reconstruction and Development may subscribe without fiscal year limitation to the callable capital portion of the United States share of increases in capital stock in an amount not to exceed $1,804,879,000.

CONTRIBUTION TO THE INTERNATIONAL DEVELOPMENT ASSOCIATION

For payment to the International Development Association by the Secretary of the Treasury, $1,024,332,000, for the United States contribution to the replenishment, to remain available until expended: *Provided,* That funds appropriated under this heading are available subject to authorization.

CONTRIBUTION TO THE INTERNATIONAL FINANCE CORPORATION

For payment to the International Finance Corporation by the Secretary of the Treasury, $35,761,500, for the United States share of the increase in subscriptions to capital stock, to remain available until expended: *Provided,* That of the amount appropriated under this heading not more than $5,364,000 may be expended for the purchase of such stock in fiscal year 1994.

CONTRIBUTION TO THE INTER-AMERICAN DEVELOPMENT BANK

For payment to the Inter-American Development Bank by the Secretary of the Treasury for the United States share of the paid-in share portion of the increase in capital stock, $56,166,000, and for the United States share of the increases in the resources of the Fund for Special Operations, $20,164,000, to remain available until expended.

LIMITATION ON CALLABLE CAPITAL SUBSCRIPTIONS

The United States Governor of the Inter-American Development Bank may subscribe

without fiscal year limitation to the callable capital portion of the United States share of such capital stock in an amount not to exceed $2,190,283,457.

CONTRIBUTION TO THE ENTERPRISE FOR THE AMERICAS MULTILATERAL INVESTMENT FUND

For payment to the Enterprise for the Americas Multilateral Investment Fund by the Secretary of the Treasury, for the United States contribution to the Fund to be administered by the Inter-American Development Bank, $75,000,000 to remain available until expended.

CONTRIBUTION TO THE ASIAN DEVELOPMENT BANK

For payment to the Asian Development Bank by the Secretary of the Treasury, for the paid-in share portion of the United States share of the increase in capital stock, $13,026,366, to remain available until expended: *Provided*, That funds appropriated under this heading are available subject to receipt by the Congress of the President's budget request for such funds.

CONTRIBUTION TO THE ASIAN DEVELOPMENT FUND

For the United States contribution by the Secretary of the Treasury to the increases in resources of the Asian Development Fund, as authorized by the Asian Development Bank Act, as amended (Public Law 89-369), $62,500,000, to remain available until expended: *Provided*, That funds appropriated under this heading are available subject to authorization.

LIMITATION ON CALLABLE CAPITAL SUBSCRIPTIONS

The United States Governor of the Asian Development Bank may subscribe without fiscal year limitation to the callable capital portion of the United States share of increases in the capital stock in an amount not to exceed $95,438,437: *Provided*, That the authority provided under this heading is available subject to receipt by the Congress of the President's budget request for such authority.

CONTRIBUTION TO THE AFRICAN DEVELOPMENT FUND

For payment to the African Development Fund by the Secretary of the Treasury, $132,300,000, for the United States contribution to the sixth replenishment of the African Development Fund, to remain available until expended.

INTERNATIONAL ORGANIZATIONS AND PROGRAMS

For necessary expenses to carry out the provisions of section 301 of the Foreign Assistance Act of 1961, and of section 2 of the United Nations Environment Program Participation Act of 1973, $339,500,000: *Provided*, That none of the funds appropriated under this heading shall be made available for the following: the United Nations Fund for Science and Technology, the G-7 Nuclear Safety Fund, the OECD Center for Cooperation with European Economies in Transition, and United Nations Electoral Assistance activities: *Provided further*, That funds appropriated under this heading may be made available for the International Atomic Energy Agency only if the Secretary of State determines (and so reports to the Congress) that Israel is not being denied its right to participate in the activities of that Agency: *Provided further*, That unless the President certifies to the Congress that the United Nations Population Fund (UNFPA) has terminated all activities in the People's Republic of China, not more than $36,215,500 of the funds appropriated under this heading may be made available for UNFPA: *Provided further*, That none of the funds appropriated under this heading may be made available for UNFPA until March 1, 1994, unless the President has made the certification referred to in the previous proviso.

TITLE II—BILATERAL ECONOMIC ASSISTANCE

FUNDS APPROPRIATED TO THE PRESIDENT

For expenses necessary to enable the President to carry out the provisions of the Foreign Assistance Act of 1961, and for other purposes, to remain available until September 30, 1994, unless otherwise specified herein, as follows:

AGENCY FOR INTERNATIONAL DEVELOPMENT

DEVELOPMENT ASSISTANCE FUND

For necessary expenses to carry out the provisions of sections 103 through 106 of the Foreign Assistance Act of 1961, $811,900,000.

POPULATION, DEVELOPMENT ASSISTANCE

For necessary expenses to carry out the provisions of section 104(b), $392,000,000: *Provided*, That none of the funds made available in this Act nor any unobligated balances from prior appropriations may be made available to any organization or program which, as determined by the President of the United States, supports or participates in the management of a program of coercive abortion or involuntary sterilization: *Provided further*, That none of the funds made available under this heading may be used to pay for the performance of abortion as a method of family planning or to motivate or coerce any person to practice abortions; and that in order to reduce reliance on abortion in developing nations, funds shall be available only to voluntary family planning projects which offer, either directly or through referral to, or information about access to, a broad range of family planning methods and services: *Provided further*, That in awarding grants for natural family planning under section 104 of the Foreign Assistance Act of 1961 no applicant shall be discriminated against because of such applicant's religious or conscientious commitment to offer only natural family planning; and, additionally, all such applicants shall comply with the requirements of the previous proviso: *Provided further*, That nothing in this subsection shall be construed to alter any existing statutory prohibitions against abortion under section 104 of the Foreign Assistance Act of 1961.

DEVELOPMENT FUND FOR AFRICA

For necessary expenses to carry out the provisions of chapter 10 of part I of the Foreign Assistance Act of 1961, $784,000,000, to remain available until September 30, 1995: *Provided*, That none of the funds appropriated by this Act to carry out chapters 1 and 10 of part I of the Foreign Assistance Act of 1961 shall be transferred to the Government of Zaire.

PRIVATE AND VOLUNTARY ORGANIZATIONS

None of the funds appropriated or otherwise made available by this Act for development assistance may be made available to any United States private and voluntary organization, except any cooperative development organization, which obtains less than 20 per centum of its total annual funding for international activities from sources other than the United States Government: *Provided*, That the requirements of the provisions of section 123(g) of the Foreign Assistance Act of 1961 and the provisions on private and voluntary organizations in title II of the "Foreign Assistance and Related Programs Appropriations Act, 1985" (as enacted in Public Law 98-473) shall be superseded by the provisions of this section.

INTERNATIONAL DISASTER ASSISTANCE

For necessary expenses for international disaster relief, rehabilitation, and reconstruction assistance pursuant to section 491 of the Foreign Assistance Act of 1961, as amended, $145,985,000 to remain available until expended.

PAYMENT TO THE FOREIGN SERVICE RETIREMENT AND DISABILITY FUND

For payment to the "Foreign Service Retirement and Disability Fund", as authorized by the Foreign Service Act of 1980, $44,151,000.

OPERATING EXPENSES OF THE AGENCY FOR INTERNATIONAL DEVELOPMENT

For necessary expenses to carry out the provisions of section 667, $501,760,000.

OPERATING EXPENSES OF THE AGENCY FOR INTERNATIONAL DEVELOPMENT OFFICE OF INSPECTOR GENERAL

For necessary expenses to carry out the provisions of section 667, $39,118,000, which sum shall be available for the Office of the Inspector General of the Agency for International Development.

HOUSING GUARANTY PROGRAM ACCOUNT

For the subsidy cost, as defined in section 13201 of the Budget Enforcement Act of 1990, of guaranteed loans authorized by sections 221 and 222 of the Foreign Assistance Act of 1961, $16,078,000: *Provided*, That these funds are available to subsidize total loan principal, any part of which is to be guaranteed, not to exceed $110,000,000: *Provided further*, That these funds are available to subsidize loan principal, 100 percent of which shall be guaranteed, pursuant to the authority of such sections: *Provided further*, That the President shall enter into commitments to guarantee such loans in the full amount provided under this heading, subject to the availability of qualified applicants for such guarantees. In addition, for administrative expenses to carry out guaranteed loan programs, $8,239,000, all of which may be transferred to and merged with the appropriation for Operating Expenses of the Agency for International Development: *Provided further*, That none of the funds appropriated under this heading shall be obligated except through the regular notification procedures of the Committees on Appropriations.

DEBT RESTRUCTURING

For the cost, as defined in section 13201 of the Budget Enforcement Act of 1990, of modifying direct loans and loan guarantees, as the President may determine, for which funds have been appropriated or otherwise made available for programs within the International Affairs Budget Function 150, $7,000,000, to remain available until expended.

ECONOMIC SUPPORT FUND

For necessary expenses to carry out the provisions of chapter 4 of part II, $2,364,562,000, to remain available until September 30, 1995: *Provided*, That funds appropriated under this heading that are made available for Israel shall be available on a grant basis as a cash transfer and shall be disbursed within thirty days of enactment of this Act or by October 31, 1993, whichever is later: *Provided further*, That funds appropriated under this heading that are made available for Egypt shall be provided on a grant basis, and of which sum cash transfer assistance may be provided with the understanding that Egypt will undertake significant economic reforms which are additional

to those which were undertaken in previous fiscal years: *Provided further*, That in exercising the authority to provide cash transfer assistance for Israel and Egypt, the President shall ensure that the level of such assistance does not cause an adverse impact on the total level of nonmilitary exports from the United States to each such country: *Provided further*, That it is the sense of the Congress that the recommended levels of assistance for Egypt and Israel are based in great measure upon their continued participation in the Camp David Accords and upon the Egyptian-Israeli peace treaty: *Provided further*, That none of the funds appropriated under this heading shall be made available for Zaire: *Provided further*, That not more than $50,000,000 of the funds appropriated under this heading may be made available to finance tied-aid credits, unless the President determines it is in the national interest to provide in excess of $50,000,000 and so notifies the Committees on Appropriations through the regular notification procedures of the Committees on Appropriations: *Provided further*, That none of the funds made available or limited by this Act may be used for tied-aid credits or tied-aid grants except through the regular notification procedures of the Committees on Appropriations: *Provided further*, That none of the funds appropriated by this Act to carry out the provisions of chapters 1 and 10 of part I of the Foreign Assistance Act of 1961 may be used for tied-aid credits: *Provided further*, That as used in this heading the term "tied-aid credits" means any credit, within the meaning of section 15(h)(1) of the Export-Import Bank Act of 1945, which is used for blended or parallel financing, as those terms are defined by sections 15(h) (4) and (5), respectively, of such Act: *Provided further*, That funds appropriated under this heading shall remain available until September 30, 1995.

INTERNATIONAL FUND FOR IRELAND

For necessary expenses to carry out the provisions of part I of the Foreign Assistance Act of 1961, $19,600,000, which shall be available for the United States contribution to the International Fund for Ireland and shall be made available in accordance with the provisions of the Anglo-Irish Agreement Support Act of 1986 (Public Law 99-415): *Provided*, That such amount shall be expended at the minimum rate necessary to make timely payment for projects and activities: *Provided further*, That funds made available under this heading shall remain available until expended.

ASSISTANCE FOR EASTERN EUROPE AND THE BALTIC STATES

(a) For necessary expenses to carry out the provisions of the Foreign Assistance Act of 1961 and the Support for East European Democracy (SEED) Act of 1989, $400,000,000, to remain available until expended, which shall be available, notwithstanding any other provision of law, for economic assistance for Eastern Europe and the Baltic States.

(b) Funds appropriated under this heading or in prior appropriations Acts that are or have been made available for an Enterprise Fund may be deposited by such Fund in interest-bearing accounts prior to the Fund's disbursement of such funds for program purposes. The Fund may retain for such program purposes any interest earned on such deposits without returning such interest to the Treasury of the United States and without further appropriation by the Congress. Funds made available for Enterprise Funds shall be expended at the minimum rate necessary to make timely payment for projects and activities.

(c) Funds appropriated under this heading shall be considered to be economic assistance under the Foreign Assistance Act of 1961 for purposes of making available the administrative authorities contained in that Act for the use of economic assistance.

ASSISTANCE FOR THE NEW INDEPENDENT STATES OF THE FORMER SOVIET UNION

For necessary expenses to carry out the provisions of chapter 11 of part I of the Foreign Assistance Act of 1961 and the FREEDOM Support Act, for assistance for the new independent states of the former Soviet Union and for related programs, $903,820,000, to remain available until expended: *Provided*, That the provisions of 498B(j) of the Foreign Assistance Act of 1961 shall apply to funds appropriated by this paragraph.

INDEPENDENT AGENCIES

AFRICAN DEVELOPMENT FOUNDATION

For necessary expenses to carry out the provisions of title V of the International Security and Development Cooperation Act of 1980, Public Law 96-533, and to make such contracts and commitments without regard to fiscal year limitations, as provided by section 9104, title 31, United States Code, $16,905,000: *Provided*, That, when, with the permission of the President of the Foundation, funds made available to a grantee under this heading are invested pending disbursement, the resulting interest is not required to be deposited in the United States Treasury if the grantee uses the resulting interest for the purpose for which the grant was made: *Provided further*, That this provision applies with respect to both interest earned before and interest earned after the enactment of this provision.

INTER-AMERICAN FOUNDATION

For expenses necessary to carry out the functions of the Inter-American Foundation in accordance with the provisions of section 401 of the Foreign Assistance Act of 1969, and to make such contracts and commitments without regard to fiscal year limitations, as provided by section 9104, title 31, United States Code, $30,340,000.

OVERSEAS PRIVATE INVESTMENT CORPORATION

PROGRAM ACCOUNT

For the subsidy cost as defined in section 13201 of the Budget Enforcement Act of 1990, of direct and guaranteed loans authorized by section 234 of the Foreign Assistance Act of 1961, as follows: cost of direct and guaranteed loans, $9,065,000. In addition, for administrative expenses to carry out the direct and guaranteed loan programs, $7,518,000: *Provided*, That the funds provided in this paragraph shall be available for and apply to costs, direct loan obligations and loan guaranty commitments incurred or made during the period from October 1, 1993 through September 30, 1995: *Provided further*, That such sums are to remain available through fiscal year 2002 for the disbursement of direct and guaranteed loans obligated in fiscal year 1994, and through 2003 for the disbursement of direct and guaranteed loans obligated in fiscal year 1995.

The Overseas Private Investment Corporation is authorized to make, without regard to fiscal year limitations, as provided by 31 U.S.C. 9104, such noncredit expenditures and commitments within the limits of funds available to it and in accordance with law (including an amount for official reception and representation expenses which shall not exceed $35,000) as may be necessary.

PEACE CORPS

For expenses necessary to carry out the provisions of the Peace Corps Act (75 Stat. 612), $219,745,000, including the purchase of not to exceed five passenger motor vehicles for administrative purposes for use outside of the United States: *Provided*, That none of the funds appropriated under this heading shall be used to pay for abortions: *Provided further*, That funds appropriated under this heading shall remain available until September 30, 1995: *Provided further*, That not to exceed $3,000,000 from amounts appropriated under this heading may be transferred to the "Foreign Currency Fluctuations, Peace Corps, Account", as authorized by section 16 of the Peace Corps Act, as amended.

DEPARTMENT OF STATE

INTERNATIONAL NARCOTICS CONTROL

For necessary expenses to carry out the provisions of section 481 of the Foreign Assistance Act of 1961, $100,000,000.

MIGRATION AND REFUGEE ASSISTANCE

For expenses, not otherwise provided for, necessary to enable the Secretary of State to provide, as authorized by law, a contribution to the International Committee of the Red Cross and assistance to refugees, including contributions to the Intergovernmental Committee for Migration and the United Nations High Commissioner for Refugees; salaries and expenses of personnel and dependents as authorized by the Foreign Service Act of 1980; allowances as authorized by sections 5921 through 5925 of title 5, United States Code; hire of passenger motor vehicles; and services as authorized by section 3109 of title 5, United States Code; $670,688,000: *Provided*, That not more than $11,500,000 of the funds appropriated under this heading shall be available for the administrative expenses of the Office of Refugee Programs of the Department of State.

UNITED STATES EMERGENCY REFUGEE AND MIGRATION ASSISTANCE FUND

For necessary expenses to carry out the provisions of section 2(c) of the Migration and Refugee Assistance Act of 1962, as amended (22 U.S.C. 260(c)), $19,261,000, to remain available until expended: *Provided*, That the funds made available under this heading are appropriated notwithstanding the provisions contained in section 2(c)(2) of the Migration and Refugee Assistance Act of 1962 which would limit the amount of funds which could be appropriated for this purpose.

ANTI-TERRORISM ASSISTANCE

For necessary expenses to carry out the provisions of chapter 8 of part II of the Foreign Assistance Act of 1961, $15,244,000.

TITLE III—MILITARY ASSISTANCE

FUNDS APPROPRIATED TO THE PRESIDENT

INTERNATIONAL MILITARY EDUCATION AND TRAINING

For necessary expenses to carry out the provisions of section 541 of the Foreign Assistance Act of 1961, $21,250,000: *Provided*, That up to $300,000 of the funds appropriated under this heading may be made available for grant financed military education and training for any country whose annual per capita GNP exceeds $2,349 on the condition that that country agrees to fund from its own resources the transportation cost and living allowances of its students: *Provided further*, That the civilian personnel for whom military education and training may be provided under this heading may also include members of national legislatures who are responsible for the oversight and management of the military: *Provided further*, That none of the funds appropriated under this heading shall be available for Indonesia and Zaire.

FOREIGN MILITARY FINANCING PROGRAM

For expenses necessary for grants to enable the President to carry out the provisions of section 23 of the Arms Export Control Act, $3,175,000,000: *Provided*, That funds appropriated by this paragraph that are made available for Israel shall be available as grants and shall be disbursed within thirty days of enactment of this Act or by October 31, 1993, whichever is later: *Provided further*, That funds appropriated by this paragraph that are made available for Egypt shall be available as grants: *Provided further*, That funds made available under this paragraph shall be nonrepayable notwithstanding any requirement in section 23 of the Arms Export Control Act.

For the cost, as defined in section 13201 of the Budget Enforcement Act of 1990, of direct loans authorized by section 23 of the Arms Export Control Act as follows: cost of direct loans, $46,530,000: *Provided*, That these funds are available to subsidize gross obligations for the principal amount of direct loans of not to exceed $769,500,000: *Provided further*, That the rate of interest charged on such loans shall be not less than the current average market yield on outstanding marketable obligations of the United States of comparable maturities: *Provided further*, That funds appropriated under this heading shall be made available for Portugal, Greece and Turkey only on a loan basis: *Provided further*, That the principal amount of loans made available for Greece and Turkey shall be made available according to a 7 to 10 ratio.

None of the funds made available under this heading shall be available to finance the procurement of defense articles, defense services, or design and construction services that are not sold by the United States Government under the Arms Export Control Act unless the foreign country proposing to make such procurements has first signed an agreement with the United States Government specifying the conditions under which such procurements may be financed with such funds: *Provided*, That all country and funding level increases in allocations shall be submitted through the regular notification procedures of section 515 of this Act: *Provided further*, That funds made available under this heading shall be obligated upon apportionment in accordance with paragraph (5)(C) of title 31, United States Code, section 1501(a): *Provided further*, That none of the funds appropriated under this heading shall be available for Zaire, Sudan, Liberia, Guatemala, Peru, and Malawi: *Provided further*, That not more than $100,000,000 of the funds made available under this heading shall be available for use in financing the procurement of defense articles, defense services, or design and construction services that are not sold by the United States Government under the Arms Export Control Act to countries other than Israel and Egypt: *Provided further*, That only those countries for which assistance was justified for the "Foreign Military Sales Financing Program" in the fiscal year 1989 congressional presentation for security assistance programs may utilize funds made available under this heading for procurement of defense articles, defense services or design and construction services that are not sold by the United States Government under the Arms Export Control Act: *Provided further*, That funds appropriated under this heading shall be expended at the minimum rate necessary to make timely payment for defense articles and services: *Provided further*, That the Department of Defense shall conduct during the current fiscal year nonreimbursable audits of private firms whose contracts are made directly with foreign governments and are financed with funds made available under this heading (as well as subcontractors thereunder) as requested by the Defense Security Assistance Agency: *Provided further*, That not more than $23,558,000 of the funds appropriated under this heading may be obligated for necessary expenses, including the purchase of passenger motor vehicles for replacement only for use outside of the United States, for the general costs of administering military assistance and sales: *Provided further*, That not more than $290,000,000 of funds realized pursuant to section 21(e)(1)(A) of the Arms Export Control Act may be obligated for expenses incurred by the Department of Defense during the fiscal year 1994 pursuant to section 43(b) of the Arms Export Control Act, except that this limitation may be exceeded only through the regular notification procedures of the Committees on Appropriations: *Provided further*, That none of the funds appropriated under this heading, and no employee of the Defense Security Assistance Agency, may be used to facilitate the transport of aircraft to commercial arms sales shows.

SPECIAL DEFENSE ACQUISITION FUND

Notwithstanding section 51 of the Arms Export Control Act, collections in excess of obligational authority provided in prior appropriations Acts shall be deposited in the Treasury as miscellaneous receipts.

PEACEKEEPING OPERATIONS

For necessary expenses to carry out the provisions of section 551 of the Foreign Assistance Act of 1961, $75,623,000.

NONPROLIFERATION AND DISARMAMENT FUND

For necessary expenses for a "Nonproliferation and Disarmament Fund", $10,000,000, to remain available until expended, to promote bilateral and multilateral activities: *Provided*, That such funds may be used pursuant to the authorities contained in section 504 of the FREEDOM Support Act: *Provided further*, That such funds may also be used for such countries other than the new independent states of the former Soviet Union and international organizations when it is in the national security interest of the United States to do so: *Provided further*, That funds appropriated under this heading may be made available notwithstanding any other provision of law: *Provided further*, That funds appropriated under this heading shall be subject to the regular notification procedures of the Committees on Appropriations.

TITLE IV—EXPORT ASSISTANCE

EXPORT-IMPORT BANK OF THE UNITED STATES

The Export-Import Bank of the United States is authorized to make such expenditures within the limits of funds and borrowing authority available to such corporation, and in accordance with law, and to make such contracts and commitments without regard to fiscal year limitations, as provided by section 104 of the Government Corporation Control Act, as may be necessary in carrying out the program for the current fiscal year for such corporation: *Provided*, That none of the funds available during the current fiscal year may be used to make expenditures, contracts, or commitments for the export of nuclear equipment, fuel, or technology to any country other than a nuclear-weapon State as defined in article IX of the Treaty on the Non-Proliferation of Nuclear Weapons eligible to receive economic or military assistance under this Act that has detonated a nuclear explosive after the date of enactment of this Act.

SUBSIDY APPROPRIATION

For the cost of direct loans, loan guarantees, insurance, and tied-aid grants as authorized by section 10 of the Export-Import Bank Act of 1945, as amended, $700,000,000: *Provided*, That such costs, including the cost of modifying such loans, shall be as defined in section 502 of the Congressional Budget Act of 1974: *Provided further*, That such sums shall remain available until 2009 for the disbursement of direct loans, loan guarantees, insurance and tied-aid grants obligated in fiscal year 1994: *Provided further*, That up to $50,000,000 of funds appropriated by this paragraph shall remain available until expended and may be used for tied-aid grant purposes: *Provided further*, That none of the funds appropriated by this paragraph may be used for tied-aid credits or grants except through the regular notification procedures of the Committees on Appropriations: *Provided further*, That funds appropriated by this paragraph are made available notwithstanding section 2(b)(2) of the Export-Import Bank Act of 1945, in connection with the purchase or lease of any product by any East European country, any Baltic State, or any agency or national thereof.

ADMINISTRATIVE EXPENSES

For administrative expenses to carry out the direct and guaranteed loan and insurance programs (to be computed on an accrual basis), including hire of passenger motor vehicles and services as authorized by 5 U.S.C. 3109, and not to exceed $20,000 for official reception and representation expenses for members of the Board of Directors, $45,369,000: *Provided*, That necessary expenses (including special services performed on a contract or fee basis, but not including other personal services) in connection with the collection of moneys owed the Export-Import Bank, repossession or sale of pledged collateral or other assets acquired by the Export-Import Bank in satisfaction of moneys owed the Export-Import Bank, or the investigation or appraisal of any property, or the evaluation of the legal or technical aspects of any transaction for which an application for a loan, guarantee or insurance commitment has been made, shall be considered nonadministrative expenses for the purposes of this heading.

FUNDS APPROPRIATED TO THE PRESIDENT

TRADE AND DEVELOPMENT AGENCY

For necessary expenses to carry out the provisions of section 661 of the Foreign Assistance Act of 1961, $40,000,000.

TITLE V—GENERAL PROVISIONS

OBLIGATIONS DURING LAST MONTH OF AVAILABILITY

SEC. 501. Except for the appropriations entitled "International Disaster Assistance", and "United States Emergency Refugee and Migration Assistance Fund", not more than 15 per centum of any appropriation item made available by this Act shall be obligated during the last month of availability.

PROHIBITION OF BILATERAL FUNDING FOR INTERNATIONAL FINANCIAL INSTITUTIONS

SEC. 502. None of the funds contained in title II of this Act may be used to carry out the provisions of section 209(d) of the Foreign Assistance Act of 1961.

LIMITATION ON RESIDENCE EXPENSES

SEC. 503. Of the funds appropriated or made available pursuant to this Act, not to exceed $126,500 shall be for official residence expenses of the Agency for International Development during the current fiscal year: *Provided*, That appropriate steps shall be

taken to assure that, to the maximum extent possible, United States-owned foreign currencies are utilized in lieu of dollars.

LIMITATION ON EXPENSES

SEC. 504. Of the funds appropriated or made available pursuant to this Act, not to exceed $5,000 shall be for entertainment expenses of the Agency for International Development during the current fiscal year.

LIMITATION ON REPRESENTATIONAL ALLOWANCES

SEC. 505. Of the funds appropriated or made available pursuant to this Act, not to exceed $95,000 shall be available for representation allowances for the Agency for International Development during the current fiscal year: *Provided*, That appropriate steps shall be taken to assure that, to the maximum extent possible, United States-owned foreign currencies are utilized in lieu of dollars: *Provided further*, That of the funds made available by this Act for general costs of administering military assistance and sales under the heading "Foreign Military Financing Program", not to exceed $2,000 shall be available for entertainment expenses and not to exceed $50,000 shall be available for representation allowances: *Provided further*, That of the funds made available by this Act under the heading "International Military Education and Training", not to exceed $50,000 shall be available for entertainment allowances: *Provided further*, That of the funds made available by this Act for the Inter-American Foundation, not to exceed $2,000 shall be available for entertainment and representation allowances: *Provided further*, That of the funds made available by this Act for the Peace Corps, not to exceed a total of $4,000 shall be available for entertainment expenses: *Provided further*, That of the funds made available by this Act under the heading "Trade and Development Agency", not to exceed $2,000 shall be available for representation and entertainment allowances.

PROHIBITION ON FINANCING NUCLEAR GOODS

SEC. 506. None of the funds appropriated or made available (other than funds for "International Organizations and Programs") pursuant to this Act, for carrying out the Foreign Assistance Act of 1961, may be used, except for purposes of nuclear safety, to finance the export of nuclear equipment, fuel, or technology.

PROHIBITION AGAINST DIRECT FUNDING FOR CERTAIN COUNTRIES

SEC. 507. None of the funds appropriated or otherwise made available pursuant to this Act shall be obligated or expended to finance directly any assistance or reparations to Cuba, Iraq, Libya, the Socialist Republic of Vietnam, Iran, Serbia, Sudan, or Syria: *Provided*, That for purposes of this section, the prohibition on obligations or expenditures shall include direct loans, credits, insurance and guarantees of the Export-Import Bank or its agents.

MILITARY COUPS

SEC. 508. None of the funds appropriated or otherwise made available pursuant to this Act shall be obligated or expended to finance directly any assistance to any country whose duly elected Head of Government is deposed by military coup or decree: *Provided*, That assistance may be resumed to such country if the President determines and reports to the Committees on Appropriations that subsequent to the termination of assistance a democratically elected government has taken office.

TRANSFERS BETWEEN ACCOUNTS

SEC. 509. None of the funds made available by this Act may be obligated under an appropriation account to which they were not appropriated, unless the President, prior to the exercise of any authority contained in the Foreign Assistance Act of 1961 to transfer funds, consults with and provides a written policy justification to the Committees on Appropriations of the House of Representatives and the Senate: *Provided*, That the exercise of such authority shall be subject to the regular notification procedures of the Committees on Appropriations.

DEOBLIGATION/REOBLIGATION AUTHORITY

SEC. 510. (a) Amounts certified pursuant to section 1311 of the Supplemental Appropriations Act, 1955, as having been obligated against appropriations heretofore made under the authority of the Foreign Assistance Act of 1961 for the same general purpose as any of the headings under the "Agency for International Development" are, if deobligated, hereby continued available for the same period as the respective appropriations under such headings or until September 30, 1994, whichever is later, and for the same general purpose, and for countries within the same region as originally obligated: *Provided*, That the Appropriations Committees of both Houses of the Congress are notified fifteen days in advance of the deobligation and reobligation of such funds in accordance with regular notification procedures of the Committees on Appropriations.

(b) Obligated balances of funds appropriated to carry out section 23 of the Arms Export Control Act as of the end of the fiscal year immediately preceding the current fiscal year are, if deobligated, hereby continued available during the current fiscal year for the same purpose under any authority applicable to such appropriations under this Act.

AVAILABILITY OF FUNDS

SEC. 511. No part of any appropriation contained in this Act shall remain available for obligation after the expiration of the current fiscal year unless expressly so provided in this Act: *Provided*, That funds appropriated for the purposes of chapter 1 of part I, section 667, and chapter 4 of part II of the Foreign Assistance Act of 1961, as amended, shall remain available until expended if such funds are initially obligated before the expiration of their respective periods of availability contained in this Act: *Provided further*, That, notwithstanding any other provision of this Act, any funds made available for the purposes of chapter 1 of part I and chapter 4 of part II of the Foreign Assistance Act of 1961 which are allocated or obligated for cash disbursements in order to address balance of payments or economic policy reform objectives, shall remain available until expended: *Provided further*, That the report required by section 653(a) of the Foreign Assistance Act of 1961 shall designate for each country, to the extent known at the time of submission of such report, those funds allocated for cash disbursement for balance of payment and economic policy reform purposes.

LIMITATION ON ASSISTANCE TO COUNTRIES IN DEFAULT

SEC. 512. No part of any appropriation contained in this Act shall be used to furnish assistance to any country which is in default during a period in excess of one calendar year in payment to the United States of principal or interest on any loan made to such country by the United States pursuant to a program for which funds are appropriated under this Act: *Provided*, That this section and section 620(q) of the Foreign Assistance Act of 1961 shall not apply to funds made available in this Act or during the current fiscal year for Nicaragua, and for any narcotics-related assistance for Colombia, Bolivia, and Peru authorized by the Foreign Assistance Act of 1961 or the Arms Export Control Act.

COMMERCE AND TRADE

SEC. 513. (a) None of the funds appropriated or made available pursuant to this Act for direct assistance and none of the funds otherwise made available pursuant to this Act to the Export-Import Bank and the Overseas Private Investment Corporation shall be obligated or expended to finance any loan, any assistance or any other financial commitments for establishing or expanding production of any commodity for export by any country other than the United States, if the commodity is likely to be in surplus on world markets at the time the resulting productive capacity is expected to become operative and if the assistance will cause substantial injury to United States producers of the same, similar, or competing commodity: *Provided*, That such prohibition shall not apply to the Export-Import Bank if in the judgment of its Board of Directors the benefits to industry and employment in the United States are likely to outweigh the injury to United States producers of the same, similar, or competing commodity.

(b) None of the funds appropriated by this or any other Act to carry out chapter 1 of part I of the Foreign Assistance Act of 1961 shall be available for any testing or breeding feasibility study, variety improvement or introduction, consultancy, publication, conference, or training in connection with the growth or production in a foreign country of an agricultural commodity for export which would compete with a similar commodity grown or produced in the United States: *Provided*, That this subsection shall not prohibit—

(1) activities designed to increase food security in developing countries where such activities will not have a significant impact in the export of agricultural commodities of the United States; or

(2) research activities intended primarily to benefit American producers.

(c) None of the funds provided in this Act to the Agency for International Development, other than funds made available to carry out Caribbean Basin Initiative programs under the Tariff Schedules of the United States, section 1202 of title 19, United States Code, schedule 8, part I, subpart B, item 807.00, shall be obligated or expended—

(1) to procure directly feasibility studies or prefeasibility studies for, or project profiles of potential investment in, the manufacture, for export to the United States or to third country markets in direct competition with United States exports, of import-sensitive articles as defined by section 503(c)(1) (A) and (E) of the Tariff Act of 1930 (19 U.S.C. 2463(c)(1) (A) and (E)); or

(2) to assist directly in the establishment of facilities specifically designed for the manufacture, for export to the United States or to third country markets in direct competition with United States exports, of import-sensitive articles as defined in section 503(c)(1) (A) and (E) of the Tariff Act of 1930 (19 U.S.C. 2463(c)(1) (A) and (E)).

SURPLUS COMMODITIES

SEC. 514. The Secretary of the Treasury shall instruct the United States Executive Directors of the International Bank for Reconstruction and Development, the International Development Association, the International Finance Corporation, the

Inter-American Development Bank, the International Monetary Fund, the Asian Development Bank, the Inter-American Investment Corporation, the African Development Bank, and the African Development Fund to use the voice and vote of the United States to oppose any assistance by these institutions, using funds appropriated or made available pursuant to this Act, for the production or extraction of any commodity or mineral for export, if it is in surplus on world markets and if the assistance will cause substantial injury to United States producers of the same, similar, or competing commodity.

NOTIFICATION REQUIREMENTS

SEC. 515. For the purposes of providing the Executive Branch with the necessary administrative flexibility, none of the funds made available under this Act for "Development Assistance Fund", "Population, Development Assistance", "Development Fund for Africa", "International organizations and programs", "American schools and hospitals abroad", "Trade and development agency", "International narcotics control", "Economic support fund", "Peacekeeping operations", "Operating expenses of the Agency for International Development", "Operating expenses of the Agency for International Development Office of Inspector General", "Anti-terrorism assistance", "Foreign Military Financing Program", "International military education and training", "Inter-American Foundation", "African Development Foundation", "Peace Corps", or "Migration and refugee assistance", shall be available for obligation for activities, programs, projects, type of materiel assistance, countries, or other operation not justified or in excess of the amount justified to the Appropriations Committees for obligation under any of these specific headings unless the Appropriations Committees of both Houses of Congress are previously notified fifteen days in advance: *Provided*, That the President shall not enter into any commitment of funds appropriated for the purposes of section 23 of the Arms Export Control Act for the provision of major defense equipment, other than conventional ammunition, or other major defense items defined to be aircraft, ships, missiles, or combat vehicles, not previously justified to Congress or 20 per centum in excess of the quantities justified to Congress unless the Committees on Appropriations are notified fifteen days in advance of such commitment: *Provided further*, That this section shall not apply to any reprogramming for an activity, program, or project under chapter 1 of part I of the Foreign Assistance Act of 1961 of less than 20 per centum of the amount previously justified to the Congress for obligation for such activity, program, or project for the current fiscal year: *Provided further*, That the requirements of this section or any similar provision of this Act requiring notification in accordance with the regular notification procedures of the Committees on Appropriations may be waived if failure to do so would pose a substantial risk to human health or welfare: *Provided further*, That in case of any such waiver, notification to the Congress, or the appropriate congressional committees, shall be provided as early as practicable, but in no event later than three days after taking the action to which such notification requirement was applicable, in the context of the circumstances necessitating such waiver: *Provided further*, That any notification provided pursuant to such a waiver shall contain an explanation of the emergency circumstances.

Drawdowns made pursuant to section 506(a)(2) of the Foreign Assistance Act of 1961 shall be subject to the regular notification procedures of the Committees on Appropriations.

LIMITATION ON AVAILABILITY OF FUNDS FOR INTERNATIONAL ORGANIZATIONS AND PROGRAMS

SEC. 516. (a) Notwithstanding any other provision of law or of this Act, none of the funds provided for "International Organizations and Programs" shall be available for the United States proportionate share for any programs for the Palestine Liberation Organization (or for projects whose purpose is to provide benefits to the Palestine Liberation Organization or entities associated with it), Libya, Iran, or, at the discretion of the President, Communist countries listed in section 620(f) of the Foreign Assistance Act of 1961, as amended: *Provided*, That, subject to the regular notification procedures of the Committees on Appropriations, funds appropriated under this Act or any previously enacted Act making appropriations for foreign operations, export financing, and related programs, which are returned or not made available for organizations and programs because of the implementation of this section or any similar provision of law, shall remain available for obligation through September 30, 1995.

(b) The United States shall not make any voluntary or assessed contribution—

(1) to any affiliated organization of the United Nations which grants full membership as a state to any organization or group that does not have the internationally recognized attributes of statehood, or

(2) to the United Nations, if the United Nations grants full membership as a state in the United Nations to any organization or group that does not have the internationally recognized attributes of statehood,

during any period in which such membership is effective.

ECONOMIC SUPPORT FUND ASSISTANCE FOR ISRAEL

SEC. 517. The Congress finds that progress on the peace process in the Middle East is vitally important to United States security interests in the region. The Congress recognizes that, in fulfilling its obligations under the Treaty of Peace Between the Arab Republic of Egypt and the State of Israel, done at Washington on March 26, 1979, Israel incurred severe economic burdens. Furthermore, the Congress recognizes that an economically and militarily secure Israel serves the security interests of the United States, for a secure Israel is an Israel which has the incentive and confidence to continue pursuing the peace process. Therefore, the Congress declares that it is the policy and the intention of the United States that the funds provided in annual appropriations for the Economic Support Fund which are allocated to Israel shall not be less than the annual debt repayment (interest and principal) from Israel to the United States Government in recognition that such a principle serves United States interests in the region.

PROHIBITION CONCERNING ABORTIONS AND INVOLUNTARY STERILIZATION

SEC. 518. None of the funds made available to carry out part I of the Foreign Assistance Act of 1961, as amended, may be used to pay for the performance of abortions as a method of family planning or to motivate or coerce any person to practice abortions. None of the funds made available to carry out part I of the Foreign Assistance Act of 1961, as amended, may be used to pay for the performance of involuntary sterilization as a method of family planning or to coerce or provide any financial incentive to any person to undergo sterilizations. None of the funds made available to carry out part I of the Foreign Assistance Act of 1961, as amended, may be used to pay for any biomedical research which relates in whole or in part, to methods of, or the performance of, abortions or involuntary sterilization as a means of family planning. None of the funds made available to carry out part I of the Foreign Assistance Act of 1961, as amended, may be obligated or expended for any country or organization if the President certifies that the use of these funds by any such country or organization would violate any of the above provisions related to abortions and involuntary sterilizations. The Congress reaffirms its commitments to Population, Development Assistance and to the need for informed voluntary family planning.

REPORTING REQUIREMENT

SEC. 519. The President shall submit to the Committees on Appropriations the reports required by section 25(a)(1) of the Arms Export Control Act.

SPECIAL NOTIFICATION REQUIREMENTS

SEC. 520. None of the funds appropriated in this Act shall be obligated or expended for Afghanistan, Cambodia, El Salvador, Guatemala, Haiti, Indonesia, Jordan, Liberia, Malawi, Peru, Sudan, Togo, or Zaire except as provided through the regular notification procedures of the Committees on Appropriations.

DEFINITION OF PROGRAM, PROJECT, AND ACTIVITY

SEC. 521. For the purpose of this Act, "program, project, and activity" shall be defined at the Appropriations Act account level and shall include all Appropriations and Authorizations Acts earmarks, ceilings, and limitations with the exception that for the following accounts: Economic Support Fund and Foreign Military Financing Program, "program, project, and activity" shall also be considered to include country, regional, and central program level funding within each such account; for the development assistance accounts of the Agency for International Development "program, project, and activity" shall also be considered to include central program level funding, either as (1) justified to the Congress, or (2) allocated by the executive branch in accordance with a report, to be provided to the Committees on Appropriations within thirty days of enactment of this Act, as required by section 653(a) of the Foreign Assistance Act of 1961.

FAMILY PLANNING, CHILD SURVIVAL AND AIDS ACTIVITIES

SEC. 522. Up to $8,000,000 of the funds made available by this Act for assistance for family planning, health, child survival, and AIDS, may be used to reimburse United States Government agencies, agencies of State governments, institutions of higher learning, and private and voluntary organizations for the full cost of individuals (including for the personal services of such individuals) detailed or assigned to, or contracted by, as the case may be, the Agency for International Development for the purpose of carrying out family planning activities, child survival activities and activities relating to research on, and the treatment and control of, acquired immune deficiency syndrome in developing countries: *Provided*, That such individuals shall not be included within any personnel ceiling applicable to any United States Government agency during the period of detail or assignment: *Provided further*, That funds appropriated by this

Act that are made available for child survival activities or activities relating to research on, and the treatment and control of, acquired immune deficiency syndrome may be made available notwithstanding any provision of law that restricts assistance to foreign countries: *Provided further*, That funds appropriated by this Act that are made available for family planning activities may be made available notwithstanding section 512 of this Act and section 620(q) of the Foreign Assistance Act of 1961.

PROHIBITION AGAINST INDIRECT FUNDING TO CERTAIN COUNTRIES

SEC. 523. None of the funds appropriated or otherwise made available pursuant to this Act shall be obligated to finance indirectly any assistance or reparations to Cuba, Iraq, Libya, the Socialist Republic of Vietnam, Iran, Syria, North Korea, People's Republic of China, or Laos unless the President of the United States certifies that the withholding of these funds is contrary to the national interest of the United States.

RECIPROCAL LEASING

SEC. 524. Section 61(a) of the Arms Export Control Act is amended by striking out "1993" and inserting in lieu thereof "1994".

NOTIFICATION ON EXCESS DEFENSE EQUIPMENT

SEC. 525. Prior to providing excess Department of Defense articles in accordance with section 516(a) of the Foreign Assistance Act of 1961, the Department of Defense shall notify the Committees on Appropriations to the same extent and under the same conditions as are other committees pursuant to subsection (c) of that section: *Provided*, That before issuing a letter of offer to sell excess defense articles under the Arms Export Control Act, the Department of Defense shall notify the Committees on Appropriations in accordance with the regular notification procedures of such Committees: *Provided further*, That such Committees shall also be informed of the original acquisition cost of such defense articles.

AUTHORIZATION REQUIREMENT

SEC. 526. Funds appropriated by Title I through V of this Act may be obligated and expended subject to section 10 of Public Law 91-672 and section 15 of the State Department Basic Authorities Act of 1956.

DEPLETED URANIUM

SEC. 527. None of the funds provided in this or any other Act may be made available to facilitate in any way the sale of M-833 antitank shells or any comparable antitank shells containing a depleted uranium penetrating component to any country other than (1) countries which are members of NATO, (2) countries which have been designated as a major non-NATO ally for purposes of section 1105 of the National Defense Authorization Act for Fiscal Year 1987 or, (3) Taiwan: *Provided*, That funds may be made available to facilitate the sale of such shells notwithstanding the limitations of this section if the President determines that to do so is in the national security interest of the United States.

OPPOSITION TO ASSISTANCE TO TERRORIST COUNTRIES BY INTERNATIONAL FINANCIAL INSTITUTIONS

SEC. 528. (a) INSTRUCTIONS FOR UNITED STATES EXECUTIVE DIRECTORS.—The Secretary of the Treasury shall instruct the United States Executive Director of each international financial institution to vote against any loan or other use of the funds of the respective institution to or for a country for which the Secretary of State has made a determination under section 6(j) of the Export Administration Act of 1979.

(b) DEFINITION.—For purposes of this section, the term "international financial institution" includes—

(1) the International Bank for Reconstruction and Development, the International Development Association, and the International Monetary Fund; and

(2) wherever applicable, the Inter-American Development Bank, the Asian Development Bank, the African Development Bank, the African Development Fund, and the European Bank for Reconstruction and Development.

PROHIBITION ON BILATERAL ASSISTANCE TO TERRORIST COUNTRIES

SEC. 529. (a) Notwithstanding any other provision of law, funds appropriated for bilateral assistance under any heading of this Act and funds appropriated under any such heading in a provision of law enacted prior to enactment of this Act, shall not be made available to any country which the President determines—

(1) grants sanctuary from prosecution to any individual or group which has committed an act of international terrorism, or

(2) otherwise supports international terrorism.

(b) The President may waive the application of subsection (a) to a country if the President determines that national security or humanitarian reasons justify such waiver. The President shall publish each waiver in the Federal Register and, at least fifteen days before the waiver takes effect, shall notify the Committees on Appropriations of the waiver (including the justification for the waiver) in accordance with the regular notification procedures of the Committees on Appropriations.

COMMERCIAL LEASING OF DEFENSE ARTICLES

SEC. 530. Notwithstanding any other provision of law, and subject to the regular notification requirements of the Committees on Appropriations, the authority of section 23(a) of the Arms Export Control Act may be used to provide financing to Israel and Egypt and NATO and major non-NATO allies for the procurement by leasing (including leasing with an option to purchase) of defense articles from United States commercial suppliers, not including Major Defense Equipment (other than helicopters and other types of aircraft having possible civilian application), if the President determines that there are compelling foreign policy or national security reasons for those defense articles being provided by commercial lease rather than by government-to-government sale under such Act.

COMPETITIVE INSURANCE

SEC. 531. All Agency for International Development contracts and solicitations, and subcontracts entered into under such contracts, shall include a clause requiring that United States marine insurance companies have a fair opportunity to bid for marine insurance when such insurance is necessary or appropriate.

STINGERS IN THE PERSIAN GULF REGION

SEC. 532. Except as provided in section 581 of the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1990, the United States may not sell or otherwise make available any Stingers to any country bordering the Persian Gulf under the Arms Export Control Act or chapter 2 of part II of the Foreign Assistance Act of 1961.

PROHIBITION ON LEVERAGING AND DIVERSION OF UNITED STATES ASSISTANCE

SEC. 533. (a) None of the funds appropriated by this Act may be provided to any foreign government (including any instrumentality or agency thereof), foreign person, or United States person in exchange for that foreign government or person undertaking any action which is, if carried out by the United States Government, a United States official or employee, expressly prohibited by a provision of United States law.

(b) For the purposes of this section the term "funds appropriated by this Act" includes only (1) assistance of any kind under the Foreign Assistance Act of 1961; and (2) credits, and guaranties under the Arms Export Control Act.

(c) Nothing in this section shall be construed to limit—

(1) the ability of the President, the Vice President, or any official or employee of the United States to make statements or otherwise express their views to any party on any subject;

(2) the ability of an official or employee of the United States to express the policies of the President; or

(3) the ability of an official or employee of the United States to communicate with any foreign country government, group or individual, either directly or through a third party, with respect to the prohibitions of this section including the reasons for such prohibitions, and the actions, terms, or conditions which might lead to the removal of the prohibitions of this section.

DEBT-FOR-DEVELOPMENT

SEC. 534. In order to enhance the continued participation of nongovernmental organizations in economic assistance activities under the Foreign Assistance Act of 1961, including endowments, debt-for-development and debt-for-nature exchanges, a nongovernmental organization which is a grantee or contractor of the Agency for International Development may place in interest bearing accounts funds made available under this Act or prior Acts or local currencies which accrue to that organization as a result of economic assistance provided under the heading "Agency for International Development" and any interest earned on such investment may be for the purpose for which the assistance was provided to that organization.

LOCATION OF STOCKPILES

SEC. 535. Section 514(b)(2) of the Foreign Assistance Act of 1961 is amended by striking out "$389,000,000 for fiscal year 1993, of which amount not less than $200,000,000 shall be available for stockpiles in Israel, and up to $189,000,000 may be available for stockpiles in the Republic of Korea" and inserting in lieu thereof "$200,000,000 for stockpiles in Israel for fiscal year 1994".

ASSISTANCE FOR PAKISTAN

SEC. 536. (a) The date specified in section 620E(d) of the Foreign Assistance Act of 1961 is amended to read as follows: "September 30, 1994".

(b) None of the funds appropriated in this Act shall be obligated or expended for Pakistan except as provided through the regular notification procedures of the Committees on Appropriations.

SEPARATE ACCOUNTS

SEC. 537. (a) SEPARATE ACCOUNTS FOR LOCAL CURRENCIES.—(1) If assistance is furnished to the government of a foreign country under chapters 1 and 10 of part I (including the Philippines Multilateral Assistance Initiative) or chapter 4 of part II of the Foreign Assistance Act of 1961 under agreements which result in the generation of local currencies of that country, the Administrator of the Agency for International Development shall—

(A) require that local currencies be deposited in a separate account established by that government;

(B) enter into an agreement with that government which sets forth—

(i) the amount of the local currencies to be generated, and

(ii) the terms and conditions under which the currencies so deposited may be utilized, consistent with this section; and

(C) establish by agreement with that government the responsibilities of the Agency for International Development and that government to monitor and account for deposits into and disbursements from the separate account.

(2) USES OF LOCAL CURRENCIES.—As may be agreed upon with the foreign government, local currencies deposited in a separate account pursuant to subsection (a), or an equivalent amount of local currencies, shall be used only—

(A) to carry out chapters 1 or 10 of part I or chapter 4 of part II (as the case may be), for such purposes as:

(i) project and sector assistance activities, or

(ii) debt and deficit financing; or

(B) for the administrative requirements of the United States Government.

(3) PROGRAMMING ACCOUNTABILITY.—The Agency for International Development shall take all appropriate steps to ensure that the equivalent of the local currencies disbursed pursuant to subsection (a)(2)(A) from the separate account established pursuant to subsection (a)(1) are used for the purposes agreed upon pursuant to subsection (a)(2).

(4) TERMINATION OF ASSISTANCE PROGRAMS.—Upon termination of assistance to a country under chapters 1 or 10 of part I or chapter 4 of part II (as the case may be), any unencumbered balances of funds which remain in a separate account established pursuant to subsection (a) shall be disposed of for such purposes as may be agreed to by the government of that country and the United States Government.

(5) CONFORMING AMENDMENTS.—The provisions of this subsection shall supersede the tenth and eleventh provisos contained under the heading "Sub-Saharan Africa, Development Assistance" as included in the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1989 and sections 531(d) and 609 of the Foreign Assistance Act of 1961.

(b) SEPARATE ACCOUNTS FOR CASH TRANSFERS.—(1) If assistance is made available to the government of a foreign country, under chapters 1 or 10 of part I (including the Philippines Multilateral Assistance Initiative) or chapter 4 of part II of the Foreign Assistance Act of 1961, as cash transfer assistance or as nonproject sector assistance, that country shall be required to maintain such funds in a separate account and not commingle them with any other funds.

(2) APPLICABILITY OF OTHER PROVISIONS OF LAW.—Such funds may be obligated and expended notwithstanding provisions of law which are inconsistent with the nature of this assistance including provisions which are referenced in the Joint Explanatory Statement of the Committee of Conference accompanying House Joint Resolution 648 (H. Report No. 98-1159).

(3) NOTIFICATION.—At least fifteen days prior to obligating any such cash transfer or nonproject sector assistance, the President shall submit a notification through the regular notification procedures of the Committees on Appropriations, which shall include a detailed description of how the funds proposed to be made available will be used, with a discussion of the United States interests that will be served by the assistance (including, as appropriate, a description of the economic policy reforms that will be promoted by such assistance).

(4) EXEMPTION.—Nonproject sector assistance funds may be exempt from the requirements of subsection (b)(1) only through the notification procedures of the Committees on Appropriations.

COMPENSATION FOR UNITED STATES EXECUTIVE DIRECTORS TO INTERNATIONAL FINANCIAL INSTITUTIONS

SEC. 538. (a) No funds appropriated by this Act may be made as payment to any international financial institution while the United States Executive Director to such institution is compensated by the institution at a rate which, together with whatever compensation such Director receives from the United States, is in excess of the rate provided for an individual occupying a position at level IV of the Executive Schedule under section 5315 of title 5, United States Code, or while any alternate United States Director to such institution is compensated by the institution at a rate in excess of the rate provided for an individual occupying a position at level V of the Executive Schedule under section 5316 of title 5, United States Code.

(b) For purposes of this section, "international financial institutions" are: the International Bank for Reconstruction and Development, the Inter-American Development Bank, the Asian Development Bank, the Asian Development Fund, the African Development Bank, the African Development Fund, the International Monetary Fund, and the European Bank for Reconstruction and Development.

COMPLIANCE WITH UNITED NATIONS SANCTIONS AGAINST IRAQ

SEC. 539. (a) DENIAL OF ASSISTANCE.—None of the funds appropriated or otherwise made available pursuant to this Act to carry out the Foreign Assistance Act of 1961 (including title IV of chapter 2 of part I, relating to the Overseas Private Investment Corporation) or the Arms Export Control Act may be used to provide assistance to any country that is not in compliance with the United Nations Security Council sanctions against Iraq unless the President determines and so certifies to the Congress that—

(1) such assistance is in the national interest of the United States;

(2) such assistance will directly benefit the needy people in that country; or

(3) the assistance to be provided will be humanitarian assistance for foreign nationals who have fled Iraq and Kuwait.

(b) IMPORT SANCTIONS.—If the President considers that the taking of such action would promote the effectiveness of the economic sanctions of the United Nations and the United States imposed with respect to Iraq, and is consistent with the national interest, the President may prohibit, for such a period of time as he considers appropriate, the importation into the United States of any or all products of any foreign country that has not prohibited—

(1) the importation of products of Iraq into its customs territory, and

(2) the export of its products to Iraq.

POW/MIA MILITARY DRAWDOWN

SEC. 540. (a) Notwithstanding any other provision of law, the President may direct the drawdown, without reimbursement by the recipient, of defense articles from the stocks of the Department of Defense, defense services of the Department of Defense, and military education and training, of an aggregate value not to exceed $15,000,000 in fiscal year 1994, as may be necessary to carry out subsection (b).

(b) Such defense articles, services and training may be provided to Cambodia and Laos, under subsection (a) as the President determines are necessary to support efforts to locate and repatriate members of the United States Armed Forces and civilians employed directly or indirectly by the United States Government who remain unaccounted for from the Vietnam War, and to ensure the safety of United States Government personnel engaged in such cooperative efforts and to support United States Department of Defense-sponsored humanitarian projects associated with the POW/MIA efforts. Any aircraft shall be provided under this section only to Laos and only on a lease or loan basis, but may be provided at no cost notwithstanding section 61 of the Arms Export Control Act and may be maintained with defense articles, services and training provided under this section.

(c) The President shall, within sixty days of the end of any fiscal year in which the authority of subsection (a) is exercised, submit a report to the Congress which identifies the articles, services, and training drawn down under this section.

(d) There are authorized to be appropriated to the President such sums as may be necessary to reimburse the applicable appropriation, fund, or account for defense articles, defense services, and military education and training provided under this section.

MEDITERRANEAN EXCESS DEFENSE ARTICLES

SEC. 541. During fiscal year 1994, the provisions of section 573(e) of the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1990, shall be applicable, for the period specified therein, to excess defense articles made available under sections 516 and 519 of the Foreign Assistance Act of 1961.

PRIORITY DELIVERY OF EQUIPMENT

SEC. 542. Notwithstanding any other provision of law, the delivery of excess defense articles that are to be transferred on a grant basis under section 516 of the Foreign Assistance Act to NATO allies and to major non-NATO allies on the southern and southeastern flank of NATO shall be given priority to the maximum extent feasible over the delivery of such excess defense articles to other countries.

ISRAEL DRAWDOWN

SEC. 543. Section 599B(a) of the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1991 (as amended by Public Law 102-145, as amended, and Public Law 102-391), is further amended—

(a) by striking out "fiscal year 1993" and inserting in lieu thereof "fiscal year 1994"; and

(b) by striking out "Appropriations Act, 1993" and inserting in lieu thereof "Appropriations Act, 1994".

CASH FLOW FINANCING

SEC. 544. For each country that has been approved for cash flow financing (as defined in section 25(d) of the Arms Export Control Act, as added by section 112(b) of Public Law 99-83) under the Foreign Military Financing Program, any Letter of Offer and Acceptance or other purchase agreement, or any amendment thereto, for a procurement in excess of $100,000,000 that is to be financed in whole or in part with funds made available under this Act shall be submitted through the regular notification procedures to the Committees on Appropriations.

RESCISSION

SEC. 545. Of the unexpended balances of funds (including earmarked funds) made available for fiscal years 1987 through 1993 to carry out the provisions of chapter 4 of part II of the Foreign Assistance Act of 1961, $185,000,000 are rescinded.

AUTHORITIES FOR THE PEACE CORPS, THE INTER-AMERICAN FOUNDATION AND THE AFRICAN DEVELOPMENT FOUNDATION

SEC. 546. Unless expressly provided to the contrary, provisions of this or any other Act, including provisions contained in prior Acts authorizing or making appropriations for foreign operations, export financing, and related programs, shall not be construed to prohibit activities authorized by or conducted under the Peace Corps Act, the Inter-American Foundation Act, or the African Development Foundation Act. The appropriate agency shall promptly report to the Committees on Appropriations whenever it is conducting activities or is proposing to conduct activities in a country for which assistance is prohibited.

IMPACT ON JOBS IN THE UNITED STATES

SEC. 547. None of the funds appropriated by this Act may be obligated or expended to provide—

(a) any financial incentive to a business enterprise currently located in the United States for the purpose of inducing such an enterprise to relocate outside the United States if such incentive or inducement is likely to reduce the number of employees of such business enterprise in the United States because United States production is being replaced by such enterprise outside the United States;

(b) assistance for the purpose of establishing or developing in a foreign country any export processing zone or designated area in which the tax, tariff, labor, environment, and safety laws of that country do not apply, in part or in whole, to activities carried out within that zone or area, unless the President determines and certifies that such assistance is not likely to cause a loss of jobs within the United States; or

(c) assistance for any project or activity that contributes to the violation of internationally recognized workers rights, as defined in section 502(a)(4) of the Trade Act of 1974, of workers in the recipient country, including any designated zone or area in that country: *Provided*, That in recognition that the application of this subsection should be commensurate with the level of development of the recipient country and sector, the provisions of this subsection shall not preclude assistance for the informal sector in such country, micro and small-scale enterprise, and smallholder agriculture.

AUTHORITY TO ASSIST BOSNIA-HERCEGOVINA

SEC. 548. (a) Congress finds as follows:

(1) the United Nations has imposed an embargo on the transfer of arms to any country on the territory of the former Yugoslavia;

(2) the federated states of Serbia and Montenegro have a large supply of military equipment and ammunition and the Serbian forces fighting the government of Bosnia-Hercegovina have more than one thousand battle tanks, armored vehicles, and artillery pieces; and

(3) because the United Nations arms embargo is serving to sustain the military advantage of the aggressor, the United Nations should exempt the government of Bosnia-Hercegovina from its embargo.

(b) Pursuant to a lifting of the United Nations arms embargo against Bosnia-Hercegovina, the President is authorized to transfer to the government of that nation, without reimbursement, defense articles from the stocks of the Department of Defense of an aggregate value not to exceed $50,000,000 in fiscal year 1994: *Provided*, That the President certifies in a timely fashion to the Congress that—

(1) the transfer of such articles would assist that nation in self-defense and thereby promote the security and stability of the region; and

(2) United States allies are prepared to join in such a military assistance effort.

(c) Within 60 days of any transfer under the authority provided in subsection (b), and every 60 days thereafter, the President shall report in writing to the Speaker of the House of Representatives and the President pro tempore of the Senate concerning the articles transferred and the disposition thereof.

(d) There are authorized to be appropriated to the President such sums as may be necessary to reimburse the applicable appropriation, fund, or account for defense articles provided under this section.

SPECIAL AUTHORITIES

SEC. 549. (a) Funds appropriated in title II of this Act that are made available for Haiti, Afghanistan, Lebanon, and Cambodia, and for victims of war, displaced children, displaced Burmese, humanitarian assistance for Romania, and humanitarian assistance for the peoples of Bosnia-Hercegovina, Croatia, and Kosova, may be made available notwithstanding any other provision of law: *Provided*, That any such funds that are made available for Cambodia shall be subject to the provisions of section 531(e) of the Foreign Assistance Act of 1961 and section 906 of the International Security and Development Cooperation Act of 1985: *Provided further*, That the President shall terminate assistance to any Cambodian organization that he determines is cooperating, tactically or strategically, with the Khmer Rouge in their military operations.

(b) Funds appropriated by this Act to carry out the provisions of sections 103 through 106 of the Foreign Assistance Act of 1961 may be used, notwithstanding any other provision of law, for the purpose of supporting tropical forestry and energy programs aimed at reducing emissions of greenhouse gases with regard to the key countries in which deforestation and energy policy would make a significant contribution to global warming: *Provided*, That such assistance shall be subject to sections 116, 502B, and 620A of the Foreign Assistance Act of 1961.

POLICY ON TERMINATING THE ARAB LEAGUE BOYCOTT OF ISRAEL

SEC. 550. (a) FINDINGS.—The Congress finds that—

(1) since 1948 the Arab countries have maintained a primary boycott against Israel, refusing to do business with Israel;

(2) since the early 1950s the Arab League has maintained a secondary and tertiary boycott against American and other companies that have commercial ties with Israel;

(3) the boycott seeks to coerce American firms by blacklisting those that do business with Israel and harm America's competitiveness;

(4) the United States has a longstanding policy opposing the Arab League boycott and United States law prohibits American firms from providing information to Arab countries to demonstrate compliance with the boycott;

(5) with real progress being made in the Middle East peace process and the serious confidence-building measures taken by the State of Israel, and end to the Arab boycott of Israel and of American companies that have commercial ties with Israel is long overdue and would represent a significant confidence-building measure; and

(6) in the interest of Middle East peace and free commerce, the President must take more concrete steps to press the Arab states to end their practice of blacklisting and boycotting American companies that have trade ties with Israel.

(b) POLICY.—It is the sense of the Congress that—

(1) the Arab League countries should immediately and publicly renounce the primary boycott of Israel and the secondary and tertiary boycott of American firms that have commercial ties with Israel and

(2) the President should—

(A) take more concrete steps to encourage vigorously Arab League countries to renounce publicly the primary boycotts of Israel and the secondary and tertiary boycotts of American firms that have commercial relations with Israel as a confidence-building measure;

(B) take into consideration the participation of any recipient country in the primary boycott of Israel and the secondary and tertiary boycotts of American firms that have commercial relations with Israel when determining whether to sell weapons to said country;

(C) report to Congress on the specific steps being taken by the President to bring about a public renunciation of the Arab primary boycott of Israel and the secondary and tertiary boycotts of American firms that have commercial relations with Israel; and

(D) encourage the allies and trading partners of the United States to enact laws prohibiting businesses from complying with the boycott and penalizing businesses that do comply.

Titles I through V of this Act may be cited as the "Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1994".

TITLE VI—FISCAL YEAR 1993 SUPPLEMENTAL APPROPRIATIONS

The following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for the fiscal year ending September 30, 1993, and for other purposes, namely:

FUNDS APPROPRIATED TO THE PRESIDENT

ASSISTANCE FOR THE NEW INDEPENDENT STATES OF THE FORMER SOVIET UNION

For an additional amount for the "Assistance for the new Independent States of the former Soviet Union" and for related programs, $630,000,000, to be available upon enactment and to remain available until expended, of which not to exceed $500,000,000 may be made available for a special privatization and restructuring fund: *Provided*, That the United States contribution for such fund shall not exceed one-quarter of the aggregate amount being made available for such fund by all countries: *Provided further*, That the provisions of section 498B(j) of the Foreign Assistance Act of 1961 shall apply to funds appropriated by this paragraph.

DEPARTMENT OF DEFENSE

OPERATION AND MAINTENANCE

OPERATION AND MAINTENANCE, DEFENSE AGENCIES

For an additional amount for "Operation and maintenance, Defense Agencies", $979,000,000, to be available upon enactment and to remain available until September 30, 1994: *Provided*, That the Secretary of Defense

may transfer such funds to other appropriations available to the Department of Defense for the purposes of providing assistance to the new independent states of the former Soviet Union: *Provided further*, That the Secretary of Defense may transfer such funds to appropriations available to the Department of State and other agencies of the United States Government for the purposes of providing assistance and related programs for the new independent states of the former Soviet Union for programs that the President determines will increase the national security of the United States: *Provided further*, That the amounts transferred shall be available subject to the same terms and conditions as the appropriations to which transferred: *Provided further*, That the authority to make transfers pursuant to this provision is in addition to any other transfer authority of the Department of Defense.

This title may be cited as the "Supplemental Appropriations for the New Independent States of the Former Soviet Union Act, 1993".

□ 1640

The SPEAKER pro tempore (Mr. MCNULTY). Under the rule, the previous question is ordered.

Is a separate vote demanded on the amendment to the committee amendment adopted by the Committee of the Whole?

Mr. WALKER. No, Mr. Speaker, but I demand a vote on the committee amendment in the nature of a substitute, as amended.

The SPEAKER pro tempore. Is a separate vote demanded on the amendment to the committee amendment in the nature of a substitute?

POINT OF ORDER

Mr. OBEY. Mr. Speaker, I rise to a point of order.

The SPEAKER pro tempore. The gentleman will state his point of order.

Mr. OBEY. Mr. Speaker, we cannot hear what is being said.

The SPEAKER pro tempore. The vote is on the committee amendment in the nature of a substitute, as amended.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

RECORDED VOTE

Mr. WALKER. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 418, noes 0, not voting 16, as follows:

[Roll No. 239]

AYES—418

Abercrombie
Ackerman
Allard
Andrews (ME)
Andrews (NJ)
Andrews (TX)
Applegate
Archer
Armey
Bacchus (FL)
Bachus (AL)
Baesler
Baker (CA)
Baker (LA)
Ballenger
Barca
Barcia
Barlow
Barrett (NE)
Barrett (WI)
Bartlett
Barton
Bateman
Becerra
Beilenson
Bentley
Bereuter
Berman
Bevill
Bilbray
Bilirakis
Bishop
Blackwell
Bliley
Blute
Boehlert
Boehner
Bonilla
Bonior
Borski
Boucher
Brewster
Brooks
Browder
Brown (CA)
Brown (FL)
Brown (OH)
Bryant
Bunning
Burton
Buyer
Byrne
Callahan
Calvert
Camp
Canady
Cantwell
Cardin
Carr
Castle
Chapman
Clay
Clayton
Clement
Clinger
Clyburn
Coble
Coleman
Collins (GA)
Collins (IL)
Collins (MI)
Combest
Condit
Conyers
Cooper
Coppersmith
Costello
Cox
Coyne
Cramer
Crane
Crapo
Cunningham
Danner
Darden
Deal
DeFazio
DeLauro
DeLay
Dellums
Derrick
Deutsch
Diaz-Balart
Dickey
Dicks
Dingell
Dixon
Dooley
Doolittle
Dornan
Dreier
Duncan
Dunn
Durbin
Edwards (CA)
Edwards (TX)
Emerson
Engel
English (AZ)
English (OK)
Eshoo
Evans
Everett
Ewing
Farr
Fawell
Fazio
Fields (LA)
Filner
Fingerhut
Fish
Flake
Foglietta
Ford (MI)
Ford (TN)
Fowler
Frank (MA)
Franks (CT)
Franks (NJ)
Frost
Furse
Gallegly
Gallo
Gejdenson
Gekas
Geren
Gibbons
Gilchrest
Gillmor
Gilman
Gingrich
Glickman
Gonzalez
Goodling
Gordon
Goss
Grams
Grandy
Green
Greenwood
Gunderson
Gutierrez
Hall (OH)
Hall (TX)
Hamburg
Hamilton
Hancock
Hansen
Harman
Hastert
Hastings
Hayes
Hefley
Hefner
Herger
Hilliard
Hinchey
Hoagland
Hobson
Hochbrueckner
Hoekstra
Hoke
Holden
Horn
Houghton
Hoyer
Huffington
Hughes
Hutchinson
Hutto
Hyde
Inhofe
Inslee
Istook
Jacobs
Jefferson
Johnson (CT)
Johnson (GA)
Johnson (SD)
Johnson, E. B.
Johnson, Sam
Johnston
Kanjorski
Kaptur
Kasich
Kennedy
Kennelly
Kildee
Kim
King
Kingston
Kleczka
Klein
Klink
Klug
Knollenberg
Kolbe
Kopetski
Kreidler
Kyl
LaFalce
Lambert
Lancaster
Lantos
LaRocco
Laughlin
Lazio
Leach
Lehman
Levin
Levy
Lewis (CA)
Lewis (FL)
Lewis (GA)
Lightfoot
Linder
Lipinski
Livingston
Lloyd
Long
Lowey
Machtley
Maloney
Mann
Manton
Manzullo
Margolies-Mezvinsky
Markey
Martinez
Matsui
Mazzoli
McCandless
McCloskey
McCollum
McCrery
McCurdy
McDermott
McHale
McHugh
McInnis
McKeon
McKinney
McMillan
McNulty
Meehan
Meek
Menendez
Meyers
Mfume
Mica
Michel
Miller (CA)
Miller (FL)
Mineta
Minge
Mink
Moakley
Molinari
Mollohan
Montgomery
Moorhead
Moran
Morella
Murphy
Murtha
Myers
Nadler
Natcher
Neal (NC)
Nussle
Oberstar
Obey
Olver
Ortiz
Orton
Owens
Oxley
Packard
Pallone
Parker
Pastor
Paxon
Payne (NJ)
Payne (VA)
Penny
Peterson (FL)
Peterson (MN)
Petri
Pickett
Pombo
Pomeroy
Porter
Portman
Poshard
Price (NC)
Pryce (OH)
Quillen
Quinn
Rahall
Ramstad
Rangel
Ravenel
Reed
Regula
Reynolds
Richardson
Ridge
Roberts
Roemer
Rogers
Rohrabacher
Ros-Lehtinen
Rostenkowski
Roth
Roukema
Rowland
Roybal-Allard
Royce
Rush
Sabo
Sanders
Santorum
Sarpalius
Sawyer
Saxton
Schaefer
Schenk
Schiff
Schroeder
Schumer
Scott
Sensenbrenner
Serrano
Sharp
Shaw
Shays
Shepherd
Shuster
Sisisky
Skaggs
Skeen
Skelton
Slattery
Slaughter
Smith (IA)
Smith (MI)
Smith (NJ)
Smith (OR)
Smith (TX)
Snowe
Solomon
Spence
Spratt
Stark
Stearns
Stenholm
Stokes
Strickland
Studds
Stump
Stupak
Sundquist
Swift
Synar
Talent
Tanner
Tauzin
Taylor (MS)
Taylor (NC)
Tejeda
Thomas (CA)
Thompson
Thornton
Thurman
Torkildsen
Torres
Torricelli
Towns
Traficant
Tucker
Unsoeld
Upton
Valentine
Velazquez
Vento
Visclosky
Volkmer
Vucanovich
Walker
Walsh
Washington
Waters
Watt
Waxman
Weldon
Wheat
Whitten
Williams
Wilson
Wise
Wolf
Woolsey
Wyden
Wynn
Yates
Young (FL)
Zeliff
Zimmer

NOT VOTING—16

de la Garza
Fields (TX)
Gephardt
Goodlatte
Henry
Hunter
Inglis
McDade
Neal (MA)
Pelosi
Pickle
Rose
Sangmeister
Swett
Thomas (WY)
Young (AK)

□ 1657

So the committee amendment in the nature of a substitute, as amended, was agreed to.

The result of the vote was announced as above recorded.

The SPEAKER pro tempore (Mr. MCNULTY). 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. WOLF

Mr. WOLF. Mr. Speaker, I offer a motion to recommit.

The SPEAKER pro tempore. Is the gentleman opposed to the bill?

Mr. WOLF. In its present form, I am, Mr. Speaker.

The SPEAKER pro tempore. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. WOLF moves to recommit the bill, H.R. 2295, to the Committee on Appropriations with instructions to report the bill back forthwith with the following amendment:

On page 49, line 16, after "Serbia", insert ", Sudan".

The SPEAKER pro tempore. The gentleman from Virginia [Mr. WOLF] is recognized for 5 minutes.

Mr. WOLF. Mr. Speaker, this motion would add the Nation of Sudan to the list of nations which are prohibited from receiving any direct aid from the United States Government. The seven nations which are on this list already are considered international pariahs—Iraq, Serbia, and Cuba for example.

This amendment will not cut off any humanitarian aid to starving people. UNICEF, Feed the Children, World Vision, and others can still conduct their humanitarian work. U.S. Government food and medical programs can still

continue to the starving people, but no direct aid may go to the Government.

Sudan has earned the right to be on this list. The Government of Sudan is torturing and killing its own people. They are denying humanitarian shipments of food to the starving and they are conducting indiscriminate high altitude bombings of villages and towns. In short, they are silently committing a genocide of an entire culture in southern Sudan.

Right now 4 million people risk starvation. In the past decade as many as 500,000 have already died.

Our own State Department has made available gruesome new evidence that the Sudanese are actively involved in slavery. Taking hundreds of women and children from their homes in the south for forced labor within Sudan or exporting them to other countries—namely Libya—to serve as slaves. This is happening today, not 100 or 200 years ago.

I urge everyone to read the July edition of Vanity Fair magazine about the horrible conditions within Sudan. Once the Government of Sudan stops these actions, we can help them.

Support this motion to recommit. Send a clear message to the Government of Sudan—stop the famine. Stop the slavery. Stop the killing.

□ 1700

This amendment would not cut off any humanitarian aid to starving people. UNICEF, Feed the Children, World Vision, and others can still conduct their humanitarian work. The U.S. Government food and medical programs can still continue aiding the starving people, but no direct aid would go to the Government.

I urge everyone to read Vanity Fair this week, which details the atrocities by the Sudanese Government. Once they change, then we can deal with the aid question and be helpful, but until that time there will be no aid.

Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore (Mr. MCNULTY). The gentleman from Wisconsin [Mr. OBEY] is recognized for 5 minutes.

Mr. OBEY. Mr. Speaker, because the committee has had concern over the human rights situation and other atrocities in Sudan, the committee has already in its recommendations placed that country on the list of countries for which all spending must be submitted to Congress under the notification process.

However, the committee has no objection to including Sudan on the list of countries which cannot receive direct assistance. I do want to point out, however, that this does not preclude United States humanitarian assistance to people in need in southern Sudan. This assistance will not go through the Government, but through the private voluntary organizations.

With that understanding, Mr. Speaker, the committee has no objection to the gentleman's motion.

Mr. LIVINGSTON. Mr. Speaker, will the gentleman yield?

Mr. OBEY I am happy to yield to the gentleman from Louisiana.

Mr. LIVINGSTON. Mr. Speaker, the minority concurs in the gentleman's remarks and shares his views.

Mr. OBEY. Mr. Speaker, I yield back the balance of my time.

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 agreed to.

The SPEAKER pro tempore. The Chair recognizes the gentleman from Wisconsin [Mr. OBEY].

Mr. OBEY. Mr. Speaker, pursuant to the instructions of the House in the motion to recommit, I report the bill, H.R. 2295, back to the House with an amendment, which is at the Clerk's desk.

The SPEAKER pro tempore. The Clerk will report the amendment.

The Clerk read as follows:

Amendment: On page 49, line 16, after "Serbia", insert ", Sudan".

The SPEAKER pro tempore. The question is on the amendment.

The amendment was agreed to.

The SPEAKER pro tempore. 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.

The SPEAKER pro tempore. The question is on passage of the bill.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. RAHALL. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The vote was taken by electronic device, and there were—yeas 309, nays 111, not voting 14, as follows:

[Roll No. 240]

YEAS—309

Abercrombie
Ackerman
Allard
Andrews (ME)
Andrews (NJ)
Andrews (TX)
Bacchus (FL)
Bachus (AL)
Baesler
Ballenger
Barca
Barcia
Barlow
Barrett (WI)
Bartlett
Bateman
Beilenson
Bentley
Bereuter
Berman
Bevill
Bilbray
Bishop
Blackwell
Bliley
Blute
Boehlert
Boehner
Bonior
Borski
Boucher
Brewster
Browder
Brown (CA)
Brown (FL)
Brown (OH)
Bryant
Burton
Byrne
Calvert
Camp
Cantwell
Cardin
Carr
Castle
Clay
Clayton
Clement
Clinger
Clyburn
Coble
Coleman
Collins (IL)
Collins (MI)
Cooper
Coppersmith
Costello
Coyne
Cramer
Danner
Darden
Deal
DeLauro
Dellums
Derrick
Deutsch
Diaz-Balart
Dickey
Dicks
Dingell
Dixon
Dornan
Dunn
Durbin
Edwards (CA)
Edwards (TX)
Emerson
Engel
English (AZ)
Eshoo
Evans
Ewing
Farr
Fawell
Fazio
Filner
Fingerhut
Fish
Foglietta
Ford (MI)
Ford (TN)
Fowler
Frank (MA)
Franks (CT)
Franks (NJ)
Frost
Furse
Gallo
Gejdenson
Gephardt
Geren
Gibbons
Gilchrest
Gillmor
Gilman
Gingrich
Glickman
Gonzalez
Goodlatte
Gordon
Grams
Grandy
Green
Greenwood
Gunderson
Gutierrez
Hall (OH)
Hamburg
Hamilton
Harman
Hastert
Hastings
Hinchey
Hoagland
Hobson
Hochbrueckner
Hoekstra
Hoke
Holden
Horn
Houghton
Hoyer
Huffington
Hunter
Hyde
Inhofe
Istook
Jefferson
Johnson (CT)
Johnson (GA)
Johnson (SD)
Johnson, E. B.
Johnston
Kanjorski
Kaptur
Kasich
Kennedy
Kennelly
Kildee
King
Kingston
Kleczka
Klein
Klug
Knollenberg
Kolbe
Kopetski
Kreidler
Kyl
LaFalce
Lambert
Lancaster
Lantos
LaRocco
Laughlin
Lazio
Leach
Levin
Levy
Lewis (GA)
Lightfoot
Linder
Lipinski
Livingston
Long
Lowey
Machtley
Maloney
Mann
Manton
Manzullo
Margolies-Mezvinsky
Markey
Martinez
Matsui
Mazzoli
McCloskey
McCollum
McCrery
McCurdy
McDermott
McHale
McHugh
McInnis
McKinney
McMillan
McNulty
Meehan
Meek
Menendez
Meyers
Michel
Miller (CA)
Mineta
Mink
Moakley
Molinari
Moran
Morella
Murtha
Nadler
Natcher
Oberstar
Obey
Olver
Ortiz
Owens
Oxley
Pallone
Parker
Pastor
Paxon
Payne (NJ)
Payne (VA)
Penny
Peterson (FL)
Peterson (MN)
Pickett
Pomeroy
Porter
Portman
Price (NC)
Pryce (OH)
Quinn
Ramstad
Rangel
Ravenel
Reed
Regula
Reynolds
Richardson
Ridge
Roberts
Ros-Lehtinen
Rose
Rostenkowski
Roukema
Roybal-Allard
Royce
Rush
Sabo
Santorum
Sawyer
Saxton
Schenk
Schiff
Schroeder
Schumer
Scott
Serrano
Sharp
Shaw
Shays
Shepherd
Sisisky
Skaggs
Skeen
Skelton
Slaughter
Smith (IA)
Smith (NJ)
Smith (TX)
Snowe
Spratt
Stenholm
Stokes
Strickland
Studds
Stupak
Sundquist
Swift
Synar
Talent
Taylor (NC)
Tejeda
Thompson
Thornton
Torkildsen
Torres
Torricelli
Tucker
Unsoeld
Upton
Valentine
Vento
Visclosky
Vucanovich
Walsh
Washington
Watt
Waxman
Wilson
Wise
Wolf
Wyden
Wynn
Yates
Zeliff
Zimmer

NAYS—111

Applegate
Archer
Armey
Baker (CA)
Baker (LA)
Barrett (NE)
Barton
Becerra
Bilirakis
Bonilla
Brooks
Bunning
Buyer
Callahan
Canady
Chapman
Collins (GA)
Combest
Condit
Conyers
Crane
Crapo
Cunningham
DeFazio
DeLay
Dooley
Doolittle
Dreier
Duncan
English (OK)
Everett
Fields (LA)
Flake
Gallegly
Gekas
Goodling

Goss	Miller (FL)	Sensenbrenner
Hall (TX)	Minge	Shuster
Hancock	Mollohan	Slattery
Hansen	Montgomery	Smith (MI)
Hayes	Moorhead	Smith (OR)
Hefley	Murphy	Solomon
Hefner	Myers	Spence
Herger	Neal (NC)	Stark
Hughes	Nussle	Stearns
Hutchinson	Orton	Stump
Hutto	Packard	Tanner
Inglis	Petri	Tauzin
Inslee	Pombo	Taylor (MS)
Jacobs	Poshard	Thomas (CA)
Johnson, Sam	Quillen	Thurman
Kim	Rahall	Towns
Klink	Roemer	Traficant
Lehman	Rogers	Velazquez
Lewis (CA)	Rohrabacher	Volkmer
Lewis (FL)	Roth	Walker
Lloyd	Rowland	Waters
McCandless	Sanders	Weldon
McKeon	Sangmeister	Whitten
Mfume	Sarpalius	Williams
Mica	Schaefer	Young (FL)

NOT VOTING—14

Cox	McDade	Thomas (WY)
de la Garza	Neal (MA)	Wheat
Fields (TX)	Pelosi	Woolsey
Henry	Pickle	Young (AK)
Hilliard	Swett	

□ 1719

The Clerk announced the following pair:

On this vote:

Ms. Pelosi for; with Mr. Thomas of Wyoming against.

So the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

PERSONAL EXPLANATION

Mr. THOMAS of Wyoming. Mr. Speaker, because of the memorial services in Wyoming for former Governor and U.S. Senator Milward Simpson, I was unable to cast my vote on rollcall votes 239 and 240, as the House of Representatives considered H.R. 2295, foreign operations appropriations for fiscal year 1994. Had I been present I would have voted: "aye" on rollcall No. 239 and "no" on rollcall No. 240.

PERSONAL EXPLANATION

Mr. FIELDS of Texas. Mr. Speaker, due to an unexpected obligation, I missed votes today. Had I been here, I would have voted against the rule for H.R. 2295, roll No. 233; present at the quorum call, roll No. 234; in favor of the committee substitute, roll No. 235; in favor of the Burton amendment as amended by the Obey substitute, roll No. 236; in favor of the Callahan amendment, roll No. 237; in favor of the Kasich amendment, roll No. 238; in favor of the committee substitute as amended, roll No. 239; and against final passage of the foreign operations appropriations, roll No. 240.

PERSONAL EXPLANATION

Mr. HILLIARD. Mr. Speaker, I rise today to state that I regret having not been present during the course of rollcall vote No. 240, on H.R. 2295, in which we voted on the aid package to the State of Israel. I am in favor of the above stated aid package and would have voted in favor of it, had I been present on the floor of the House. I am also in favor of the $80 million package which allocates moneys to Israel for the purpose of refugee assistance, especially the assistance to the Ethiopian Jews. I am a supporter of Israel and greatly understand the imperative of continuing the support of the United States for the great State of Israel.

PERSONAL EXPLANATION

Ms. PELOSI. Mr. Speaker, as a result of personal family business, I was absent from a number of votes. Had I been here to vote, I would have voted the following way:

On Rollcall No. 233, on agreeing to House Resolution 200, the rule for H.R. 2295, the fiscal year 1994 foreign operations appropriations bill, "aye."

On Rollcall No. 235, the Obey amendment to H.R. 2295, the fiscal year 1994 foreign operations appropriations bill, "aye."

On Rollcall No. 236, the Obey substitute to the Burton amendment, "aye."

On Rollcall No. 237, the Callahan amendment to H.R. 2295, "no."

On Rollcall No. 238, the Kasich amendment to H.R. 2295, "no."

On Rollcall No. 239, the committee substitute as amended, "aye."

On Rollcall No. 240, final passage of the fiscal year 1994 foriegn operations appropriations bill, "aye."

PERSONAL EXPLANATION

Mr. SWETT. Mr. Speaker, because of a longstanding commitment, I was unable to be present for the vote on H.R. 2295, the foreign operations appropriation for fiscal year 1994. Had I been present, I would have voted "aye."

PERSONAL EXPLANATION

Mr. COX. Mr. Speaker, I was unavoidable detained during the last vote, and, indeed, entered the Chamber before the gavel fell but was unable to cast my vote. Had I been able to do so on the last rollcall, I would have voted "aye."

PERSONAL EXPLANATION

Ms. WOOLSEY. Mr. Speaker, I apologize for having gotten here just as you turned the lights off. Had I been here for the vote on final passage, I would have voted "aye."

PERSONAL EXPLANATION

Mr. WHEAT. Mr. Speaker, I was rushing up the steps when the vote closed. I was unable to cast my ballot. Had I been here for the vote on final passage, I would have cast a vote "aye."

AUTHORIZING THE CLERK TO MAKE CORRECTIONS IN ENGROSSMENT OF H.R. 2295, FOREIGN OPERATIONS, EXPORT FINANCING, AND RELATED PROGRAMS APPROPRIATIONS ACT, 1994

Mr. OBEY, Mr. Speaker, I ask unanimous consent that the Clerk may be permitted to make technical and conforming changes, including section renumbering, during engrossment of the bill, H.R. 2295.

The SPEAKER pro tempore (Mr. MCNULTY). Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

GENERAL LEAVE

Mr. OBEY. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill, H.R. 2295, and that I may be permitted to include charts, tables, and other material.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

□ 1720

REPORT ON H.R. 2445, ENERGY AND WATER DEVELOPMENT APPROPRIATIONS ACT, 1994

Mr. BEVILL, from the Committee on Appropriations, submitted a privileged report (Rept. No. 103–135) on the bill (H.R. 2445) making appropriations for energy and water development for the fiscal year ending September 30, 1994, and for other purposes, which was referred to the Union Calendar and ordered to be printed.

Mr. MYERS of Indiana reserved all points of order on the bill.

REPORT ON H.R. 2446, MILITARY CONSTRUCTION APPROPRIATIONS ACT, 1994

Mr. HEFNER, from the Committee on Appropriations, submitted a privileged report (Rept. No. 103–136) on the bill (H.R. 2446) making appropriations for military construction and family housing for the Department of Defense for the fiscal year ending September 30, 1994, which was referred to the Union Calendar and ordered to be printed.

Mrs. VUCANOVICH reserved all points of order on the bill.

TREASURY, POSTAL SERVICE AND GENERAL GOVERNMENT APPROPRIATIONS ACT, 1994

Mr. BEILENSON, from the Committee on Rules, reported the following privileged resolution (H. Res. 201, Rept. No. 103–137), which was referred to the House Calendar and ordered to be printed:

H. RES. 201

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. 2403) making

appropriations for the Treasury Department, the United States Postal Service, the Executive Office of the President, and certain Independent Agencies, for the fiscal year ending September 30, 1994, and for other purposes. The first reading of the bill shall be dispensed with. Points of order against consideration of the bill for failure to comply with clause 7 of rule XXI 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 Appropriations. After general debate the bill shall be considered for amendment under the five-minute rule. Points of order under clause 2 or 6 of rule XXI against provisions in the bill are waived except as follows: beginning with "Provided" on page 17, line 2, through "Code:" on line 5; beginning on page 19, line 22, through page 20, line 16; and beginning on page 62, line 22, through page 63, line 2. Where points of order are waived against only part of a paragraph, a point of order against matter in the balance of the paragraph may be applied only within the balance of the paragraph and not against the entire paragraph. It shall be in order to consider the amendment printed in the report of the Committee on Rules accompanying this resolution if offered by a named proponent or a designee. That amendment shall be considered as read, shall be debatable for the time specified in the report equally divided and controlled by its proponent and an opponent, and shall not be subject to amendment. All points of order against the amendment printed in the report 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.

Mr. BEILENSON. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 201 and ask for its immediate consideration.

The SPEAKER pro tempore (Mr. MCNULTY). The Clerk will report the resolution.

The Clerk read the resolution.

The SPEAKER pro tempore. The question is, Will the House now consider House Resolution 201?

So (two-thirds having voted in favor thereof), the House agreed to consider House Resolution 201.

The SPEAKER pro tempore. The gentleman from California [Mr. BEILENSON] is recognized for 1 hour.

Mr. BEILENSON. Mr. Speaker, for the purpose of debate only, I yield the customary one-half hour of debate time to the gentleman from Tennessee, Mr. QUILLEN, pending which 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 201 is the rule providing for the consideration of H.R. 2403, making appropriations for the Treasury Department, the U.S. Postal Service, the Executive Office of the President, and certain independent agencies, for fiscal year 1994.

This is an open rule providing 1 hour of general debate equally divided and controlled by the chairman and ranking minority member of the Appropriations Committee.

The rule waives clause 7 of rule 21, which requires a 3-day layover for an appropriation bill after the report has been filed. The committee requested this waiver in the interest of timely consideration and in order to expedite the business of the House.

The rule also waives clauses 2 and 6 of rule 21 against all provisions of the bill, except the second proviso of section 101, which provides for cash awards and rewards for certain employees; section 108, regarding the establishment of user fees for label approval by the Federal Alcohol Administration Act; and section 527, which allows sick leave to be used for the adoption of a child. These provisions, which are legislation in an appropriations bill in violation of clause 2 of rule 21, are not covered by the waiver since the committees with jurisdiction objected to protecting them.

Where only a portion of a paragraph is protected, a point of order may lie only against the balance of the paragraph and not the entire paragraph.

Mr. Speaker, the rule also waives points of order against an amendment to be offered by Representatives SHEPHERD, FINGERHUT, TORKILDSEN, FOWLER, and LAMBERT, which would limit certain funding for former Presidents to 5 years after service as President. The amendment is debatable for 20 minutes and is not subject to amendment.

Finally, Mr. Speaker, the rule provides one motion to recommit.

Mr. Speaker, the bill for which the Rules Committee has recommended this rule, H.R. 2403, provides $22.730 billion for fiscal year 1994 for the activities of the Treasury Department, the U.S. Postal Service, most of the agencies within the Executive Office of the President, and certain independent agencies, including the Federal Election Commission, the Office of Personnel Management, and the U.S. Tax Court.

Additional sums in the bill are made available which do not require congressional consideration in the annual appropriations process; the major item in this category is the payment of interest on the national debt.

Mr. Speaker, to repeat, House Resolution 201 is an open rule; any germane amendment will be in order. I urge adoption of the rule so that the House can proceed to consideration of this appropriation measure.

Mr. Speaker, I reserve the balance of my time.

Mr. QUILLEN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the gentleman from California, Mr. BEILENSON, has fully described the provisions of this rule, and I support it.

I do want to raise one point that concerns me. There was a great deal of discussion in the Rules Committee regarding an amendment which would limit funding for offices and staff for former Presidents, and this amendment was made in order and protected from points of order under the rule. There was also much debate on a related amendment offered by Mr. COBLE which would prohibit Secret Service protection for former Presidents after 1 year, but his amendment was not allowed. Although I don't fully agree with either of these amendments, I do think it's unfair to make one in order but not the other.

Mr. Speaker, H.R. 2403 appropriates more than $22.7 billion to fund the Treasury Department, the U.S. Postal Service, the Executive Office of the President, and several independent agencies. This amount is $167 million over last year's amount, and exceeds the President's request by more than $723 million.

I think some of these funds can be substantially reduced, and this open rule will allow Members to offer amendments to reduce the total amount of spending in the bill.

Mr. Speaker, I am submitting with my statement a comparative chart of open versus restrictive rules for the 95th through the 103d Congresses and a separate chart of open versus restrictive rules for the 103d Congress. I urge adoption of the rule so we can proceed with consideration of this important measure.

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

OPEN VERSUS RESTRICTIVE RULES—95TH–103D CONGRESSES—Continued

Congress (years)	Total rules granted [1]	Open rules [2]		Restrictive Rules [3]	
		Number	Percent	Number	Percent
103d (1993–94)	23	6	26	17	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 rule, 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–102nd Congresses; "Notices of Action Taken," Committee on Rules, 103rd Congress, through June 9, 1993.

OPEN VERSUS RESTRICTIVE RULES—103D CONGRESS

Rule number and date reported	Rule type	Bill number and subject	Amendments 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–10; 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 (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 11, 1993	O	H.R. 2200: NASA authorization	N/A	N/A	A: Voice Vote (06/14/93)
H. Res. 195—June 14, 1993	MC	H.R. 5: Striker replacement	7 (D–4; R–3)	2 (D–1; R–1)	A: 244–176 (06/15/93)
H. Res. 197—June 15, 1993	MO	H.R. 2333: State Dept H.R. 2404: Foreign Aid.	53 (D–20; R–33)	27 (D–12; R–15)	A: 294–129 (6/16/93)
H. Res. 199—June 16, 1993	C	H.R. 1876: Ext. of "Fast Track"			
H. Res. 200—June 16, 1993	MC	H.R. 2295: For. Ops. Appropriations	33 (D–11; R–22)	5 (D–1; R–4)	A: 2633–160 (6/17/93)
H. Res. June 17, 1993	O	H.R. 2403: Treasury-Postal Approps			

Code: C-Closed; MC-Modified closed; MO-Modified open; O-Open; D-Democrat; R-Republican; PQ: Previous Question; A-Adopted; F-Failed.

Mr. QUILLEN. Mr. Speaker, I yield 4 minutes to the gentleman from Florida [Mr. GOSS].

Mr. GOSS. Mr. Speaker, if pure parliamentary precedent were our guide, we would not be having this discussion today about a rule for the Treasury/Postal appropriations bill. Traditionally appropriations bills come to the floor without a rule, open to spending cut amendments and vulnerable to points of order in places where House rules are not upheld. So far this year we have abandoned tradition and dealt with 2 of the 13 appropriations bills under restrictive rules. Many Members complained about this heavy-handedness because we strenuously oppose efforts by the House leadership to shut Members out of the process and predetermine the outcome of the legislative process.

So today, as we take up the third of this year's spending bills, I rise to commend the leadership for moving this House back toward the normal procedures of openness and fair play. Today we will consider the Treasury/Postal spending bill under an open rule, allowing all Members the same chance to present amendments to cut spending from this bill. That is good news and I hope it signals more openness in the weeks and months to come.

It should be noted that the rule we have today includes a patchwork of waivers of House rules for certain portions of this bill that include unauthorized appropriations or legislative language, which normally are not allowed in appropriations bills. While some might argue that we should not be waiving House rules, my main concern is that if we are going to waive the rules we should do so uniformly and afford all Members an equal chance to make changes to this bill. For example, we provided the needed waivers so that four freshmen could offer an amendment to place a limit on taxpayer support for official expenses of former Presidents, which I know many of us support.

However, a similar waiver was not provided to allow Mr. SMITH of Texas the chance to offer his amendment to set aside 5 percent of this bill for deficit reduction, a proposal that enjoys broad support among Members. It is the inconsistent application of House rules that I find troubling. Of course, I also oppose in principle the waiver in this rule of the requirement that Members have 3 days to review the bill before voting on it. I just do not think we are in that much of a hurry that we could not take the few extra days, especially on a bill that seeks to spend almost $23 billion.

Again I have to ask, what's the rush? Despite these concerns, this rule does show progress toward a more open House. For that reason I hope my colleagues will support it.

Mr. QUILLEN. Mr. Speaker, I yield 2 minutes to the gentleman from Iowa [Mr. LIGHTFOOT].

Mr. LIGHTFOOT. I thank the gentleman for yielding this time to me.

Mr. Speaker, I rise in support of the rule. It is a relatively open rule, as rules go. I know I have often opposed rules that are anything less than open, but I believe this rule we have today is acceptable.

Members are being permitted to offer virtually any amendment they desire to strike items or cut funding in the bill. Some of those amendments I will be supporting. The majority on the subcommittee has been quite flexible in meeting the requests and concerns of the minority, and I believe that spirit of cooperation is reflected in the rule requested and approved by the Rules Committee for consideration of H.R. 2403.

I urge my colleagues' support for the rule.

Mr. QUILLEN. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. BEILENSON. Mr. Speaker, I thank the gentleman from Iowa [Mr. LIGHTFOOT] for his support for the rule, and I thank the gentleman from Florida [Mr. GOSS] for his fairly kind remarks.

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.

The SPEAKER pro tempore (Mr. MCNULTY). Pursuant to House Resolution 201 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. 2403.

□ 1735

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. 2403) making appropriations for the Treasury Department, the U.S. Postal Service, the Executive Office of the President, and certain independent agencies, for the fiscal year ending September 30, 1994, and for other purposes with Mr. STUDDS 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 Maryland [Mr. HOYER] will be recognized for 30 minutes, and the gentleman from Iowa [Mr. LIGHTFOOT] will be recognized for 30 minutes.

The Chair recognizes the gentleman from Maryland [Mr. HOYER].

Mr. HOYER. Mr. Chairman, I yield such time as he may consume to the chairman of the Committee on Appropriations, the gentleman from Kentucky [Mr. NATCHER], one of our most distinguished Members of the Congress of the United States.

Mr. NATCHER. I thank the gentleman for yielding.

Mr. Chairman, this is the third appropriation bill for fiscal year 1994 to come before the House. I want to commend the gentleman from Maryland [Mr. HOYER], the chairman of this subcommittee, and the gentleman from Iowa [Mr. LIGHTFOOT], the ranking minority member on the subcommittee. These are two of the ablest members on our committee and two of the ablest Members of the House.

Mr. Chairman, this is an important bill. It provides for several law enforcement and other important Government agencies. All of the 11 members composing the Subcommittee on Treasury, Postal Service, like the chairman and ranking minority member, have done a good job developing this important bill. I want to commend all of them.

Mr. Chairman, we have an excellent staff on this subcommittee as we do on all 13 of our subcommittees. They have also contributed to this bill.

Mr. Chairman, next week we have seven full committee markups scheduled on the Committee on Appropriations. We are continuing to move our appropriations bills to the floor for consideration prior to the Fourth of July work period. Members of the committee from both sides of the aisle have helped me as chairman and helped our committee, and I want all of you to know that we appreciate it.

I want to commend the chairman of this subcommittee and its ranking member and all of the other subcommittee members for a job well done.

Mr. Chairman, I urge adoption of this bill.

Mr. HOYER. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I am pleased to present the Treasury, Postal Service, and General Government appropriations bill for fiscal year 1994.

The budget request for the Treasury, Postal Service bill was for $11.249 billion in discretionary budget authority and $11.590 billion in outlays. That request was a reduction of $34 million below 1993 enacted in budget authority and a reduction of $385 million—or almost 3 percent—below 1993 enacted in outlays. The President proposed almost no program increases—the only exception was IRS—and a reduction of 3 percent in all administrative expenses. In addition the President proposed a personnel reduction in almost all accounts of 2 percent.

The bill before you is within the 602(b) allocation in both discretionary budget authority and outlays. The proposed bill is almost the same as the actual 1993 appropriation in discretionary budget authority and is actually $456 million below the actual 1993 outlays. It does not fund all of the agencies at the levels that I would like to see them funded. But Congress needs to show the American people that we can control spending and that we can do it in a responsible way.

I believe that by establishing a system of performance management, and by establishing and refining programs to cut out waste, fraud, and abuse we can make those reductions and at the same time increase the productivity of our agencies. In the report, I have proposed actions which will set in motion a basic reform of Government. I will not elaborate on them now but I recommend that each of you read this report carefully.

I will now briefly summarize the bill by title. We are recommending an additional $4 million to Customs and $2 million to ATF above the President's budget to get them back to the 1993 level. We are recommending reducing the Internal Revenue Service Tax Law Enforcement by $35 million and tax systems modernization [TSM] program in IRS by $85 million. We have made those reductions to TSM projects which will not have productivity savings in 1994. The committee has funded all those TSM projects which had immediate productivity increases. I reluctantly reduced IRS because I know the important function they perform in deficit reduction.

The Postal Service is fully funded at the President's budget request. The reconciliation bill contains a major reform in revenue forgone which I believe to be a carefully crafted compromise. The appropriation contained in this bill is consistent with that compromise.

In the Executive Office of the President, the committee has proposed funding all the accounts at the level proposed by the President. The level proposed by the President and recommended by the committee represents a $10.7 million—9.56 percent—reduction in funding and a personnel reduction of 350—25.1 percent. Except for OMB, this committee has almost fully funded the Executive Office for all of the past 12 years. I personally voted against the cuts in the Executive Office on the floor last year when the polls indicated that President Bush was going to be reelected. I really believe that it is important for a President—Republican or Democrat—to have adequate staffing. The current administration has committed to reducing the total personnel resources available to the Executive Office of the President and has chosen to reduce both the number of FTE's and the number of detailees to the Executive Office of the President. I emphasize that the President is proposing real reductions in the Executive Office in 1994 below 1993 levels. For details of that reduction I would like to refer you to page 43 of the report.

In GSA, the committee recommends reducing all the individual court projects by 10 percent. We can do this by making the Federal courts more cost conscious in the design of their buildings. Mr. VISCLOSKY, the vice chairman of the subcommittee has been a real leader in this effort and has often expressed concern about the courts building program. The courts need to be more cost conscious about courtrooms and the lack of restraint on the part of many judges. The committee has included report language which expresses that concern.

The committee has also recommended eliminating the appropriation for the administrative conference of the United States and has reduced funding for the tax court by $1.7 million.

In title 6, General Provisions, the committee has continued the mandatory use language for FTS2000. Chairmen BROOKS, CONYERS, and SABO as well as GSA and OMB recommended this language be continued.

Again, I urge you to read and review the report. You will see a lot of report language about how we on this subcommittee can better review the agencies we have under our jurisdiction. Performance management is an important management tool that both we and the agencies need to use to more effectively manage Government and ensure effectiveness. I will not go into a lot of detail on this and many other principles because it deals in a very nonpartisan way with good Government issues that all Members can agree on.

I commend the ranking minority member, Mr. LIGHTFOOT, for the job

that he has done, and I appreciate the conscientious and faithful service of all the members of the subcommittee—Mr. VISCLOSKY, Mr. DARDEN, Mr. OLVER, Chairman BEVILL, Chairman SABO, Chairman NATCHER, Mr. LIGHTFOOT, Mr. WOLF, Mr. ISTOOK, and Mr. MCDADE.

Mr. Chairman, this is a bill which provides a level of funding which will allow most agencies to operate at about the fiscal year 1993 level of operations. I urge the support of all Members.

□ 1740

Mr. LIGHTFOOT. Mr. Chairman, I yield myself as much time as I may use.

Mr. Chairman, let me first say it has been a great pleasure to work with my good friend, the gentleman from Maryland [Mr. HOYER] in my first year as ranking member on the subcommittee and his first year as chairman of our subcommittee. We have had an interesting year. We have had an exciting year so far. I really want to compliment the gentleman from Maryland [Mr. HOYER] on doing his absolute level best to work with and to meet the concerns of the minority throughout this whole process. As a result, I think we have reached a degree of cooperation that might be a bit unusual in this body, but this has been a real pleasure to work on this bill.

I also would be remiss if I did not compliment the staff people on both sides of the aisle. They have worked together as a team, and as a result I think we have put together a pretty good package, with a few exceptions.

I must admit that we have faced some challenges in the past few weeks, but again I would like to commend the chairman and all the members on the subcommittee for working, very, very hard to accommodate the minority and all the members of the subcommittee both in the hearings and on the issues that were important to each of us.

Again, we have a tough year as far as meeting the funding needs in our bill. There may be a few areas where we could cut a little more, but I do commend the chairman for working to streamline and eliminate the unnecessary programs. As has been stated, we are below the subcommittee's 602(b) allocation by $35 million in budget authority and $3 million below in outlays. I think any way you describe it, this is a very tight bill.

I would also note that we are only $1 million over the fiscal year 1993 enacted level in budget authority and $456 million below fiscal year 1993 outlays. Around $200 million of that cut is in the form of technical cuts.

We are also $71.1 million below the request, and I would recommend that every Member of this body read the general statement that is included in the beginning of the report for issues such as end-of-the-year funding and traveling expenses are discussed, agencies are cautioned to review these areas.

I commend the chairman for this as well, because I think it sends a message that we are serious about doing something with the budget.

There is probably only one major area where I have a little heartburn, and that is in funding the Executive Office of the President. The Congress has usually respected and granted the President's request for funding for his offices, as the chairman pointed out, but this year has been a little unusual because there have been some unusual goings-on at the White House, particularly with respect to staffing and expenditures.

□ 1750

The President stated a goal to reduce White House staff by 25 percent. The best figure we can come up with shows only by 11.6 percent for staff in fiscal year 1994. In addition, as my colleagues know, the White House has requested a rather substantial supplemental appropriation for fiscal year 1993. I believe several amendments will be offered to help the President achieve his stated goals for cuts and streamlining.

I might also add at this point, in the spirit of cooperation, that it has existed throughout our whole committee activities that disagreements that we have had have been purely on philosophy and, possibly, in interpretation on a point or two, and that is really what this body is all about.

There has been an ongoing GAO audit, at the request of the minority members of the subcommittee, of personnel records in the White House due to a reportedly large number of backdated payroll actions. We received several reports about unusual payroll transactions at the White House, and asked GAO to investigate. GAO is now nearing the completion of its investigation and has put together a substantial amount of information. Payroll backdating is a highly unusual practice which, sources tell us, has not occurred in past administrations. Therefore, I intend to offer an amendment later to reduce White House salaries and expenses accordingly.

In addition to payroll backdating, there are questions about the White House travel office firings and hiring of the President's cousin, White House influence in bringing in the FBI and the IRS, and even the whirlpool being installed in the Vice President's mansion. As a result I think there is enough doubt about enough different actions being taken by the White House that we would be negligent not to ask some questions, particularly as we can expect to be asked, once again, to approve a supplemental for the White House. We held hearings on the White House and had them come back before the subcommittee a second time; however, I am not entirely satisfied with the response we got to our questions. I don't think we can just let the matter drop.

I also am very concerned about language being deleted from the bill this year which prohibited Federal taxpayer financing of abortions under Federal employees health benefit plans. This language has been in the bill for a decade, and it is unfortunate, because surveys show that the majority of Americans oppose taxpayer financing of abortions. Unfortunately, several problems prevent us from addressing this issue today, but I am hopeful we can address this matter at a later date.

Finally, let me emphasize that the chairman and I have few other major differences in this bill with respect to policies; rather, I think our major differences lie in the dollar figures in some programs, and again, I thank my chairman for his cooperation. He did an excellent job working with us, as I mentioned earlier, and it has really been encouraging, I think, to work in a really bipartisan manner, to put a package together, and through the amendment process we can address some of those differences that we have.

Mr. Chairman, I reserve the balance of my time.

Mr. HOYER. Mr. Chairman, I yield 5 minutes to the distinguished gentleman from Georgia [Mr. DARDEN], a Member who does such an outstanding job on the committee.

Mr. DARDEN. Mr. Chairman, as a new member of the Subcommittee on Treasury-Postal Service-General Government I want to say, first of all, that I am pleased, and I want to say how proud I am, to have had the opportunity to work with our distinguished chairman, the gentleman from Maryland [Mr. HOYER], and especially since this is his first term as chairman of that subcommittee, I am able to be a part of the goings-on and the activities of this very outstanding subcommittee. It is also a great pleasure to work with my good friend, the gentleman from Iowa [Mr. LIGHTFOOT], and, as has already been indicated by the gentleman from Iowa and the gentleman from Maryland, we have reached a bipartisan consensus on this committee, and I am very proud to say that we voted our bill out of subcommittee this year unanimously, and, while we might have disagreed on several rather insignificant matters, for the most part we have met our responsibilities, and we have acted in a bipartisan manner.

I would also like to commend the staff, both the majority and minority staff, and let them know how much I appreciate the help that they have given me in my initial term on this subcommittee. I look forward to serving with them for many years to come.

As has been noted, Mr. Chairman, one of the outstanding features about

this bill is that we have met our responsibilities while cutting some $456 million away from the total from the previous year. In years of a tight budget this has been extremely tough, and it was cause for a lot of soul searching done among us, but we have met our responsibilities and have done it well.

Let me briefly outline some of the responsibilities of this very important subcommittee.

First of all, in setting the appropriations for the Department of the Treasury, Mr. Chairman, we need to look at some of the agencies within the Treasury and the Internal Revenue Service, for example. This is the only committee in the House of Representatives where the Commissioner of the Internal Revenue Service has to come to the subcommittee and request something. Normally we are used to being told what to do by the IRS, but it is good to be able to, in our operation of our system of checks and balances, determine the needs of the Internal Revenue Service.

Also, when it comes to certain law enforcement agencies, as a former district attorney I am very interested in seeing that our Federal law enforcement agencies are properly funded, and we have done that for the Bureau of Alcohol, Tobacco and Firearms, as well as Customs, and other departments such as the Secret Service. I think it is absolutely important that also our Federal officers and officials, law enforcement officials, be well-trained, and the Federal Law Enforcement Training Center located in Georgia, on St. Simons Island in Georgia, is meeting that responsibility. This bill contains the appropriations for the salaries for their personnel, plus about $7 million in construction for additional facilities there. Virtually every Federal law enforcement official, except for the FBI and DEA agents, are trained at this facility, and it is certainly an outstanding one.

Let me say in conclusion, Mr. Chairman, that this subcommittee has wrestled long and hard to cut, and make responsible cuts, in this budget. It has, in a bipartisan manner, achieved its goals, and I want to ask my colleagues of the Congress to look very carefully before making any additional cuts in this bill. We are proceeding under virtually an open rule, but at the same time this puts more responsibility on us, that, before we make more cuts, to look and be sure that these cuts are justified.

Again, Mr. Chairman, it is a pleasure and a privilege to serve on this committee.

Mr. LIGHTFOOT. Mr. Chairman, I thank the gentleman from Georgia [Mr. DARDEN] for his kind words, and I yield 2 minutes to my friend the gentleman from Missouri [Mr. EMERSON], for the purpose of a colloquy.

Mr. EMERSON. Mr. Chairman, I would like to engage the gentleman from Maryland [Mr. HOYER] in a brief colloquy concerning the appropriation for the Cape Girardeau, MO, Federal Building and U.S. courthouse in the bill which we are currently debating. First of all, Mr. Chairman, I would like to thank you very much for yours and Mr. LIGHTFOOT's efforts on behalf of this appropriation. This appropriation is a critical first step in the eventual construction of a new Federal building and U.S. courthouse in Cape Girardeau.

As you know Mr. Chairman, this project was authorized by the Committee on Public Works and Transportation in the amount of $5.6 million. However, I certainly understand the tough limitation of funds that you and others on the committee have had during the deliberations this year.

Therefore, for clarification purposes only, it is my understanding that the committee has included $3.9 million for the site acquisition of a Federal office building and U.S. courthouse in Cape Girardeau, MO, and that the design funds were to be funded from GSA's design and construction activities. I believe that by doing this we are giving the General Services Administration the maximum flexibility it needs in these times of budgetary constraints.

Mr. Chairman, is that the gentleman's understanding?

Mr. HOYER. Mr. Chairman, will the gentleman yield?

Mr. EMERSON. I yield to the gentleman from Maryland.

Mr. HOYER. I say to the gentleman, "That is, indeed, my understanding, Mr. Emerson." According to the Capital Improvement Program authorized by the Committee on Public Works and Transportation, the money appropriated would be for site acquisition and design of a Federal building and U.S. courthouse in Cape Girardeau, MO.

Mr. EMERSON. Mr. Chairman, I thank the gentleman from Maryland [Mr. HOYER] and the gentleman from Iowa [Mr. LIGHTFOOT] once again for their cooperation in this matter, and I am pleased to have this clarification.

Mr. HOYER. Mr. Chairman, I yield such time as he may consume to the gentleman from Minnesota [Mr. SABO], the chairman of the Committee on the Budget, a member of the Committee on Appropriations, and a distinguished member of our Subcommittee on Treasury-Postal Service-General Government.

□ 1800

Mr. SABO. Mr. Chairman, I thank the gentleman for yielding.

Mr. Chairman, I have a colloquy to enter into with the gentleman from Maryland [Mr. HOYER], but before I do that, let me simply congratulate the gentleman from Maryland [Mr. HOYER] for an outstanding job during his first year as chairman of the subcommittee, and also congratulate the gentleman from Iowa [Mr. LIGHTFOOT]. The gentlemen have very tight money targets, and have met them.

Mr. Chairman, let me also say a word about what I know may be a controversy tomorrow, and on which I know the gentleman from Maryland [Mr. HOYER] has very strong feelings, and that relates to amendments to the Executive budget. I might indicate to the gentleman [Mr. HOYER], as part of history, that back in my first term on Appropriations the gentleman's subcommittee had made some reductions in the Office of the President. As a new member I offered the amendment in full committee to restore those funds, which carried, because I felt very strongly that the Congress should not be interfering with the Presidential request when it comes to operating the President's Office, just as Presidents should not interject themselves into the internal operations of the House.

Mr. Chairman, that is just a very, very important issue of comity that goes between the House, the Senate, and the President, and is very important to preserve.

Mr. HOYER. Mr. Chairman, will the gentleman yield?

Mr. SABO. I yield to the gentleman from Maryland.

Mr. HOYER. Mr. Chairman, I thank the gentleman for his remarks. of course, as the gentleman from Minnesota [Mr. SABO] knows and I agree. The gentleman was the Speaker of the Minnesota House during the time I was President of the Maryland Senate. I know one thing, that although we were the same party, I believe that the Governor ought to set his budget and the legislative body ought to set their budget as a degree of comity and a recognition of the separation of powers.

I think that is equally important at the Federal level, and both the gentleman from Minnesota [Mr. SABO] and I have followed that policy pretty consistently.

Mr. SABO. Mr. Chairman, I think that is a very important policy.

Mr. Chairman, during the course of the hearings the committee was informed of the favorable reports FTS2000 received from the General Accounting Office and the General Services Administration following the price redetermination process in 1992. Although some telecommunications services may be available at lower cost outside FTS2000, the committee recognizes that Governmentwide savings can only be achieved if all Federal agencies are grouped together in the same contract. The committee therefore has recommended that GSA continue the mandatory use policy unless the GSA Administrator reports that the program is no longer cost-effective. Is that the chairman's understanding of the committees position?

Mr. HOYER. The gentleman is correct. We held extensive hearings on

this issue in which Chairman BROOKS, Chairman CONYERS, and many other testified on FTS2000. We have included the provision requested by the President in the bill and the gentleman's understanding of the committee's position is correct.

Mr. SABO. Mr. Chairman, I thank the gentleman for yielding. Again I commend the gentleman from Maryland [Mr. HOYER] for a very outstanding job in a very difficult year of putting this bill together.

Mr. HOYER. Mr. Chairman, I yield such time as he may consume to the gentleman from Tennessee [Mr. CLEMENT].

Mr. CLEMENT. Mr. Chairman, I thank the gentleman for yielding.

Mr. Chairman, Nashville International Airport will soon have regularly scheduled service to the Caribbean requiring the presence of both Customs and Immigration officials. As you know, current charter flights from the area are required to land in Miami, Orlando, and several other locations for immigration and customs inspections. These landings are an inconvenience to the traveler and an added cost to the air carrier.

With the initiation of this regularly scheduled service and in anticipation of direct international service between Nashville and Europe, is it the intention of the committee that the Customs Service promptly provide sufficient resources to adequately serve those flights upon their landing in Nashville?

Mr. HOYER. Mr. Chairman, if the gentleman will yield, I thank the gentleman from Tennessee [Mr. CLEMENT] for bringing this matter to the committee's attention. I want to tell the gentleman that we have not yet had the opportunity to fully discuss this matter with Customs, which we obviously want to do, but we are hopeful that the Customs Service can in fact promptly provide sufficient personnel and resources to quickly clear incoming international passengers upon their landing in Nashville once such regularly scheduled service is approved by the Department of Transportation.

Mr. CLEMENT. Mr. Chairman, reclaiming my time, I thank the gentleman from Maryland [Mr. HOYER], appreciate his help, and look forward to working with the gentleman and the committee staff to implement the committee's intentions once this service is approved.

Mr. LIGHTFOOT. Mr. Chairman, I reserve the balance of my time.

Mr. HOYER. Mr. Chairman, I reserve the balance of my time.

Mr. Chairman, I move that the committee do now rise.

The motion was agreed to.

Accordingly, the committee rose; and the Speaker pro tempore (Mr. INSLEE) having assumed the chair, Mr. STUDDS, 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. 2403) making appropriations for the Treasury Department, the U.S. Postal Service, the Executive Office of the President, and certain independent agencies, for the fiscal year ending September 30, 1994, and for other purposes, had come to no resolution thereon.

AGREEMENT CONCERNING FISHERIES OFF COASTS OF THE UNITED STATES—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 102)

The Speaker pro tempore laid before the House the following message from the President of the United States; which was read and, together with accompanying papers, without objection, referred to the Committee on Merchant Marine and Fisheries and ordered to be printed:

To the Congress of the United States:

In accordance with the Magnuson Fishery Conservation and Management Act of 1976 (Public Law 94-265; 16 U.S.C. 1801 *et seq.*), I transmit herewith an Agreement between the Government of the United States of America and the Government of the Republic of Latvia Concerning Fisheries off the Coasts of the United States, with annex, signed at Washington on April 8, 1993. The agreement constitutes a governing international fishery agreement within the requirements of Section 201(c) of the Act.

United States fishing industry interests have urged prompt consideration of this agreement to take advantage of opportunities for seasonal cooperative fishing ventures. I recommend that the Congress give favorable consideration to this agreement at an early date.

WILLIAM J. CLINTON.

THE WHITE HOUSE, *June 17, 1993.*

AGREEMENT BETWEEN THE GOVERNMENT OF THE UNITED STATES OF AMERICA AND THE GOVERNMENT OF THE REPUBLIC OF LATVIA CONCERNING FISHERIES OFF THE COASTS OF THE UNITED STATES

The Government of the United States of America and the Government of the Republic of Latvia (hereafter referred to as "the United States" and "Latvia", respectively, or "the Parties"),

Considering their common concern for the rational management, conservation and achievement of optimum yield of fish stocks off the coasts of the United States;

Recognizing that the United States has established by Presidential Proclamation of March 10, 1983 an exclusive economic zone within 200 nautical miles of its coasts within which the United States has sovereign rights to explore, exploit, conserve and manage all fish and that the United States also has such rights over the living resources of the continental shelf appertaining to the United States and anadromous species of fish of United States origin; and

Desirous of establishing reasonable terms and conditions pertaining to fisheries of mutual concern over which the United States has sovereign rights to explore, exploit, conserve and manage;

Have agreed as follows:

* * * * *

d. the amount of fish or tonnage of catch by species contemplated for each vessel during the time such permit is in force;

e. the ocean area in which, and the season or period during which, such fishing would be conducted; and

f. such other relevant information as may be requested, including desired transshipping areas.

3. The United States shall review each application, shall determine what conditions and restrictions may be needed, and what fee will be required, and shall inform Latvia of such determinations. The United States reserves the right not to approve applications. If permit applications are disapproved, the United States authorities will inform Latvia of the reasons for such disapproval.

4. Latvia shall thereupon notify the United States of its acceptance or rejection of such conditions and restrictions and, in the case of a rejection, of its objections thereto.

5. Upon acceptance of the conditions and restrictions by Latvia and the payment of any fees, the United States shall approve the application and issue a permit for each fishing vessel of Latvia, which fishing vessel shall thereupon be authorized to fish in accordance with this Agreement and the terms and conditions set forth in the permit. Such permits shall be issued for a specific vessel and shall not be transferred.

3. "fishery" means

a. one or more stocks of fish that can be treated as a unit for purposes of conservation and management and that are identified on the basis of geographical, scientific, technical, recreational and economic characteristics; and

b. any fishing for such stocks;

4. "exclusive economic zone" means a zone contiguous to the territorial sea of the United States, the seaward boundary of which is a line drawn in such a manner that each point on it is 200 nautical miles from the baseline from which the breadth of the territorial sea of the United States is measured;

5. "fishing" means

a. the catching, taking or harvesting of fish;

b. the attempted catching, taking or harvesting of fish;

c. any other activity that can reasonably be expected to result in the catching, taking or harvesting of fish;

d. any operations at sea, including processing, directly in support of, or in preparation for, any activity described in subparagraphs a. through c. above, provided that such term does not include other legitimate uses of the high seas, including any scientific research activity;

6. "fishing vessel" means any vessel, boat, ship, or other craft that is used for, equipped to be used for, or of a type that is normally used for

a. fishing; or

b. aiding or assisting one or more vessels at sea in the performance of any activity relating to fishing, including preparation, supply, storage, refrigeration, transportation or processing; and

7. "marine mammal" means any mammal that is morphologically adapted to the marine environment, including sea otters and members of the orders Sirenia, Finnipedia, and Cetacea, or primarily inhabits the marine environment such as polar bears.

ARTICLE III

1. The United States is willing to allow access for fishing vessels of Latvia to harvest,

in accordance with terms and conditions to be established in permits issued under Article VII, that portion of the total allowable catch for a specific fishery that will not be harvested by United States fishing vessels and is determined to be available to fishing vessels of Latvia in accordance with United States law.

2. The United States shall determine each year, subject to such adjustments as may be appropriate and in accordance with United States law:

a. the total allowable catch for each fishery based on optimum yield, taking into account the best available scientific evidence, and social, economic and other relevant factors;

b. the harvesting capacity of United States fishing vessels in respect of each fishery;

c. the portion of the total allowable catch for a specific fishery to which access will be provided, on a periodic basis each year, to foreign fishing vessels; and

d. the allocation of such portion that may be made available to Latvia.

3. The United States shall determine each year the measures necessary to prevent overfishing while achieving, on a continuing basis, the optimum yield from each fishery in accordance with United States law. Such measures may include, inter alia:

a. designated areas where, and periods when, fishing shall be permitted, limited, or conducted only by specified types of fishing vessels or with specified types and quantities of fishing gear;

b. limitations on the catch of fish based on area, species, size, number, weight, sex, incidental catch, total biomass or other factors;

c. limitations on the number and types of fishing vessels that may engage in fishing and/or on the number of days each vessel of the total fleet may engage in a designated area for a specified fishery;

d. requirements as to the types of gear that may, or may not, be employed; and

e. requirements designed to facilitate enforcement of such conditions and restrictions, including the maintenance of appropriate position-fixing and identification equipment.

4. The United States shall notify Latvia of the determinations provided for by this Article on a timely basis.

ARTICLE IV

In determining the portion of the surplus that may be made available to Latvia and to other countries, the Untied States will decide on the basis of the factors identified in United States law, including:

1. whether, and to what extent, such nation imposes tariff barriers or nontariff barriers on the importation, or otherwise restricts the market access, of both United States fish and fishery products, particularly fish and fishery products for which the foreign nation has requested an allocation;

2. whether, and to what extent, such nation is cooperating with the United States in both the advancement of existing and new opportunities for fisheries exports from the United States through the purchase of fishery products from United States processors and the advancement of fisheries trade through purchase of fish and fishery products from United States fishermen, particularly fish and fishery products for which the foreign nation has requested an allocation;

3. whether, and to what extent, such nation and the fishing fleets of such nation have cooperated with the United States in the enforcement of United States fishing regulations;

4. whether, and to what extent, such nation requires the fish harvested from the exclusive economic zone for its domestic consumption;

5. whether, and to what extent, such nation otherwise contributes to, or fosters the growth of, a sound and economic United States fishing industry, including minimizing gear conflicts with fishing operations of United States fishermen, and transferring harvesting or processing technology which will benefit the United States fishing industry;

6. whether, and to what extent, the fishing vessels of such nation have traditionally engaged in fishing in such fishery;

7. whether, and to what extent, such nation is cooperating with the United States in, making substantial contributions to, fishery research and the identification of fishery resources;

8. whether, and to what extent, such nation is cooperating with the United States in matters pertaining to

a. the implementation of United Nations General Assembly Resolution 46/215 of December, 1991 on Large-scale pelagic Driftnet Fishing;

b. the conservation and management of anadromous species; and

c. the conservation of the pollock resource in the central Bering Sea; and

9. such other matters as the United States deems appropriate.

ARTICLE V

Latvia shall cooperate with and assist the United States in the development of the United States fishing industry and the increase of United States fishery exports by taking such measures as facilitating the importation and sale of United States fishery products, providing information concerning technical and administrative requirements for access of United States fishery products into Latvia, providing economic data, sharing expertise, facilitating the transfer of harvesting or processing technology to the United States fishing industry, facilitating appropriate joint venture and other arrangements, informing its industry of trade and joint venture opportunities with the United States, and taking other actions as may be appropriate.

ARTICLE VI

Latvia shall take all necessary measures to ensure:

1. that nationals and vessels of Latvia refrain from fishing for living resources over which the United States has sovereign rights to explore, exploit conserve and manage except as authorized pursuant to this Agreement;

2. that all such vessels so authorized comply with the provisions of permits issued pursuant to this Agreement and applicable laws of the United States; and

3. that the total allocation referred to in Article III, paragraph 2.d. of this Agreement is not exceeded for any fishery.

ARTICLE VII

Latvia may submit an application to the United States for a permit for each fishing vessel of Latvia that wishes to engage in fishing in the exclusive economic zone pursuant to this Agreement. Such application shall be prepared and processed in accordance with the Annex, which constitutes an integral part of this Agreement. The United States may require the payment of fees for such permits and for fishing in the exclusive economic zone. While such fees shall be applied without discrimination, the fee level may vary depending upon, *inter alia*, whether, in the judgement of the United States, vessels or nationals of Latvia are harvesting United States origin anadromous species at unacceptable levels, or whether Latvia is failing to take sufficient action to benefit the conservation and development of United States fisheries. Latvia undertakes to keep the number of applications to the minimum required, in order to aid in the efficient administration of the permit program.

ARTICLE VIII

Latvia shall ensure that nationals and vessels of Latvia refrain from harassing, hunting/capturing or killing, or attempting to harass, hunt capture or kill, any marine mammal within the exclusive economic zone, except as may be otherwise provided by an international agreement respecting marine mammals to which the United States is a party, or in accordance with specific authorization for and controls on incidental taking of marine mammals established by the United States.

ARTICLE IX

Latvia shall ensure that in the conduct of the fisheries under this Agreement:

1. the authorizing permit for each vessel of Latvia is prominently displayed in the wheel house of such vessel;

2. appropriate position-fixing and identification equipment, as determined by the United States, is installed and maintained in working order on each vessel;

3. designated United States observers are permitted to board, upon request, any such fishing vessel, and shall be accorded the courtesies and accommodations provided to ship's officers while aboard such vessel, and owners, operators and crews of such vessel shall cooperate with observers in the conduct of their official duties, and, further, the United States shall be reimbursed for the costs incurred in the utilization of observers;

4. agents are appointed and maintained within the United States possessing the authority to receive and respond to any legal process issued in the United States with respect to an owner or operator of a vessel of Latvia for any cause arising out of the conduct of fishing activities for the living resources over which the United States has sovereign rights to explore, exploit, conserve and manage; and

5. all necessary measures are taken to minimize fishing gear conflicts and to ensure to prompt and adequate compensation of United States citizens for any loss, or damage to, their fishing vessels, fishing gear or catch, and resultant economic loss, that is caused by any fishing vessel of Latvia as determined by applicable United States procedures.

ARTICLE X

Latvia shall take all appropriate measures to assist the United States in the enforcement of its laws pertaining to fishing in the exclusive economic zone and to ensure that each vessel of Latvia that engages in fishing for living resources over which the United States has sovereign rights to explore, exploit, conserve and manage shall allow and assist the boarding and inspection of such vessel by any duly authorized enforcement officer of the United States and shall cooperate in such enforcement action as may be undertaken pursuant to the laws of the United States.

ARTICLE XI

1. The United States will impose appropriate penalties, in accordance with the laws of the United States, on vessels of Latvia or their owners, operators, or crews that violate the requirements of this Agreement or of any permit issued hereunder.

2. Arrested vessels and their crews shall be promptly released, subject to such reasonable bond or other security as may be determined by the court.

3. In any case arising out of fishing activities under this Agreement, the penalty for violation of fishery regulations shall not include imprisonment except in the case of enforcement related offenses such as assault on an enforcement officer or refusal to permit boarding and inspection.

4. In cases of seizure and arrest of a vessel of Latvia by the authorities of the United States, notification shall be given promptly through diplomatic channels informing Latvia of the action taken and of any penalties subsequently imposed.

ARTICLE XII

1. The United States and Latvia shall cooperate in the conduct of scientific research required for the purpose of managing and conserving living resources over which the United States has sovereign rights to explore, exploit, conserve and manage, including the compilation of the best available scientific information for management and conservation of stocks of mutual interest.

2. The Parties shall cooperate in the development of a periodic research plan on stocks of mutual concern through correspondence or meetings as appropriate, and may modify it from time to time by agreement. The agreed research plans may include, but are not limited to, the exchange of information and scientists, regularly scheduled meetings between scientists to prepare research plans and review progress, and jointly conducted research projects.

3. The conduct of agreed research during regular commercial fishing operations on board a fishing vessel of Latvia in the exclusive economic zone shall not be deemed to change the character of the vessel's activities from fishing to scientific research. Therefore, it will still be necessary to obtain a permit for the vessel in accordance with Article VII.

4. Latvia shall cooperate with the United States in the implementation of procedures for collecting and reporting biostatistical information and fisheries data, including catch and effort statistics, in accordance with procedures which will be stipulated by the United States. Latvia shall similarly provide such economic data as may be requested by the United States.

5. Latvia shall cooperate with the United States in matters pertaining to the implementation of United Nations General Assembly Resolution 46/215 of December, 1991 on Large-scale Pelagic Driftnet Fishing, the conservation and management of anadromous species, and the conservation of the pollock resource in the central Bering Sea.

ARTICLE XIII

1. The United States and Latvia shall carry out periodic bilateral consultations regarding the implementation of this Agreement and the development of further cooperation in the field of fisheries of mutual concern, including cooperation within the framework of appropriate multilateral organizations for the collection and analysis of scientific data respecting such fisheries.

2. At the request of either Party any dispute concerning the interpretation or application of this agreement shall be the subject of consultations between them.

ARTICLE XIV

The United States undertakes to authorize fishing vessels of Latvia allowed to fish pursuant to this Agreement to enter ports in accordance with United States laws for the purpose of purchasing bait, supplies, or outfits, or effecting repairs, changing crews, or for such other purposes as may be authorized.

ARTICLE XV

Should the United States indicate to Latvia that nationals and vessels of the United States wish to engage in fishing in areas within the fisheries jurisdiction of Latvia, Latvia shall allow such fishing on terms not more restrictive than those established in accordance with this Agreement.

ARTICLE XVI

Nothing contained in the present Agreement shall prejudice:

1. the views of either Party with respect to the existing territorial or other jurisdiction of the coastal State for all purposes other than the conservation and management of fisheries; or,

2. any other international rights and obligations of either Party.

ARTICLE XVII

The Agreement shall apply to the territories of Latvia, and to the United States, its territories and its possessions.

ARTICLE XVIII

1. This Agreement shall enter into force on a date to be agreed upon by exchange of notes, following the completion of internal procedures of both Parties, and shall remain in force until June 1, 1995 unless extended by exchange of notes between the Parties. Notwithstanding the foregoing, either Party may terminate this Agreement after giving written notice of such termination to the other Party six months in advance.

2. At the request of either Party, this Agreement shall be subject to review by the two Parties two years after its entry into force.

In witness whereof, the undersigned, being duly authorized for this purpose, have signed this Agreement.

Done at Washington, in duplicate, this eighth day of April, 1993 in the English and Latvian languages, each text being equally authentic.

For the Government of the United States of America:

_____.

For the Government of the Republic of Latvia:

_____.

ANNEX—APPLICATION AND PERMIT PROCEDURES

The following procedures shall govern the application for and issuance of annual permits authorizing vessels of Latvia to engage in fishing for living resources over which the United States has sovereign rights to explore, exploit, conserve and manage:

1. Latvia may submit an application to the competent authorities of the United States for each fishing vessel of Latvia that wishes to engage in fishing pursuant to this Agreement. Such application shall be made on forms provided by the United States for that purpose.

2. Any such application shall specify

a. the name and official number or other identification of each fishing vessel for which a permit is sought, together with the name and address of the owner and operator thereof;

b. the tonnage, capacity, speed, processing equipment, type and quantity of fishing gear, and such other information relating to the fishing characteristics of the vessel may be requested;

c. a specification of each fishery in which each vessel wishes to fish;

d. the amount of fish or tonnage of catch by species contemplated for each vessel during the time such permit is in force;

e. the ocean area in which, and the season or period during which, such fishing would be conducted; and

f. such other relevant information as may be requested, including desired transshipping areas.

3. The United States shall review each application, shall determine what conditions and restrictions may be needed, and what fee will be required, and shall inform Latvia of such determinations. The United States reserves the right not to approve applications. If permit applications are disapproved, the United States authorities will inform Latvia of the reasons for such disapproval.

4. Latvia shall thereupon notify the United States of its acceptance or rejection of such conditions and restrictions and, in the case of a rejection, of its objections thereto.

5. Upon acceptance of the conditions and restrictions by Latvia and the payment of any fees, the United States shall approve the application and issue a permit for each fishing vessel of Latvia, which fishing vessel shall thereupon be authorized to fish in accordance with this Agreement and the terms and conditions set forth in the permit. Such permits shall be issued for a specific vessel and shall not be transferred.

6. In the event Latvia notifies the United States of its objections to specific conditions and restrictions, the Parties may consult with respect thereto and Latvia may thereupon submit a revised application.

7. The procedures in this Annex may be amended by agreement through an exchange of notes between the Parties.

□ 1810

SPACE STATION "FREEDOM"

The SPEAKER pro tempore. (Mr. INSLEE). Under a previous order of the House, the gentleman from Florida [Mr. BACCHUS] is recognized for 5 minutes.

Mr. BACCHUS of Florida. Mr. Speaker, today my son, Joe, is attending Space Camp in Titusville, FL, which is in the 15th Congressional District. That is the district that I am privileged to represent here in the Congress.

Tomorrow morning, my son will be graduating, along with dozens and dozens of other 12-year-olds and 13-year-olds and 14-year-olds from Space Camp. I will not be there, regrettably. I will be here trying to save the space program.

Today, Joe and his compatriots are conducting a mock space mission on a mock space shuttle. Many of those who are participating in this Space Camp say they want to be astronauts. I want to make certain they have that opportunity.

Today, the President of the United States made a good decision, a decision that will help give those young people an opportunity to explore space. Today, Bill Clinton has proposed a space station that will fly in space and that I believe will also fly in the Congress. He has shown how we can reinvent an important part of government, NASA. He has shown how we can eliminate management inefficiencies and prospective cost overruns that have dragged that program down, while still maintaining the technology and the science that have been the hallmark of NASA from the beginning.

I applaud him for what he has done. I urge my colleagues to study closely and seriously the President's proposal for redesigning and building the space station for America.

What the President has proposed will make the best possible use of the technology we have already invented as part of the space station endeavor. What he has proposed will make certain that we maintain the very important international partnership that we already have with the Japanese, the Canadians, and the Europeans, who have all contributed billions of dollars to this program.

What he has proposed will help us make certain that America's space program will remain first in the world, but he will make certain also that we make the exploration of space truly an international endeavor.

Perhaps most important of all, President Clinton has shown us how we can build a real space station while also reducing the budget deficit. He has eliminated the frills. He has eliminated the management inefficiencies. He has eliminated the cost overruns. He has kept the technology. It is the technology that will make all the difference, Mr. Speaker. It is the technology that will create the jobs. It is the technology that will create the new industries. It is the technology that will create the future.

One day my son, Joe, and others, who are at that space camp now and others who will follow them, will use that technology. They will live in that space station. They will move on from there to build a permanent base on the Moon. They will move on from there to explore the solar system, the mission to Mars and beyond.

I applaud the President, and I urge my colleagues on both sides of the aisle to save the space station.

NAFTA AND HUMAN RIGHTS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Michigan [Mr. BONIOR] is recognized for 60 minutes.

Mr. BONIOR. Mr. Speaker, I am here this evening to talk about the proposed North American Free-Trade Agreement.

I'd like to focus attention on human rights, an aspect of NAFTA that should be central to any review of the agreement but which has so far been largely overlooked.

Simply put, Mexico is not a free society. And free trade does not work where people are not free.

But let us start where the debate started.

Most of the discussion thus far surrounding NAFTA and the proposed integration of the United States, Mexican, and Canadian economies has been about jobs.

JOBS

On the jobs issue alone, I am staunchly opposed to free trade with Mexico. I do not want American jobs—Michigan jobs—the good manufacturing jobs that support families in my district—to become our No. 1 export.

You can bet your bottom dollar that is exactly what will happen if this agreement is ratified.

American jobs have already disappeared south of the border in alarming numbers. NAFTA will only accelerate this trend—and lock it in.

Why are jobs moving south? The answer is no mystery. A minimum wage of just 58 cents an hour is powerful bait to multinational corporations hungry for easy profits.

A less obvious but far more troubling question needs to be asked. It is a question that opens up a whole host of concerns about trying to merge the Mexican economy with the United States economy.

The answer to this question gets to the heart of why those who claim NAFTA will help the people of Mexico could not be more wrong.

It gets to the heart of why the Mexican Conference of Bishops last spring boldly announced their opposition to NAFTA and the heavy social costs it will impose on Mexico's people.

And the answer to this question gets at the very heart of what it means to be an American—what it means to enjoy fundamental democratic and human rights.

The question that must be asked is this: Why are Mexican wages so low?

The answer is that the government keeps them low.

These forced, low wages are just the first piece in a puzzle of systematic repression. NAFTA threatens to be the glue that locks it all together for generations to come.

EL PACTO AND LABOR RIGHTS

An arrangement between Mexico's authoritarian President, corporate elite, and co-opted labor leaders known ominously as El Pacto has artificially held wages to one-tenth of United States wage levels—even though productivity in many firms now equals productivity here in this country. In fact, workers in Mexico have seen their real wages actually decline over the past decade.

This break in the natural link between rising productivity and rising wages is an outrage. It violates fundamental free market principles.

Mexico's labor force should demand higher wages for higher output.

But Mexico's citizens lack their basic civil liberties that Americans would use to negotiate for what they rightly deserve. We take for granted the freedom to speak without fear, the freedom to select political representatives and labor leaders, and the freedom to organize without threat of extortion, intimidation or even murder by police and other government officials.

In Mexico, on the other hand, these fundamental freedoms are routinely denied. NAFTA will only perpetuate the denial of these rights.

Let us look at Mexico's labor unions as just one case in point.

There is no such thing as good faith labor negotiations in Mexico. While the Mexican Constitution theoretically recognizes the rights of workers to organize their own unions and to go on strike, reality is another matter.

For a union to be deemed legal, it must first be recognized by the Ministry of Labor.

The Ministry, of course, only recognizes unions that are loyal to Mexico's ruling PRI party. Such co-opted unions do not go on strike against the wishes of the all powerful President and leader of PRI.

There is no appeal process for a union that is denied recognition by the Ministry.

If one of these independent unions tries to strike, the Ministry uses the fact that the union is not recognized to declare the strike illegal. The police and even the army are then called in to make arrests and restore order.

The repression does not stop there. There are controls on legal unions if they step out of line, too.

ARRESTS AND STRIKEBREAKING

Take the case of Agapito Gonzalez, a local leader of the Union of Journeyman and Industrial Workers in Matamoros.

Gonzalez was aggressive in his press for higher wages and better conditions for workers in the Matamoros area. By 1991, Matamoros had become the most unionized town in the border zone, with the highest wages and benefits.

In January 1992, Gonzalez was on the verge of launching strikes against several plants in the region. Owners of these plants—Americans, for the most part—met with President Salinas to complain that Gonzalez' aggressive tactics were "ruining the investment climate in Matamoros."

Within days of the meeting—and 2 days before the strike deadline—Gonzalez was arrested on trumped up charges that he had evaded taxes in 1988. He was taken to Mexico City, isolated from his family and union colleagues, and was relentlessly grilled for days, without a lawyer present, by two magistrates.

The charges were ultimately dropped, but only after Gonzalez had been held for over 6 months and the strike had been broken.

These insidious methods of repression are not limited to labor disputes. Serious political opposition of any kind is simply not tolerated by Mexico's ruling party.

ELECTION FRAUD

Election fraud is rampant throughout Mexico, and well documented.

In State elections last summer, neutral election monitors recorded 44 types of irregularities at 200 precincts in the State of Michoacan alone. Every

single complaint was immediately dismissed by the board that oversees State elections.

Guess who controls that board? If you guessed the President and the ruling party, you guessed right.

The State electoral college then convened secretly—without even informing members of the opposition party—to certify the election results.

And here is the kicker. The fraud that took place in that election was considered relatively minor by local standards.

Frankly, the Mexican system is so heavily weighted in favor of the ruling party that outright fraud usually is not even necessary. In March, President Salinas asked 30 of Mexico's wealthiest businessmen to contribute $25 million each to PRI in preparation for the 1994 election campaign.

This arrangement is perfectly legal. It is part of a campaign finance system that will permit PRI to spend $80 million or more to retain the Presidency—compared to $100 million spent in the United States by both parties in 1992.

These private contributions, by the way, come on top of millions of dollars of Government funds which are legally spent under Mexico's system to maintain the party apparatus and run election campaigns.

POLITICAL REPRESSION

Systematic fraud, graft, and false arrest are themselves intolerable in a free and just society. But political repression in Mexico goes even deeper.

Between 1988 and 1992, 52 officials of the opposition party had been killed by federal police or hired thugs according to a report in a prominent business publication called CEO magazine.

Stop and think about that for a minute. Fifty-two people murdered for nothing more than having a different point of view.

And for having the courage to stand up for it.

Some accounts say the number of unpunished political murders during that time span actually approaches 100.

A couple of years ago, Peruvian author Mario Vargas Llosa captured the essence of how dreadfully twisted the Mexican system is. I quote:

> The perfect dictatorship is * * * Mexico, because it is a camouflaged dictatorship. It may not seen to be a dictatorship, but has all the characteristics of dictatorship. The perpetuation, not of one person, but of an irremovable party, a party that allows sufficient space for criticism, provided such criticism serves to maintain the appearance of democracy, but which suppresses by all means, including the worst, whatever criticism may threaten its perpetuation in power.

Let me take a moment here to make an important distinction.

THE PEOPLE ARE NOT THE PROBLEM

The Mexican people are not the problem. They are honest, hard-working people who want and deserve the same things that families in Michigan and all across America want and deserve.

But they are suffering under a political system that keeps them impoverished in spite of their hard work.

A system that makes them suspicious of authority in spite of their own honesty.

A system that asks them to have hope for the future but then dashes that hope at every turn.

No. The Mexican people are not the problem.

The enemy is the decades of entrenchment that have corrupted a single party system, and which have allowed that corruption to poison nearly every element of public life.

And it is an enemy that can only be defeated by decades of conscientious reform. NAFTA will not cure Mexico's ills overnight. To the contrary, this NAFTA negotiated by Bush and Salinas will reward Mexico's repressionist policies and lock in a system that exploits its own people.

CORRUPT JUDICIARY

At the root of this deeply troubled system is a judiciary that operates under only the thinnest veil of independence from the President and the rest of the executive branch. In fact, the President controls the judicial system and other administrative review procedures with almost as much of an iron fist as he controls everything else in Mexican Government.

The court's ultimate check on executive power—the power to prosecute election fraud—is denied altogether in Mexico.

Here's how:

Article 41 of the Mexican Constitution does, indeed, provide for "certainty, legality, impartiality, objectivity, and professionalism in the management of elections." It classifies the right to vote as a "right of Mexican citizenship", which is distinct from an "individual right."

The Constitution then goes on to limit judicial protection only to individual rights.

The courts are therefore barred from prosecuting or even investigating allegations of electoral fraud.

Instead, the responsibility for reviewing and ruling on charges of election fraud falls on the federal election commission and tribunal. These bodies, like everything else, are controlled by the President and his ruling party.

Election fraud aside, Mexico's judicial system is poorly equipped to administer justice even in routine cases.

Judges and magistrates at virtually every level are appointed by the President. After serving a certain amount of time in office, a loyal judge is then reconfirmed for a lifetime tenure.

This reconfirmation process in and of itself leads judges to make rulings that would be seen as favorable to the ruling party, its members, and their political and economic objectives.

But because judicial pay is so low, an incentive to accept bribes is actually built into the system. Most observers, in fact, say judges are expected to accept bribes.

Such a system is distasteful enough on its face. But in a country where 50 percent of rural families and 23 percent of urban families live below the poverty line—where nearly 20 percent live in what is considered extreme poverty—a system of justice based on one's ability to pay is an absolute travesty.

Much of what I am addressing here may be considered somewhat lofty and abstract. Allow me to step back a bit from some of this rhetoric and simply list the human rights abuses that regularly occur in Mexico.

A LITANY OF HUMAN RIGHTS ABUSE

The National Human Rights Commission—which was reluctantly established in 1990 by President Salinas as the official human rights monitor—has studied 323 cases of disappearance, 736 complaints of torture, and 10,244 instances of illegal arrest or detention.

Because these numbers are official government figures, you can be sure they only begin to scratch the surface.

The list goes on and on, political imprisonment, labysmal prison conditions, repression of the labor movement, censorship, unfair trials, and murder and assassination.

These acts are not imagined. They are real, and they are documented.

And they are committed by various police organizations and rural bosses or their hired thugs, who are often off-duty or retired members of the police or military. These groups have established a reign of violent corruption that is often ignored and sometimes explicitly protected by low-level state and federal officials.

I met recently with a woman named Marieclaire Acosta. She is a founder and president of the Mexican Commission for the Defense and Promotion of Human Rights—a non-government group set up to monitor the government's supposed human rights efforts.

She provided me with a report that details how the political and judicial system in Mexico collude to keep most human rights abusers immune from punishment.

BRINGING IT ALL TOGETHER

Let us pause for a moment and recap where we have been. I began my remarks by firmly declaring my opposition to NAFTA, and then moved on to a discussion of jobs and wages. I finally wound up talking about election fraud and judicial corruption.

This brief quote of opposition to NAFTA, written by economist Sheldon Friedman, paints the whole picture and brings it all together:

> Closer integration between the United States and Mexican economies is likely, with or without a NAFTA. What is neither inevitable nor desirable is economic integration based on an international division of labor in which Mexico supplies cheap labor and lax

enforcement of health, safety, and environmental standards—the United States supplies the consumer market—multinational corporations derive the profit—and US workers face further wage cuts and the loss of their jobs.

For Mexican workers, the benefits are doubtful. Any attempt to raise their abysmal wages will lead to complaints by multinational employers, threats of capital flight to even lower-wage countries and, if recent history is any guide, a repressive Mexican government reaction. The Mexican and border environments will continue to be despoiled by corporate polluters. Mexican workers will continue to be subjected to toxic exposures which would be illegal in the United States.

Even the staunchest of free trade advocates can understand this plain fact: Free trade doesn't work when one of the partners has a society that is not free. Free trade with Mexico won't work because Mexico isn't free. It's as simple as that.

DOING BUSINESS IN MEXICO

An article in the November 1992 issue of World Trade magazine recounts the story of Jack Andrews, an export businessman from Salt Lake City.

In 1984, he found himself in a car chase on a dusty Mexican road. Andrews had no idea why he was being chased, but when he saw that the passenger in the car chasing him was brandishing a machine gun, he did not stop to find out.

Andrews and his partner narrowly escaped and made their way to the U.S. border. At Customs, they reported the incident. The local sheriff told Andrews the men chasing them were federales—Mexican federal police.

Andrews immediately knew they were after his briefcase, which contained photographs and original contracts that documented his claims against a Mexican company that had backed out of a $4 million deal.

Four of the six defendants in the Andrews case settled out of court. The key player, the Mexican Coffee Institute, was named in a 1991 default judgment in U.S. district court in California. But could Andrews collect? Of course not.

Disgruntled traders like Andrews warn that American exporters stand to lose their shirts because of widespread corruption and the lack of a reliable Mexican court system in which to address commercial disputes.

And Andrews is not alone. Thousands of small and midsize exporters have written off billions of dollars of unrecovered claims against Mexican business entities over the past 10 years.

WHERE JUSTICE IS DENIED

In another time, for other reasons, the great emancipation orator Frederick Douglass spoke words that proponents of NAFTA would be wise to heed today.

Even those who are not moved by the plight of their brothers and sisters in Mexico can at least understand the threat that corruption and repression represent.

Douglass said:

Where justice is denied, where poverty is enforced, where ignorance prevails, and where any one class is made to feel that society is an organized conspiracy to oppress, rob, and degrade them, neither persons nor property will be safe.

Justice is denied in Mexico.

Poverty is enforced by El Pacto.

The political system is organized to oppress the people.

Persons and property are not safe in Mexico.

There are those who claim that Mexico's stability depends on NAFTA.

They are dead wrong.

To the contary, NAFTA institutionalizes and codifies the relationship of injustice that is crippling Mexico today.

Shortly before he was killed—presumably caught in the cross-fire of a gun battle between two drug gangs, though an investigation of the real circumstances continues—Cardinal Juan Jesus Posadas Ocampo spoke out against NAFTA and said that Mexico was becoming a country of "the very few rich and the very many poor."

NAFTA will benefit a few at the expense of many.

That goes for both sides of the border.

Even those who first believe they will benefit should think twice about what it means to do business in a society that is not free—to forge relationships in a society where there is no accountability.

Frederick Douglass' words still ring true today. And they leave us no choice but to reject NAFTA.

□ 1830

Mr. GONZALEZ. Mr. Speaker, will the gentleman yield?

Mr. BONIOR. I yield to the gentleman from Texas.

Mr. GONZALEZ. Mr. Speaker, I want to thank the distinguished majority whip for yielding even though he is finished. I just wanted to rise to join our distinguished whip. I think his remarks are most pertinent.

I have been most concerned because probably the real locomotive driving this so-called NAFTA is the finance section. That is not even mentioned. And if it is adopted without even having a review, we will then be allowing some of the largest banks where Congress has not authorized certain practices and actions to do this through their affiliates that will be permitted under this agreement. There has been no discussion. The gentleman is absolutely correct.

This agreement was drafted in secret. In fact, after it was announced, after the signatures by Presidents Bush and Salinas, they embargoed it. We could not get ahold of a copy of it for a month.

So I wanted to compliment our whip and to say that I am with you in the opposition to this so-called agreement.

Mr. BONIOR. I thank my colleague. I want my colleague to know that when he took the floor to unveil the financial institution cloak of this I was listening to him intently that evening and followed his remarks, and I thank him for his leadership on this.

Mr. GONZALEZ. I thank the gentleman.

Mr. BONIOR. There are many important side issues to NAFTA that really need to be looked at in the remaining time we have before we decide this, and I beg my colleagues to come to the well on the floor in special orders and debate this issue, because I am very fearful for the workers in Mexico and the United States.

□ 1840

Mr. GONZALEZ. Well, I thank the gentleman very much. He can be assured of my support.

Mr. BONIOR. I thank the gentleman.

VACATING 60-MINUTE SPECIAL ORDER AND GRANTING 5-MINUTE SPECIAL ORDER

Mr. GONZALEZ. Mr. Speaker, I ask unanimous consent that my request for a 60-minute special order to address the House on today be vacated and, in lieu thereof, that I be permitted to address the House for 5 minutes on today.

The SPEAKER pro tempore (Mr. INSLEE). Is there objection to the request of the gentleman from Texas?

There was no objection.

INTRODUCTION OF THE EQUITABLE ESCHEATMENT ACT OF 1993

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas [Mr. GONZALEZ] is recognized for 5 minutes.

Mr. GONZALEZ. Mr. Speaker, today I have introduced the Equitable Escheatment Act of 1993. This important legislation will restore fairness to the Federal rules governing competing claims by States to abandon intangible personal property. I am pleased to be joined in this legislation by Congressman JIM LEACH, the ranking minority member of the Committee on Banking, Finance and Urban Affairs. This is truly a bipartisan effort to establish an equitable rule of escheatment for these unclaimed funds.

By way of background, I should explain this long established concept of escheatment. Escheat at feudal law was the right of the lord of a fee, more commonly thought of as an estate, to reenter upon the fee when it became vacant by the extinction of the blood, or descendants, of the tenant. This extinction might be either per defectum sanguinis or else per delictum tenentis,

where the course of descent was broken by the corruption of the blood of the tenant.

Ordinarily, this concept is applied to an estate in land, but the term is applicable to any kind of inheritance, corporeal or incorporeal.

The word "escheat," in this country, merely indicates the right of a State as sovereign to take custody of or assume title to abandoned personal property. This process is also known as bona vacantia.

The estates which are the subject of the Equitable Escheatment Act of 1993, are the securities distributions held by banks and other financial intermediaries for the accounts of customers. These distributions, usually dividends and interest, are unclaimed by their owners and the owner is unknown to the intermediary. While only .02 percent of all distributions remain unclaimed, the actual dollar amount subject to escheatment is very substantial.

The securities generating the distributions are either State or local government bonds, or publicly traded debt and equity securities of private corporations, such as IBM or General Motors.

For years the State of New York has been seizing unclaimed securities distributions, claiming that the funds should escheat to New York without regard to the owner's last known address or the intermediary's State of incorporation. From 1985 to 1991 alone, the State of New York seized more than $630 million of unclaimed dividend and interest payments.

Delaware filed suit against New York in the U.S. Supreme Court, claiming that the funds were wrongfully escheated. The other 47 States and the District of Columbia were then granted permission to intervene as plaintiffs in the lawsuit. The Court appointed a special master to hear the case.

After determining the facts of the case and hearing all arguments, the special master concluded that the unclaimed funds should escheat to the State in which the securities issuer's principal executive offices are located. The special master found that this would have resulted in the most equitable distribution of the escheated funds.

In other words, the unclaimed funds would be returned to the State in which they originated. With respect to State and local bonds, the practice of taxpayer funds of one State escheating to the treasury of another State would end. And with respect to private securities, the fruits of one State's efforts to generate local economic gain would no longer be usurped by another State.

However, the wisdom of the special master was not shared by the U.S. Supreme Court. The Court overruled the recommendation of the special master in this case of Delaware versus New York, and ruled that the unclaimed funds would escheat to the State of incorporation of the financial intermediary holding the funds. This opinion would unfairly result in a large windfall for the States of Delaware and New York, since most financial intermediaries are incorporated in those States.

The Supreme Court stated that it felt constrained by a 1965 precedent, and invited the aggrieved States to seek corrective legislation. The Court reminded the parties of a 1974 law overturning another of its escheat decisions.

The Court stated that:

> If the states are dissatisfied with the outcome of a particular case, they may air their grievances before Congress. That body may reallocate abandoned property among the states without regard to this Court's interstate escheat rules. Congress overrode Pennsylvania versus New York by passing a specific statute concerning abandoned money orders and traveler's checks, and it may ultimately settle this dispute through similar legislation.

The Court was referring to provisions contained in a 1974 banking law passed by the Committee on Banking, Finance and Urban Affairs. Those provisions were also adopted in order to establish a more equitable distribution of unclaimed funds.

The Equitable Escheatment Act of 1993 would continue that tradition of maintaining fair and equitable treatment of competing State claims to abandoned funds.

Fairness dictates that unclaimed funds be returned to the State in which they originated. Taxpayer funds of one State should not escheat to the treasury of another State, and the fruits of one State's efforts to generate local economic gain should not be usurped by another State. I urge all Members to support this legislation.

WATERGATE AND THE GREEK CONNECTION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California [Mr. EDWARDS] is recognized for 30 minutes.

Mr. EDWARDS of California. Mr. Speaker, today is the 21st anniversary of the Watergate break-in which brought down President Richard Nixon, the first President in history forced to resign from office. The real motive for the Watergate break-in has long been shrouded in secrecy and confusion

Prof. Stanley I. Kutler, a distinguished professor of history and law at the University of Wisconsin at Madison, has written a fascinating book about Watergate which seeks forth a compelling theory. The book is titled "The Wars of Watergate". In his close to 700 pages, Professor Kutler does not cite a single anonymous source. In short, it is a fully documented book. In this book, Professor Kutler details the Greek Connection theory for the Watergate break-in. According to Kutler, "Significantly, the 'Greek Connection' theory of Watergate caused the most anxiety for the longest period of time for the Nixon administration, and the agencies that served it."

In 1974, I was a member of the House Judiciary Committee which deliberated and finally voted the articles of impeachment of President Nixon because of the Watergate crimes. At the same time, between 1967 and 1974, I was chairman of the U.S. Committee for Democracy in Greece during the tragic years the Greek people suffered under the cruel military dictatorship of the Colonels.

During that period, I met the Greek journalist, Elias P. Demetracopoulos, who had escaped from Greece after the military coup. We worked together to seek a change in American policy, which supported the military dictatorship. His efforts, which were those of a true Greek patriot, were an important part of the campaign here in America that sent a message of hope to the suffering people of Greece. Mr. Demetracopoulos is a central figure in the Greek Connection theory set forth in Professor Kutler's book.

In brief, Mr. Demetracopoulos in October 1968, briefed and provided proof to the chairman of the Democratic National Committee, Lawrence O'Brien, that the Greek dictatorship, through its intelligence agency, KYP—which had been founded and subsequently subsidized by the CIA—transferred three cash payments totaling $549,000 to the Nixon campaign fund in 1968. The conduit was Thomas Pappas, a prominent Greek-American businessman with close links to the CIA, the Colonels, and the Nixon campaign. This transaction was not only a violation of Federal law which prohibits federal governments from contributing to Presidential campaigns, but also was a significant violation of the CIA's founding charter which prohibits any intervention in U.S. domestic affairs.

If this disclosure had been known to the American people in 1968, candidate Nixon may well not have won the very close race with Hubert Humphrey, and consequently Watergate would never had happened. The break-in in 1972, according to Kutler's interpretation, was designed first to discover and then eliminate or reduce the risk that the Democrats would use the intelligence obtained in 1968.

In my judgment, the Greek Connection theory for the Watergate break-in is the most damaging for Richard Nixon because it tarnishes his foreign policy image. Nixon was among the strongest and most shameless defenders of the Greek military dictatorship. If the Greek Connection theory is indeed correct, it would appear, ironically, that Nixon paid for his defense of the Greek Junta with his Presidency. No less an authority than the former Director of the CIA, Richard Helms, believes that Kutler's book on Watergate is by far the best book on the subject.

Mr. Demetracopoulos has paid a very high price for passing his intelligence to Larry O'Brien. The FBI thoroughly and repeatedly investigated Mr. Demetracopoulos for a period of 10 years at a cost of uncounted thousands of dollars to American taxpayers. In 1983, as chairman of the House Judiciary Subcommittee on Civil and Constitutional Rights, which has oversight authority over the FBI, I asked Judge Webster, then its Director, to clear Mr. Demetracopoulos of any wrongdoing. This he

did in 1984. Earlier, the CIA at last acknowledged a finding of no derogatory information concerning Mr. Demetracopoulos. I possess the documents of the FBI and the CIA on this matter.

I was delighted to learn recently that my FBI correspondence with Judge Webster concerning the clearance of Mr. Demetracopoulos, which provided the exact dates of his FBI investigations, contributed significantly, according to Professor Kulter, in enabling him to develop his theory concerning the Greek Connection in the Watergate break-in.

I am even more delighted to bring to the attention of my colleagues the story of Elias P. Demetracopoulos, a tenacious seeker of the truth, who persevered in his quest for justice in spite of the powers that were brought to bear in the effort to harass him into silence and to discredit him. His devotion to democracy and to the truth is truly inspirational.

IN SUPPORT OF HOUSE CONCURRENT RESOLUTION 111, URGING THE UNITED STATES TO SIGN AND RATIFY THE PROTOCOLS OF THE SOUTH PACIFIC NUCLEAR-FREE ZONE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from American Samoa [Mr. FALEOMAVAEGA] is recognized for 60 minutes.

Mr. FALEOMAVAEGA. Mr. Speaker, I rise today in strong support of House Concurrent Resolution 111, a resolution I introduced days ago that urges the administration to sign and ratify the protocols of the South Pacific Nuclear-Free Zone [SPNFZ] Treaty, also known as the Treaty of Rarotonga since it was signed by the leaders of the Pacific nations on the Island of Rarotonga, Cook Islands.

With ratification of the Treaty of Rarotonga by eight countries in December 1986, the nations of the South Pacific have created a nuclear-free zone in the region to combat the specter of nuclear proliferation.

I am proud to have introduced this measure that symbolizes America's sensitivity on this issue of tremendous concern to the peoples of the South Pacific. I also want to express my deepest appreciation to the original cosponsors of House Concurrent Resolution 111 for their support: The Honorable GARY ACKERMAN, chairman of the House Foreign Affairs Subcommittee on Asia-Pacific Affairs; the Honorable HOWARD BERMAN, chairman of the House Foreign Affairs Subcommittee on International Operations; the Honorable RONALD DELLUMS, chairman of the House Armed Services Committee; the Honorable CONNIE MORELLA, chairwoman of the Arms Control and Foreign Policy Caucus; the Honorable JIM MCDERMOTT, secretary-treasury of the Arms Control and Foreign Policy Caucus; the Honorable MICHAEL KOPETSKI and the Honorable PETE STARK, House leaders in the fight to stop nuclear proliferation; the Honorable MATTHEW MARTINEZ, member of the Foreign Affairs Committee and chairman of the House Education and Labor Subcommittee on Human Resources; and the Honorable NEIL ABERCROMBIE and the Honorable PATSY MINK, the distinguished delegation from the great State in the Pacific, Hawaii. I submit the statements of my colleagues for the RECORD.

Mr. Speaker, in August 1989, my colleagues, former House Asia-Pacific Affairs Chairman Stephen Solarz, Representatives ROBERT DORNAN, and I traveled to the South Pacific, meeting with the leaders of the island nations to discuss pressing concerns of the region and America's role in addressing those needs.

Next to the threat of uncontrolled drift net fishing in the South Pacific by foreign fleets, foremost in the minds of these island leaders was our country's lack of support for the Treaty of Rarotonga. With the cessation of drift net fishing in the South Pacific, the failure of the United States to join the SPNFZ Treaty has become the most crucial issue in the region.

The Treaty of Rarotonga constitutes a symbol for the peoples of the South Pacific, expressing their high level of concern regarding nuclear weapons and the possibility of a nuclear holocaust in the region. By refusing to sign the treaty's protocols, while the Soviet Union and the People's Republic of China have done so, the United States is increasingly portrayed as being insensitive to the needs and desires of its allies in the South Pacific.

If there were good and valid reasons behind our country's failure to support their friends in the Pacific on this matter of vital importance to them, perhaps I could understand. But, after lengthy review and analysis, it is clear that the Treaty of Rarotonga and its protocols would not undermine U.S. security practices or military operations in the South Pacific whatsoever. Past administrations while testifying before Congress on the SPNFZ Treaty have conceded this point.

This is reflective of the fact that our allies carefully drafted the document at every stage to accommodate U.S. interests. Provisions in the treaty, for example, specifically protect our Nation's right of air and sea passage through the treaty zone by American planes and ships carrying nuclear weapons.

Moreover, we would not be setting precedent by signing the nuclear-free protocols of the Treaty of Rarotonga. That ground was broken decades ago when the United States signed and ratified the Treaty for the Prohibition of Nuclear Weapons in Latin America, a document substantially identical to the Treaty of Rarotonga protocols. The United States is also a signatory to the nuclear free zone prohibitions contained in the Antarctic Treaty, the Seabed Arms Control Treaty and the Treaty on Principles for Outer Space Exploration. Furthermore, our great Nation has supported the possible formation of nuclear free zones in the South Asia subcontinent, the Middle East and Africa.

The nations of the South Pacific rightfully ask why we have demonstrated concern for the threat of nuclear devastation to Latin Americans and the inhabitants of Antarctica, the sea floor and outer space—yet we refuse to show such sensitivity to the aspirations of the peoples of Oceania.

Our country's lack of responsiveness to the South Pacific's call for a nuclear-free zone cannot help but also be seen by those in the region as tacit encouragement for France to resume her long-criticized nuclear testing program in the Pacific. After over 100 nuclear bombs have been detonated deep within French Polynesia's Mururoa Atoll, it has been described by scientific researchers as a "Swiss cheese of fractured rock."

Leakage of radioactive waste from Mururoa Atoll's underground test sites to the surface waters and air has been predicted, and is inevitable; this embodies the environmental nightmare that the inhabitants of the South Pacific have long dreaded. It is not surprising that reports of increased cancer rates amongst Tahitians have surfaced. The damage to the marine environment can only be imagined. When France announced her nuclear testing moratorium last year, the news was occasion for great celebration throughout the Pacific.

Mr. Speaker, in looking at the environmental havoc that is a necessary by-product of nuclear testing, one need only study our country's experience in the Pacific. After the United States detonated nuclear devices in the 1940's and 1950's on Bikini and Rongelap Atolls in the Marshall Islands, the ravaging effects of nuclear radiation on the islands' environment and its former inhabitants are still evident today.

As a member from the Pacific region, I have grown up immersed in the controversy of nuclear testing for a long time. This issue has been in the forefront of my mind since childhood. We Pacific Islanders know from firsthand experience the horrors of nuclear testing. Even now, decades later, the legacy of the U.S. testing program in the Marshall Islands is still being felt. People there have not forgotten memories of the offspring of Pacific Islander women infected by radiation fallout—where babies were born dead that didn't look human and were termed "Jelly Babies." These people of the Pacific are still trying to pick up the pieces of their shattered lives and culture.

Mr. Speaker, our great Nation learned a lesson from its Pacific experience that should never be forgotten. As a result, we have stopped our nuclear testing in the South Pacific. In the face of that experience and in light of United States support of nuclear-free zones around the world, how can we sit idly by while our friends in the Pacific ask for our help in stopping nuclear madness in the fragile marine environment of the South Pacific.

Mr. Speaker, the world stands at a moment in time where we either move forward toward global peace and harmony or we step back and sink into a morass of nuclear paranoia and Armaggedon-inspired nightmares. With France, Russia, and the entire world looking to our great Nation for leadership of nuclear nonproliferation and testing issues, America cannot shirk her duty. It is time that our Nation, the world's greatest democracy, step forward to answer the call for a world no longer held hostage to the threat of nuclear devastation.

Mr. Speaker, joining the South Pacific Nuclear-Free Zone Treaty would be a giant step forward for America and cannot but help enhance our Nation's leadership to extend the Nuclear Nonproliferation Treaty and negotiation of a comprehensive nuclear test ban.

I strongly urge our colleagues to support House Concurrent Resolution 111, and we call upon the Clinton administration to sign and ratify the protocols of the South Pacific Nuclear-Free Zone Treaty.

Mr. Speaker, I am including at this point in the RECORD a letter to Secretary of Defense Les Aspin, and Secretary of State, Warren M. Christopher, a pamphlet entitled "Day of Two Suns," and, finally, a copy of House Concurrent Resolution 111, as follows:

COMMITTEE ON FOREIGN AFFAIRS,
HOUSE OF REPRESENTATIVES,
Washington, DC, May 27, 1993.

Hon. LES ASPIN,
Secretary of Defense, Department of Defense, Washington, DC.

DEAR MR. SECRETARY: We write to recommend an early review of U.S. policy toward signature of the Protocols of the South Pacific Nuclear Free Zone (SPNFZ) Treaty.

Such a review would appear to be appropriate not only in the context of non-proliferation policy but also because of the relevance of SPNFZ to U.S. relations with the South Pacific. SPNFZ is a significant non-proliferation measure and any support the U.S. can lend to it would strengthen the cause of non-proliferation in the region. It would also contribute to support for the extension of the Non-Proliferation Treaty in 1995. Given the importance of SPNFZ to South Pacific Forum members, U.S. accession to the Protocols would enhance U.S. influence and credibility in the South Pacific.

As we understand them, the provisions of the SPNFZ Treaty and its three Protocols do not appear to be inconsistent with U.S. national interests. The Treaty specifically respects states' rights under international law to freedom of the seas and leaves it up to individual signatories to decide whether to allow foreign ships and aircraft to visit or transit their territory.

We understand that U.S. forces continue to have reservations about the Treaty's possible impact on U.S. operational flexibility and freedom in the South Pacific. We believe, however, that the end of the Cold War offers an opportunity to re-assess the validity of past concerns about SPNFZ.

We would be interested in understanding the nature of the Administration's concerns about operational flexibility for U.S. forces in the South Pacific, and are interested in working with you in support of a policy regarding the SPNFZ Protocols that protects and promotes U.S. interests in the South Pacific and enhances U.S. non-proliferation objectives.

We are writing a similar letter to the Secretary of State.

With best regards,

Sincerely yours,

BENJAMIN A. GILMAN,
JIM LEACH,
LEE H. HAMILTON,
GARY L. ACKERMAN,
ENI F. H. FALEOMAVAEGA.

COMMITTEE ON FOREIGN AFFAIRS,
HOUSE OF REPRESENTATIVES,
Washington, DC, May 27, 1993.

Hon. WARREN M. CHRISTOPHER,
Secretary of State, Department of State, Washington, DC.

DEAR MR. SECRETARY: We write to recommend an early review of U.S. policy toward signature of the Protocols of the South Pacific Nuclear Free Zone (SPNFZ) Treaty.

Such a review would appear to be appropriate not only in the context of non-proliferation policy but also because of the relevance of SPNFZ to U.S. relations with the South Pacific. SPNFZ is a significant non-proliferation measure and any support the U.S. can lend to it would strengthen the cause of non-proliferation in the region. It would also contribute to support for the extension of the Non-Proliferation Treaty in 1995. Given the importance of SPNFZ to South Pacific Forum members, U.S. accession to the Protocols would enhance U.S. influence and credibility in the South Pacific.

As we understand them, the provisions of the SPNFZ Treaty and its three Protocols do not appear to be inconsistent with U.S. national interests. The Treaty specifically respects states' rights under international law to freedom of the seas and leaves it up to individual signatories to decide whether to allow foreign ships and aircraft to visit or transit their territory.

We note that, at the hearing of the Foreign Affairs Committee on 18 May, you said the U.S. was not at odds with the basic thrust of SPNFZ. You did, however, express concern about the Treaty's possible impact on the U.S.'s operational flexibility and freedom in the South Pacific.

We would be interested in understanding the nature of the Administration's concerns about operational flexibility for U.S. forces in the South Pacific, and are interested in working with you in support of a policy regarding the SPNFZ Protocols that protects and promotes U.S. interests in the South Pacific and enhances U.S. non-proliferation objectives.

We are writing a similar letter to the Secretary of Defense.

With best regards,

Sincerely yours,

BENJAMIN A. GILMAN,
JIM LEACH,
LEE H. HAMILTON,
GARY L. ACKERMAN,
ENI F. H. FALEOMAVAEGA.

[From Day of Two Suns]

U.S. NUCLEAR TESTING AND THE PACIFIC ISLANDERS

(By Jane Dibblin)

BRAVO

At 6:45 on the morning of 1 March 1954, eight years after testing in the Marshall Islands began, the US detonated a bomb codenamed 'Bravo' on the island of Bikini. The bomb was equivalent to 17 megatons of TNT, 1,300 times the destructive force of the bomb dropped on Hiroshima, and was specifically designed to create a vast amount of lethal fallout. That morning the wind was blowing in the direction of two inhabited atolls, Rongelap and Utrik, roughly 100 and 300 miles from Bikini. During previous tests Rongelap and Utrik had been evacuated. For some reason never yet divulged, there was no attempt to evacuate them before Bravo.

The first the islanders knew of Bravo was an intense light, like a strange sun dawning in the west. Later they heard the explosion. By mid-day the fallout, a fine powder which fell from the sky, had reached Rongelap. The children had seen photos of snow, and at first the young ones played in it. This is how Lemoyo Abon, now a teacher and mother, describes her experience of the fallout:

"I was 14 at the time and my sister Roko was 12. That day our teacher had asked us—my sister and I and our two cousins—to cook rice for the other children. We got up early to do it. When we saw the bright light and heard a sound—boom—we were really scared. At that time we had no idea what it was. After noon, something powdery fell from the sky. Only later were we told it was fallout. With Roko and several cousins, I went to our village on the end of Rongelap island to gather some sprouted coconuts. One cousin climbed the coconut tree and got something in her eyes, so we sent another one up. The same thing happened to her. When we went home—ours was the main village on Rongelap—it was raining. We saw something on the leaves, something yellow. Our parents asked, 'What's happened to your hair?' It looked like we'd rubbed soap powder in it.

"That night we couldn't sleep, our skin itched so much. On our feet were burns, as if from hot water. Our hair fell out. We'd look at each other and laugh—you're bald, you look like an old man. But really we were frightened and sad."

The pale powder continued to fall until late afternoon, by which time it was about one and a half inches deep. Later it emerged that it was in fact particles of lime (calcium oxide) formed when Bikini's coral reef (a formation of calcium carbonate) melted in the intense heat of the bomb and was sucked up and scattered for miles.[13] The exact dose of radiation received by the islanders was never measured, but it was estimated that people on Utrik received 14 rem (140 msv) and those on Rongelap 175 rem (1,750 msv). The International Commission on Radiological Protection (ICRP) now recommends that a maximum permissible total body dose to a member of the general public be 0.5 rem a year. (For an explanation of nuclear terms, see Glossary, Appendix III.)

John Anjain, a magistrate on Rongelap at the time, tells what happened over the next two days—and why his people sometimes refer to the event at the "day of two suns":

"On the morning of the 'bomb' I was awake and drinking coffee. I thought I saw what appeared to be the sunrise, but it was in the

west. It was truly beautiful with many colours—red, green and yellow—and I was surprised. A little while later, the sun rose in the east. Then some time later something like smoke filled the entire sky and shortly after that a strong and warm wind—as in a typhoon—swept across Rongelap. Then all of the people heard the great sound of the explosion. Some people began to cry with fright. Several hours later the powder began to fall on Rongelap. We saw four planes fly overhead, and we thought perhaps the planes had dropped this powder, which covered our island and stuck to our bodies. The visibility was less than one half mile at that time, due to the haze in the sky.

"The next day, early in the morning, I looked at all of the catchments with Jabwe [the health aide] and Billiet [the school principal] and we noticed the water had turned to yellow. I then warned the people not to drink from these water catchments, and told them to drink only ni [coconut milk]. The people began to get sick with vomiting, aches all over the body, eye irritations and general weakness and fatigue. After the second day most of the people were unable to move around as usual due to their fatigue. Just a few strong young men were up and about at that time and I asked them to fetch some coconuts for the rest of us to drink. On the evening of the second day a seaplane arrived from Enewetak with two men who brought some strange machines. They stayed only about 20 minutes and they took some readings of water catchments and soil, then took off again. They really did not tell us very much."

Not far from Rongelap, US Navy ships were measuring the intensity of radioactivity. They were not instructed to rescue the Rongelap people; indeed, the task force command ordered them to sail away from the area. Twenty-eight American service personnel stationed on Rongerik atoll to provide hourly weather reports were also exposed to radiation, and were not told when Bravo would be exploded. It was two days before the Navy arrived to pick up the Rongelap islanders and the US personnel—two days in which they breathed, slept and ate the fallout.

No satisfactory answer has been given as to why they were not rescued as soon as it was known that they had been in the path of the fallout. Immediate decontamination on board ship would have at least minimised some of the horrific effects of radiation sickness. Instead, belatedly, the ships took the Rongelapese to the US military base on Kwajalein island, as Etry Enos explains:

"When we arrived on Kwajalein we started getting burns all over our bodies, and people were feeling dizzy and weak. At that time we did not know if we would ever return to Rongelap and we were afraid. After two days something appeared under my fingernails and then my fingernails came off and my fingers bled. We all had burns on our ears, shoulders, necks and feet, and our eyes were very sore."

Billiet Edmond kept a diary at the time. In one of his entries he described the injuries then becoming apparent:

"After two days on Kwajalein, a group of military doctors began their studying on the victims. Nausea, skin-burns, diarrhoea, headaches, eye pain, hair fall-out, numbness, skin discoloration were among common complaints. It had been so for quite a while. The children were more critical. My 10-year-old adopted son had severe burns in his body, feet, head, neck and ears. I cannot help remembering those sleepless nights we had to hold him down onto his bed as he would have jumped up and down, scratching, rolling, as though insane.

Although I had also some burns on my back, feet and hands, and my hair was falling off, I knew I had been the least affected and I deeply felt pity about those who suffered the most."

On Kwajalein the Rongelapese were given medical treatment. It was cursory, to say the least. Film footage of that time shows lines of Marshallese people being 'inspected'. Jabwe Jojur, health aide on Rongelap, was angered by the lack of information given to the islanders about their injuries:

"When we arrived in Kwajalein we immediately showered for several hours at the military base there. After some days a medical team flew out from the US, and they are still treating us today. After three days we had burns all over our bodies, and our hair began to fall out: some people actually went bald. When we asked the Atomic Energy Commission doctors to help us understand what had happened, they did not tell us, and today they do not tell us the truth about our problems."

Once on Kwajalein, the Rongelap people met up with the people of Utrik, who had also been in the path of the fallout. Utrik is 275 miles east of Bikini and by the time the fallout arrived there it looked more like mist than snow. The Utrik people were only taken off the island 72 hours after being exposed. Jirda Biton, living on Utrik at the time of the test, recalls the evacuation:

"We all boarded the ship using rubber lifeboats. They took eight of us at a time, and because they were in such a hurry and because the waves were so big in the ocean, I fell overboard and nearly drowned. As I turned to see my island fading into the distance, it made me very sad, and I could not believe that this was happening to us. Since we got wet boarding the ship, we shivered all the way to Kwajalein.

"At Kwajalein they took us to a hospital and gave us all medical examinations and took blood samples. They then took us to a camp over on Ebeye island and told us to bathe in the lagoon every morning using soap, and we did exactly as they told us. While still on Kwajalein we saw the Rongelap people who had gotten there the previous day and we learned that we had all been affected by the fallout."

A Japanese tuna fishing boat, the Lucky Dragon, was also caught in the path of Bravo's fallout. It was 100 miles east of Bikini when the bomb was detonated. The crew members suffered headaches and nausea and by the time they reached Japan two weeks later all 23 were suffering from radiation sickness, with skin blisters and falling hair. One of the crew members, Aikichi Kuboyama, died of liver and blood damage on 23 September. The fishermen's injuries caused an international outcry and two years later the US handed over $2 million in compensation to the Japanese government.

In addition to the physical injuries and psychological trauma the Marshallese also had to contest with insulting and degrading treatment, according to Jirda Biton.

"When we were on Ebeye we had a very rough time adjusting to our new home and [an American man] came dressed up in a cat's costume. When we asked him why he was dressed up as a cat, he told us that we were like cats because we ate like animals and we did not know how to think* * *"

Ijunan Iron from Utrik was only nine when his people were taken to the makeshift camp on Kwajalein, but he has never forgotten how degrading it was: 'When we were evacuated and taken to Kwajalein, we were put into a camp with a rope around it like animals and they even posted a policeman in order to keep us inside the area.'

How far exactly did the radiation clouds from Bravo—and indeed, from the other tests—drift? Until 1982 the official US answer was that only Rongelap, Bikini, Enewetak and Utrik had been irradiated. However, a US Department of Energy study, conducted in 1978, then revealed that the fallout was more widespread than had previously been admitted.

"There are eleven other atolls or single islands that received intermediate range fallout from one or more of the megaton range tests. A number of these atolls are presently inhabited while others are used for food collection."

The atolls and separate islands listed are: Ailinginae, which received fallout from five different explosions; Ailuk, from one explosion; Bikar from two; Likiep from one; Taka from one; Ujelang (where the Enewetak people were resettled) from two; Rongerik (where the Bikinians lived for two years) from four; Wotho from two; Jemo from one and Mejit from one. The report acknowledges that there was only a 'limited monitoring programme' during the testing and 'there is little or no data on possible plutonium contamination outside Bikini and Enewetak'. It proposes a new survey using 'current aerial survey technology and instrumentation' which should give more accurate results.

H. CON. RES 111

Whereas the nations of the South Pacific, which share with the United States a strong interest in nuclear nonproliferation, have negotiated and signed the Treaty of Rarotonga, establishing a South Pacific Nuclear Free Zone;

Whereas the Treaty of Rarotonga came into force on December 11, 1986, and has been ratified by 11 nations;

Whereas the Treaty of Rarotonga prohibits the testing, manufacture, acquisition, and stationing of nuclear weapons in the territory of parties to the treaty and the dumping of radioactive wastes at sea;

Whereas 3 protocols to that treaty, which are open for ratification by nuclear-weapon states, require that those nuclear weapon states that ratify those protocols abide by the treaty's provisions in their territories in the region, not contribute to violations of the treaty or threaten to use nuclear weapons against its parties, and refrain from testing nuclear devices in the zone;

Whereas the Treaty of Rarotonga does not prejudice or in any way affect the rights of all nations to freedom of the seas under international law and leaves to each party policy decisions on visits or passage through its territory by foreign ships and aircraft;

Whereas the establishment of verified nuclear-weapon-free zones can reinforce the international norm of nuclear nonproliferation and build consensus for long-term extension of the Nuclear Nonproliferation Treaty (NPT) when reviewed for extension by its members in 1995;

Whereas the United States leadership to extend the Nuclear Nonproliferation Treaty would be further enhanced if United States signature and ratification of the protocols were part of an overall nonproliferation policy that included negotiations on a comprehensive nuclear test ban;

Whereas Article VII of the Nuclear Nonproliferation Treaty affirms "the right of any group of States to conclude regional

treaties in order to assure the total absence of nuclear weapons in their respective territories," and the state parties to the Treaty of Rarotonga have implemented a safeguards agreement for the region with the International Atomic Energy Agency;

Whereas it has been the policy of the United States to favor the establishment of effective nuclear-weapon-free zones in regions of nonproliferation concern and where such zones would enhance international stability and security;

Whereas the United States has set forth 7 criteria whereby the effectiveness of proposed nuclear-weapon-free zones will be judged, as follows: (1) the initiative is from the nations in the region, (2) all nations whose participation is deemed important participate, (3) adequate verification of compliance is provided, (4) it does not disturb existing security arrangements to the detriment of regional and international security, (5) all parties are barred from developing or possessing any nuclear device for any purpose, (6) it imposes no restrictions on international legal maritime and serial navigation rights and freedoms, and (7) it does not affect the international legal rights of parties to grant or deny others transit privileges, including port calls and overflights;

Whereas the United States has signed and ratified the protocols to the Treaty for the Prohibition of Nuclear Weapons in Latin America (the Treaty of Tlatelolco), establishing a nuclear-weapon-free zone in Latin America, whereby the United States committed itself not to test, manufacture, acquire, or store nuclear weapons in its territories in the region (namely Puerto Rico and the United States Virgin Islands), not to contribute to any violation of the treaty, and not to threaten to use nuclear weapons against the parties;

Whereas the United States is also a party to the Antarctic Treaty, the Seabed Arms Control Treaty, the Treaty on Principles Governing the Activities of States in the Exploration and Use of Outer Space, Including the Moon and Other Celestial Bodies, which preclude nuclear weapons from these regions;

Whereas support for these nuclear-weapon free zones does not prejudge United States policy with respect to other proposed nuclear-weapon-free zones, each of which must be judged on its individual merits in accordance with United States national interests;

Whereas in order to maintain the security of United States military forces and their ability to contribute to nuclear deterrence, the United States must preserve the principle of neither confirming nor denying whether particular United States naval vessels or other military forces possess nuclear weapons;

Whereas the protocols to the Treaty of Rarotonga do not conflict with the United States policy of neither confirming nor denying the presence of nuclear weapons on United States vessels or aircraft and do not prohibit any current or anticipated activities in United States territories in the South Pacific or elsewhere in the region; and

Whereas past administrations have stated that while the United States could not, under circumstances prior to the cessation of the Cold War, sign the protocols to the Treaty of Rarotonga, United States practices and activities in the South Pacific, Nuclear Free Zone region, then and now, are consistent with the treaty and its protocols: Now, therefore, be it

Resolved by the House of Representatives (the Senate concurring), That (a) it is the sense of the Congress that—

(1) the Treaty of Rarotonga is consistent with United States security commitments in the South Pacific since it does not prohibit port calls by naval vessels which are nuclear powered or may be carrying nuclear weapons and does not create other impediments to United States military operations in support of the Security Treaty between Australia, New Zealand and the United States (ANZUS Treaty);

(2) the Treaty of Rarotonga satisfies the 7 criteria, set forth in the preamble of this resolution, which have been established by the United States Government for judging the effectiveness of proposed nuclear-weapon-free zones;

(3) signature and ratification of the protocols to that treaty would be in the national interest of the United States by contributing to a comprehensive United States nonproliferation policy that would enhance prospects for extending the Nuclear Nonproliferation Treaty in 1995, particularly if such a policy were to include negotiations on a comprehensive nuclear test ban agreement; and

(4) signature and ratification of the protocols would not prejudge United States policy with respect to proposals for nuclear-weapon-free zones in other regions, such as those in which the presence of an effective nuclear deterrent has contributed to United States national security by enhancing stability.

(b) Noting that the executive branch has indicated that United States practices and activities in the region are consistent with the Treaty of Rarotonga and its protocols, it is therefore the sense of the Congress that the United States should sign and ratify the protocols to that treaty.

Mr. STARK. Mr. Speaker, I wish to urge strong support for House Concurrent Resolution 111 which expresses the sense of Congress that the United States should sign and ratify the protocols to the Treaty of Rarotonga, which establishes the South Pacific nuclear weapons free zone. I commend the gentleman from American Samoa for his outstanding leadership in calling attention to this important nonproliferation issue.

Nuclear proliferation is a leading military threat to U.S. national security. Iran, North Korea, Algeria, and Libya are just some of the countries believed to be pursuing nuclear weapons. India, Pakistan, and Israel have achieved a nuclear weapons capability. The breakup of the Soviet Union has increased the risks of nuclear theft, diversion, or terrorism. China continues to sell nuclear and missile technology to countries in unstable regions. The United States must make nuclear nonproliferation a leading national security priority. Signing the Rarotonga Treaty is a straightforward but important step in this direction that has been far too long delayed. I urge support for the resolution.

Mr. BERMAN. Mr. Speaker, I am pleased to join my colleagues today in support of House Concurrent Resolution 111, concerning the establishment of a South Pacific nuclear free zone. As an original cosponsor, I want to pay particular tribute to my colleague, Mr. FALEOMAVAEGA, for his leadership in offering this resolution.

Mr. Speaker, the Treaty of Rarotonga, establishing a nuclear free zone in the South Pacific, represents an important milestone in global efforts to halt the spread of nuclear weapons. The nations of that region have banded together, resolved to prevent the introduction of nuclear-weapon states in the region. They have negotiated full-scope safeguard agreements with the International Atomic Energy Agency. By their actions they have presented a forceful example to other regions of the political will necessary to assure a safer and more secure world.

The United States, which shares the goal of preventing the further spread of nuclear weapons, established seven conditions for endorsing nuclear free zones. The Treaty of Rarotonga meets all of them, and it is U.S. policy to act in compliance with the treaty's provisions. Nevertheless, the United States has not signed the treaty's additional protocols that are open to, and relevant for, nuclear-weapon states. The fact that we have not is, I believe, a vestige of the cold war. It is time to change that.

Mr. Speaker, heading the list of security challenges we face in this new world is the prospect of proliferation of weapons of mass destruction. In 1995, the Nuclear Non-Proliferation Treaty [NPT] is up for extension. It serves as the cornerstone of all our efforts to halt the spread of nuclear weapons, and it is our goal to see the treaty extended indefinitely. That will be no easy task. But it will be made easier if, as part of a comprehensive nonproliferation policy that includes negotiating a nuclear test ban treaty, we also endorse the nuclear free zone in the South Pacific. There is no good reason not to, but there are many good reasons to do so.

Mr. Speaker, the resolution offered by my good friend, Mr. FALEOMAVAEGA, gives us the chance to express our view that now is the time to change from a cold war mentality and to face the growing challenge of nuclear proliferation. I thank him for his efforts, urge the speedy adoption of this resolution, and urge the administration to sign the protocols to the Treaty of Rarotonga.

Mr. ABERCROMBIE. Mr. Speaker, I rise to commend the gentleman from American Samoa for his work on the concurrent resolution to move the United States to sign the nuclear-weapon state protocols to the Treaty of Rarotonga. His efforts bring us one step closer to realizing the dream of a nuclear free world through the establishment of a South Pacific nuclear free zone.

Representing as I do the Pacific island State of Hawaii, I would like to offer some observations from the perspective of a district which is an integral part of the Pacific archiplegaic system. During the age of exploration lasting from the 16th through the 18th centuries, European explorers "discovered" the Pacific. I enclose the word "discovered" in quotation marks, because the Pacific islands had already been discovered and populated by its indigenous inhabitants for many centuries.

Over the course of those centuries, the peoples of the Pacific acquired an intimate knowledge of the land and seas that provided sustenance and shelter. That knowledge led to the most highly developed premodern navigation technology the world has ever seen. Using their knowledge of the heavens, currents, and winds, Pacific island voyagers traveled over thousands of miles of ocean in open canoes. In Hawaii, the Polynesian Voyaging Society has revived the arts of canoe building and

navigation. The exploits of the society's voyaging canoe *Hokule'a* offers ample testimony to the achievements, skills, and knowledge of Pacific island peoples.

It is that wisdom, that sense of place, that we should consult in developing our policies for the Pacific. We should be turning to the leaders of Pacific island societies for guidance in environmental matters. It just might be, Mr. Speaker, that we have something to learn from them. By signing the Treaty of Rarotonga the island nations of the Pacific have expressed a strong desire to make the South Pacific a nuclear free zone. Their stance is based on a profound appreciation of the fragility of their oceanic environment and an abhorrence of the destructiveness of nuclear weaponry. It stems from the concept the Hawaiians call Aloha' aina, or love of the land.

With the end of the cold war, we can no longer justify a continued refusal to sign the protocols of the Treaty of Rarotonga. It is time to move forward and do our part, as the leading power in the Pacific, to make the South Pacific nuclear free zone a reality.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. MCDADE (at the request of Mr. MICHEL), for today, on account of illness.

Mr. THOMAS of Wyoming (at the request of Mr. MICHEL), after 4:30 today, and tomorrow, on account of attending a funeral.

Mr. FIELDS of Texas (at the request of Mr. MICHEL), for today, on account of attending a funeral.

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 Mr. LIGHTFOOT) to revise and extend their remarks and include extraneous material:)

Mr. KIM, for 5 minutes, on July 28.

Mr. GOSS, for 5 minutes on June 18.

(The following Member (at the request of Mr. DARDEN) to revise and extend his remarks and include extraneous material:)

Mr. GONZALEZ, for 60 minutes each day, on June 18 and 21.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mr. LIGHTFOOT) and to include extraneous matter:)

Mr. OXLEY in two instances.

Mrs. MEYERS of Kansas.

Mr. MACHTLEY.

Mr. ALLARD.

Mr. CLINGER.

Mr. YOUNG of Florida in two instances.

Mr. GEKAS.

Mr. MCCANDLESS.

Mr. EMERSON.

Mr. KING.

(The following Members (at the request of Mr. DARDEN) and to include extraneous matter:)

Mr. MAZZOLI.

Mr. LAFALCE.

Ms. SLAUGHTER.

Mr. HAMILTON.

Mr. STARK.

Mr. MORAN.

Mr. STOKES.

Mr. SLATTERY.

Mr. GLICKMAN.

Mr. RAHALL.

Mr. LIPINSKI.

Mr. FRANK of Massachusetts.

Mr. BROWN of Ohio.

Mr. KILDEE.

Ms. PELOSI.

Mr. VISCLOSKY.

Mr. HOCHBRUECKNER.

Mr. OWENS.

Mr. BARCIA.

Ms. VELÁZQUEZ.

Mr. PAYNE of New Jersey.

Mr. SWETT.

(The following Members (at the request of Mr. GONZALEZ) and to include extraneous matter:)

Mr. OWENS.

Mr. MARKEY.

Mr. WAXMAN.

SENATE JOINT RESOLUTION AND CONCURRENT RESOLUTION REFERRED

A joint resolution and concurrent resolution of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S.J. Res. 71. Joint resolution to designate June 5, 1993, as "National Trails Day"; to the Committee on Post Office and Civil Service.

S. Con. Res. 29. Concurrent resolution relating to the Asia Pacific Economic Cooperation organization; to the Committees on Foreign Affairs and Ways and Means.

ADJOURNMENT

Mr. FALEOMAVAEGA. I move that the House do now adjourn.

The motion was agreed to; accordingly (at 6 o'clock and 56 minutes p.m.), the House adjourned until tomorrow, Friday, June 18, 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:

1438. A letter from the Chairman, Defense Base Closure and Realignment Commission, transmitting certified materials supplied to the Commission, pursuant to Public Law 101-510, section 2903(d)(3) (104 Stat. 1812); to the Committee on Armed Services.

1439. A letter from the Acting Chairman, Council of the District of Columbia, transmitting a copy of D.C. Act 10-39, "Omnibus Budget Support Temporary Act of 1993," pursuant to D.C. Code, section 1-233(c)(1); to the Committee on the District of Columbia.

1440. A letter from the Chairman, National Commission for Employment Policy, transmitting a report titled "Private Industry Councils: Examining Their Mission Under the Job Training Partnership Act," pursuant to 29 U.S.C. 1775; to the Committee on Education and Labor.

1441. A letter from the Assistant Secretary of State for Legislative Affairs, transmitting a copy of Presidential Determination No. 93-22, authorizing the furnishing of assistance from the Emergency Refugee and Migration Assistance Fund to meet the urgent needs of refugees and conflict victims in Bosnia and Croatia, pursuant to 22 U.S.C. 2601(c)(3); to the Committee on Foreign Affairs.

1442. A letter from the Director, Defense Security Assistance Agency, transmitting notice concerning the Department of the Navy's proposed Letter(s) of Offer and Acceptance [LOA] to Japan for defense articles and services (Transmittal No. 93-16), pursuant to 22 U.S.C. 2776(b); to the Committee on Foreign Affairs.

1443. A letter from the Director, Office of Management and Budget, transmitting OMB estimate of the amount of change in outlays or receipts, as the case may be, in each fiscal year through fiscal year 1998 resulting from passage of S. 1, pursuant to Public Law 101-508, section 13101(a) (104 Stat. 1388-582); to the Committee on Government Operations.

1444. A letter from the Acting Deputy Assistant Secretary of Defense, transmitting the fiscal year 1992 report on the actuarial status of the military retirement system, pursuant to 31 U.S.C. 9503(a)(1)(B); to the Committee on Government Operations.

1445. A letter from the Deputy Associate Director for Collection and Disbursement, Department of the Interior, transmitting notice of proposed refunds of excess royalty payments in OCS areas, pursuant to 43 U.S.C. 1339(b); to the Committee on Natural Resources.

1446. A letter from the Secretary of Health and Human Services, transmitting the 26th in a series of reports on refugee resettlement in the United States covering the period October 1, 1991 through September 30, 1992, pursuant to 8 U.S.C. 1523(a); to the Committee on the Judiciary.

1447. A letter from the Acting Assistant Secretary of Commerce and Acting Commissioner of Patents and Trademarks, transmitting a report on the Patent Technology Sets CD-Rom Demonstration Program, pursuant to 35 U.S.C. 41 note, Public Law 102-204, section 11(e); to the Committee on the Judiciary.

1448. A letter from the Secretary of Energy, transmitting the annual updating of the comprehensive ocean thermal technology application and market development plan, pursuant to 42 U.S.C. 9005(b); to the Committee on Science, Space, and Technology.

1449. A letter from the Acting Director, National Science Foundation, transmitting a draft of proposed legislation to authorize appropriations for the National Science Foundation and for other purposes; to the Committee on Science, Space, and Technology.

1450. A letter from the Secretary of Health and Human Services, transmitting a report on the payment for bloodclotting factors administered to Medicare inpatients who have hemophilia, pursuant to 42 U.S.C. 1395ww

note, Public Law 101-239, 6011(c); to the Committee on Ways and Means.

1451. A letter from the Acting Chairman, Securities and Exchange Commission, transmitting the annual report on intermarket coordination among financial markets and to increase financial stability and integrity, pursuant to Public Law 101-432, section 8(a); jointly, to the Committees on Energy and Commerce, Banking, Finance and Urban Affairs, and Agriculture.

REPORTS OF COMMITTEE 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. BEVILL: Committee on Appropriations. H.R. 2445. A bill making appropriations for energy and water development for the fiscal year ending September 30, 1994, and for other purposes (Rept. 103-135). Referred to the Committee of the Whole House on the State of the Union.

Mr. HEFNER: Committee on Appropriations. H.R. 2446. A bill making appropriations for military construction for the Department of Defense for the fiscal year ending September 30, 1994, and for other purposes (Rept. 103-136). Referred to the Committee of the Whole House on the State of the Union.

Mr. BEILENSON: Committee on Rules. H. Res. 201. Resolution providing for the consideration of the bill (H.R. 2403) making appropriations for the Treasury Department, the U.S. Postal Service, the Executive Office of the President, and certain independent agencies, for the fiscal year ending September 30, 1994, and for other purposes (Rept. 103-137). Referred to the House Calendar.

Mr. DINGELL: Committee on Energy and Commerce. H.R. 2243. A bill to amend the Federal Trade Commission Act to extend the authorization of appropriations in such act, and for other purposes (Rept. 103-138). Referred to the Committee of the Whole House on the State of the Union.

Mr. MINETA: Committee on Public Works and Transportation. H.R. 168. A bill to designate the Federal building to be constructed between Gay and Market Streets and Cumberland and Church Avenues in Knoxville, TN, as the "Howard H. Baker, Jr. United States Courthouse" (Rept. 103-139). 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. GONZALEZ (for himself and Mr. LEACH):

H.R. 2443. A bill to provide for the equitable disposition of distributions that are held by a bank or other intermediary as to which the beneficial owners are unknown or whose addresses are unknown, and for other purposes; to the Committee on Banking, Finance and Urban Affairs.

By Mr. ALLARD (for himself and Mr. BUNNING):

H.R. 2444. A bill to amend the Internal Revenue Code of 1986 with respect to the deductibility of certain home office expenses; to the Committee on Ways and Means.

By Mr. BEVILL:

H.R. 2445. A bill making appropriations for energy and water development for the fiscal year ending September 30, 1994, and for other purposes.

By Mr. HEFNER:

H.R. 2446. A bill making appropriations for military construction for the Department of Defense for the fiscal year ending September 30, 1994, and for other purposes.

By Mr. BEILENSON (for himself and Mrs. MORELLA):

H.R. 2447. A bill to amend the Foreign Assistance Act of 1961 to establish and strengthen policies and programs for the early stabilization of world population through the global expansion of reproductive choice, and for other purposes; to the Committee on Foreign Affairs.

By Mr. MARKEY (for himself, Mr. WAXMAN, Mr. SWIFT, and Mr. HASTERT):

H.R. 2448. A bill to improve the accuracy of radon testing products and services, to increase testing for radon, and for other purposes; to the Committee on Energy and Commerce.

By Mr. COSTELLO:

H.R. 2449. A bill to establish an interagency task force to conduct a study regarding the problems affecting smaller cities in the United States and recommend actions to alleviate such problems; to the Committee on Government Operations.

By Mr. DURBIN (for himself, Mr. EVANS, and Mr. VOLKMER):

H.R. 2450. A bill to authorize the Secretary of the Army to provide shoreline projects to maintain certain flood control projects on the Mississippi and Iowa Rivers; to the Committee on Public Works and Transportation.

By Mr. KENNEDY (for himself, Mr. EVANS, Mr. BUYER, Mr. GUTIERREZ, and Mr. CLEMENT):

H.R. 2451. A bill to provide for the establishment of a specialized environmental medical unit to investigate the possible health effects of environmental and chemical exposures of U.S. military personnel in the Persian Gulf war and for related civilian purposes; jointly, to the Committees on Armed Services and Energy and Commerce.

By Mr. KLECZKA:

H.R. 2452. A bill relating to the tariff treatment of certain agglomerated cork products; to the Committee on Ways and Means.

By Mr. MACHTLEY:

H.R. 2453. A bill to amend the Internal Revenue Code of 1986 to provide tax incentives to encourage the conversion of the defense industry to commercial endeavors, and for other purposes; to the Committee on Ways and Means.

H.R. 2454. A bill to increase the efficiency of Government procurement; jointly, to the Committees on Government Operations and the Judiciary.

By Mr. OWENS (for himself, Mr. SERRANO, Mr. SCHUMER, Mr. ENGEL, Mr. KLINK, Mr. PAYNE of New Jersey, Mrs. UNSOELD, Mr. REED, Mr. WILLIAMS, Mr. MARTINEZ, Mr. CLAY, and Mr. FALEOMAVAEGA):

H.R. 2455. A bill to help local school systems achieve goal six of the national education goals, which provides that by the year 2000, every school in America will be free of drugs and violence and will offer a disciplined environment conducive to learning, by ensuring that all schools are safe and free of violence; to the Committee on Education and Labor.

By Mr. PAYNE of New Jersey:

H.R. 2456. A bill to amend the Internal Revenue Code of 1986 in order to provide an incentive for business to invest in pollution abatement property and related assets; to the Committee on Ways and Means.

By Ms. PELOSI (for herself, Mr. FAZIO, Mr. HAMBURG, and Mr. MILLER of California):

H.R. 2457. A bill to direct the Secretary of the Interior to conduct a salmon captive broodstock program; to the Committee on Merchant Marine and Fisheries.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

202. By the SPEAKER: Memorial of the Legislature of the State of Nebraska, relative to Social Security; to the Committee on Energy and Commerce.

203. Also, memorial of the Legislature of the State of Michigan, relative to low income housing tax credit; to the Committee of Ways and Means.

204. Also, memorial of the Senate of the State of New York, relative to health care costs; jointly to the Committees on Energy and Commerce and Ways and Means.

205. Also, memorial of the Legislature of the State of Nebraska, relative to the Nevada test site; jointly, to the Committees on Science, Space, and Technology, Armed Services, and Education and Labor.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII,

Mr. CLINGER introduced a bill (H.R. 2458) for the relief of Livio B. Colosimo; which was referred to the Committee on Veterans' Affairs.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 81: Mr. PETERSON of Florida, Mr. PASTOR, Mr. BONIOR, Mr. PRICE of North Carolina, Mr. BOUCHER, Mr. SABO, Mr. JOHNSTON of Florida, and Mr. DEAL.

H.R. 136: Mr. BATEMAN, Mr. BEREUTER, Mr. EMERSON, Mr. ROGERS, and Mr. GORDON.

H.R. 162: Mr. MCINNIS, Ms. PRYCE of Ohio, Mr. RIDGE, Mr. BROWN of Ohio, Mr. GENE GREEN of Texas, and Mr. POMEROY.

H.R. 349: Mr. HOAGLAND.

H.R. 350: Mr. DIXON, Mr. OBERSTAR, Mr. NEAL of North Carolina, Ms. SCHENK, and Ms. SHEPHERD.

H.R. 436: Mr. RIDGE, Mrs. BENTLEY, Mr. BLUTE, Mr. BOEHLERT, Mr. KINGSTON, Mr. SCOTT, Mr. TUCKER, and Mrs. MEYERS of Kansas.

H.R. 441: Mr. MEEHAN.

H.R. 467: Mr. DE LUGO and Ms. ROYBAL-ALLARD.

H.R. 509: Mr. SENSENBRENNER.

H.R. 535: Mr. KLUG.

H.R. 624: Mr. SWETT, Mr. CASTLE, and Mr. PAXON.

H.R. 667: Mr. YOUNG of Florida and Mr. BAKER of California.

H.R. 749: Mr. KIM.

H.R. 758: Mr. COBLE.

H.R. 789: Mr. GENE GREEN of Texas, Mr. SARPALIUS, Mr. TEJEDA, Mr. WILSON, Mr. MINETA, and Mr. HILLIARD.

H.R. 833: Ms. ROYBAL-ALLARD.

H.R. 911: Mr. BILBRAY and Mr. BONILLA.

H.R. 1141: Mr. BORSKI and Mr. GILCHREST.

H.R. 1156: Mr. MARTINEZ.

H.R. 1206: Mr. SCOTT and Mr. SERRANO.

H.R. 1251: Mr. SCHIFF.
H.R. 1270: Mr. SMITH of New Jersey.
H.R. 1295: Mr. GORDON, Ms. ENGLISH of Arizona, Mr. VISCLOSKY, Mr. MARTINEZ, Mr. DEUTSCH, Mr. HEFNER, and Mrs. MORELLA.
H.R. 1296: Mr. LAUGHLIN and Mr. BRYANT.
H.R. 1389: Mr. ENGEL.
H.R. 1392: Mr. HYDE, Mr. DOOLITTLE, and Mr. CRANE.
H.R. 1394: Mr. BONIOR.
H.R. 1428: Mr. KINGSTON.
H.R. 1504: Mr. MEEHAN and Mr. LEHMAN.
H.R. 1539: Mr. ROMERO-BARCELÓ.
H.R. 1553: Mr. MAZZOLI.
H.R. 1697: Mr. FOGLIETTA, Mr. BOEHLERT, Mr. CONYERS, Mr. HYDE, Mr. HOLDEN, Mr. STUPAK, Mr. WHITTEN, and Mr. MCCRERY.
H.R. 1747: Mr. PAXON.
H.R. 1753: Mr. MFUME, Mr. CONYERS, and Mr. SLATTERY.
H.R. 1754: Mr. MFUME.
H.R. 1755: Mr. MFUME and Mr. CONYERS.
H.R. 1767: Mr. KLINK.
H.R. 1769: Mr. UPTON.
H.R. 1818: Ms. NORTON.
H.R. 1872: Mr. ZELIFF and Mr. BEREUTER.
H.R. 1898: Mr. INHOFE, Mr. BAKER of California, Mr. SOLOMON, and Mr. KOLBE.
H.R. 1916: Mr. REED, Ms. THURMAN, Mr. FRANK of Massachusetts, Mr. OLVER, Mr. MOAKLEY, Mr. ACKERMAN, Mr. HINCHEY, Mr. TORKILDSEN, Mr. KINGSTON, Mr. CLYBURN, Mr. MARKEY, Mr. KENNEDY, Mr. LAUGHLIN, and Mr. FILNER.
H.R. 1925: Ms. PELOSI, Ms. ROYBAL-ALLARD, and Ms. NORTON.
H.R. 1950: Mr. GALLEGLY, Mr. DUNCAN, Mr. GINGRICH, Mr. PACKARD, Mr. LIPINSKI, Mr. GREENWOOD, Mr. HUNTER, Mr. BAKER of California, Mr. BURTON of Indiana, Mr. POMBO, and Mr. DOOLITTLE.
H.R. 1976: Mrs. MEYERS of Kansas.
H.R. 2004: Mr. JEFFERSON and Mrs. LLOYD.
H.R. 2025: Ms. WOOLSEY.
H.R. 2033: Mr. WASHINGTON.
H.R. 2079: Mr. FALEOMAVAEGA, Mr. MORAN, and Mr. ACKERMAN.
H.R. 2094: Ms. MALONEY.
H.R. 2124: Mr. ZELIFF.
H.R. 2135: Mr. MINGE, Mr. FROST, Mr. HOAGLAND, Mr. PETERSON of Minnesota, and Mr. UPTON.
H.R. 2140: Mr. FRANK of Massachusetts.
H.R. 2152: Ms. BACCHUS of Florida, Mr. JOHNSTON of Florida, Mr. WILSON, Mr. GILCHREST, and Mr. FOGLIETTA.
H.R. 2154: Ms. THURMAN, Mr. MINGE, Mr. LANCASTER, Mr. GENE GREEN of Texas, Mr. KLINK, Mr. DEAL, Mr. STRICKLAND, Mr. HASTINGS, Ms. KAPTUR, Mr. VOLKMER, Mr. ROMERO-BARCELO, Mr. RICHARDSON, Mr. GORDON, Mr. WASHINGTON, and Mr. CRAMER.
H.R. 2287: Mrs. ROUKEMA, Mr. LEWIS of California, Mr. BAESLER, Mr. PAXON, and Mr. ZELIFF.
H.R. 2331: Mr. FRANK of Massachusetts and Mr. GUTIERREZ.
H.R. 2354: Mr. SOLOMON.
H.R. 2365: Mr. SHARP, Mr. MARKEY, Mr. GILCHREST, Mr. HOAGLAND, Mr. OWENS, and Mr. RAMSTAD.
H.R. 2375: Mr. FILNER.
H.R. 2414: Mr. BUYER.
H.R. 2421: Mr. LANCASTER and Mr. BALLENGER.
H.R. 2434: Mr. GOSS.
H.R. 2441: Mr. BLUTE, Mr. TORKILDSEN, and Mr. EVANS.
H.J. Res. 61: Mr. COX, Mr. HYDE, Mr. MCCANDLESS, Mrs. MEYERS of Kansas, Mr. PACKARD, and Mr. TAYLOR of Mississippi.
H.J. Res. 86: Mr. DIAZ-BALART, Mr. PAXON, Mr. FISH, Mr. FRANKS of Connecticut, Mr. GUNDERSON, Mr. HANSEN, Mr. HUTTO, Mr. HYDE, Mr. HALL of Ohio, Mr. INHOFE, and Mr. GOODLING.
H.J. Res. 111: Mr. KLUG, Mr. BAESLER, Mr. BUNNING, Mr. PACKARD, Mr. SCOTT, and Ms. DELAURO.
H.J. Res. 131: Mr. TORKILDSEN, Ms. THURMAN, Mr. MEEHAN, Mr. BATEMAN, and Ms. BYRNE.
H.J. Res. 165: Ms. THURMAN and Mr. BUNNING.
H.J. Res. 178: Mr. ORTON and Mr. GILMAN.
H.J. Res. 188: Ms. MALONEY, Mr. BAKER of California, Mr. DOOLITTLE, Mr. BARCIA of Michigan, Mrs. MEYERS of Kansas, Mr. TORRES, Ms. FOWLER, Mrs. MORELLA, Mr. PAYNE of Virginia, Mr. SANGMEISTER, Mr. SAXTON, and Mr. MOLLOHAN.
H.J. Res. 198: Mr. STUPAK and Mr. BARCIA of Michigan.
H.J. Res. 204: Mr. SISISKY, Mr. FROST, Mr. VENTO, Mr. KOPETSKI, Mr. MOLLOHAN, and Mr. TORRICELLI.
H. Con. Res. 73: Mr. MARTINEZ and Mr. SERRANO.
H. Con. Res. 98: Mr. EDWARDS of California, Mr. MINETA, Mr. KYL, Mr. FAZIO, Mr. FRANK of Massachusetts, Mr. JACOBS, Mr. MACHTLEY, Mr. TORRES, Mr. DOOLEY, Ms. PELOSI, Mr. MATSUI, Ms. WOOLSEY, Mr. MILLER of California, Mr. BROWN of California, Mr. LANTOS, Mr. BACCHUS of Florida, Ms. SCHENK, and Mr. CONDIT.
H. Res. 12: Mr. SOLOMON, Mr. GINGRICH, Mr. BAKER of Louisiana, Mr. SMITH of New Jersey, Mr. MANZULLO, Mrs. LLOYD, and Mr. MCCANDLESS.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

44. By the SPEAKER: Petition of the Town Board, North Elba, NY, relative to the closing of the Plattsburgh Air Force Base; to the Committee on Armed Services.

45. Also, petition of the City Council, Knoxville, TN, relative to a proposed energy tax; to the Committee on Ways and Means.

AMENDMENTS

Under clause 6 of rule XXIII, proposed amendments were submitted as follows:

H.R. 2200

By Mr. SMITH of Michigan:

—Page 42, after line 24, insert the following new section:

SEC. 313. LAND REMOTE SENSING FOR AGRICULTURAL AND RESOURCE MANAGEMENT.

(a) FINDINGS.—The Congress finds that—

(1) the use of land remote sensing data is potentially a valuable resource to anticipate potential food, feed, and fiber shortages or excesses, and provide this information to the agricultural community in time to assist farmers with planting decisions;

(2) land remote sensing data can be useful to predict impending famine problems and forest infestations in time to allow remedial action;

(3) land remote sensing data can inform the agricultural community as to the condition of crops and the land which sustains those crops;

(4) land remote sensing data can be useful to allow farmers to apply pesticides, nutrients, and water, among other inputs, to farmlands in the exact amounts necessary to maximize crop yield, thereby reducing agricultural costs and minimizing potential harm to the environment;

(5) land remote sensing data can be valuable, when received on a timely basis, in determing the needs of additional plantings of a particular crop or a substitute crop; and

(6) the National Aeronautics and Space Administration, using the expertise of the Earth Observations Commercialization Applications Program, and the Department of Agriculture should work in tandem to aid farmers to obtain data conducive to sound agricultural management and greater crop yields.

(b) INFORMATION DEVELOPMENT.—The Secretary of Agriculture and the Administrator of the National Aeronautics and Space Administration shall jointly develop a program to provide farmers and other interested persons with timely data, through land remote sensing, on crop conditions, fertilization and irrigation needs, pest infiltration, soil conditions, projected food, feed, and fiber production and any other information available through land remote sensing.

(c) ENHANCED LANDSAT PROGRAM.

(1) The Secretary of Agriculture and the Administrator of the National Aeronautics and Space Administration shall jointly evaluate the need for a satellite with synthetic aperture radar capability that could enhance the Landsat Program, as set forth in the Land Remote Sensing Policy Act of 1992 (15 U.S.C. 5601, et seq.), by providing information and data relating to agricultural resources, and which may have other commercial and research applications.

(2) In the event there is a finding of need as set forth in paragraph (1), the Secretary of Agriculture and the Administrator of the National Aeronautics and Space Administration shall jointly develop a proposal, which maximizes private funding and involvement in the launch and operation such satellite, and in the management and dissemination of the data from such satellite. The Secretary and the Administrator shall jointly submit the proposal, within 30 days of its development, to the House Committee on Agriculture, the Senate Committee on Agriculture, Nutrition, and Forestry, the House Committee on Science, Space, and Technology, and the Senate Committee on Commerce, Science, and Transportation.

(d) FEES.—The Secretary of Agriculture and the Administrator of the National Aeronautics and Space Administration shall set appropriate fees for the dissemination of land remote sensing data under subsection (b).

(e) TRAINING.—The Secretary of Agriculture and the Administrator of the National Aeronautics and Space Administration shall jointly establish a program to inform farmers and other prospective users concerning the use and availability of land remote sensing data.

(f) AUTHORIZATION.—Funds necessary for carrying out this section may be derived from funds otherwise authorized for the National Aeronautics and Space Administration and the Department of Agriculture.

(f) SUNSET.—The provisions of this section shall expire 5 years after the date of enactment of this Act.

SENATE—*Thursday, June 17, 1993*

(Legislative day of Tuesday, June 15, 1993)

The Senate met at 9:15 a.m., on the expiration of the recess, and was called to order by the Honorable HERB KOHL, a Senator from the State of Wisconsin.

PRAYER

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

Let us pray:

If my people, which are called by my name, shall humble themselves, and pray, and seek my face, and turn from their wicked ways; then will I hear from heaven, and will forgive their sin, and will heal their land.—II Chronicles 7:14.

God of Abraham, Isaac, and Israel, this word addressed to the people of God who are called by His name, promises forgiveness of sin and healing of the land. Gracious, patient Father in Heaven, our land desperately needs healing. The statistics cry out for our attention: In the past 30 years, violent crime has increased 500 percent; illegitimate births, 400 percent; divorce, 400 percent; children in single-parent homes, 300 percent; child abuse, 340 percent since 1976 when reporting began; teenage suicide, 200 percent. Meanwhile, SAT scores are down 80 points. (Source: Dr. William J. Bennett, former drug czar, Index of Leading Cultural Indicators, re: 30 years between 1963 and 1993.)

We are on the threshold of cultural suicide. Society cries out for healing. The problems are not responsive to legislation; they demand spiritual and moral renewal, key to which is the people of God. You promise forgiveness and healing if Your people will humble themselves and pray and seek Your face and turn from their wicked ways. Give us ears to hear and the will to obey.

To the glory of God and the salvation of our 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 legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, DC, June 17, 1993.

To the Senate:

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

ROBERT C. BYRD,
President pro tempore.

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

RESERVATION OF LEADER TIME

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

CONGRESSIONAL SPENDING LIMIT AND ELECTION REFORM ACT OF 1993

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

The assistant 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) Pell amendment No. 463 (to amendment No. 366), to provide free broadcast time for Senate candidates and the dissemination of political information.

AMENDMENT NO. 463

The ACTING PRESIDENT pro tempore. The time until 9:30 a.m. shall be for debate on amendment 463, to be equally divided and controlled in the usual form.

Mr. PELL addressed the Chair.

The ACTING PRESIDENT pro tempore. The Senator from Rhode Island is recognized.

Mr. PELL. My understanding is that my amendment is now under consideration.

The ACTING PRESIDENT pro tempore. That is correct.

Mr. PELL. Mr. President, I just want to make a few essential points in summary with respect to this amendment.

First of all, the amendment would reinstate one of the incentives removed by the Durenberger-Exon amendment; namely, a grant of television time to eligible candidates.

Second, it would do so without any direct subsidy to candidates from the Public Treasury.

Third, it would require television broadcasters to grant time as a condition of receiving their license to use the public broadcast frequencies.

In other words, they are given a monopoly, the right to use the airwaves. There should be some recompense to the public for that purpose.

Fourth, it would be contingent upon authorization of tax deductibility for the value of time made available pursuant to the amendment.

And fifth, the amendment would become effective only at such time as followup legislation is enacted to provide such deductibility for broadcasters.

Mr. President, this amendment has a specific plan for allocating time fairly between the parties. The formula is very simple.

Each Senatorial campaign committee, the Democratic Senatorial Campaign Committee and the Republican Campaign Committee, could claim a maximum grant of 3 hours on any one outlet during the 60 days preceding a general or special election.

Each campaign committee would then allocate time to those candidates who can best benefit from the media exposure.

Not more than 15 minutes can be used by any one candidate in a 24-hour period, and segments must be no less than 1 minute.

At least 75 percent of the time must be used to present the candidate's own remarks, making for a more positive election.

And finally, the proposal in no way restricts the present campaign practices with respect to the purchase of broadcast time. Any candidate, whether or not a recipient of free time under this bill, is still at perfect 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.

Mr. President, this amendment has been crafted very carefully to blend into the fabric and design of the bill and to do so without incurring direct public funding. It is a sound amendment, and I urge its acceptance.

I point out it would only benefit those candidates who have accepted the idea of limits. If they have not accepted the idea of limits they would not be able to benefit by this amendment.

How does the grant of free media time relate to the expenditure limits proposed in S. 3?

The free media time provided by the amendment would be conditioned, as I said, on a candidate's adherence to the limits. Free time would be made available to political parties, who in turn

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

would allocate it to those candidates who had agreed to be bound by the limits.

It has been asked whether acceptance of free media time under the amendment might prohibit a candidate from buying additional time?

No; a candidate who has received free time under the amendment would still be free to purchase additional media time. In fact, this provides a safety valve for candidates who might be allocated less free time than they feel they need.

Then the question sometimes might be raised, will the amendment's requirement of free time as a condition of a broadcast license survive a Constitutional challenge?

That, of course, is not up to us in the legislature to determine. It is for the Court to determine. But I would observe that the basic scheme of the amendment was one of the formal recommendations of the Campaign Finance Reform Panel named last year by the majority and minority leaders of the Senate, and I believe this distinguished group of scholars and lawyers could not have avoided considering the question of constitutionality.

Also, I note that the distinguished Senator from Delaware, Mr. ROTH, has given an able defense of the constitutionality of the scheme on several occasions.

I call attention in particular to citation of the Supreme Court's landmark decision in the case of Red Lion Broadcasting Co. versus FCC, in which the Court ruled that broadcasters could be required to grant access to their channels of communication as provided by the fairness doctrine and the equal opportunity doctrine.

When it comes to the financing of this legislation, one has to bear in mind that in other cases the Government does not have the same return. You find that to get the airwaves there really is a monopoly, and it is one for which there should be some recompense for receiving it, the same as the railroads and the trucks also give some benefit to the automobiles.

I see the distinguished manager of the bill is in the Chamber, and I yield.

Mr. BOREN. Mr. President, I will speak in just a minute. We will just put in a quorum.

Mr. PELL. Sure.

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

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

The legislative clerk proceeded to call the roll.

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

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

Mr. BOREN. Mr. President, I will just speak very briefly on the amendment of my friend from Rhode Island. It is difficult for me to take a position in opposition to an amendment offered by my colleague on any subject because I have enormous respect and affection for him. It is also difficult because in many ways I am in sympathy with what he is trying to do.

I think the idea of having television time in which the candidate himself or herself would appear on the air is very healthy and a very wholesome thing.

Mr. President, we have crafted a package, and as we saw yesterday, the great difficulty in putting together a package which can receive support on both sides of the aisle and be assured of passage, that it is a very, very difficult task to do on a subject as complex as this and on a subject which has enormous impact on the political system in this country.

It is also difficult to do it in a way that will be fair and balanced, that will put appropriate responsibilities on the broadcasters, for example, the television broadcasters, in the country, while at the same time not putting such a burden on them that it might be one that would be unfair for them to bear.

I agree with my colleague that it was appropriate as a condition for the grant of a license which is the exclusive right given by the people of the United States to broadcasters to use certain bands in the airwaves, that it is appropriate to require that certain responsibilities be met in return.

There are reciprocal obligations to the public for the public to grant this exclusive right or license to broadcasters. But in this case, we are really embarking on something new.

In the past, we have required the broadcasters provide the lowest unit rate for political campaigns, and in this bill, as it is now before us, we require that the broadcasters provide half the cost of the lowest unit rate for complying candidates.

I think we are not yet certain what the financial impact might be on broadcasters, and I think we should take this one step at a time. We should have an opportunity to have experience under the proposal that is now before us, and that is half-cost broadcast time before we move on to the requirement of free broadcast time.

I am simply worried that that might really be too heavy a burden for them to bear.

So, Mr. President, while I am reluctant to do so and while in many ways I am sympathetic to the amendment of my colleague from Rhode Island, I must rise in opposition to it.

Let us try first what we have in the bill, see how it works out in practice, and that is the half-cost broadcast time for complying candidates before we take the second step or consider taking the second step toward fully free time.

So, Mr. President, I will reluctantly have to vote in opposition to the pending amendment.

The ACTING PRESIDENT pro tempore. All time on the amendment has expired.

Mr. BOREN. Mr. President, I ask for the yeas and nays on the pending amendment.

The ACTING PRESIDENT pro tempore. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The ACTING PRESIDENT pro tempore. The question is on agreeing to amendment No. 463 offered by the Senator from Rhode Island. On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. DOLE. Mr. President, I announce that the Senator from Wyoming [Mr. SIMPSON] is necessarily absent today due to the death of his father.

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

I further announce that, if present and voting, the Senator from Wyoming [Mr. SIMPSON] would vote "nay."

The ACTING PRESIDENT pro tempore. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 32, nays 66, as follows:

[Rollcall Vote No. 155 Leg.]

YEAS—32

Baucus	Feinstein	Moynihan
Biden	Harkin	Nunn
Boxer	Hollings	Pell
Bradley	Johnston	Reid
Campbell	Kennedy	Riegle
Chafee	Lautenberg	Roth
Cohen	Leahy	Shelby
Danforth	Levin	Simon
DeConcini	McCain	Wellstone
Dodd	Mikulski	Wofford
Dorgan	Moseley-Braun	

NAYS—66

Akaka	Faircloth	Lott
Bennett	Feingold	Lugar
Bingaman	Ford	Mack
Bond	Glenn	Mathews
Boren	Gorton	McConnell
Breaux	Graham	Metzenbaum
Brown	Gramm	Mitchell
Bryan	Grassley	Murkowski
Bumpers	Gregg	Murray
Burns	Hatch	Nickles
Byrd	Hatfield	Packwood
Coats	Heflin	Pressler
Cochran	Helms	Pryor
Conrad	Hutchison	Robb
Coverdell	Inouye	Rockefeller
Craig	Jeffords	Sarbanes
D'Amato	Kassebaum	Sasser
Daschle	Kempthorne	Smith
Dole	Kerrey	Stevens
Domenici	Kerry	Thurmond
Durenberger	Kohl	Wallop
Exon	Lieberman	Warner

NOT VOTING—2

Simpson	Specter

So the amendment (No. 463) was rejected.

Mr. BOREN. Mr. President, I move to reconsider the vote by which the amendment was rejected.

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

The motion to lay on the table was agreed to.

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

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

The bill clerk proceeded to call the roll.

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

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

SENATOR GRAMM'S ADDRESS TO THE AMOS TUCK SCHOOL OF BUSINESS ADMINISTRATION—AN ELOQUENT STATEMENT ON THE FREE ENTERPRISE SYSTEM

Mr. MCCAIN. Mr. President, many Members of this body may not be aware that our colleague, Senator PHIL GRAMM, delivered the commencement address at the graduation of Dartmouth's Amos Tuck School of Business Administration this past weekend.

As a trained economist and college professor, Senator GRAMM has a greater grasp of the complex and varied factors that affect our national economy than anyone I have ever known. At the same time, no one in this country is better able to put complex and difficult-to-explain concepts in plain and clear English than PHIL GRAMM.

In his commencement address, Senator GRAMM has eloquently described the fundamental principles of education and hard work that have brought success and prosperity to generation after generation of America's citizens. I recommend that all of my colleagues consider the wisdom of this enlightened and informative speech.

Mr. President, I ask unanimous consent that the text of the speech be printed in the RECORD.

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

SENATOR PHIL GRAMM, COMMENCEMENT ADDRESS, AMOS TUCK SCHOOL OF BUSINESS ADMINISTRATION, DARTMOUTH COLLEGE, JUNE 12, 1993

AMERICA'S FUTURE IS YOUR BUSINESS

Thank you, Dean Fox.

Members of the Class of '93, Friends and Families, Distinguished Guests, Members of the Board of Overseers, Faculty, Administration and Staff:

I am honored to address the 93rd graduating class of the Amos Tuck School of Business Administration, the world's oldest and one of our nation's finest graduate schools of business. I would like to reciprocate your generosity in inviting me here by being both brief and relevant.

My first order of business must be to extend some congratulations.

For each of you receiving your MBA today, there is a story of individual achievement, a saga of goals set and achieved, of obstacles overcome. For some, the path was steeper and the climb harder. While many have contributed to bringing you here, today we celebrate your achievement and your success.

I want to urge you to enjoy this moment, to reflect on what you have done and about its meaning to you, your parents, grandparents, and all of your families. And I want to urge you to think back on what it would have meant for the first person in your family who ever set foot in America, if they could have foreseen what you have achieved today.

This is your day. Take time to treasure this milestone in your life. We're often so quick to set the next goal, to begin climbing the next rung of the ladder, that we don't pause to enjoy the fact that we have already achieved a goal and reached a new height. The lives of the most successful and the least successful have exactly the same earthly destination. It's what happens during the journey that makes all the difference.

Congratulations are also due to the parents of the Class of '93. On so important an occasion it seems fair to claim that all the raw intellectual ability, most of the drive, and all of the good characteristics that have brought your graduate to this moment of achievement were inherited from you.

In the world in which we live, there is a magic point at which our own measure of success expands to include not just what we achieve, but what our children achieve. This is an important moment for you. It is even more important when you realize that for the first time in their life, with any luck, your child is about to go off your payroll.

I also want to congratulate the teachers of the class of '93. Your new class adds to the intellectual legacy of the faculty and staff of the Tuck School. I taught economics for twelve years at Texas A&M University. I've tried to teach the same subject in Congress for the last fourteen years, and I can assure you that my students at Texas A&M were a lot smarter and more willing to learn than members of Congress.

I'm not sure I realized until long after I'd left academia how much a part I felt of my students and their achievements. I'm not sure I realized when I taught all of those graduates and undergraduates that someday I would look back and count a small part of my student's achievements as my own. I'm fond of saying of my students that I taught them everything *they* know, but not everything *I* know. The plain truth, however, is that they learned a lot from others, and I learned a great deal from them. From this day forward, the achievements of the students in the class of 1993 will be, in part, your own. I congratulate you for the many successes you will achieve through these graduates.

Before coming here today, I conducted an informal survey of my staff. Did any of them remember what was said at their graduations? I was not encouraged to find that not one of them could remember a single word. I, on the other hand, can recall at least part of what O.C. Aderhold, former President of the University of Georgia, said at my graduation. He told us that he was frequently asked what the world thought of the University of Georgia. His customary reply was that the world judged the University of Georgia by its graduates. What we were, the University of Georgia would become.

Today, you are graduating from one of the finest business schools in the country—and being an alumnus of the Tuck School will always add luster to your name. Still, I think you will find that more people will judge the Tuck School by your achievements than will judge you by your illustrious school. You are therefore in the enviable position of being able to enhance your school's reputation while building your own.

The official aim of the Tuck School is "to provide training commensurate with the larger meaning of business." I'm sure there are some even at this great college, and many in universities and in the general community throughout our country, who view the profession of business as a cold-hearted endeavor, driven by greed and the bottom line, and propelled by that stern disciplinarian known as the profit motive. I want to urge you never to feel apologetic about being engaged in business. Calvin Coolidge, who in his famous statement said that the business of America is business, might just as easily have said that the benefactor of America is business. For what is it that generates the prosperity of our communities, the inventiveness of our research laboratories, and the creativity of our cultural institutions—if not business?

There is no higher calling than the creation of jobs and prosperity. If, in your lifetime, you create 100 permanent, productive jobs you will have done more for mankind than most of the social do-gooders who ever lived.

Every penny that goes to government to be expended for productive, noble purposes or—as happens all too frequently—to be squandered on pork and perks, is generated in the private sector of the American economy. The greatest philanthropic activity in the history of the world has been undertaken by American business. The greatest agent of modernization and progress in the history of the world has been American business. And the greatest provider of opportunity and hope for men and women the world over has been American business.

America is not a great and powerful country because the most brilliant and talented people in the world have come to live here. America is a great and powerful country because it was here that the American free enterprise system provided us with more opportunity and more freedom than any other people have ever had and made it possible for ordinary people like us to do extraordinary things.

Let's face it: Despite all the social welfare projects and anti-poverty programs devised by government, there's just no substitute for a good, steady job. Food stamps are a poor substitute for productively employed heads-of-household who go to work, gain self-respect, earn a paycheck, take that paycheck to the grocery store and put groceries on the table. No government housing project can substitute for the opportunity to have a job, save up a nest egg and buy a home. And finally, there is no educational program known to mankind that can rival people employed in the private sector saving their money to send their children to Texas A&M and Dartmouth College and the Amos Tuck School of Business Administration.

So whatever you do in life, never listen to those who say that service in the public sector is somehow more "noble" than service in the private sector. Listen, instead, to the wise words of Winston Churchill. "We must beware," Churchill declared, "of trying to build a society in which nobody counts for anything except a politician or an official, a society where enterprises gains no reward and thrift no privileges."

It is customary in these commencement addresses for the speaker to share his experience and advice with the new graduates. I want to share a couple of small points with you.

The first is about learning. I hope that one of the things you have acquired is a love of learning and a thirst for knowledge. Today,

by almost any quantifiable measure, you are the educational elite of the nation. Only about 1 out of every 150 people who graduated from high school the year you did has achieved your level of education today. You will enter the workforce of our country with a strong educational background and with very sharp tools. But unless you make a commitment to life-long learning, and unless you begin that process from your first day in your new career, your tools will grow steadily duller and your level of competitiveness will gradually decline.

I have had an opportunity in my life to know and work with some great men and women, and one characteristic they all shared was an unquenchable thirst for knowledge. A desire to know more and understand more, not just about their chosen pursuit but about the world in which they live, is the hallmark of the truly great. May you never lose your relish for knowledge and your appetite for ideas.

I want to let you in on a secret that I have discovered both in my own life and through observing others. There's a natural tendency to believe that there is a linear relationship between effort and success. Who has not repeated the cliche, "The harder I try, the luckier I get?" The secret that I have observed is that the relationship between effort and success is exponential, not linear. The person who is twice as successful is not a person who worked twice as hard. Often the difference in achieving big success is a small amount of extra effort. The person who makes twice as much money, achieves twice as much in terms of serving others, and receives twice the acclaim may only work 10% more. It is the exertion of just a little more effort that determines the difference between those who are life's big winners and those who simply succeed. A little extra effort makes all the difference. If you're willing to exert a little bit more effort, William James once said, "The difference between the first and second-best things . . . is a matter of a hair, a shade, an inward quiver of some kind."

There is a tendency in every generation and in every profession to believe that the Golden Age is past, that the great discoveries have already been made, the great industries already built. And every generation is wrong.

How can someone start a major new industry in America in 1993? How can the deadweight burden of government regulation and red tape be overcome? Where will the inventiveness and the genius come from? Don't ask me. If I knew the answers, I'd be rich. But I know you will figure it out.

Thirty years from now, students will be sitting right where you are sitting. They will say that you just happened to be at the right place at the right time. But you will know that you made the place and you made the time.

I wish you Godspeed for yourselves and for America.

Mr. McCAIN. Mr. President, I yield the floor, and I suggest the absence of a quorum.

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

The bill clerk proceeded to call the roll.

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

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

CONGRESSIONAL SPENDING LIMIT AND ELECTION REFORM ACT OF 1993

The Senate continued with the consideration of the bill.

AMENDMENT NO. 465

(Purpose: To eliminate the 50 percent broadcast discount for eligible Senate candidates)

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

The ACTING PRESIDENT pro tempore. The clerk will report the amendment.

The assistant legislative clerk read as follows:

The Senator from Oklahoma [Mr. NICKLES] proposes an amendment numbered 465.

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

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

The amendment is as follows:

In section 503(a) of the Federal Election Campaign Act of 1971, as added by section 101(a) of the amendment, strike paragraph (1) and redesignate paragraphs (2), (3), and (4) as paragraphs (1), (2), and (3), respectively.

In section 503(b) of the Federal Election Campaign Act of 1971, as added by section 101(a) of the amendment, strike "For purposes of subsection (a)(3)" and insert "For purposes of subsection (a)(2)".

In section 503(d) of the Federal Election Campaign Act of 1971, as added by section 101(a) of the amendment, strike "payments under subsection (a)(3)" and insert "payments under subsection (a)(2)".

In section 503(e) of the Federal Election Campaign Act of 1971, as added by section 101(a) of the amendment, strike "Payments received by a candidate under subsection (a)(3)" and insert "Payments received by a candidate under subsection (a)(2)".

Section 131(a) of the substitute amendment is deemed to read as follows:

(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".

Mr. FORD. Parliamentary inquiry. Is this amendment eligible under the cloture?

I ask that the Chair rule on the germaneness of the amendment.

THE PRESIDING OFFICER (Mr. DORGAN). This amendment is eligible to be offered as a second-degree amendment.

Mr. FORD. I thank the Chair, and I thank the Senator. I do not need to look at all of them. I want to be sure we do not go through the exercise and then find it is not eligible.

Mr. NICKLES. I appreciate the Senator's concern. I might inform the Senator, we have filed this amendment as a second-degree amendment. I would like to ask unanimous consent to have it considered as a first-degree amendment, not a second-degree amendment.

Mr. FORD. I could object, I say to the Senator, but I will not.

Mr. NICKLES. Mr. President, I will inform my colleague from Kentucky, this is the amendment that I mentioned to him earlier that would eliminate the broadcast discount, or broadcast subsidy.

Mr. FORD. 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. KOHL. 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. KOHL. Mr. President, virtually every day we see stories that seek to explain the behavior of Members of Congress by looking at who contributed to their campaign. Policy arguments are dismissed because politics is assumed to dictate decisions and motives are reduced to money. This is the message the America people get almost every day, and this is the message the people of Wisconsin share with me whenever they get a chance.

Mr. President, I cannot think of a more powerful argument for campaign finance reform. The people of this country do not believe that we are doing the people's business. They think we are doing the bidding of the special interests, and there is, indeed, some basis for their concern. They look at a system in which incumbent Senators raise and spend an average of $4.4 million in their campaigns, and they see that special interest PAC's contributed more than $1 out of every $4 to these very same incumbents.

Mr. President, the American people are not naive. They do not believe that money is always given as a gift, motivated only by good citizenship. They see it often as an effort to buy access, to exert influence, and to gain power. We cannot expect people to have faith in Government when they believe that politics is polluted by power, that special interests are exempt from the rules they must live by—that Government, in short, is up for sale.

How widespread is that belief? A recent poll indicates that nearly 80 percent of the American public, 4 out of 5 Americans, believe that our Government is run for and by the special interests. Indeed, a very popular book these days, "The Pelican Brief," is based on the premise that the President of the United States was bought off by special interests. And the entire debate about the Btu tax has been colored by claims that the oil industry or other organized lobbies have bought their way out of the tax.

Two recent Presidential candidates, Ross Perot and Jerry Brown, based

their campaigns, with varying degrees of success, on their opposition to and freedom from the special interests. And I know from my own campaign in 1988 that refusing to accept any money from PAC's or special interests struck a very responsive chord.

I realize that my own good fortune made it easier for me to take that position than it would be for candidates who do not have the resources that I have, and I do not believe there is anything wrong about a candidate funding his or her own campaign. It is the cleanest money around. It carries no taint of special interest pressure or of outside influence.

I understand that some people fear that only the rich will serve in Congress if we do not limit personal contributions. Personally, I do not think that there are enough millionaires who want to serve in the Congress to constitute a threat. I think that threat is further minimized by limits on campaign spending.

I have voted to forgo whatever advantage my personal wealth creates in order to get a bill passed. I voted for an amendment to restrict my own spending in order to get a package which would eliminate PAC's limit total spending, get rid of the soft money that distorts the system, and impose some conditions on campaign advertising.

My point, Mr. President, is that I have compromised on this bill. I have voted against my self-interest in the interest of getting meaningful campaign finance reform. And I hope my colleagues can be persuaded to do the same.

Certainly, all Members of the Senate have some level of self-interest in preserving the present system. After all, it worked well enough to get them elected. But many of us are willing to sacrifice those interests for greater good.

Let us look at what we are being asked to do in this bill. First, this bill limits spending. As we try to limit what the Federal Government spends, so, too, should we limit what politicians spend.

Critics of this feature of the bill say that it disadvantages challengers, and that is simply not true. Challengers are significantly outspent in almost every campaign today. This bill strictly limits the degree to which they can be outspent. More importantly, spending limits prevent incumbents from amassing huge war chests. No longer will incumbents be able to scare potential opponents out of a race simply because they can raise and spend unlimited sums of money.

Second, this bill reduces the role of special interests. It restricts the flow of soft money, and it eliminates PAC's and eliminates them entirely. No more $10,000 gifts, no more cumulative contributions of millions of dollars to campaigns by the NRA or the AMA, by the AFL or the UAW. And that should eliminate, at least minimize, the perception that we are controlled by special interests.

A majority of the Senate and the country agree on the need to do these two things, but there have been deep divisions in the Senate and the country about the desirability of using public funds for political campaigns.

Mr. President, I am opposed to using public money for political campaigns. Some thought that only public funds could make spending limits functional given the free speech concerns raised by the Supreme Court. I believe a better approach is to punish people if they violate the spending limits rather than reward them at public expense for abiding by the limits. And that is what we did when we adopted the Durenberger-Exon amendment.

When I supported public financing in the past, I did so because it appeared to be the price we had to pay to get a bill. But this year eliminating or severely restricting public funding appears to be something we can do and still get a bill.

This bill still faces an uncertain future. Its prospects in the House are far from assured. If a version of it is adopted there, the conference will be difficult.

Mr. President, passage of this bill in this form by the Senate demonstrates that we can serve the public interest, we can put aside partisan differences, and we can clean up the system.

That, Mr. President, should give all of us who are fortunate enough to serve here, and all the people who are fortunate enough to live in this country, reason to be hopeful, as well as thankful.

I thank you.

Mr. FORD. Mr. President, I am ready to agree to the request of the distinguished Senator from Oklahoma.

ORDER OF PROCEDURE

Mr. NICKLES. Mr. President, I ask unanimous consent that the amendment that I have pending at the desk be considered as a first-degree amendment.

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

Mr. NICKLES. Mr. President, I wish to thank my friend and colleague from Kentucky. I also would like to ask unanimous consent that Senator BURNS be added as a cosponsor.

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

Mr. NICKLES. Mr. President, the amendment that we have now pending would eliminate the so-called broadcast discount or broadcast subsidy. I have spoken on the floor in the past about the amount of this subsidy, and it is enormous. It says that eligible candidates will receive broadcast time at one-half the rate of anybody else in America. I happen to disagree with that. I do not know why U.S. Senate candidates should receive time at one-half the rate of, say, a Governor or maybe a county commissioner, or possibly the United Way or any other charitable organization.

Why in the world should politicians get one-half the rate of everybody else in our country? Already in the legislation, already in present law, we get the lowest rate of anybody. That is present law.

Now we are looking at saying we want one-half the rate of that. We do not care how worthy the organization, or charitable organization, or whatever. We think that U.S. Senate candidates are entitled to one-half of the lowest rate for television time. I am embarrassed by that.

I really do not think that is the right manner in which to operate. This is a massive subsidy.

I read in this morning's paper that last night's compromise eliminated some of the public subsidy. This is probably the largest subsidy for politicians that we have in this bill. It is enormous. Just look at the amount of media that is purchased in some of these States. It is millions of dollars, in some cases. We are saying we want to buy two for one. We think we should be able to buy broadcast rates at one-half the rate of everybody else. I happen to disagree with that.

Of course, this just pertains to the Senate—but if we are going to do it for the Senate, we will certainly do it for the House.

If we are going to do it for a U.S. Senate candidate, and you have a State attorney general running, are you going to tell them they have to pay twice as much as a U.S. Senator? What about a State legislative officer? What about a State senator? Do they have to pay twice as much as a U.S. Senator? I do not see any equity there.

I do not know why U.S. Senate candidates should be singled out, and why they should be entitled, as classified under this bill—to receive a broadcast subsidy or broadcast rate one-half the rate of anybody else in this country.

I find that to be highly offensive, highly objectionable, and I hope that my colleagues will not concur with it.

I might mention, too, that the amount of subsidies depends on the amount of money that a person spends for broadcast time. So if you purchase $1 million worth of broadcast time, this subsidy is worth $1 million because you get to buy two for one, or you get to buy at one-half the rate of anybody else.

We tried to estimate how much it would be in various States. Giving the example of New Jersey, the amount of broadcast subsidies could easily be $3.5 million. The amount in a State like Michigan is $1.6 million. In Massachusetts, $1.2 million. In the State of Illinois, $1.9 million. In Georgia, $1.2 million. In the State of Kentucky, $868,000.

So we are saying, again, it depends on how much time or how much money a Senate candidate would spend on broadcasts. It is obvious that candidates who receive half-price television are going to spend a lot of money. This is going to encourage them to put their money into broadcasting because they get twice as good a deal as compared to other forms of advertising.

So I just hope my colleagues will look at this and realize this is an enormous entitlement. This is an enormous imposition on the broadcast industry, and it creates a lot of inequities. The proponents are saying U.S. Senate candidates should be treated better than anybody else in America when it comes to purchasing broadcasting time. I think it is far too generous.

I hope my colleagues will agree with this amendment on behalf of myself and Senator BURNS to delete this massive subsidy for politicians.

Mr. President, I yield the floor.

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

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

The legislative clerk proceeded to call the roll.

Mr. NICKLES. 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. NICKLES. Mr. President, I ask for the yeas and nays on the pending amendment.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. Is there further debate on this amendment?

Mr. FORD. Mr. President, there will be a lot of debate.

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

Mr. FORD. Mr. President, let me just for the information of my colleagues, and I have talked with the distinguished Senator from Oklahoma. We have several committee meetings right now, and particularly in the Finance Committee, and we are trying not to disrupt that meeting for a vote and the Senator from Oklahoma understands that, and the Republican leader has asked that we not have votes for a while in order to allow them to do their work, because it is very important for the committee to continue to meet.

I want to speak on this a little bit and then we may get to another amendment and may set this aside. I do not know exactly what we will do.

We also have both parties attempting to work out the board and how they may proceed under the FEC. It is 3–3 and what can they do to keep it from having gridlock there also. So we are trying to protect those people at the moment.

Mr. President, I understand what the Senator from Oklahoma is trying to do here. But he talks about the Attorney General race, the Governor race and so forth. We are not covering States races. We are governing Federal races. Many of the States have their own laws that pertain to elections. My State has just gone to public financing. There is a $600,000 threshold, and once they reach that, the State provides them with $1.2 million, and that is the maximum amount under law that any candidate for Governor-Lieutenant Governor, which now will run as a team, can spend. That is the limit on both sides.

This particular amendment if it comes about, my opponent last time would have about $1 million, raised about $400,000. So the challenger here would have had a better chance at getting his message over than under the present circumstances. So I think it is important that we continue to allow this to stay in the bill.

The Senator from Oklahoma is trying to protect the TV stations. He is saying that this is unfair to them. Well, the unfairness is—and I can refer him to Senators that will be here shortly that were overcharged by thousands, tens of thousands of dollars. They stuck it to the political candidates. People say, well, that is all right. Stick it to them. But now he is trying to eliminate and allow them to continue to break the statutory provision that we now have.

Let me read from the report on the Committee on Rules and Administration together with the minority views and additional views that came out with the original S. 3.

It says:

> While the FCC admitted that the audit of 30 licensees out of 10,000 commercial radio and television licensees was not a representative sample, the FEC determined that certain broadcast industry sales practices may not comply with the political programming law.

As we now have it.

> A significant finding was that in almost every day part or broadcast time period studied, political candidates paid higher prices than commercial advertisers at 16 television stations, or 80 percent of the 20 television stations surveyed.

You know you want to protect something. You say we do not want the 50 percent, they are doubling us now. There is a 100-percent increase under the rates and they are having to pay back. In October of 1990 when this finding came out television stations started sending money back to political candidates, because they had overcharged, been overcharging for a long time.

Let me tell you something else that they found, that:

> Furthermore, the FCC found that in one city, television broadcasters charged candidates more than every commercial advertiser during 9 day parts in a single week. During a particular daypart, candidates paid $5,500 for a 30-second spot, while commercial advertisers paid no more than $3,000 for a 30-second spot. During a local news program on another television station candidates paid $4,000 for a 30-second spot, while commercial advertisers paid an average of $1,562. In another example the FCC found that every candidate paid $4,000 for a 30-second "news adjacency" on one television station, while commercial advertisers paid between $575 and $2,550 for their 30-second spots within the same news program.

You try and protect an outfit that doubles the price, triples the price. And we had to have a study made and audit made in order to have the money returned. I can name you the States where they occurred. And I can name you the stations where they occurred. I will not do it. Here we are saying now we want to do away with a percent of the lowest unit rate when they have been charging us 100 percent or more of the regular rate and we are entitled to a lower rate, the lowest commercial rate now.

So I think it is unfortunate that we have to get into trying to eliminate this from the bill.

Second, we voted for free time and that was turned down. We voted to eliminate the vouchers, we voted several times in the last 3 weeks on this particular item and now we get it again.

So I would hope that my colleagues would look at this and say if we are going to be helpful, if we are going to be helpful in stopping the money chase, if we are going to be helpful in allowing challengers to have an opportunity to get their message over, and in the words of the junior Senator from Minnesota, let us talk about big issues instead of big cash. Talk about big issues instead of cash.

We have good political issues to discuss and I think that is the important thing and in a political campaign it is important for a candidate. Unless we do something like what we are doing here now we are going to find that there will be very few challengers with enough money, unless they are independently wealthy and can spend millions of dollars of their own money in a campaign, that we are going to find very few challengers. So therefore we find ourselves protecting the incumbents and not helping the people, and not reconcluding the art of campaigning, which is the debate of the issue talking with people going to rallies, meeting in courthouses, doing all those things the old-fashioned way which I think we want to get back to.

So, Mr. President, I would hope that my colleagues would not support this amendment and that at the appropriate time I will move to table.

Mr. NICKLES addressed the Chair.

The PRESIDING OFFICER. The Senator from Oklahoma.

Mr. NICKLES. Mr. President, I appreciate the comments made by my friend and colleague from Kentucky.

I do not doubt, over the years, considering the fact that candidates have spent millions and millions of dollars in broadcasting, that somebody has made a mistake somewhere.

But I will state that the present law says that candidates, both for Congress and for Senate, are to receive the lowest unit rate. So if they paid a higher rate in commercial, it probably had more to do with their purchasing pattern. In other words, they probably purchased nonpreemptible time—it could not be preempted for any reason—and, in all likelihood, the person who was buying the advertising time probably bought preemptible time.

In other words, they tell the broadcaster: "You plug it in whenever you can," and, in exchange for that, the broadcaster would give a lower rate.

I do not doubt that happens. But that has more to do with the purchasing tendencies of the candidate and commercial buyer and the result then may be a candidate paid a higher rate than a commercial person.

But I might mention again that the present law says the candidate will receive the lowest unit rate.

Now, the bill before us says candidates for U.S. Senate get one-half the lowest unit rate. This is one-half the rate of anybody else in America—not only one-half the rate of any private business, but also one-half the rate of a charity, one-half the rate of a church, one-half the rate of United Way. I disagree with that.

The Senator from Kentucky is exactly right. This bill only pertains to the U.S. Senate.

I would just tell my colleagues that its ramifications are much greater. How in the world can a broadcaster offer a candidate for the U.S. Senate broadcast rates at one-half the rate of what they would offer a State senator—I find that to be quite inequitable—or State representative or county treasurer or no telling what other political office it might be?

I just find it to be almost greedy on our part to say we are very special and we want one-half the rate of anybody else in America.

So I urge my colleagues, when we vote—and I am not sure when that will be; it will probably not be for some time—to take into consideration equity, to take into consideration that we really should not be mandating to all the broadcasters in America—some of which are profitable, that they give the lowest rate and then one-half the lowest rate to eligible candidates.

Mr. President, I ask unanimous consent to have printed in the RECORD a letter from KJRH, channel 2, Tulsa, OK, as well as a letter by the National Association of Broadcasters in support of this amendment.

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

KJRH 2,
Tulsa, OK, June 16, 1993.

Hon. DON NICKLES,
U.S. Senate, Washington, DC.

DEAR SENATOR NICKLES: Thank you for taking the initiative to offer your amendment to S. 3 striking the 50% discount of television station's lowest unit rate for political candidates during specified election campaign periods.

Your understanding of the unfairness of such a penalty is immensely important in the television industry. Our ability to continue to provide free over the air news, information, public service and entertainment to our viewers has received an important boost because of your actions.

Thank you for your critical support.

Sincerely yours,

WILLIAM J. DONAHUE.

NATIONAL ASSOCIATION OF BROADCASTERS,
Washington, DC, June 16, 1993.

Hon. DON NICKLES,
U.S. Senate, Washington, DC.

DEAR SENATOR NICKLES: I understand that you intend to offer an amendment to S. 3, the campaign reform bill, that would delete its provisions which grant candidates who agree to spending limits additional 50% discounts below lowest unit rates for TV time. NAB strongly supports your amendment, which would eliminate one of the most punitive of the political broadcasting provisions from this bill.

NAB has taken no position on many of the campaign reform issues under debate in the Senate, but we strongly object to the bill's provisions that unfairly force our industry to bear the brunt of efforts to reduce campaign spending.

The 50% discount provisions addressed by your amendment are the most egregious example of how the bill would harm local television stations. These stations already are obligated to provide candidates with a better deal than their commercial advertisers receive. In the last complete year for which industry financial data is available (1991), 35% of television stations lost money. It is undeniable that the 50% discount will drive more stations into the red, and make it even more difficult for stations to serve their local communities.

On behalf of NAB and our member television stations throughout the nation, we applaud your amendment and appreciate your leadership on this important issue. We look forward to working with you and other members of Congress to develop campaign reform legislation that is fair to both candidates and broadcast stations.

Sincerely,

EDWARD O. FRITTS.

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

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

The legislative clerk proceeded to call the roll.

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

The PRESIDING OFFICER (Mr. GRAHAM). In my capacity as a Senator from Florida, I object.

Mr. HELMS. Very well, I understand, Mr. President.

The PRESIDING OFFICER. The call of the quorum will continue.

The bill clerk continued the call of the roll.

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

The PRESIDING OFFICER. In my capacity as a Senator from Florida, I object.

The bill clerk continued the call of the roll.

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

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

ORDER OF PROCEDURE

Mr. BOREN. Mr. President, I apologize to my colleagues. I was simply off the floor and wanted to make sure that I was not caught unaware of any actions on the floor. The Senator from North Carolina has indicated to me that he would like to speak as if in morning business, and I ask unanimous consent that the Senator from North Carolina be able to proceed as if in morning business for up to 15 minutes.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered. The Senator from North Carolina.

Mr. HELMS. I thank the Senator. It is nice to be able to get the floor. I have been here only 21 years, and to be foreclosed from speaking is a little bit interesting. But I understand, I will say to the distinguished occupant of the chair, and I say to my friend from Oklahoma [Mr. BOREN] what he has done is not without precedent.

Mr. BOREN. Mr. President, will my colleague yield to me just a moment?

Mr. HELMS. Sure.

Mr. BOREN. I simply say again to my colleague, I was just off the floor for a moment, just asked to be protected. And as my good colleague knows; we have had a wonderful relationship ever since we have been here and respect each other highly, and had I been on the floor at the moment he came here I would have immediately granted his request.

Mr. HELMS. I thank the Senator. I hold him in high esteem. And I might add, Mr. President, that Molly Boren and Dot Helms were students of Spanish together at one time. I am not sure they learned very much Spanish, but Dot did learn how to say the affirmative and the negative in Spanish. She said the negative more often than she said the affirmative.

In any case, I thank the Senator very much.

IRRESPONSIBLE CONGRESS? HERE IS TODAY'S BOXSCORE

Mr. HELMS. Mr. President, I have a couple of items I wish to discuss, the

first being a little report I make each day that the Senate is in session to remind the American people of what has been happening to them over the past 30, 40 years.

We hear so frequently the charge that Ronald Reagan ran up the national debt or that George Bush ran up the national debt. Well, the truth of the matter is, as anybody who knows one scintilla about the U.S. Constitution, that no President can spend a nickel that has not first been authorized and appropriated by the Congress of the United States, House and Senate, and that all spending of the taxpayers' money must first be authorized and appropriated by the House of Representatives and agreed to by the Senate.

Now, if we can understand, this polecat of a $4 trillion Federal debt—and I shall address that in just a minute—$4 trillion-plus national debt lies on the doorsteps of the Congress of the United States.

Jimmy Carter did not cause it. Ronald Reagan did not cause it. George Bush did not cause it. The Congress, under the Constitution, had the responsibility of guarding the Federal purse and Congress defaulted.

If that is understood, I will make my daily report, which is that, as of the close of business on Tuesday, June 15, which is the most recent date for which the absolutely authentic figures are available, the Federal debt stood—I am going to say it very slowly so hopefully it will sink in—the Federal debt stood at 4 trillion, 301 billion, 302 million, 751 thousand, 632 hundred dollars and 55 cents.

That means that on a per capita basis, every man, woman, and child in this country owes $16,745.77 as his or her share of that debt.

I have often referred to the young people on both sides of the podium, the Senate pages. I say every year that they cannot get any better. I am going to miss every one of them who will depart from here this week. They know I love them. But we have not been fair to them, "we" being the Congress of the United States. Congress has not been fair to any of the young people. Congress has irresponsibly accumulated a Federal debt that defies any comprehension of its enormity.

DEMOCRATS RAISE TAXES ONCE MORE

Mr. HELMS. Mr. President, along another line but related, last night our friends from the other side of the aisle, the Democrats, met—behind closed doors, I might add—and agreed once more to raise taxes on the middle-income people of the United States.

They agreed to propose a 4.3-cent gas tax that is, by its very nature, regressive, and which will hurt the farmers, the truckers, the commuters and the small businessmen of North Carolina and of this country. Indeed it will hurt everybody—the airlines and anybody else who uses gasoline.

This is a dire contradiction of what the American people have said, in poll after poll, without exception: "Reduce spending, cut out more Federal spending."

Well, under the plan that they devised—it is a moving target, one never knows from one day to the next what it is going to be like—the American people are going to have it socked to them again. They are going to be gouged with more taxes to cover all of the new Federal spending programs. Let me emphasize, this proposed new gasoline tax is unfair and unnecessary.

I say again, Mr. President, that the American people want the Federal Government to stop spending so much money. They do not want the Federal Government—meaning the Congress of the United States—to raise taxes again.

I am going to do my best to strike this proposed gasoline tax increase, but that is a conversation for another day. This proposed gasoline tax, and the rest of the $300 billion in taxes in the Democrats' bill—I am not sure to whom to attribute it—is like Mr. Dooley said: "The Demmycrats" he used to say, "The Demmycrats have done fell out among themselves." They cannot agree on anything except that they intend to gouge the American people more and more and more.

This gasoline tax and the rest of the $300 billion proposed increase in taxes will cause more inflation. It will cause the loss of more jobs. It is going to slow the economy. Anybody who knows anything about the principles of economics knows that this is not the way to go.

And the American people sense it. They know that spending more money and raising more taxes is certain to hurt the economy, and therefore it's going to hurt them. How we can get that message across more clearly, I do not know.

I saw a study not long ago that came out of the Joint Economic Committee that concluded that a 5 cents a gallon gasoline tax increase will cost more than 300,000 jobs during the next 2 or 3 years. That is fearful to contemplate.

But in any case, our friends on the other side of the aisle have removed the Btu energy tax and they have replaced it with a 4.3 cents gasoline tax increase.

Mr. President, it seems to me—and I believe it seems to the American people—that a tax is a tax is a tax no matter what anybody tries to call it, no matter from which pocket you try to take it, no matter how much politics you try to play with trying to find a goose who will not squawk so much when you pull its feathers.

I sincerely believe that there is a tax revolt brewing around the country. And I submit, as exhibits A and B, what happened in Texas the other day, and what happened in Los Angeles the other day—and some other places. Maybe a wakeup call was being sent to Washington. I hope so.

The American people are outraged. They understandably feel that they have been hoodwinked. Think about what was promised by Mr. Clinton last year, and what is almost certain to be delivered this year. President Clinton made a statement on Tuesday which on its face—on its face—was not true. I do not know whether he had bad staff advice or whether he is so accustomed to giving out these ad lib promises, pulling them out of thin air. In any event, what he said on Tuesday was just not true. Others around this city are using stronger characterizations, but let me simply quote what Mr. Clinton said, verbatim. He said: "The plan 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 and $3.75 from upper income folks, $1.25 from the middle class." Wrong, wrong, wrong, Mr. President, on all three counts.

Somebody needs to explain the President's budget to the President. Obviously he does not understand it. Talk about trying to make a silk purse out of a sow's ear. The truth is that Mr. Clinton's budget—and whatever is being done to it on the House side and on the Senate side up here—calls for about $300 billion in new taxes. Do not let anybody tell you differently—new taxes, 300 billion dollars' worth.

Mr. Clinton proposes to increase taxes by $15 for every $1 in spending cuts—15 to 1. They are going to increase the taxes $15 for every $1 in spending cuts. Fifteen to one is not what Mr. Clinton promised the American people over and over and over again in 1992. Fifteen to one is not even close to what he claimed on Tuesday.

So maybe there should be a truth squad riding following Mr. Clinton around this city so that the American people can have a chance at being informed correctly.

Repeatedly, in 1992 candidate Clinton promised small tax increases, and huge spending cuts. I heard him say it over and over again. So did the American people. I suppose that is why 43 percent of the voters who went to the polls last November voted for him.

Mr. Clinton flat out promised a tax cut for the middle class—no ifs, ands, or buts—a flat out promise of a tax cut for the middle class. But once in office, there came the old bait and switch routine. He proposed huge tax increases and minuscule spending cuts to which I just referred.

So the President is busily flipping logic on its head. In his budget plan, he counts user fees, as spending cuts. You figure that one out. He counts spending increases, as tax cuts. He cannot get by

with that, and that is the reason I am standing here on this floor.

It is time to expose the deception. The claim that increases in custom fees, irrigation fees, and park fees, paid by the American public are spending cuts is a callous disregard for the truth.

The American people—I think I perceive—are not being fooled. I believe that they know a tax increase, by whatever misnomer, when they see one. The President implies that increasing taxes on senior citizens is, somehow, a spending cut. As a 71-year-old, and I guess a senior citizen, I find that very interesting. I do not know about the senior citizens whom the distinguished occupant of the chair knows in Florida, but I do not think they are going to buy that. They are certainly not buying it in North Carolina.

Mr. President, I noticed a few days ago an excellent report produced by the Heritage Foundation which, yes, is a conservative economic organization for which I have the highest respect. The Heritage Foundation revealed how the Clinton budgets have changed since the election. I think it is worthwhile to look back to the promises of last year and to what is being proposed this year, on a theory that that was then and this is now.

Let us look first at this chart on spending cuts. What happened to them? The title of this chart is, the "Disappearing Spending Cuts; Spending Cuts for Every $1 of Higher Revenues." Back in 1992, Mr. Clinton said, we will cut spending $3 for every $1 of tax increases. But that was then and this is now.

After inauguration day, there was a bit of slippage. He promised then that for every $1 in tax increases, there would be $2 in spending cuts.

Then, in his budget speech on February 17, Mr. Clinton had dropped it again. He said: $1 in spending cuts for every $1 of new taxes.

Mr. President, it gets worse. It was $3 in the campaign last year; $2 in January after he put on the inauguration show; $1 in February; and what do you reckon he proposed in the budget finally sent up here? He now proposes 25 cents in spending cuts for every $1 increase in taxes.

It gets worse. You young folks, Senate pages, sitting down there, look at this: The House passed a little old bill proposing that there be 6.7 cents in spending cuts for every $1 in tax increases. Some people might like to roll back, take a jet plane and go backwards in time to 1992, when all those grandiose promises were being made.

Mr. President, let us look at another chart. The bait and switch continues—that is an old game. The chart is called "Revenue increases" for every dollar in spending cuts.

"Revenue increases," Mr. President, is a euphemism for socking it to the taxpayers in tax increases. Mr. Clinton said during the campaign—if you can see this little sliver of yellow here—"33 cents is all I am going to increase your taxes for every $1 in spending cuts." But that was then and this is now.

Then, he said: "Well, I have to adjust my figures a little bit." It will be 50 cents for every $1. And then comes the budget speech, where it became $1 for $1. Then, the Clinton budget proposed $4 in tax increases for every $1 of spending cuts. Under the House-passed bill, the plain truth is clearer and clearer, and the fog is now being swept away—$15 in new taxes for every $1 in spending cuts.

So we can see from this second chart, to which I just all alluded, the taxes under Mr. Clinton's various budget plans—plus the House wisdom, if that is what you want to call it—the taxes are going up, up, up. They are going to be on you, you, and you. The House-passed bill calls for $15 in new taxes for every $1 in Federal spending.

I do not believe this is what the American people want. That was not their message in Texas or Los Angeles. They said: "Cut out the big spending—and we are sick of taxes."

Mr. President, the Democrats have just tinkered with the tax bill, and it was done behind closed doors last night. The new bill may not be exactly $15 to $1, but it is still very close; it is in the same ballpark. As I said earlier, this whole thing is a moving target.

The Democrats' budget has so much deception and misleading accounting. But the bottom line is that the American people, if something is not done, again are going to be socked with a tidal wave of new taxes.

It used to be said by a pretty eminent American that you can fool some of the people all of the time and all the people some of the time—and you know the rest of it.

I think the kind of doubletalk we are seeing and hearing may result in, come 1994 and 1996, that none of the people are going to be fooled any of the time by those who now default on 1992 campaign promises—and by those who assist them in the House and Senate of the Congress of the United States. It is now put-up-or-shut-up time. The American people, I believe, are watching.

The President can continue to stand logic on its head, but I think it is time to examine honestly and carefully and specifically all of this deception. The President implies that increasing taxes on senior citizens is somehow equivalent to a spending cut, and I dissent. It is simply not so.

But in any event, Mr. President, the Heritage Foundation report, despite the fact that the target keeps moving around, has done a notable job in analyzing what is going on. It shows how the American people will have to pay. It is an excellent report.

So, Mr. President, I am going to conclude by saying it is time for the responsibility of the Congress to show itself, and it is time for the President to learn something about his proposed budget, more than he knew on Tuesday when he clearly misstated the facts. He can smile, he can have his hair cut, and he can do all the rest of it, but when it gets down to the nub of it, he is talking about the future of the American people—particularly these young people to whom I apologize for what my generation has done to them.

I can say only in my personal defense that I have not voted for these bloated budgets in any of the 21 years that I have been in the Senate. I have been sneeringly called "Senate No" and the liberal newspapers down in my State have cartoons such as a dinosaur with my head on it, with my eyes going both ways. They are so partisan. The people of North Carolina have elected a conservative Republican Senator four times in a row, despite all of the major newspapers of North Carolina crying, "Down with Helms." It hasn't worked—yet.

Mr. President, I appreciate the confidence of the people of North Carolina, and I say to them: Within the length of my cable tow I will never, never distort the facts about a spending proposition or a taxing proposition. And I shall never vote for Mr. Clinton's tax-and-spend proposal.

I ask unanimous consent that a copy of the Heritage Foundation report be printed in the RECORD at the conclusions of my remarks.

Mr. President, I yield the floor, and I thank you very much.

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

[From the Backgrounder, the Heritage Foundation, May 25, 1993]

THE HOUSE BUDGET RECONCILIATION BILL: MAKING A BAD BUDGET EVEN WORSE

(Updating Backgrounder No. 932, "Taxes, Spending, Gimmicks, and Snake Oil: Why Bill Clinton's Budget Is Bad For America," March 16, 1993, and Backgrounder No. 942, "Why Higher Tax Rates on Income Will Slow Growth, Cost Jobs," May 25, 1993.)

The House of Representatives is scheduled this week to vote on the budget reconciliation bill, a measure which purports to reduce future federal budget deficits by a total of $336.8 billion over the next five years. The Clinton Administration and House Democratic leadership claim that the legislation represents a balanced use of spending cuts and tax increases to reduce federal borrowing. But in reality the package consists almost entirely of higher taxes. More than $301 billion, or 89.5 percent of the total, comes from increased revenue. The legislation would impose the largest tax increase in American history.

Even using the Washington definition of a budget cut—increasing spending at a slower rate than previously planned—the bill contains almost no spending cuts. Less than six percent of the package, or barely $20 billion ($4 billion per year), takes the form of reductions in the rate of growth of rapidly expanding federal entitlement programs. The remaining $15.4 billion of alleged savings, accounting for 4.6 percent of the total savings,

comes from provisions that can best be described as budget gimmicks. The ratio of tax increases to spending cuts: 15 to 1

TAXES AND DISGUISED TAXES

On a party-line vote, the House Ways and Means Committee approved almost all of the tax increases proposed by the White House. The only noteworthy change was the decision to forego the Administration's convoluted Investment Tax Credit and instead raise the top corporate income tax rate from 34 percent to "only" 35 percent. The package contains all the other economically destructive increases in tax rates on income and wealth creation proposed by the White House. The legislation also would impose a huge and controversial new tax on energy.

Architects of the House "deficit reduction" bill have attempted to hide the size of the tax increase. But the claim that the legislation raises "just" $246 billion over the next five years is accomplished only by using creative accounting to portray some spending increases as tax cuts and to characterize many revenue increases as spending cuts.

Spending Hikes Dressed as Tax Cuts.—The Democrat-controlled Joint Committee on Taxation, for instance, admits that three provisions that are counted as tax cuts are really spending increases. The three provisions are:

$1.252 billion of higher Social Security and medicare spending for educational assistance is counted as a tax cut;

$25.678 billion of higher welfare spending is counted as a tax cut;

$2.105 billion of higher spending for immunization is counted as a tax cut.

By counting these spending increases as tax cuts, lawmakers can pretend that the tax increase is smaller than it really is since the dollar value of this new spending is subtracted from the dollar value of all the tax increases. As a result, the reported size of the net tax increase in the budget reconciliation bill is dishonestly reduced.

Tax Hikes Dressed as Spending Cuts.—The number of spending increases masquerading as tax cuts is dwarfed, however, by the number of tax increases and revenue-raising provisions that are counted as spending cuts. By counting these tax increases as spending cuts, Congress artificially inflates the reported amount of spending cuts in the budget reconciliation bill. Among these provisions:

$2.420 billion from higher import "user fees";

$8.078 billion from increasing the monthly Part B Medicare tax;

$2.089 billion from increasing the federal unemployment tax in 1997 and 1998;

$.214 billion from aircraft registration taxes;

$.345 billion from patent and trademark "user fees";

$1.169 billion from Nuclear Regulatory Commission "user fees."

All told, the legislation actually raises nearly $55 billion more in revenues over the next five years than supporters admit. Not all of the higher revenues, it should be noted, are tax increases. Auctioning off portions of the electromagnetic spectrum, for instance, will raise an estimated $7.2 billion. And a tiny fraction of the user fees are genuine efforts to charge beneficiaries the cost of government-provided services. These steps are desirable, but they are not, by any stretch of the imagination, spending cuts.

More Budget Gimmicks.—The bill also is noteworthy for its use of blatant smoke-and-mirrors tactics. For instance, the legislation claims savings of $8.810 billion from ending lump-sum payments for federal retirees. This provision, however, simply shifts spending into future years. Similarly, the provision claiming to save $2.339 billion in military retirement costs is achieved by a delay in cost-of-living adjustments, thus doing nothing to alter the long-run growth of spending. And proponents claim the bill will save $4.270 billion by nationalizing the guaranteed student loan program. Yet the Congressional Research Service points out that, "Direct lending [the Clinton alternative] actually could increase budget outlays and reduce national income if it were unable to duplicate administrative efficiencies achieved by private lenders." One need only compare the Postal Service with Federal Express to consider whether this provision is likely to save taxpayers money.

MORE SPENDING AND HIGHER DEFICITS

Proponents of the budget reconciliation bill assert that the legislation is a much-needed step to bring deficit spending under control. Yet according to the White House's own estimates, adoption of the Clinton budget will result in $322 billion of higher spending by 1998. If history is any guide, spending actually will climb much faster than this since Congress, in the expectation that more revenue will be forthcoming, will increase spending even more. Tax increases in 1982, 1984, 1987, and 1990, for instance, where all enacted with the promise that the deficit would fall. But in every case, the deficit rose the following year.

The Administration effectively concedes that the tax increase will be swallowed by new spending. According to estimates prepared by the Office of Management and Budget (OMB), adoption of the Administration's budget will cause the deficit to climb to $431 billion by 2003. But even this estimate is based upon the remarkable assumption that the record tax increase will not harm the economy and shrink the tax base. The Administration's $431 billion deficit estimate also assumes that the budget gimmicks will generate real savings and that Congress will not increase spending in the future, two rather dubious assumptions.

PHONY IMPROVEMENTS TO THE PACKAGE

Even though the White House's own figures show that the Administration's budget will cause the deficit to rise, not fall, the President is telling taxpayers that he will place all new tax revenue in a "trust fund" to ensure that the money goes for deficit reduction. This is a charade, however, because it would not impose any road-blocks to new spending. Clinton's own Deputy OMB Director, Alice Rivlin admits, "I don't think it affects anything."

The 15 to 1 ratio of tax increases to spending cuts in the budget reconciliation bill has caused considerable discomfort to many lawmakers. For instance, Representative Charles Stenholm, the Texas Democrat, is insisting that the savings in the legislation be enforced by a sequester mechanism that would automatically cut spending and raise taxes. This approach is misguided, however, because the package has no savings to enforce. Nor is it reasonable to punish taxpayers, as Stenholm would do, by including an automatic tax increase provision in the sequester.

Other frustrated members of Congress are exploring proposals to eliminate the energy tax and instead impose a cap on entitlement programs. While a small step in the right direction, such a step would still leave the ratio of tax increases to spending cuts at an unacceptable level. Worse still, this approach would do nothing about the most economically destructive portion of the budget reconciliation bill—the higher tax rates on income.

CONCLUSION

Large tax increases are not the solution to deficit spending. Herbert Hoover, Lyndon Johnson, Jimmy Carter, and George Bush all imposed large tax increases and in every case the economy turned sour, jobs were destroyed, and the deficit rose. Higher tax penalties on productive economic activity are not compatible with a growing economy. The record tax increase in the budget reconciliation bill is a certain recipe for economic stagnation.

DANIEL J. MITCHELL,
John M. Olin Fellow.

MORNING BUSINESS

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

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

ORDER OF PROCEDURE

Mr. BOREN. Mr. President, I ask unanimous consent that upon disposition of S. 3, the Senate proceed to the consideration of H.R. 2118, the supplemental appropriations bill.

Mr. President, I might say that I have consulted with the Republican floor manager of the bill. He has consulted, I understand, with the minority leader, and this request has been cleared on both sides of the aisle, I believe.

Mr. MCCONNELL. That is correct.

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

Mr. BOREN. 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. GORTON. 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. GORTON. Mr. President, I ask unanimous consent to proceed for 5 or 6 minutes as if in morning business.

The PRESIDING OFFICER. The Senator is recognized.

Mr. GORTON. I thank the Chair.

(The remarks of Mr. GORTON and Mr. PACKWOOD pertaining to the introduction of S. 1123 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

THE FAST FLUX TEST FACILITY

Mr. GORTON. Mr. President, I would like to take just a few minutes of the Senate's time to speak again about the Fast Flux Test Facility at the Hanford site in Washington State.

As many of my colleagues may recall, FFTF is a sodium-cooled fast reactor that was originally constructed

as part of the Clinch River Breeder Reactor Program. Unfortunately, FFTF was left without a primary Federal mission when that program was discontinued. The Washington delegation and the Hanford community have since worked to market FFTF as an international, multimission user facility that would operate at a reduced cost to the Government while remaining available for a variety of Federal missions.

The FFTF marketing effort was highly successful in this Senator's view, despite what can only be termed as lackluster support from the previous Department of Energy. Significant financial commitments were secured from Japan and Europe, and a number of other potential users expressed interest in the facility. Japan went so far as to budget 1 billion yen—$9 million—for FFTF activities in each of the past 2 years. I visited earlier this month in Tokyo with Minister Nakajima of the Science and Technology Agency, and was assured that Japan's interest in FFTF remains high.

Because the Hanford community never felt that the FFTF marketing effort received a fair hearing from the Department under Secretary Watkins, the Washington delegation asked Secretary O'Leary to commission an independent review of the facility. This review would explore a multimission role for FFTF within the context of the Department's long term goals, and would assist the Secretary in determining the future disposition of the reactor. Regardless of the conclusions reached, the study would give FFTF supporters such as myself confidence that the fate of the facility will not be determined on the basis of faulty assumptions.

I am very pleased that Secretary O'Leary yesterday agreed to commission the independent review of FFTF. The review should be completed in 45 days, and will be conducted under the leadership of Mr. John Landis. Mr. Landis is a well respected nuclear engineer who is currently senior vice president and director of Stone and Webster Engineering Corp.

I have noted repeatedly on this floor that the FFTF is a national treasure that should not be squandered, and that we will reap great benefits by developing it as a multimission user facility. FFTF is our safest, most modern, and most versatile test reactor, and deserves a throughout review by the new administration. Secretary O'Leary deserves a great deal of credit for undertaking this task. This Senator, the rest of the Washington delegation, and the Hanford community are very appreciative.

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

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

The assistant legislative clerk proceeded to call the roll.

Mr. BURNS. 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. BURNS. Mr. President, parliamentary inquiry, what is the business of the Senate?

The PRESIDING OFFICER. The Senate is in morning business.

Mr. BURNS. Mr. President, I ask unanimous consent I might speak on behalf of the Nickles amendment on the pending legislation.

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

THE NICKLES AMENDMENT NO. 465

Mr. BURNS. Mr. President, I rise today as a cosponsor of the amendment offered by my good friend the Senator from Oklahoma to delete the provisions in this so-called campaign finance reform bill which grant candidates who agree to spending limits additional 50 percent discounts below lowest unit rates for television advertising. I find this sort of troubling and I find it puzzling.

Now I have heard all the arguments about how the broadcasters are using the public's spectrum and this is fair to force them to give candidates a 50-percent discount on advertising. But what about what the public service broadcasters provide by airing news stories on both incumbents and challengers position on issues? What about the debates that are aired on television and radio stations around the Nation?

Quite frankly, I think there are important constitutional concerns with forcing broadcasters to sell political advertising to candidates of a mandated rate. Are the first amendment rights of broadcasters being not abused by telling broadcasters how to sell their advertising?

Not that I am proposing this, but, what if this were extended to newspapers, printers, and suppliers? A 50-percent discount from the lowest unit rate for newspaper advertising, flyers, campaign bumper stickers for political candidates. We would be laughed out of this Chamber with such a proposal. Well that is what we are asking broadcasters to do. This bill says to broadcasters, take the lowest rate you charge for your television, now knock 50 percent off of that for politicians.

I am a former broadcaster and I can tell you giving a 50-percent discount for politicians is not going to even come close to covering the cost of airing the ads. In fact, in 1991, 35 percent of the television stations in this country lost money. It is undeniable that the 50-percent discount will drive more stations into the red, and make it even more difficult for stations to serve their local communities.

I just want to bring up a little situation and then I want to talk about the fifth amendment just a little bit.

Following the 1988 elections, NAB contracted with Aristotle Industries to conduct an analysis of campaign spending. This study combed through Federal Election Commission spending reports. From that analysis of actual spending in the 1988 House and Senate campaigns, we learned that on average, Senate campaigns spent 41.1 percent of their funds on radio and TV time, while House candidates spent just 19.3 percent. Those figures do not include the cost of producing radio and TV spots, time buyers and consulting fees, or other related costs which are sometimes lumped into the overall cost of media.

At the time we made those figures available, many in Congress doubted their accuracy. But two Los Angeles Times reporters—Sara Fritz and Dwight Morris—did an even more exhaustive study of campaign spending following the 1990 elections. The two reporters looked at every single FEC report from every campaign expenditure during 1990, over 400,000 transactions, and analyzed the various ways candidates spend their money. Those results totally validate the 1988 findings by the NAB. According to Fritz and Morris, only 29 percent of the funds spent by candidates for Congress in 1990 went for radio and television advertising and media consultants.

So, if we are worrying about the total cost of running campaigns, it is not in what we spend in the media, yet we are asking those folks who operate those radio and television stations to take a reduced rate.

Now let us talk about the fifth amendment of our Constitution, where it says: "* * * nor shall private property be taken for public use without just compensation."

By forcing broadcasters to provide advertising to political candidates below their cost of airing such advertising amounts to a taking without just compensation. Clearly the provision in this bill forcing broadcasters to charge 50 percent of the lowest unit rate for their advertising to political candidates, in my view, this Senator's view, is unconstitutional.

This should be of great concern to every property owner in the United States. Because if we let this Government of ours take other people's property without just compensation, the next property the government will want to take at 50 percent of its value will be yours, and that is not out of the realm of possibility.

So I urge all my colleagues in the Senate to vote for this Nickles amendment. If the Nickles amendment fails, I am sure the broadcasters of this country will take this issue to the Supreme Court.

This welfare for politicians bill, and that is what I call it, is riddled with examples like this that show no regard for our Constitution. I hope the American people understand that this bill

will not reform our campaigns, but it is an attack on the Constitution that protects them from their Government. It is a very, very serious thing when we start talking about campaign reform and the different angles that it takes as it makes its way through the legislative process.

I thank the Chair. I yield the floor, and 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. McCONNELL. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

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

Mr. McCONNELL. Mr. President, what is the parliamentary situation?

The PRESIDING OFFICER. The Senate is now conducting morning business.

Mr. McCONNELL. Mr. President, based on an understanding I have with the Senator from Oklahoma, I ask unanimous consent to return to consideration of S. 3.

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

The Senator from Kentucky.

CONGRESSIONAL SPENDING LIMIT AND ELECTION REFORM ACT OF 1993

The Senate continued with the consideration of the bill.

Mr. McCONNELL. Mr. President, as I have indicated on a number of occasions, the bill before us directly violates the first amendment of the Constitution. Further, several of the amendments which have been added to this bill during the course of the debate only serve to exacerbate the unconstitutional character of the underlying legislation.

The Supreme Court has issued numerous precedents on the issue of regulation of political speech, and all of them point to this solemn conclusion: The bill before us is an unconscionable affront to the freedom of speech, which is perhaps the most sacred right bequeathed to us by the Framers of the Constitution.

I do not make this charge lightly, nor without just cause. I would like to take a few minutes now to outline several of the most egregious violations contained in this flawed legislation and to enter into the legislative record a number of legal memorandums which address serious constitutional issues in turn.

First, as a crown of shame to this offensive legislation, the Senate last night added an amendment which would impose a tax on candidates who exercise their first amendment right to refuse taxpayers' subsidies and to speak freely. Once such candidates exceeded the speech limits contained in this bill, even by spending a single dollar over the limit, their total gross receipts in contributions would be taxed at the full corporate rate.

It hardly takes a constitutional expert to understand this is a discriminatory tax aimed directly at the speech exercise of a constitutional right. If you speak too much, this amendment, now part of the bill before us, will tax you on your first amendment right.

As I indicated in my statement last night, one can only imagine where such legislative concept could take us in terms of taxing other speech which we found objectionable for one reason or another.

I will not belabor the point any further, but I would like to insert into the RECORD at this point a legal memorandum prepared by Robert Peck, legislative counsel to the American Civil Liberties Union, which details the outrageous injury which this provision does to the first amendment of the Constitution.

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

MEMORANDUM

To: Interested Parties.

From: Robert S. Peck, ACLU Legislative Counsel.

Re: Durenberger Tax Amendment.

Date: June 8, 1933.

The ACLU opposes the proposal of Senator Durenberger to tax the campaign receipts of candidates who do not agree to voluntary spending limits as an unconstitutional infringement of First Amendment rights. *Buckley* v. *Valeo*, 424 U.S. 1 (1976), held that the imposition of spending limits on electoral campaigns violate the First Amendment by limiting the quantity, depth and reach of political speech. To be constitutional, the Court held, limits must be voluntary—hence, S. 3's rhetorical adhesion to "voluntary" spending limits. Any formulation that coerces compliance with a statute's suggested spending limits would fail the *Buckley* Court's criteria for voluntariness. Thus, a candidate must "remain[] free to engage in unlimited private funding and spending instead of limited public funding." *Republican National Committee* v. *Federal Election Commission*, 487 F. Supp. 280, 284 (S.D.N.Y.), *aff'd mem.*, 445 U.S. 955 (1980).

Senator Durenberger's amendment would tax only those who choose unlimited private funding and spending, as they are constitutionally entitled to do, and thus runs afoul of the Constitution. The Supreme Court has long held that the government cannot require people "to pay a tax for the exercise of that which the First Amendment has made a high constitutional privilege." *Follett* v. *McCormick*, 321 U.S. 573, 578 (1944). In doing so, the Court was not writing on a blank slate but reflecting some of the historical forces that led to the writing of the First Amendment.

The Framers of the Bill of Rights were intimately familiar with the history of taxes imposed to discourage or suppress disfavored speech. The system of licenses that limited press freedom in England during the 17th century was succeeded in 1712 by a parliamentary tax on newspapers and advertisements. Known derisively as "taxes on knowledge," the levy had the effect of curtailing circulation and thus the reach of publications that commented and criticized the policies of the Crown. In 1785, Massachusetts traveled down that same road and imposed a similar tax. This approach was soundly rejected by those who proposed and saw enactment of the First Amendment. The father of the Bill of Rights, James Madison, called the English view that allowed people to publish as long as they paid penalties for what was deemed improper or mischievous to make a "mockery" of expressive freedom. Elliot's Debates 569 (1937 ed.).

Relying on this history in 1936, the Supreme Court struck down a Louisiana tax on publications that printed advertisements and had a circulation above 20,000. *Grosjean* v. *American Press Co.*, 297 U.S. 233 (1936).

The Durenberger amendment similarly taxes the exercise of a First amendment right. The Court has said that the "power to tax the exercise of a privilege is the power to control or suppress its enjoyment. Those who can tax the exercise of [a] practice can make its exercise so costly as to deprive it of the resources necessary for its maintenance." *Murdock* v. *Pennsylvania*, 319 U.S. 105, 112 (1943) (citations omitted). Such a tax cannot stand, for the power to impose a tax on the exercise of a First Amendment right "is indeed as potent as the power of censorship which this Court has repeatedly struck down." *Id.* at 113. In the *Murdock* case, where a tax on the distribution of religious literature was struck, the Court found that the use of a tax to suppress the dissemination of views because they or the method by which they were propagated were not in favor amounted to "a complete repudiation of the philosophy of the Bill of Rights." *Id.* at 116.

Approval of the Durenberger amendment would be a similar repudiation. It penalizes and inhibits a candidate for exercising his or her constitutionally protected rights. As the Supreme Court has observed repeatedly, giving sanction to such a system "would allow the government to 'produce a result which [it] could not command directly.' Such interference with constitutional rights is impermissible." *Perry* v. *Sindermann*, 408 U.S. 593, 597 (1972) (quoting *Speiser* v. *Randall*, 357 U.S. 513, 526 (1958)).

Moreover, any system of taxation that burdens the exercise of First Amendment protected rights bears "a heavy burden on the State to justify its action." *Minneapolis Star* v. *Minnesota Commissioner of Revenue*, 460 U.S. 575, 592-93 (1983). "In order to justify such differential taxation, the State must show that its regulation is necessary to serve a compelling state interest and is narrowly drawn to achieve that end." *Arkansas Writers' Project, Inc.* v. *Ragland*, 481 U.S. 221, 231 (1987). No such compelling interest can support the proposed taxation of political committee revenues.

First, the Supreme Court has already rejected all proffered rationales to impose spending limits or burden the candidates' rights to spend freely from their own private funds. Second, because the Court has recognized that spending is an indispensable condition to effective political speech, the decision to spend is the exercise of speech. To discriminate between candidates on the basis of that decision amounts to unconstitutional viewpoint-discrimination. The Court has observed that "the First Amendment forbids the government to regulate speech in ways that favor some viewpoints or ideas at the expense of others." *City Council of Los Angeles* v. *Taxpayers for Vincent*, 466 U.S. 789, 804 (1984). The proposed tax squarely violates

this bedrock principle by picking and choosing between the candidates who will suffer this penalty. It once again proves the maxim articulated by Chief Justice John Marshall observed on behalf of the Supreme Court early in its existence that the power to tax is the power to destroy. *McCulloch* v. *Maryland*, 17 U.S. (4 Wheat.) 316, 427 (1819).

The Durenberger amendment should be rejected. Like the tax struck down in *Grosjean*, it is "a deliberate and calculated device in the guise of a tax to limit the circulation of information to which the public is entitled in virtue of the constitutional guaranties." 297 U.S. at 250.

Mr. MCCONNELL. Let me briefly detail the other unconstitutional measures contained in the legislation before us.

A sense-of-the-Senate provision urging that this body actually amend the first amendment of the Bill of Rights to give Congress the right to restrict the freedom of speech in political campaigns. I ask unanimous consent to insert into the RECORD at this time several statements made by my colleagues on the other side of the aisle during the debate on the flag-burning amendment regarding the danger of passing any amendment to the first amendment of the Constitution.

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

FLAG BURNING STATEMENTS

GEORGE MITCHELL

June 26, 1990, pages S8735–S8736; under our system, once the Supreme Court has ruled, that ruling is the law of the land. So even though I disagree with the Court's ruling, I accept it. The question now before us is whether we should override the Supreme Court's decision by amending the Constitution.

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

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

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

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

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

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

The English language could not be more clear. Let me repeat those few words. "Congress shall make no law abridging the freedom of speech."

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

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

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

Even though, as I have already said, I disagree with the Court, I do not believe we should amend the Bill of Rights. I do not believe we should ever, under any circumstances, for any reason, amend the American Bill of Rights. The Bill of Rights is so effective in protecting individual liberty precisely because of its unchanging nature. Once that is unraveled, its effectiveness will be forever diminished.

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

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

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

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

For a free people, the fight against an enemy army demands sacrifice and courage. That is difficult and demanding. It is also difficult and demanding in time of peace to live up to our own high ideals.

It is not difficult for Americans or anyone else to tolerate differences and eccentricities. They are all around us. But defending the freedom of those who would deny it to others—that is difficult.

Perhaps that is why no other nation today tries, or has ever tried, to live by a standard as high and as demanding as the American Bill of Rights. Every nation has a government. Every nation has a flag. But only the United States of America has a Bill of Rights.

We Americans do try to live by the Bill of Rights. We have chosen not to take the easy way out. We have chosen not to try to silence those who are wrong, but rather to challenge them with the truth.

We will celebrate the 200th anniversary of the Bill of Rights next year. We will remind ourselves, and the world, that the greatest protector of liberty is the truth.

We have political liberty in America because we reject any government-imposed political doctrine. We believe each American will find and defend his or her own political views.

That way has served America well. It has preserved our liberties for two centuries.

Our Founding Fathers had more confidence in their fellow Americans and more faith in their children than some of our current leaders. They knew better than to have the Government dictate what politics are right or wrong.

For 200 years, the Bill of Rights protected the liberties of Americans through economic turmoil, civil and political strife, social upheaval, and international tension.

Despite the worst that fate and enemies have hurled at us, we have never ever found it necessary to change the fundamental principles on which our Government was founded and by which our freedom is secured.

Principles which have stood the test of time should not be discarded or tampered with.

It will be a sad irony if a few obnoxious publicity seekers who appear to hate America achieve their victory stampeding those who love America to take the unwise action of changing the Bill of Rights for the first time in our history. I love America and the American flag and the American Bill of Rights too much to let that happen without a fight.

June 11, 1990, page S7671: The question before us is whether or not after 200 years, the American Bill of Rights, the most concise, the most eloquent, the most effective statement of individual liberty in all of human history, is to be changed for the first time.

TOM DASCHLE

June 25, 1990, page S8641: I intend to vote against this particular amendment and all other constitutional amendments that would amend what I consider to be the most important clause of the document which makes the United States of American what is—the free speech clause of the Bill of Rights.

If we tamper with the Bill of Rights on the 200th anniversary of our Constitution, we are ultimately diminishing every flag in America. We are ultimately demeaning the sacrifices of the men and women who fought to keep us free, the veterans who are referred to so often in this place, the veterans who are no longer with us, the veterans who are inscribed on the Vietnam Wall, the veterans' names who are on marble blocks in counties and States across our country.

If we are ultimately violating all of this, are we not then violating our oaths of office and our standing as men and women sworn to protect our constitutionally guaranteed freedoms, freedoms that all citizens of the United States now share with abundance?

That we should trade 200 years of protection under the Bill of Rights for a 30-second commercial on the flag is, frankly, demeaning. It assumes that our desire to hold office is stronger than our desire to do what is right. I deeply hope that is not true.

June 21, 1990, page S8516: I will vote against any amendment, any amendment of any kind, that would burn the most important clause of the document that makes the United States of America what she is, the free speech clause of the Bill of Rights.

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

How easy it is * * * to see the votes we might gain on this issue if we play the 30-second ad game with our Nation's flag.

What chapter will we have ghosted for our autobiographies to explain away our writing a loophole into the free speech clause of the Bill of Rights of the Constitution of the United States?

It is that freedom I will be defending, and my own integrity, when I vote to honor the men and women who have served this great Nation by voting to protect the Bill of Rights for which so many died. * * * I believe the proposed amendment to the Bill of Rights is an attack on the heart and soul of the Constitution. That we would trade almost 200 years of protection under the Bill of Rights for a 30-second commercial on the flag is demeaning, and I have anger and disdain for those who would exploit the flag for cheap political gain.

PATRICK LEAHY

June 25, 1990, page S8647: We have gone through 200 years without amending the Bill of Rights. We have gone through two world

wars, a Civil War, several major depressions, the expansion of the West, the addition of states. We have had Presidents who have acceded to office either in the normal electoral fashion, some tragically through death or assassination and one by resignation. And through all of that, with all these strains on our great Nation, not once did we ever think it was necessary to amend the Bill of Rights.

True patriotism means standing up for everything that the American flag symbolizes and all the Bill of Rights stands for.

The first amendment is central to the constitutional framework; it ensures our right to say what we want, to pray or not to pray, and demand that our Government listen to our voices of dissent; it reflects the confidence the Founders had in the strength of our system of government. They knew that criticism of our leaders, of our policies, of our symbols, posed no threat to the survival of the Republic. America would not crumble, even as 200 years later publicity-hungry dissidents torched the flag for the benefit of television cameras * * * everything that we need to ensure that we will remain a democracy is in that first amendment. For those who felt that the diversity guaranteed by the first amendment, who felt as I do today, and felt 200 years ago that diversity would itself breed democracy, history has proven them right. We have found, though every challenge to our core principles and values, that the basic charter of human rights remains unscathed.

Our predecessors demonstrated wisdom and foresight. They recognized that the beauty of the Constitution lies in its simplicity. Let us demonstrate that same courage and prudence today.

Do we really want to say in the 101st Congress that after everything that has gone before us—from the birth of this Nation to today—that in over 200 years the image of people that we all despise burning the flag is one thing that provokes us to amend the Bill of Rights, nothing else was important enough? Or should we be remembered as the Congress and the Senate that stood up to the passions of the moment and said, "no matter what the political risk, no matter what the political posturing, we will protect the Bill of Rights first and foremost."

We may see public opinion polls that say we should vote for this * * * I am able to cast a vote that contradicts a public opinion poll, but I could never cast a vote that contradicts my conscience. I could not do that and serve in this body even one minute longer. We, the 100 men and women in the U.S. Senate, must truly act as the conscience of our Nation. Ultimately, we have to do what is right. If we truly reflect that conscience, we will reject this amendment.

DALE BUMPERS

June 25, 1990, page S8648:

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

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

October 18, 1989, page S13644: The Constitution is also the one piece of irrefutable political evidence that says every person counts, that all are equal in the eyes of the law. I hold it second only to the Holy Bible as the most sacred possession in the hands of mankind. For these reasons, any amendments to the Constitution must be examined with the greatest degree of scrutiny.

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

DAVID BOREN

June 21, 1990, page S8433: I began to worry that in the name of protecting the flag, we were about to chip away at the liberties for which it stands and for which Americans have fought and died. I realized that we cannot honor our flag if we do not protect the freedom it represents.

We should each ask ourselves if 100 years from now we want to be remembered for tampering with the Bill of Rights for the first time in our history. Can we be true to those who gave their lives for our country if we compromise the freedoms for which they sacrificed? Do we want to have it recorded that we put more attention to last week's polls than we did to the teachings of Jefferson and George Washington? Do we really feel that 200 years of experience under our Bill of Rights should be cast aside in favor of uncertain and dangerous tampering with the language of our Constitution?

The best way to honor our flag is to commit ourselves to the values included in our Bill of Rights and to pass on those human liberties to our children and their children. We have sworn an oath to defend the Constitution. We must do our duty.

HOWARD METZENBAUM

October 4, 1989, pages S12596–S12597: Government may not forbid the expression of an idea simply because society finds the idea itself offensive or disagreeable. The right to free expression is meaningless if that right only protects expression sanctioned by the majority. The depth of a nation's commitment to free speech is measured by its willingness to tolerate expression which most its people find repellent. And the strength of a nation's unity—its sense of shared values—is measured by its capacity to tolerate expression which tries to destroy that unity. Strong nations tolerate dissenting expression. Weak nations suppress it. It is that simple.

But one of the things that makes this country the greatest and freest in the world, is that we protect free expression even when we hate the message and despise the messenger.

June 14, 1990, page S7928: I am angry that once again we are going to turn the Bill of Rights into a political football. In 200 years, the Bill of Rights has never, never, been curtailed. This country has gone through a Civil War, two World Wars, and a Great Depression—monumental events which tested our strength and unity. But in those moments, we resisted the temptation to cut back individual freedom. Once you start fiddling with the Bill of Rights to outlaw offensive expression, where do you stop?

The reason this country is a shining example for the rest of the world is that we protect all political expression, even when it is wrong-headed, offensive, and outrageous. That is not such a complicated idea.

We do not protect the flag by diminishing the liberties for which it stands. We do not breed respect for the flag by legislating devotion to Old Glory. And we will not strengthen this Nation by weakening the Bill of Rights.

TED KENNEDY

June 11, 1990, page S7693: When we pledge allegiance to the flag, we pledge allegiance to the principles for which it stands. Few, if any, of those are more fundamental to the strength of our democracy than the first amendment's guarantee of freedom of speech. Let us not start down this disastrous road of restricting the majestic scope of the first amendment by picking the kinds of speech that are to be permitted in our society.

Next year, in 1991, the Nation will celebrate the 200th anniversary of the ratification of the first amendment and the other bedrock provisions of the Bill of Rights. It would be the height of hypocrisy for Congress to celebrate that proud bicentennial by proposing to amend the first amendment for the first time in our American history.

I urge the Senate to reject any such proposal, and I intend to do all I can to see that the first amendment says amended.

June 14, 1990, page S7927: The first amendment protects not only the speech we admire, but also speech we abhor.

No constitutional freedom is more central to our democratic tradition that freedom of speech. The concept of free and open debate is the cornerstone of our democracy. If the government can sensor its critics, then the ideal of free debate becomes an empty promise.

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

A constitutional amendment would also irreparably damage the separation of powers that has protected our constitutional freedoms throughout our history. The brilliance of the Framers is not more evident that in the concept of an independent Federal judiciary, sworn to uphold the Constitution's bulwarks against the swollen tides of public outrage.

For more than 200 years, we have trusted the courts to determine when expression is protected by the Constitution, because judges insulated from public pressure can best evaluate the claims of unpopular minorities.

October 16, 1989, page S13430: No constitutional freedom is more central to our democratic tradition than freedom of speech. The concept of free and open debate is the cornerstone of our democracy. If the Government can censor its critics, then the ideal of free debate becomes an empty promise.

Enacting that exception would irreparably damage our remaining liberties. Throughout our history, freedom of expression has rested on the idea that the Constitution requires us to tolerate opposing viewpoints—not just those we approve, but those we despise as well. That tolerance is a fundamental part of our American creed. We proudly teach it to our children: it is perhaps the most distinctly American virtue.

Once a constitutional amendment is proposed by the Congress, it is forever out or our hands. Once an amendment is ratified, it becomes part of our national charter for all times. We ought not to place in the Constitution an amendment restricting our fundamental freedoms when no one can say with certainty just what that amendment means.

For two centuries, the Constitution and Bill of Rights have served as the enduring charter of our liberties, a model for freedom-loving peoples throughout the world. And for two centuries, nothing—not a bitterly divisive civil war, not a shattering depression, none of the other dramatic changes that

have transformed the Nation from a cluster of quarreling colonies to the world power it is today—has caused American to amend the Bill of Rights.

BARBARA MIKULSKI

October 18, 1989, page S13644: The sanctity of the Bill of Rights. These first 10 amendments to the Constitution were ratified on December 15, 1791. In the almost 198 years, since, our Nation has ratified 16 more amendments—and almost every one of those amendments has expanded not contracted—the Bill of Rights.

Now is not the time to change that course. Now is not the time to tamper with laws, precedents, and principles that have stood use in good stead for almost two centuries. Now is not the time for us to do something we have never done before—restrict the democratic ideals our Founding Fathers saw fit to write into the document we use as the foundation for our existence as a nation.

JEFF BINGAMAN

June 20, 1990, page S8298: I cannot support an effort to begin writing exceptions into the first amendment of our Constitution. The Supreme Court has said the first amendment protects the right of free speech, no matter how unpopular or offensive that speech is.

I am not willing to amend the Constitution to permit States and the Federal Government to restrict the expression of those views.

It does not strengthen us as a nation to begin, by constitutional amendment, to restrict the right of political expression. It does not protect our Nation to diminish the very liberties which have made us the envy of all mankind.

BILL BRADLEY

June 20, 1990, page S8296: Our American flag is best protected by preserving the freedom that is symbolized. I cannot support a constitutional amendment that would limit that freedom.

Our Founding Fathers believed that fundamental to our democratic process was the unfettered expression of ideas. That is why the amendment that protects your right to express yourself freely is the first amendment, and politicians should never put that at risk.

Now if this constitutional amendment passes, we will have done something no Americans have ever done—amend the Bill of Rights to limit personal freedom.

I took an oath to support and to defend the Constitution of the United States. Each Senator has to decide in her own mind and in his own heart what he feels he must do, to fulfill the promise he made to preserve and to stand by the Constitution. Different Senators will arrive at different answers. For me, this amendment does not preserve the Constitution. To the contrary, it constricts, nattoes, limits—makes it less than it was before. To preserve means to keep intact, to avoid decay, but this amendment will leave freedom of expression less intact, less robust, more in a state of decay. To support an amendment which would, for the first time in 200 years, reduce the personal freedom that all Americans have been guaranteed by the Constitution would be, for me, inconsistent with my oath. I will never break my oath.

Even if you agree with the flag amendment, how can you know that the next amendment will be one you will like? You cannot. So let us not start. Once you begin chipping away, where does it stop? Do not risk long-term protection of personal freedom for a short-term political gain.

PAUL SIMON

June 14, 1990, page S7930: Because I disagree with an unpopular decision by the Court does not mean that we ought to then all of a sudden rush in and, for the first time in 200 years, amend the Bill of Rights.

Right now in Central and Eastern Europe, freedom is expanding, and we are thrilled by it. Let us not in this day of greater expansion of freedom amend the Bill of Rights of the U.S. Constitution. Let us not move in the opposite direction. I hope we show some courage and do not adopt a constitutional amendment.

CHRISTOPHER DODD

October 19, 1989, page S13727: I revere the Bill of Rights, which has never been amended in our history. That fact confirms how highly we value the freedoms contained in these amendments, freedoms that are the cornerstone of our democracy. I am reluctant to consider measures that could, however unintentionally, reduce those freedoms unless there is a compelling necessity.

Mr. MCCONNELL. Let me also briefly detail the various penalties which this legislation imposes on candidates who exercise their constitutional right to speak and spend regardless of any arbitrary expenditure limitation imposed by Congress. Such candidates lose the broadcast discount, which the law currently provides to all political candidates.

Noncomplying candidates also lose the mail subsidy which the bill provides to candidates who agree to limit their speech. If they exceed the expenditure limits, not only are they taxed at the full corporate rate under the amendment described earlier, but their opponents also receive massive infusions of tax dollars—partially funded by the discriminatory tax on noncomplying candidates—to beat them into submission.

Noncomplying candidates are saddled with additional and burdensome reporting requirements that comply candidates do not need to follow.

Further, those who have decided not to accept any taxpayer subsidies or to limit their free speech are forced to include a demeaning and self-incriminating disclosure in their advertisements, which suggests that they are scofflaws or, at the very heart, not reform minded.

Now, if the purpose of this provision were to provide necessary and irrefutable information to the public, then the question must be raised why the majority rejected an amendment offered by this Senator to require complying candidates to disclose that their advertisements were being subsidized by the taxpayers.

In any event, there are other disclaimer requirements contained in the bill, and some of them even apply to complying candidates. All such forced disclaimers amount to compelled speech and are, therefore, clearing hostile to basic first amendment freedoms.

On these points, I now ask unanimous consent to insert into the RECORD several more legal memoranda covering in much greater detail the serious constitutional concerns which these penalty provisions raise.

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

PENALTIES

I. INTRODUCTION

The First Amendment's guarantee of freedom of speech does more than protect our freedom to say what we think. Among its other protections, it secures the "right [of people] not only to advocate their cause but also to select what they believe to be the most effective means for so doing." *Meyer* v. *Grant*, 486 U.S. 414, 424 (1988). In the context of a campaign where public financing is offered, some candidates will choose public financing, and some will forego taxpayer support in favor of donations from supporters. The choice between these alternative methods of paying for a campaign, when available, is itself constitutionally protected from governmental interference.

Moreover, the First Amendment "entails solicitude not only for communication itself, but also for the indispensable conditions of meaningful communication." *Richmond Newspapers, Inc.* v. *Virginia*, 448 U.S. 555, 588 (1980) (Brennan, J., concurring). Those involved in electoral politics know that one indispensable condition is money to get their campaign message out. In striking down expenditure limitations in *Buckley* v. *Valeo*, 424 U.S. 1 (1976), the Supreme Court recognized that spending limits violate the First Amendment by reducing the quantity of expression, including the number of issues, the depth of discussion, and the size of the audience that might be reached. Spending limitations, the Court said, amount to "substantial and direct restrictions on the ability of candidates, citizens and associations to engage in protected political expression, restrictions that the First Amendment cannot tolerate." 424 U.S. at 59 (footnote omitted).

None of the rationales for regulation that we offered by defenders of expenditure limitations passed constitutional muster. The Court rejected both a concern about the potential for corruption and the proferred alternative rationale of equalizing the financial resources of candidates as compelling interests sufficient to support spending limits. *Id.* at 56–57.[1] Accordingly, Congress cannot constitutionally impose spending limits on political candidates who raise their own funds.

II. THE REQUIREMENT OF VOLUNTARINESS

To fit within constitutional requirements that forbid mandatory expenditure limits, the proponents of S. 3 claim that its spending limits are voluntary. This approach rests on a footnote in the BUCKLEY decision that stated "[j]ust as a candidate may voluntarily limit the size of the contributions he chooses to accept, he may decide to forego private fundraising and accept public funding." 424 U.S. at 57 n. 65. This authorization by the Court has been interpreted to mean that spending limits as a condition of receiving

[1] The Court accepted corruption only as a rationale for limiting contributions, finding that spending did not implicate corruption. No other rationale survived the Court's analysis, even with respect to contribution limits. *See also, Let's Help Florida* v. *McCrary*, 621 F.2d 195, 199 (1980) quoted with approval (*Citizens Against Rent Control* v. *Berkeley*, 454 U.S. 290, 297 (1981)) ("The sole governmental interest that the Supreme Court recognized as a justification for restricting contributions was the prevention of quid pro quo corruption between a contributor and a candidate.").

public federal campaign funds are constitutionally valid "as long as the candidate remains free to engage in unlimited private funding and spending instead of limited public funding." *Republican National Committee* v. *Federal Election Commission*, 487 F. Supp. 280, 284 (S.D.N.Y.), *aff'd mem.*, 445 U.S. 955 (1980); *see also*, *Weber* v. *Heaney*, 793 F. Supp. 1438, 1457 (D. Minn. 1992).[2]

III. THE TEST FOR VOLUNTARINESS

S. 3 purports to fit within these requirements by encouraging candidates to abide by congressionally set voluntary spending limits by offering the carrot of public funding. However, the bill does not stop there, but maps out as well a series of penalties that are applied to those who do not choose to participate in public funding. The result is coercive, rather than voluntary, and effectively punishes a candidate because he or she (or a citizen engaging in independent expenditures) chooses to exercise that which the Constitution says there is every right to exercise.

Such a system of penalties is transparently unconstitutional. As the Supreme Court has said, "if the government could deny a benefit to a person because of his constitutionally protected speech or associations, his exercise of those freedoms would in effect be penalized and inhibited. This would allow the government to 'produce a result which [it] could not command directly.' Such interference with constitutional rights is impermissible." *Perry* v. *Sindermann*, 408 U.S. 593, 597 (1972) (quoting *Speiser* v. *Randall*, 357 U.S. 513, 526 (1958)). S. 3 both denies the privately financed candidate certain additional benefits that are made available to the publicly financed candidate, as well as imposes additional disclosure requirements.

The differential treatment of the competing candidates raises the question of whether S. 3's incentives and benefits for those agreeing to accept public financing and spending limits amount to "direct state interference with a protected activity [or] state encouragement of an alternative activity consonant with legislative policy." *Maher* v. *Roe*, 432 U.S. 464, 475 (1977).

Seen through the prism of those who choose public financing and thus become eligible for these incentives and benefits, S. 3 may appear to be mere encouragement of activities in line with legislative policy. However, by moving beyond merely making available a choice between public or private financing to exacting a variety of penalties and disadvantages to those who opt out of %thepublic financing scheme, the proposed measure travels far into the forbidden territory of state interference with a protected activity for the privately funded candidate. S. 3 makes privately funded campaigns more difficult while also reducing the costs of publicly funded campaigns beyond any conceivable concept of equalization. It thus establishes a kind of government-imposed political favoritism for some candidates over others that cannot be squared with the idea of fair elections.

No matter how important Congress deems the establishment of expenditure ceilings, "it is not the government, but the people—individually as citizens and candidates and collectively as associations and political committees—who must retain control over the quantity and range of debate on public issues in a political campaign." 424 U.S. at 57.

It is worth remembering that *Buckley* upheld public funding because its purpose was "not to abridge, restrict or censor speech, but rather to use public money to facilitate and enlarge public discussion and participation in the electoral process, goals vital to a self-governing people." *Id.* at 92–93. The legitimate governmental interest in public financing is to enhance access to political discourse and the political process, not to restrict it in any manner. S.3 tranverses that line, and thereby calls into question the validity of its public funding scheme—a scheme that ultimately abridges and restricts the speech of some (those who choose private funding without limits) in order to facilitate the speech of others (those who choose public funding with spending limits), a result "wholly foreign to the First Amendment." *Id.* at 49.

IV. THE ISSUE OF PENALTIES

S. 3's penalties become most apparent when you examine the legislation's likely effects on the candidate who chooses not to accept the funds and leaves open the option of spending more than Congress prescribes as appropriate for the race. For example, if the Clinton administration's proposal is accepted, the contributions of those who eschew public financing (and spending limits) will be taxable, but not those who accept partial public financing. No more obvious unconstitutional penalty could be created.

Simiilarly unconstitutional penalties are found in the favoritism of publicly financed candidates in the bill's 50 percent discount in broadcast rates, reduced postal rates, and disproportionate removal of spending caps in response to spending by a non-participating opponent or someone making adverse independent expenditures.

The reduction in broadcast rates below anything broadcasters charge to any other customers raises serious Fifth Amendment issues. It amounts to a taking of private property without compensation. Moreover, the reduced broadcast and postal rates appear to amount to a form of unconstitutional political discrimination between political opponents. *Cf. Weisberg* v. *Powell*, 417 F.2d 388 (7th Cir. 1969). In *Greenberg* v. *Bolger*, 497 F. Supp. 756, 774–78 (E.D.N.Y. 1980), preferential mailing rates for major parties were struck down as violative of the First Amendment. In finding this to be an unconstitutional burdening of the right of minority parties to express ideas different from those of the majority, the court also noted that the government could not "require licensees to deny access to persons not affiliated with the 'major' parties or to favor certain views by granting them reduced payments or special discounts." *Id.* at 777. *See also*, *Rhode Island Chapter of the National Women's Political Caucus* v. *Rhode Island Lottery Comm'n*, 609 F. Supp. 1403, 1414 (D.R.I. 1985) (statute that allowed major parties to conduct fundraising lotteries, but denied the right to other political groups, found to violate First Amendment because it benefited popular views and burdened unpopular views); *McKenna* v. *Reilly*, 419 F. Supp. 1179, 1188 (D.R.I. 1976) (state party's allocation of taxpayer "check-off" funds to endorsed candidates to the exclusion of unendorsed candidates found violative of First Amendment).

In addition, the cap-waiver approach taken by S. 3—permitting a publicly funded candidate to exceed the expenditure cap when the amount of money being spent against him or her exceeds the "voluntary" limits—creates the real possibility that a publicly funded candidate will spend more than the privately funded candidate—and have lower costs to boot! The realistic possibility that this may occur clearly penalizes the privately funded candidate, but more likely amounts to coercion to choose public funding, thereby eliminating, as a practical matter, a constitutionally protected choice.

Other penalties imposed directly on the non-participating candidate include excessive recordkeeping provisions and a compulsory statement on broadcast advertisements that the "candidate has not agreed to voluntary campaign limits." The recordkeeping provisions include a requirement that expenditures in excess of the "voluntary" limits—limits that the covered candidate did not agree to—be reported on a daily basis. Such recordkeeping and reporting requirements "burden too heavily and infringe too deeply" on protected First Amendment activity and are not "narrowly tailored to fit the legitimate governmental interest." *American Library Association* v. *Thornburgh*; 713 F. Supp. 469, 477 (D.D.C. 1989) *vacated as moot, sub nom.*, *American Library Association* v. *Barr*, 956 F.2d 1178 (D.C. Cir. 1992).

The interest in equalization, which the Supreme Court rejected in *Buckley* as a reason to burden the expenditure rights of candidates, should not trigger as intrusive and costly a reporting requirement as this for a candidate who is only doing what is constitutionally protected. Even if equalization is a legitimate reason for needing a report when the expenditure threshold has been eclipsed, there is no justification for requiring daily reports, for the Supreme Court has "long recognized that even regulations aimed at proper governmental concerns can restrict the exercise of rights protected by the First Amendment" and thus must be drawn narrowly to minimize that problem. *Minnesota Star & Tribune Co.* v. *Minnesota Commissioner of Revenue*, 460 U.S. 575, 592 (1983).

Similarly, the broadcast disclaimer requirement intrudes on free speech rights. It is sustained by no compelling governmental interest and violates the principle that the First Amendment encompasses "the decision of both what to say and what not to say." *Riley* v. *National Federation of the Blind*, 487 U.S. 781, 797 (1988).

While the required statement is well within the bounds of what one candidate can say about another, the requirement that the candidate who may be philosophically opposed to public funding add this, like a mantra, to his political broadcast statements unconstitutionally "penalizes the expression of particular points of view and forces speakers to alter speech to conform with an agenda they do not set." *Pacific Gas & Electric Co.* v. *Public Utilities Commission*, 475 U.S. 1, 9 (1986). The point of view implicated is the one that finds public funding inappropriate for a candidate for political office, as well as the one that oppose government restrictions on the quantity of speech.

Certainly the sponsors of the bill would not find an alternative disclaimer that the "candidate has chosen not to sell his First Amendment rights to the government in order to be permitted to spend tax dollars" as an acceptable alternative. It is thus a pejorative form of compelled speech that forces a candidate to alter his intended speech to

[2] Nevertheless, serious questions under the doctrine of "unconstitutional conditions" are raised by this seeming approval that the government may impose conditions on a candidate's political free-speech rights by providing some level of public funding. While this issue will be addressed further elsewhere in this memorandum, it suffices to say that a Democratic administration and Democratic Congress could not, for example, forbid candidates who accept public financing from criticizing Democrats during a campaign funded by the government's largesse. While such a restriction would be viewpoint discrimination, similar issues are raised by suppressing the quantity of speech.

explain both why he is saying this in his advertisement and why it should not be regarded negatively. The First Amendment, which regards political campaign speech with special solicitude, does not permit this kind of compelled speech. *See, e.g., Meese* v. *Keene*, 481 U.S. 465 (1987).

These penalties make privately funded campaigns more costly (which runs counter to the legislation's professed goal) and holds out the candidates as seemingly less desirable. Yet, the *Buckley* Court found that in devising a public financing scheme Congress may not unconstitutionally "make private fundraising for others any more difficult." *Id.* at 95 n. 128. The "First Amendment is plainly offended" by S. 3's scheme because it represents a legislative "attempt to give one side of a debatable public question an advantage in expressing its views to the people." *First National Bank of Boston* v. *Bellotti*, 435 U.S. 765, 785-86 (1978).

The First Amendment is further offended because S. 3 "imposes a financial burden on speakers because of the content of their speech." *Simon & Schuster, Inc.* v. *Members of the New York State Crime Victims Board*, 112 S.Ct 501, 508 (1991). In *Simon & Schuster*, the Court held that New York's "Son of Sam" law that took the profits from writings about a criminal's crime for a crime victims fund to "plainly impose[] a financial disincentive only on speech of a particular content." *Id.*

While it may be arguable that the constitutionally protected choice between public and private funding is not a content distinction, even though there is substantial reason to believe it is, the courts have also found that the government's regulatory power is constitutionally suspect when it "favors certain classes of speakers over others." *Home Box Office* v. *FCC*, 567 F.2d 9, 48 (D.C. Cir.) (per curiam), *cert. denied*, 434 U.S. 829 (1977). This should be especially so when the speakers are political opponents in a campaign for public office. Even when the restriction is "neutral as to the ideas expressed," it remains constitutionally suspect because it "limit[s] political expression 'at the core of our electoral process and of the First Amendment freedoms.'" *Buckley*, 424 U.S. at 39 (quoting *Williams* v. *Rhodes*, 393 U.S. 23, 32 (1968).

Moveover, in evaluating campaign financing schemes, courts have recognized that they cannot "diminish a protected right [but], where there is such a diminution, the burden [must be] justified by a compelling state interest." *Republican National Comm.* v. *Federal Election Comm'n*, 487 F. Supp. 280, 285 (S.D.N.Y.), *aff'd*, 445 U.S. 955 (1980). No such compelling interest exists to justify the burdens placed on the candidate who foregoes taxpayer funding. Denying reduced broadcast or postal fees while imposing additional disclosure requirements amounts to an improper burden on the choice not to accept public financing. Moreover, these denials and impositions have no basis in preventing corruption, the only sufficiently compelling interest in the campaign finance context that has satisfied the courts. Thus, the differential treatment of these candidates "den[ies] a benefit to a person because he exercises a constitutional right," *Regan* v. *Taxation with Representation*, 461 U.S. 540, 545 (1983), and effectively "penalize[s] them for such speech." *Speiser* v. *Randall*, 357 U.S. 513, 518 (1958).

V. THE IMPOSITION OF UNCONSTITUTIONAL CONDITIONS

It is axiomatic that the "First Amendment has its fullest and most urgent application precisely to the conduct of campaigns for public office." *Monitor Patriot Co.* v. *Roy*, 401 U.S. 265, 271-72 (1971). Thus, any attempt to use the availability of public funding and eligibility for reduced expenses to gag candidates who do not curtail their speech runs the substantial risk that it imposes an unconstitutional condition on the exercise of a right. It was this concern that led Congress to attempt to remove the "abortion gag rule" from Title X and President Clinton to issue the executive order that accomplished that task.

Explaining that doctrine in *Rust* v. *Sullivan*, 111 S.Ct. 1759, 1774 (1991) (emphasis in original), the Supreme Court said that government creates an unconstitutional condition when it "place[s] a condition on the *recipient* of the subsidy rather than on the particular program or service, thus effectively prohibiting the recipient from engaging in the protected conduct outside the scope of the federally funded program." Because a political campaign—even one that accepts public funding—cannot be considered a federally funded program and leaves no alternative channels for the speech that expenditure limits attempt to restrict, S. 3 creates a number of unconstitutional conditions for both publicly and privately funded candidates.

The *Rust* Court was clear that government control over speech attached to the expenditure of federal funds in a "traditional sphere of free expression so fundamental to the functioning of our society" runs counter to the First Amendment. *Id.* at 1776. Thus, courts have struck down speech restrictions on government-funded university research (*Board of Trustees of the Leland Stanford Junior University* v. *Sullivan*, 773 F. Supp. 472 (D.D.C. 1991)), government-funded artistic expression (*Finley* v. *National Endowment for the Arts*, 795 F. Supp. 1457 (C.D. Cal. 1992), *appeal pending*), and government-funded education materials (*Gay Men's Health Crisis* v. *Sullivan*, 792 F. Supp. 278 (S.D.M.Y. 1992)). Political campaigns require no less adherence to this principle.

Because the meager amount of public funding that is likely to be offered, it becomes apparent that S. 3 is not offered to enhance political discourse but is actually aimed at restricting it through spending limits. Moreover, because it targets those candidates who do not participate in public funding for penalties, it infringes on their speech rights.

Finally, other portions of the Clinton administration's proposals—such as the ban on lobbyist contributions—also unconstitutional conditions a lobbyist's First Amendment right to petition the government on the giving up of the First Amendment right to contribute to the political candidate or candidates of his or her choice.

VI. CONCLUSION

S. 3 unconstitutionally attempts to advantage candidates who opt for public financing and thereby agree to expenditure limits by providing a series of additional benefits to those candidates, while penalizing their nonpublicly funded opponents. The regulatory scheme proposed by this legislation coerces candidates to give up their right to unfettered expenditures or, when they choose to do so anyway, imposes additional burdens on their candidacies. The scheme cannot withstand constitutional scrutiny.

MEMORANDUM—PENALTY PROVISIONS IN THE CAMPAIGN FINANCE REFORM BILL

I. INTRODUCTION

The Supreme Court, in *Buckley* v. *Valeo*, 424 U.S. 1 (1976), struck down an attempt by Congress to limit expenditures by candidates for federal office. The Court made clear that it is for the people, not the government, to decide when and how much to spend in a campaign. *Id.* at 57. Undaunted, this administration has resurrected mandatory campaign expenditure limits in the guise of the Congressional Campaign Spending Limit and Election Reform Act of 1993. Supporters of this bill seek to justify its limitations by labelling them "voluntary" conditions on the acceptance of public funding.

If the word "voluntary" applies to this scheme, then Mr. Orwell should add another word to Newspeak, the twisted political vocabulary of Big Brother. The bill represents a concerted effort to cap Congressional campaign expenditures by branding and punishing those candidates who are to exceed the government's pre-ordained expenditure limits. Whether or not candidates succumb to such pressure, the Bill creates blatantly unconstitutional burdens on the exercise of free speech that should—and would—be denounced by the courts were it ever enacted into law.

II. DESCRIPTION OF PROVISIONS

The Bill contains three provisions that have the effect of penalizing any candidate refusing to accept the public finance system and its concomitant expenditure limitations. First, under Section 503, a candidate exceeding the government's expenditure limit would trigger payment of additional public funds to any opponents of that candidate that have agreed to the expenditure limitations. In each instance, the opposing candidate would receive not just matching funds, but a supplement larger than the excess expenditure of the non-conforming candidate. Thus, for example, a candidate spending 10 percent more than the expenditure limit would enable his opponent to receive additional public funds equal to 33 percent of that limit. In an even more perverse result, a candidate spending 201 percent of the limit would entitle his opponent to spend up to 300 percent of that limit! Section 503(d)(2). The opposing candidate would continue to obtain additional spending authority until the nonparticipating candidate has spent three times the expenditure limit.

Second, Section 103 would require candidates opting out of the public finance system to monitor and report within 48 hours expenditures as they exceed a variety of thresholds. The campaign would have to file a report each time expenditures grew by an amount equal to 10 percent of the total limit (once they reach 75 percent of the cap). Additional reports would have to be filed as expenditures exceed 133⅓, 166⅔, and 200 percent of the limit.

Finally, section 104 requires candidates opting out of the public system to include a statement in their advertisements that, "This candidate has not agreed to voluntary campaign spending limits."

III. CONCLUSION

The proposed bill goes far beyond the parameters for public campaign financing established by the Supreme Court in *Buckley* and subsequent decisions. Congress may not impose limits on campaign expenditures without a compelling government interest. It may provide public funds and even attach certain conditions to the acceptance of those funds, providing that the only consequence of opting out of the public system is the loss of the public financing.

As it was intended, the bill would force virtually all candidates to "accept" expenditure limitations through a variety of punitive measures. Such a choice is not a "voluntary" election between unlimited private

fund raising and spending and a public financing system. Moreover, these penalties are not narrowly tailored to prevent corruption or the appearance of corruption in the electoral process, the only compelling government interest accepted by the Supreme Court in the area of campaign finance. In short, the bill constitutes a direct assault on protected First Amendment rights that cannot pass constitutional scrutiny and would be struck down if it were ever enacted into law.

IV. DISCUSSION

Campaign contributions and expenditures occupy "an area of the most fundamental First Amendment activities." *Buckley* v. *Valeo*, 424 U.S. 1, 14 (1976). Candidates seeking public office and individuals seeking to support—or oppose—such candidates enjoy the right to make their views known. This right reflects "our 'profound national commitment to the principle that debate on public issues should be uninhibited, robust and wide-open.'" *Id.* (*quoting New York Times Co.* v. *Sullivan*, 376 U.S. 254, 270 (1964). In short "[t]he First Amendment denies government the power to determine that spending to promote one's political views is wasteful, excessive, or unwise." 424 U.S. at 57.

The government may not trample upon either the quality or the quantity of public debate absent a *compelling* government interest. In *Buckley*, the Supreme Court made clear that there is no such governmental interest justifying limitations on the amount that a candidate, or an individual, spends to make his or her voice heard. Campaign expenditures—as opposed to large individual contributions—do not raise the specter of corruption or the appearance of corruption of a candidate. Any interest tangentially served by expenditure limitations could not outweigh the direct, negative impact upon core First Amendment values. Thus, the Court unequivocally struck down governmental limitations on campaign expenditures as placing "substantial and direct restrictions on the ability of candidates, citizens, and associations to engage in protected political expression, restrictions that the First Amendment cannot tolerate." 424 U.S. at 59.

In an attempt to avoid this constitutional prohibition against mandatory campaign expenditure limitations—while achieving the same end—proponents of the Bill label its spending limits as "voluntary." They undoubtedly rely upon the Supreme Court's decision upholding the current system of public financing for presidential campaigns. *Id.* at 108. The Court upheld this system only because "acceptance of public financing entails *voluntary* acceptance of an expenditure ceiling. *Noneligible candidates are not subject to that limitation.*" 424 U.S. at 95 (emphasis added). As one court has explained, "[t]he First Amendment is not implicated where candidates remain *free to choose* between funding alternatives." *Weber* v. *Heaney*, 793 F. Supp. 1438, 1457 (D. Minn. 1992) (emphasis added).

The existing presidential campaign finance system is constitutional because it "*facilitate[s] and enlarge[s]* public discussion and participation in the electoral process." 424 U.S. at 91–92 (footnote omitted) (emphasis added). Public funding merely provides another potential source of campaign financing, "as long as the candidate remains free to engage in unlimited private funding and spending instead of limited public funding." *Republican National Committee* v. *Federal Election Commission*, 487 F. Supp. 280, 284 (S.D.N.Y.), *aff'd mem.*, 445 U.S. 955 (1980). Candidates who desire to exceed the presidential campaign spending limits are free to opt out of the system—as did Ross Perot in 1992.

The proposed congressional campaign finance system is unconstitutional precisely because it would impede the exercise of the right to "engage in unlimited private funding and spending." Rather than simply withholding funds, the Bill would systematically brand and punish any candidate who dared to opt out of the public finance system. The proposed system would thus *hinder and curtail* public discussion in the electoral process.

First and foremost, the Bill would punish any candidate spending more than the preordained "proper" amount by providing additional funds to that candidate's opponent(s). Section 503. Unlike the current system of public funding for presidential campaigns, in which a candidate's decision to participate or not affects only the amount of money that the candidate can spend, this Bill provides additional public funding to a non-participating candidate's opponent as soon as the non-participating candidate exercises his or her First Amendment right to go over the "voluntary limit." Indeed, the opposing candidate would typically receive *more than* the amount by which a candidate exceeded the government's limit.

Proponents of the bill label these additional funds as a "benefit" for the participating candidate. Although true insofar as it goes, this "benefit" is no more than the means chosen to punish the "offending" candidate. The additional funds would not stem from the opposing candidate's agreement to limit expenditures; he or she would have already done so. Rather, the "excess expenditure" provisions are triggered by the action of the candidate who has chosen to remain outside the system. Clearly, these provisions were designed to deter the exercise of the constitutionally protected right to engage in unlimited campaign expenditures.

The Bill would also impose onerous reporting requirements on any candidate choosing to remain outside the public funding system. These candidates would have to track expenditures and submit reports within 48 hours as numerous thresholds are passed. Section 103. Particularly in the hectic, and often critical, closing days before an election, few campaigns could realistically meet such a requirement. Ironically, candidates accepting the expenditure limits would be completely relieved of this burden even though the government interest in ensuring their compliance with expenditure limits is at least as, if not more, substantial.

Candidates who reject the expenditure limitations are also forced to place a notice in their advertisements stating the following: "This candidate has not agreed to voluntary campaign spending limits." Section 104. Forcing a candidate to make any statement is itself an intrusion into protected First Amendment rights. *Riley* v. *National Federation of the Blind*, 487 U.S. 781, 797 (1988) (protection includes "decision of both what to say and what *not* to say"). Even worse, the obvious purpose for requiring such a "warning label" is to brand the candidate as a renegade and to place the government's imprimatur of approval on those candidates that do accept such limits.

Again, the requirement is not imposed on candidates accepting the expenditure limits. While fairness might suggest, for example, that they be required to disclose that their advertisements are "paid for by your tax dollars," this requirement would itself be of questionable constitutional validity. Regardless of against whom it is directed, Congress should not require any candidates to place a "scarlet letter" in their advertisements.

Unlike situations where the Supreme Court has found conditions on public funds to present a voluntary choice, a candidate could not "terminate [his or her] participation in the [federal] program and thus avoid the requirements of [that program]." *Grove City College* v. *Bell*, 465 U.S. 555, 575 (1984). Likewise, in *Rust* v. *Sullivan*, the Court emphasized that "to avoid the force of the regulations, [the recipient] can simply decline the subsidy." 111 S. Ct. 1759, 1775 n.5 (1991). Here, candidates declining the public campaign subsidies would still be subject to stringent and onerous regulation of their activities.

The Supreme Court has consistently held that Congress cannot coerce a citizen to give up a right as fundamental as political expression by imposing an adverse consequence upon the exercise of that right unless the restriction is narrowly tailored to meet a compelling interest. Thus, for example, in *United States* v. *Jackson*, the Court struck down a provision in the Federal Kidnapping Act that did not prohibit, but unnecessarily discouraged, defendants from pleading not guilty and demanding a trial by jury. 390 U.S. 570, 583 (1968). Similarly, in *Shapiro* v. *Thompson*, 394 U.S. 618 (1969), the Court found that a waiting period for new residents seeking welfare assistance impermissibly burdened the fundamental right to travel. The Court has also made clear many times that a defendant's plea of guilty must result from a free and unfettered choice. *See, e.g., Machibrada* v. *United States*, 368 U.S. 487, 493 (1962).

As a restriction on the fundamental right to free expression, the penalties imposed upon a candidate's campaign spending could be justified only if they were narrowly tailored to prevent corruption or the appearance of corruption. *FEC.* v. *National Conservative Political Action Committee*, 470 U.S. 480, 496–97 (1985) ("preventing corruption or the appearance of corruption are the only legitimate and compelling government interests thus far identified for restricting campaign finances"). Even a cursory examination reveals that the penalties bear virtually no rational relation to that purpose, much less the required tight causal nexus.

The Supreme Court in *Buckley* rejected the argument that the "interest in alleviating the corrupting influence of large contributions" could justify limiting campaign expenditures. 424 U.S. at 55. Such concern is adequately addressed by existing "contribution limitation and disclosure provisions." *Id.* Moreover, providing additional funds to an opposing candidate does nothing to alleviate any potential corrupting concern that might be tied to "excess expenditures."

Likewise, neither the expenditure reporting requirements nor the advertising notice requirement are narrowly tailored to prevent actual or apparent corruption. The limits on individual contributions not only already address that concern, but also mean that candidates spending large amounts on their campaigns are *less* likely to be influenced unduly by individual contributors.

When viewed as a whole, the provisions of the Bill make eminently clear that it is designed not to avoid actual or apparent corruption, but instead to limit campaign expenditures. Indeed, the Bill is appropriately, albeit ineptly, entitled the "Congressional Campaign *Spending Limit* and Election Reform Act of 1993." Section 1 (emphasis added). Its proponents seek to stifle the voices of candidates that could and would

spend more on their campaigns if allowed to do so.

The administration has admitted that its whole purpose is to curtail campaign spending. When it announced this program, the administration stressed that "[t]hese limits will have teeth. In 1992, * * * 39 Senate candidates raised more than the spending limit set in this bill." Summary of Comprehensive Finance Reform Plan at 1. Only a Hobbesian choice, such as that presented by the Bill, could persuade such candidates to forgo the obvious and significant advantages of unlimited private fund raising and spending for the limitations in the public finance system. As the Supreme Court reiterated in *Shapiro* v. *Thompson*, where, as here, "a law has 'no other purpose * * * than to chill the assertion of constitutional rights by penalizing those who choose to exercise them, then it [is] patently unconstitutional." 394 U.S. at 631 (*quoting United States* v. *Jackson*, 390 U.S. 570, 581 (1968).

MEMORANDUM—REFORM ACT BROADCAST AND MAILING RATE DISCOUNT PROVISIONS

ISSUE PRESENTED

Whether the proposed provisions of the Congressional Campaign Spending Limit and Election Reform Act of 1993 (the "Reform Act") which permit (i) Senate candidates who agree to comply with campaign spending limits to purchase broadcast time during the general election period at 50% of the lowest unit rate and (ii) Senate and House candidates who agree to comply with campaign spending limits to mail up to one piece per voting age person at the lowest third-class non-profit rate during the general election period (collectively, the "discount provisions") are constitutional.[1]

CONCLUSION

The discount provisions: (i) impermissibly infringe upon the right of nonparticipating candidates to engage in political speech; (ii) unfairly and unnecessarily discriminate against such candidates by burdening their opportunities to engage in political speech; and (iii) impose unconstitutional conditions upon the exercise of political speech.

ANALYSIS

A. First amendment

1. The Discount Provisions Impose Burdens on Political Speech

The discount provisions unquestionably impose burdens on the exercise of political speech. Moreover, they are not narrowly tailored to serve a compelling state interest. Accordingly, they violate the First Amendment. *See Austin v. Michigan Chamber of Commerce*, 494 U.S. 652, 666 (1990) (stating that "the right to engage in political expression is fundamental to our constitutional system"); *Buckley v. Valeo*, 424 U.S. 1, 39 (1976) (stating that political expression is "at the core of our electoral process and of the First Amendment freedoms"); *Police Department of Chicago v. Moseley*, 408 U.S. 92, 101 (1972).

The exclusion of nonparticipating candidates from the discount provisions burdens such candidates' opportunities to engage in political speech by substantially diluting their voices in the political marketplace and by making the cost of their political speech substantially more expensive than that of participating candidates. Each provision is the equivalent of a government subsidy to participating candidates which provides them with an undue advantage and greater access to a wide range of ways to communicate with the public during the general election period.

The broadcast discounts permit participating Senate candidates to overwhelm and effectively mute the messages of nonparticipating opponents. This burden is particularly heavy because of the medium and the time period in which such discounts are available.

The television broadcast medium is an extremely effective instrument of political speech because the electorate gives a large portion of its time and attention to television viewing. In *Buckley*, the Court observed that the electorate's increasing dependence on television has made this expensive mode of communication an "indispensable instrument[] of effective political speech." *Buckley*, 424 U.S. at 19.

Further, the general election period in which the broadcast discounts are available is the period in which the electorate is most attentive to political speech. The Supreme Court has recognized that voters are less interested in the campaign during the primary period and has implied that voters are more interested during the general election period. *Anderson v. Celebreeze*, 460 U.S. 780, 792 (1983). The Seventh Circuit has also recognized that the deluge of candidate broadcasts "close to the election would certainly have an impact on undecided voters." *Flory v. Federal Communications Commission*, 528 F.2d 124, 129 (7th Cir. 1975).

The nonparticipating Senate candidates' political speech is additionally burdened because the costs for broadcasting time during the general election period is twice that of their eligible Senate candidate opponents. Thus, nonparticipating Senate candidates may not be able to purchase the amount of broadcast time necessary to maintain their voice during the crucial closing period of a campaign.

Similarly, nonparticipating Senate and House candidates' political speech is burdened because participating candidates are provided significantly lower mailing rates during the general election period. Thus, noneligible candidates may not be able to finance the amount of mailings necessary to maintain their speaking power.

2. The Discount Provisions Are Not Narrowly Tailored To Serve a Compelling Governmental Interest

The critical question is whether the burdens imposed on those who decline to participate in the campaign spending limitation program (i) serve a compelling governmental interest and (ii) are narrowly drawn so as not to offend the Constitution. Two interests said to be advanced by the Reform Act are the elimination of the improper influence of special interests and the reduction of the unfair advantages of incumbency. Neither is a compelling interest.[2]

First, the provisions plainly do not eliminate the advantages of incumbency. An incumbent can be a participating candidate. Second, the discount provisions can only remotely reduce the improper influence of special interests. In reality, they are the penalty intended to coerce "voluntary" compliance with campaign spending limits.

B. Invidious discrimination

Providing broadcast time during the general election period to participating Senate candidates at an additional discount clearly discriminates against nonparticipating Senate candidates. Similarly, providing lower mailing rates to participating Senate and House candidates clearly discriminates against nonparticipating Senate and House candidates. The disparity in treatment violates due process and the equal protection clause because it places an unfair burden upon the right of noneligible candidates to engage in political speech. See generally, *Johnson v. Robinson*, 415 U.S. 361, 364 n.4 (1974) (stating that if a classification is invalid under the equal protection clause of the Fourteenth Amendment, it is also inconsistent with the due process clause of the Fifth Amendment); *Schneider v. Rusk*, 377 U.S. 163, 168 (1964) (stating that although "the Fifth Amendment contains no equal protection clause, it does forbid discrimination that is 'so unjustifiable as to be violative of due process'"); *Buckley v. Valeo*, 424 U.S. at 93–94. Moreover, the converse is equally compelling and offensive to the Constitution—*i.e.*, the provisions *favor* some political speech over other political speech. Under either construction, the Reform Act's discount provisions violate due process and the equal protection clause.

In *Buckley*, the Supreme Court considered due process and equal protection challenge to provisions in the Federal Elections Campaign Act of 1971 which granted a smaller amount of federal funds to minor party or new party presidential candidates than to major candidates. *Buckley v. Valeo*, 424 U.S. at 85–108 (1976). The Court held that the provisions did not invidiously discriminate against minor party or new party presidential candidates because (i) such candidates were eligible for varying amounts of public funding based on their historical performance at the polls, and (ii) they were denied only the *enhancement* of the opportunity to communicate with the electorate and that the major party candidates suffered a countervailing denied by agreeing to certain spending limitations. *Id* at 95. The Court reasoned that Congress enacted the 1971 provisions with a "sufficiently important governmental interest," *id.*—eliminating improper influence of large private campaign contributions, protecting the national fisc and not fostering factionalism. Accordingly, it held that the burdens imposed on political activity by limiting public financing to major and historically proven parties were justified by such compelling public interests.

The discount provisions in the Reform Act are plainly distinguishable from the public financing provisions upheld in *Buckley*. First, since they are not based on historical performance at the polls, the provisions discriminate against major party candidates. Second, the discount provisions go the heart of political expression—*i.e.*, direct funding of television, radio and mail communications during a defined period of the campaign. Thus, the government has directly allocated the spending of the monies as to unfairly and unnecessarily burden the fundamental right of political expression by the noneligible candidates.

C. Unconstitutional condition

The Supreme Court has held that the federal government may not grant a benefit on the condition that the beneficiary surrender a constitutional right, even if the federal government may withhold the benefit altogether. *See, e.g., Nollan v. California Coastal Commission*, 483 U.S. 825 (1987); *Perry v. Sindermann*, 408 U.S. 593 (1972); *Shapiro v. Thompson*, 394 U.S. 618 (1969); *Frost & Frost Trucking Co. v. Railroad Commission*, 271 U.S.

[1] S. 3, section 131 & H.R. 3, section 131 (broadcast provisions); S. 3, section 132 & H.R. 3, section 132 (mail provisions).

[2] The only compelling governmental interest recognized by the Supreme Court in regulating campaign financing is elimination of actual of apparent corruption. *Buckley v. Valeo*, 424 U.S. 1 (1976). Neither is addressed by these provisions.

583 (1926). Accordingly, proposals to increase public financing for participating candidates as a response to non-participating candidates who exceed campaign spending limits are constitutionally suspect: the "generous additional benefit to the participating candidate appears to be intended to cause an opponent to think twice about pursuing the constitutionally-available option of non-participation." *See* Stein, Associate Justice, New Jersey Supreme Court, *The First Amendment and Campaign Finance Reform: A Timely Reconciliation*, 44 Rutgers L. Rev. 743 (1992)

The Reform Act threatens the First Amendment freedom of a candidate to spend unlimited funds in aid of his or her candidacy. *See Buckley*, 424 U.S. at 52 (stating that "[t]he candidate, no less than any other person, has a First Amendment right to engage in the discussion of public issues and vigorously and tirelessly to advocate his own election and the election of other candidates."). The unusual benefit offered by the Reform Act is, in part, additional broadcast discount rates for eligible Senate candidates and discount mailing rates for eligible Senate and House candidates which would not be available if the candidates were to forgo the right to exceed the campaign spending limits. Further, as discussed above, the discount provisions permit the eligible Senate candidates to utilize an indispensable instrument of effective political speech—television—and the eligible Senate and House candidates to communicate with every voter in the state or district at a crucial period of the campaign. Moreover, the discount provisions are not germane to the federal government's interest or justified by a compelling state interest. Accordingly, the generous discount provisions provided to candidates who agree to accept campaign spending limits here appear to be intended to effectively coerce a candidate into not pursuing his or her constitutional rights to spend unlimited funds in the aid of his or her candidacy. This coercion violates the Constitution.

MEMORANDUM—CONTENT-BASED DISCLOSURE PROVISIONS IN S. 3 AND H.R. 3

ISSUE PRESENTED

Whether the content-based disclosure provisions of the proposed amendments to the Federal Election Campaign Act of 1971 ("FECA") violate the First Amendment to the United States Constitution.

CONCLUSION

Section 104 of the proposed legislation requires "non-eligible" candidates to state that they have not agreed to campaign spending limits. Such compelled speech violates the First Amendment. The Constitution protects both the right to speak freely and the right to refrain from speaking at all. Absent the most compelling and unusual circumstances, the government cannot require candidates to advance content-based disclaimers in political speech—particularly those that effectively brand candidates as a miscreant.

The content-based disclosure provisions (§134) of the proposed legislation is similarly suspect. It also mandates speech by requiring citizens who contribute to "unauthorized" political advertisements to state that they are "responsible for the content of" the advertisement. This provision cannot be justified as controlling actual or apparent corruption in the political process, the only governmental interests recognized as sufficiently compelling to justify restraints on political speech.

ANALYSIS

A. Content-based disclaimer—Spending limit

Section 104 of S.3 and H.R.3 requires that any broadcast or other communication paid for or authorized by a non-eligible Senate candidate shall contain the following disclaimer: "This candidate has not agreed to voluntary campaign spending limits * * *". By compelling a candidate to speak where he or she otherwise would remain silent, section 104 violates the First Amendment.

"We begin with the proposition that the right of freedom of thought protected by the First Amendment against state action includes both the right to speak freely and the right to refrain from speaking at all." *West Virginia State Board of Education v. Barnette*, 319 U.S. 624, 714 (1943) (states may not require children to pledge allegiance to the country at the start of the school day); *see also Wooley v. Maynard*, 430 U.S. 705 (1977) (state cannot compel motorist to carry motto "Live Free or Die" on automobile license plate). The government may not enter the political marketplace by forcing individuals to subscribe to or advance messages dictated by the government. Further, the government is prohibited from requiring citizens who object to a position to effectively endorse that position.

"Mandating speech that a speaker would not otherwise make necessarily alters the content of the speech." *Riley v. National Freedom of the Blind*, 487 U.S. 781, 795 (1989). Therefore, section 104 must be considered as a content-based regulation of speech. *See Miami Herald Pub. Co. v. Tornillo*, 418 U.S. 241, 256, (1974) (statute compelling newspaper to print an editorial reply "exacts a penalty on the basis of the content of the newspaper"). Unless the government can come forward with a countervailing interest that is sufficiently compelling to justify requiring the compelled speech, the mandatory disclaimer provision must fail.

The governmental interest advanced in support of section 104 is that of informing the public of presumably relevant information—that the candidate has chosen not to agree to voluntary campaign spending limits. But this disclaimer does far more than simply provide information. It effectively brands a candidate by requiring him/her to "admit" that they are not parties to what parades itself as a "reform" of campaign abuses. The inference created by the disclaimer's inference is that the candidate is somehow outside of the law. To the extent that it is a legitimate political issue, opponents are free to point it out. But to compel a non-participating candidate to do so is plainly unconstitutional.

"[W]here the State's interest is to disseminate an ideology, no matter how acceptable to some, such interest cannot outweigh an individual's First Amendment right to avoid becoming the courier for such message." *Wooley*, 430 U.S. at 717.[1]

In assessing the constitutionality of mandatory disclosures by professionals fundraisers, the *Riley* Court indicated the constitutional infirmity of measures like section 104:

Thus we would not immunize a law requiring a speaker favoring a particular government project to state at the outset of every address the average cost overruns in similar projects, or a law requiring a speaker favoring an incumbent candidate to state during every solicitation that candidate's recent travel budget. Although the foregoing factual information might be relevant to the listener, and, in the latter case, could encourage or discourage the listener from making a political donation, a law compelling its disclosure would clearly and substantially burden the protected speech.

Id. at 798 (emphasis added). While knowing that a candidate has not agreed to spending limits may be relevant to a potential donor or voter, it does not follow that the government can compel a candidate to say as much.

B. Content-based disclosure—Financing Communications

Section 134 of the proposed legislation requires that any person making a disbursement for the purpose of financing unauthorized[2] communications expressly advocating the election or defeat of a clearly identified candidate include in the communication the following statement "* * * is responsible for the content of this advertisement." The blank is 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.

Section 134 essentially mandates speech by private persons that they would not otherwise make, thereby altering the content of that speech. Therefore, like section 104, section 134 should be scrutinized by the demanding standards accorded content-based regulations of speech—the regulation must promote a compelling interest through the least restrictive means. *See, e.g., Sable Communic. of California, Inc.* v. *FCC*, 492 U.S. 115, 126 (1989).

The governmental interests served by compelling the disclosure that a contributor is "responsible for the content of" an advertisement are presumably to inform the audience of the identity of the purveyor of the message to allow an informed assessment of its content and to police fraudulent or defamatory political advertising. These governmental interests are not recognized as compelling. *FEC* v. *National Conservation Political Action Committee*, 470 U.S. 480, 496–97 (1985) ("preventing corruption or the appearance of corruption are the only legitimate and compelling governmental interests thus far identified for restricting campaign finances.") Moreover, Congress has *not* chosen the least restrictive means to serve those interests. And in failing to do so, the legislation runs afoul of the First Amendment.

Any governmental interest is already served by the FECA, which requires groups airing "unauthorized" political advertisements to identify themselves and to state that the communication is not authorized by any candidate or candidate's committee.[3] The common law of misrepresentation as well as criminal statutes also serve the supposed interests without regulating the content of political speech. In light of the current statutory requirements, the obvious intent behind section 134's mandatory speech requirement is to make fundraising by independent groups more difficult. Thus, section 134 fails to meet the appropriately rigorous constitutional test when compelling speech. Indeed, disclosure requirements like section 134 are not inherently consistent with the First Amendment and do not necessarily serve to advance discourse. The Court often has struck down disclosure requirements that threatened to have a "deterrent and 'chilling' effect on the free exercise of constitutionally enshrined rights of free speech,

[1] The fact that the disclosure mandated by section 104 is one of fact rather than opinion is inconsequential—"either form of compulsion burdens protected speech." *Riley v. National Federation of the Blind*, 487 U.S. 781, 797–98 (1989).

[2] See 2 U.S.C. §441d(a)(3).

[3] *See* 2 U.S.C. §441d(a)(3).

expression and association." *Gibson* v. *Florida Legislative Investigation Comm.*, 372 U.S. 539, 557 (1963); *see also, Brown* v. *Socialist Workers '74 Campaign Comm.*, 459 U.S. 87, 100 (1982) (names of campaign contributors and recipients of funds); *Talley* v. *California*, 362 U.S. 60 (1960) (identification of names and addresses of authors on handbills); *N.A.A.C.P.* v. *Alabama*, 357 U.S. 449, 462 (1958) (membership lists).

Mr. MCCONNELL. Candidates are not the only American citizens who will have their first amendment rights sharply curtailed by the legislation now before us. Private citizens who join together to speak independently in a political campaign will discover that their speech triggers further taxpayer subsidies to the candidates they oppose.

In other words, as I have explained on several previous occasions, if B'nai B'rith or the NAACP were to spend money in Louisiana to oppose the Senate candidacy of David Duke, the ex-Klansman would be eligible to receive taxpayer subsidies—on a dollar-for-dollar matching basis—to respond to such expenditures. It may seem unbelievable, but it is in the bill before us.

Let me repeat that, Mr. President. Under this bill, if some civil rights organization, say, B'nai B'rith or the NAACP, wanted to make independent expenditures against David Duke in a Senate race in Louisiana, David Duke would get our tax dollars to counter those expenditures. On this point, I ask unanimous consent to insert into the RECORD at this time another legal memorandum on this legislation's unconstitutional restrictions on independent spending by private citizens.

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

MEMORANDUM—INDEPENDENT EXPENDITURE PROVISIONS OF THE CONGRESSIONAL CAMPAIGN SPENDING LIMIT AND ELECTION REFORM BILL

The Congressional Campaign Spending Limit and Election Reform Bill ("the Bill") is the latest in a series of Congressional attempts to reserve politics for professional politicians and to cut the ordinary citizen out of the process.

In 1974, Congress said to the American public, "We can spend whatever we can raise on our campaigns, but you can't spend more than $1,000 on independent campaigning." The Supreme Court struck down that attempt to stifle free speech in *Buckley* v. *Valeo*, 424 U.S. 1, 39-59 (1975). In 1984, Congress said, "Okay, you can *spend* any money you want on a campaign, but you have to spend it alone. A group of private citizens cannot spend more than $5,000 on an independent campaign, so your right to spend doesn't mean very much anymore." The Supreme Court struck down that "back door" approach in *Federal Election Commission* v. *National Conservative Political Action Committee*, 470 U.S. 480, 490-501 (1985) ("*FEC* v. *NCPAC*").

Now, the White House wants Congress to say, "Okay, you can spend your money on a campaign, and you can band together with your friends and neighbors to do it, but every time you speak your mind on an election, we'll give professional politicians a taxpayer-financed loudspeaker to drown out anything you have to say."

The history of this so-called "reform" makes clear that Congress is trying to find an indirect way to do something the Constitution prohibits Congress from doing directly: outlawing citizen participation in federal elections. The Supreme Court has made it clear that such indirect means of cutting off free speech are completely unconstitutional. As the Court put it, "What the First Amendment precludes the government from commanding directly, it also precludes the government from accomplishing indirectly." *Rutan* v. *Republican Party of Illinois*,——U.S.——, 110 S. Ct. 2729, 2738-39 (1990). Apparently, this statement was not clear enough for the White House and some Members of Congress.

SUMMARY OF THE BILL'S PROVISIONS

1. Whenever an independent campaign expenditure is made to advocate the defeat of a candidate (either directly or by advocating the election of the candidate's opponent), the candidate's "voluntary" spending limit is increased by the amount of the federal expenditure. In addition, the candidate receives from the federal government a "voter communication voucher" in the same face amount as the independent campaign expenditure. The candidate can spend the "voter communication voucher" on television, radio, direct mail, or any other campaign activity. S. 2, §101, adding FERC §503(c)(1)(B).

"Voter communication vouchers" may be used to pay for postage at rates more favorable than the rates available to private citizens. In addition, "voter communication vouchers" may be used to purchase broadcast time, for which the candidate pays half-price unless the voucher is used to purchase air time for an immediate response to the independent campaign expenditure, in which case the candidate pays full price. See proposed Sections 315(a)(2)(B)(ii) and 315(b) of the Communications Act (providing that the fifty percent discount shall not apply to "immediate response" broadcast time purchased with communications vouchers, but permitting all broadcasts—including immediate response—to be paid for from general funds). The "full price for an immediate response" rule is easy to circumvent: the candidate simply uses other funds to pay for the "immediate response," thereby enabling himself to take advantage of the "candidates-only" 50% discount on broadcast time, and keeps the voucher to pay for a different broadcast, also at the half-price rate.

2. The Bill also would repeal the current "equal access" rule in Section 315(a) of the Communications Act. In its place, the Bill provides that if a broadcaster accepts an independent advertisement for or against any qualified candidate, the broadcaster must notify designated representatives of the opposed candidate or candidates, and must provide immediate response time (at half price unless the opposed candidate chooses to spend his "voter communications voucher" on an "immediate response" advertisement). S. 2, §202, amending §315(a)(2)(B)(i)(II) of the Communications Act.

3. Section 201 of the Bill would amend Section 301(17) of FECA, 2 U.S.C. §431(17), to classify expenditures by various categories of persons, under various circumstances, as other than independent expenditures—i.e., as expenditures that count against the candidate's "voluntary" spending limits under proposed Section 502(b)—even when those expenditures are independent. See FECA §301(a), 2 U.S.C. §431(9) and proposed FECA §502(f).

SUMMARY OF CONCLUSIONS

The independent expenditure provisions of the Bill contain at least three serious constitutional defects.

The proposed independent expenditure provisions are unconstitutional because they restrict the First Amendment right to political speech. There is no meaningful difference between the disincentives for independent electoral advocacy contained in S. —— and limitations on speech that the Court has struck down in numerous other contexts. The provisions that discourage independent speakers from spending funds to promote or oppose candidates run afoul of the general rule that "regulatory measures * * *, no matter how sophisticated, cannot be employed in purpose or in effect to stifle, penalize or curb the exercise of First Amendment rights." *Louisiana* v. *NAACP*, 366 U.S. 293, (1961). Similarly, the disincentives for broadcasters to permit independent electoral advocacy are indistinguishable from the imposition of a content-based tax on speech, and are therefore barred by the First Amendment. *See Arkansas Writers' Project, Inc.* v. *Ragland*, 481 U.S. 221, 229 (1987) (denial of state tax exemption based on magazine's content violates First Amendment). See also *Regan* v. *Time, Inc.*, 468 U.S. 641, 648-9 (1984) ("Regulations which permit the government to discriminate on the basis of the content of the message cannot be tolerated under the First Amendment.")

Furthermore, by limiting the right of individuals to engage in independent electoral advocacy, the Bill casts new doubt on the constitutionality of the contribution limits of FECA, codified at 2 U.S.C. §441a(a)(1)-(3). Those limits were upheld in *Buckley* v. *Valeo*, 424 U.S. 1, 28 (1975), partly on the grounds that an individual's right to make independent expenditures rendered the contribution limits of FECA less threatening to First Amendment freedoms. If the public is now officially discouraged from making independent expenditures, the "safety valve" that protected First Amendment rights in *Buckley* is gone.

In addition, by redefining independent expenditures so that some expenditures over which a candidate has no control against the candidate's "voluntary" maximum spending limit, the Bill may impermissibly restrict a candidate's or potential candidate's pre-election activities.

ANALYSIS: SQUELCHING INDEPENDENT ELECTORAL ADVOCACY

The Bill is designed to squelch independent electoral advocacy by discouraging independent campaign expenditures. The discouragement takes two forms: (1) disincentives for non-candidates to engage in independent electoral advocacy; and (2) disincentives for broadcasters to permit independent electoral advocacy.

Because these disincentives to engage in independent political speech amount to a restriction on such speech, the independent expenditure provisions of the Bill will be struck down on the same grounds that direct limits on independent electoral advocacy were struck down in *Buckley*, 424 U.S. at 39-59, and *FEC* v. *NCPAC*, 470 U.S. at 490-501: a restriction on independent political speech can be upheld only if justified by a compelling governmental interest, and no such interest (including the interest in preventing corruption or the appearance of corruption) is served by limitations on such speech. *See*

also Citizens Against Rent Control/ Coalition for Fair Housing v. *Berkeley*, 454 U.S. 290, 299–300 (1981) (limitation on the right to contribute to committee opposing a referendum impermissibly limits expenditures in opposition to the referendum, thereby violating First Amendment right of free speech).

Before discussing in detail how this scheme discourages free speech, a few general points should be kept in mind about the purpose of the Bill.

The "voter communication voucher" provisions of the Bill are one part of a larger goal: ensuring that each of the two major party candidates for a Senate seat will have at least the same amount to spend as the amount spent against him by his opponents and independent spenders. This goal pervades the Bill as a whole. *Cf.* S.——, §101, adding FECA §503(b) (qualified Senate candidate running against candidate who does not adhere to Section 502(b) limits receives payments that at least match the amount by which her opponent's spending exceeds those limits).

While it might appeal to a naive sense of fairness that every candidate should have the same amount to spend on her campaign as the campaign funds arrayed against her, this is one instance in which "The appearance of fairness * * * may not reflect political reality," *Buckley, supra*, 424 U.S. at 31 n.33. If each major party candidate has approximately the same amount to spend on his campaign, and gets additional funds to counteract independent spending against him, the "name recognition" effects of campaign spending are likely to be a wash. Thus, whichever candidate began the race with greater name recognition has a tremendous advantage over his opponent: neither the opponent nor his independent supporters can close the name recognition gap, since any incremental spending on their side is matched automatically on the other side. Since the better known candidate in a given race is almost sure to be the incumbent, proposed Section 502(b) will function as a job tenure provision for Members of Congress. In an era when most Americans favor term limits for members of Congress, it is ironic that the Administration would propose to use taxpayer funds to insulate incumbents from the potential challengers in this fashion.

Furthermore, equalizing pro- and anti-candidate speech is *not* a legitimate governmental purpose, *Buckley, supra* 424 U.S. at 56–57, and therefore the restrictions on independent speech at issue here cannot be justified with reference to that purpose. More fundamentally, contrary to what the public apparently is supposed to believe, the Bill does not promote public debate by supplementing independent speech with an *equal* amount of countervailing candidate speech. The Bill would drown out independent speech, because it gives the professional politician the ability to more than match independent speech.

A dollar's worth of communication voucher has the purchasing power of at least two dollars of independent money. "Voter communication vouchers" may be used by the candidate to purchase broadcast time at half-price, unless the candidate uses the voucher to pay full price for an immediate response to an independent broadcast. No sensible candidate would do that, because she can use real money to pay for the immediate response at the half-price rate, and save the voucher to buy other broadcast time at half price. The "voter communication vouchers" also can be used to pay for postage at rates more favorable than the rates available to independent advocates. Thus, for every independent dollar spent against a candidate, the candidate gets at least two dollars' worth of political adversiting money. Independent speech is not so much "balanced off" as it is "drowned out."

The "voter communication voucher" system and the right to reply give the candidate two other advantages over the independent citizen. First, even at full price, the right to reply is more valuable than the right to initiate the exchange of broadcasts. Having the last word, especially in the context of an electoral campaign, is of incalculable importance. Second, the candidate can coordinate the voucher expenses with his overall campaign expenses. A dollar spent as part of the candidate's overall media strategy is more valuable than a dollar spent by an independent advocate. As the Supreme court noted in *Buckley, supra* 424 U.S. at 47, "Unlike contributions, * * * independent expenditures may well provide little assistance to the candidate's campaign and indeed may prove counterproductive. The absence of prearrangement and coordination of an expenditure with the candidate or his agent * * * undermines the value of the expenditure to the candidate." Therefore, a candidate is "overcompensated" for any independent expenditure made against him even by a straight, dollar-for-dollar matching fund.

Paradoxically, then,. every independent dollar spent against a candidate will help that candidate, because it will trigger a campaign finance advantage worth far more than one dollar to that candidate. It therefore makes no sense for a person to spend funds to advocate a candidate's defeat (or the election of the candidate's opponent): the best the person can hope for from the unequal exchange of speech is not to hurt his own cause too badly. Thus, the Bill makes independent expenditures a losing proposition.

The Bill's attempt to destroy any value independent electoral advocacy might have is plainly unconstitutional. The speech targeted by the Bill lies at the core of the freedom guaranteed by the First Amendment. The First Amendment's guarantee of freedom of expression "has its fullest and most urgent application precisely to the conduct of campaigns for political office." *Monitor Patriot Co.* v. *Roy*, 401 U.S. 265, 272 (1971). *See also Buckley, supra*, 424 U.S. at 50, ("[L]egislative restrictions on advocacy of the election or defeat of political candidates are wholly at odds with the guarantees of the First Amendment.") *And Eu* v. *San Francisco Democratic Committee*, 489 U.S. 214, 233 (1989) ("We have recognized repeatedly that 'debate on the qualifications of candidates [is] integral to the operation of the system of government established by our Constitution,'" *quoting Buckley, supra*, 424 U.S. at 14).

Government action of the kind contemplated by the Bill would be an unconstitutional restriction of free speech because it would reduce the overall level of speech. *See Buckley, supra*, 424 U.S. esp. at 19 ("A restriction on the amount of money a person or group can spend on political communication during a campaign necessarily reduces the quantity of expression by restricting the number of issues discussed, the depth of their exploration, and the size of the audience reached.") (footnote omitted), and *FEC* v. *NCPAC, supra*, 470 U.S. at 493–94. The "voter communication voucher" creates a disincentive to engage in protected speech that will result in self-censorship. This is plainly unconstitutional, because the government may not alter the ordinary incentives associated with speech to deter the exercise of constitutionally protected speech, absent a compelling government interest. *Simon & Schuster, Inc.* v. *New York State Crime Victims Board*,——U.S.——, 116 L. Ed. 476, 488 (1991) (New York's "Son of Sam" law, which required the escrow of proceeds from certain published accounts of crime and established claims against those proceeds by crime victims, struck down on the grounds that it established "a financial disincentive to create or publish works with a particular content"). A reversal of the normal incentives for campaign speech that would lead any rational person to refrain from such speech is unconstitutional. *See Smith* v. *California*, 361 U.S. 147, 154 (1959) (government action cannot promote self-censorship of speech that would be protected from direct government censorship).

The Bill's burden on broadcasters is a "fail safe" device to make sure no independent political speech that overcomes the first set of unconstitutional hurdles will ever be effectively communicated. Broadcasters are not required to sell political advertising time, *see Columbia Broadcasting System, Inc.* v. *Democractic National Committee*, 412 U.S. 94 (1973). If a broadcaster accepts ads from a candidate, the broadcaster must allow other *candidates* equal access, but the broadcaster is never required to accept independent ads. A broadcaster's decision to run independent campaign advertising is left to the normal incentives of the market place. The Bill tries to distort those normal incentives so that politicians will have access to the airwaves (at half price), but ordinary citizens will not (even at full price).

If a broadcaster accepts an independent advertisement for or against any qualified candidate, the broadcaster must notify designated representatives of the opposed candidate or candidates, and must provide immediate response time (at half price unless the opposed candidate chooses to spend his "voter communication voucher" on the responsive advertisement). S.——, §202, amending §315(a)(2)(B)(i)(II) of the Communications Act. The inconvenience of scheduling such responses is a penalty imposed on agreeing to run independent commercials, and could well deter some broadcasters from accepting independent commercials. *See Miami Herald Publishing Co.* v. *Tornillo*, 418 U.S. 241, 256–7 (1974) (inconvenience involved in printing statutorily-mandated replies can deter editorials). The provisions permitting the response time to be purchased at half price gives broadcasters an additional reason to refuse independent commercials. Uncertainty about how the right to an immediate reply would work in the context of a three person race may be yet another disincentive for broadcasters to accept independent advertisements.

These burdens are indistinguishable from a tax imposed on a medium of communication that is triggered by the content of the communication. Just as "differential taxation of First Amendment speakers is constitutionally suspect when it threatens to suppress the expression of particular ideas and viewpoints," *Leathers* v. *Medlock*. —— U.S. ——, 111 S. Ct. 1438, 1443 (1991), a government-mandated price scheme violates the First Amendment when it threatens to suppress particular kinds of speech, such as campaign speech. Any such burden on speech is unconstitutional. *Arkansas Writers' Project, Inc., supra*, 481 U.S. at 229 (denial of sales tax exemption based on magazine's content violates First Amendment). *See also Regan* v. *Time, Inc., supra*, 468 U.S. at 648–9 ("Regulations which permit the government to discriminate on the basis of the content of the

message cannot be tolerated under the First Amendment.")

It should be noted that the Bill also expands the definition of "independent expenditure" beyond the more limited reading of the phrase "expenditure * * * relative to a clearly identified candidate" in *Buckley, supra. Cp. id.*, 424 U.S. at 44 (former 18 U.S.C. §608(e)(1) construed to apply only to communications that "in express terms advocate the election or defeat of a clearly identified candidate") *with* proposed Subsections 301(17)(A) and 301(18) (independent expenditure is any expenditure made without the "participation or cooperation" of the candidate or his committee that contains "express advocacy," defined to mean "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."). The *Buckley* court specifically limited the definition of "independent expenditure" to avoid constitutional infirmity; this Bill's more expansive definition directly conflicts with the Court's holding.

Moreover, this definition poses several vagueness issues.

Is an advertisement produced with the passive acquiescence of a candidate an independent expenditure because it was made without the "participation" of the candidate? Or is it the candidate's expenditure because it was made with the "cooperation" of the candidate?

Is a conference of Native American activists discussing the general need to advance Native American role models in all fields of endeavor, including government service, an independent expenditure if the conference is held in a state where a Native American is running for a Senate seat?

Is a documentary on the social cost of welfare fraud an independent expenditure if it is broadcast in a state where one Senate candidate was accused of welfare fraud?

The Bill criminalizes "knowing an willful" failures to report certain "independent expenditures," *see* proposed Section 304(d) and 2 U.S.C. §437g(d)(1)(A). In cases where there could be some doubt whether an advertisement is reportable, the criminal penalty could have a chilling effect on free speech. Since a jury might infer knowledge and willfulness in a case where a person honestly believed he had no duty to report his speech as an "independent political expenditure," the vagueness issues posed by the expanded definition may rise to the level of a due process violation. *Cf. Buckley, supra*, 424 U.S. at 40–41.

Furthermore, because the Federal Election Commission might have the authority to resolve doubtful cases that arises under expanded definition, the vagueness problem may render the proposed statute unconstitutional under the delegation doctrine, *see Panama Refining Corporation* v. *Ryan*, 293 U.S. 388 (1935), and *A. L. A. Schecter Poultry Corporation* v. *United States*, 295 U.S. 495 (1935), and *see generally* J. Ely, *Democracy and Distrust* 131–34 (1980) (acknowledging that the delegation doctrine has been moribund since the 1930s, but arguing for its revival), or under the Appointments Clause, *see Buckley, supra*, 424 U.S. at 109–143.

JEOPARDIZING BUCKLEY

As noted above, S. —— is the latest entry on a long list of Congressional failures to curb campaign abuses while at the same time preserving and protecting the constitutional rights of the American people. Among all those failures, there has been only one campaign finance restriction that the Supreme Court has let stand: the contribution limits upheld in *Buckley* v. *Valeo*. Ironically, the Bill could cause the Supreme Court to take a fresh look at the contribution limits, and perhaps to strike them down.

There are several indications in the *Buckley* opinion that contribution limits were upheld in that case in part because independent spending offered an alternative means for people to exercise their right to advocate the election or defeat of a candidate. *See id.*, 424 U.S. at 28 (1975) ("The Act's $1,000 contribution limitation focuses precisely on the problem of large campaign contributions * * * while leaving persons free to engage in independent political expression"). *See also id.*, 424 U.S. at 22 (main effect of contribution limits is "to compel people who would otherwise contribute amounts greater than the statutory limits to expend such funds on direct political expression") and 37 ("Treating [volunteers'] expenses as contributions * * * forecloses an avenue of abuse without limiting actions voluntarily undertaken by citizens independently of a candidate's campaign.") (footnote omitted).

Thus, if independent spending is rendered worse than useless by the "voter communication voucher" scheme set up by Section 102 if the Bill, there is good reason to believe that the Court would subject FECA's contribution limits to renewed scrutiny. If independent spending is no longer a viable option, a person who wishes to promote or oppose a candidate is left with only one remaining avenue for his or her protected speech: contributing to a candidate's campaign. But this option, standing alone, is not enough to restore the speaker's full constitutional rights. "[T]he transformation of contributions into political debate involves speech by someone other than the contributor." *Buckley, supra*, 424 U.S. at 21. "'It hardly answers one person's objection to a restriction on his speech that another person, outside his control, may speak for him,'" *Arkansas Writers' Project, supra*, 481 U.S. at 231, *citing and quoting Regan* v. *Taxation With Representation*, 461 U.S. 540, 553 (1983) (Blackmum, J., concurring).

For a "speech by proxy" scheme to pass constitutional muster, the proxy may not be "outside [the] control" of the contributor. Of course, the government is not required to ensure that candidate's campaigns are subject to the control of their contributors. But the government would be obligated not to prevent contributors from trying to exercise such influence as they can over the content of the campaign's message, if the candidate's campaign is the only vehicle contributors can use to advocate their political positions. Since the amount of contributions is the most effective means, and in many instances perhaps the only means, for a private party to influence the content of campaign speech, contribution limits no longer would be lawful if the "voter communication voucher" system survives a constitutional challenge.

REDEFINING INDEPENDENT EXPENDITURE TO BLOCK POLITICAL NEWCOMERS

Section 201 of the Bill would amend Section 301(17) of FECA, 2 U.S.C. §431(17), to classify expenditures by various categories of persons, under various circumstances, as other than independent expenditures—*i.e.*, as expenditures that count against the candidate's "voluntary" spending limits under proposed Section 502(b). *See* FECA §301(a), 2 U.S.C. §431(9) and proposed FECA §502(f). In many instances, proposed Section 301(17) would act to lock a candidate in to his original group of advisors, and would deter the candidate from interviewing or consulting with a wide variety of potential supporters and advisors, because the price of consulting anyone is to "taint" that person in such a way that any expenditure he or she later makes counts against the candidate's "voluntary" maximum limit. Not surprisingly, the effect of this provision is to favor incumbents, whose need to consult with anyone outside an already established circle of advisors is far less than a potential challenger's needs to canvass for initial support; interview and select media consultants, committee members, staff; woo party members; raise funds; etc.

A few examples illustrate how the proposed rules could deter a candidate from communicating with potential supporters and advisors or discharging advisors. Proposed Section 301(17)(B)(iv) treats an expenditure as having been made by the candidate if it is made by anyone who at any time during the election cycle (*i.e.*, the six years between the last election and the current election, *see* proposed Section 135(29)) was authorized to raise or expand funds on behalf of the candidate, or served in an executive or policymaking position on the candidate's committee. Thus, if a candidate wants to disassociate himself from an advisor, he may do so only by turning the advisor loose from his control while still allowing any expenditures the former advisor makes to count against the candidate's "voluntary" maximum. Rather than do so, a candidate is more likely to keep an advisor he no longer really wants, solely to prevent uncontrolled spending by that person to deplete the candidate's permissible campaign budget.

Similarly, proposed Section 301(17)(B)(v) treats an expenditure as having been made by a candidate if it is made by a person who had advised or counselled the candidate or his agent "at any time" regarding the candidate's plans, projects or needs relating to his pursuit of office during the election cycle, "including any advice relating to the candidate's decision to seek Federal office." Thus, anyone considering a run for office must exercise extreme caution regarding whom he consults, since every person he consults gets what amounts to a key to the candidate's limited treasury. These provisions restrain a candidate's First Amendment rights of free speech and association, because they force a candidate to pay an unacceptably high price for certain kinds of communication and association related to his campaign.

There is a constitutionally protected interest in the opportunity to run for political office that may not be restricted unless the restriction serves a "vital" governmental interest and does not unfairly or unnecessarily burden a candidate's continued access to political opportunity. *See Buckley, supra*, 424 U.S. at 92–93, *citing American Party of Texas* v. *White*, 415 U.S. 767, 780–81 (1984), *and Lubin* v. *Panish*, 415 U.S. 709, 716 (1974). If independent expenditures by persons who may actually be seeking to dovetail their efforts with the candidate's are not a sufficient threat of corruption or the appearance of corruption to justify a ban on their expenditures, *Buckley, supra*, 424 U.S. at 45–46, it follows that expenditures by persons whose connections with candidates have been severed (or never were formed) cannot pose such a threat. Furthermore, the provisions that include utterly unrelated expenditures by people a candidate

may have consulted on a few as one occasion, as many as five years before an election, poses an unfair and unnecessary burden on the candidate's ability to control his or her own campaign finances.

Mr. McCONNELL. Further, I ask unanimous consent to insert two more legal memoranda on the bill's excessive and unconstitutional restrictions on the political activities of State and local parties. This bill proposes a hostile takeover of State election laws imposing Federal laws, regulations, and limits on State and local party activities which have only the most tangential relation to Federal elections. Such a massive imposition of Federal power violates not only the first amendment but also our entire system of federalism, which is guaranteed to us by the 10th amendment and the guarantee clause.

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

MEMORANDUM—CONGRESSIONAL CAMPAIGN SPENDING LIMIT AND ELECTION REFORM ACT OF 1992 STATE PARTY PROVISIONS

The Congressional Campaign Spending Limit and Election Reform Act of 1992 ("the bill") restricts contributions and expenditures made by state or local political entities in state elections. The bill "federalizes" the bulk of state campaign expenditures and contributions, especially in even-numbered years and in Presidential election years, leaving untouched only miscellaneous administrative functions. Congress has never before attempted to exert so much federal control over state electoral processes. The bill attacks the cherished principles of our federal system because it threatens the freedoms granted the American people under the Tenth Amendment to the Constitution and under the Guarantee Clause.

SUMMARY OF PROVISIONS

The "state party provisions" are found in Subtitle B of Title III. In an apparent (and unsuccessful) attempt to avoid violating the First Amendment through restrictions of constitutionally protected speech in state elections, Section 311(b) would enable the state committee of a political party to create and maintain a "state party grassroots fund." Such an account would be a "separate segregated fund established and maintained by the State committee of a political party solely for purposes of making expenditures and disbursements" as described in Section 324(d):

Generic campaign activities;

Slate cards, sample ballots and some campaign materials;

Voter registration; and

Development and maintenance of voter files during an even-numbered year.

In other words, the bill would allow certain election activities traditionally performed by state parties to be performed only by state grassroots funds, and then subject those funds to extensive federal regulation. Under Section 312, an individual could not contribute more than $20,000 in any calendar year to a grassroots fund, nor could an individual contribute to any other political committee established and maintained by a state committee of a party in excess of $5,000. See §312(a). Under Section 312(b), multicandidate committee could not contribute more than $15,000 in any calendar year to a grassroots fund and would not contribute more than $5,000 to any other political committee established and maintained by a state party committee.

The bill would subject to federal regulation the following activities:

Almost all get-out-the-vote activity;

Generic campaign activities;

Any campaign activities that identify a federal candidate (regardless of whether a state or local candidate is also identified);

Voter registration;

Development and maintenance of voter files during an even-numbered calendar year;

"Any other activity that significantly affects a federal election, or is not otherwise described in Section 301(8)(B)(xvii)."

See §313(a). The bill would not regulate all of these activities all of the time, however. Get-out-the-vote activities by state, district and local committees of political parties would be free from the bill's restrictions only if (1) such activities are conducted during a calendar year other than a calendar year in which a Presidential election is held; (2) the get-out-the-vote activity is "exclusively" on behalf of and identifies only state or local candidates or ballot measures; and (3) the get-out-the-vote activity does not include any effort or means used to identify or turn out those identified to be supporters of any Federal candidate * * *."

CONCLUSIONS

The bill violates the Tenth Amendment and the Guarantee Clause because the bill infringes upon the core of state authority: the authority of a state to organize and operate its own governmental system. During even-numbered years and Presidential election years, virtually every material aspect of state electoral speech and conduct would be subject to federal control, and this burden lessens only modestly in other years. The bill attempts to minimize free speech concerns by setting up these so-called "grassroots fund," but in doing so it creates an unprecedented federal intrusion on most state electoral activity.

DISCUSSION

The bill would violate the Tenth Amendment and the Guarantee Clause. The Supreme Court has long affirmed the importance of the states in our system of government. As the Supreme Court said just last year, "the Constitution has never been understood to confer upon Congress the ability to require the States to govern according to Congress' instructions." *New York* v. *United States*, 112 S.Ct. 2408, 2421 (1992). The Constitution gives Congress power to regulate the electoral processes of states only in those areas specifically addressed by Amendments to the Constitution: The Fourteenth (conferring the rights on state citizenship upon all United States citizens who are residents of a state, and empowering Congress to enact implementing legislation); the Fifteenth (conferring on Congress the power to enact legislation to safeguard the right to vote regardless to "race, color, or previous condition of servitude"); the Nineteenth (conferring on Congress the power to enact legislation to protect against gender discrimination in voting); the Twenty-fourth (conferring on Congress the power to enact legislation to enforce the prohibition against State use of poll taxes as a requirement for voting); and the Twenty-sixth (conferring on Congress the power to enact legislation to enforce the right of 18 year olds to vote). These Amendments underline the constitutional flaws of this bill: if Congress had unbridled constitutional authority to regulate the state electoral process, these Amendments would have been unnecessary.

If a state gubernatorial candidate wishes to engage in a get-out-the-vote drive in the same calendar year as a Presidential election—a frequent occurrence—then that activity would be subject to the bill. Indeed, in a Presidential election year, voter registration programs and get-out-the-vote drives for a city council election would be subject to the bill. Even in a non-Presidential election year, the gubernatorial candidate would need to be prepared to demonstrate that the activity "does not include any effort or means used to identify * * * supporters of any Federal candidate," a showing that would require the candidate for state office to create and maintain records of potential voters separately from any such database maintained by the state party for voters in federal elections. In addition, state parties are subject to the bill's restrictions every other calendar year for the development and maintenance of their voter files, a pattern that would also require multiple, segregated files. Finally, the state or local candidate would be always open to the charge that whatever and whenever be the activity that he or she undertakes, it "significantly affects a Federal election" and is therefore subject to the bill. The only aspects of state and local party activity left untouched by the bill would be administrative and ministerial acts—for example, holding party meetings and staffing an office.

In *Oregon* v. *Mitchell*, 400 U.S. 112 (1970), the Supreme Court struck down a federal statute that established a minimum voting age of 19 for all state and local elections. The opinion announcing the judgment of the Court stated that "[n]o function is more essential to the separate and independent existence of the States and their governments than the power to determine within the limits of the Constitution the qualifications of their own voters for state, county, and municipal offices and the nature of their own machinery for filling local public offices." Id. at 125.

The Constitution provides no grant of authority for Congress to regulate the state electoral process by limiting expenditures by state entities in support of either state candidates or state party-building activities—whether or not such expenditures and activities happen to take place close to a federal election. If such a power existed in the Commerce Clause or elsewhere, the Twenty-sixth Amendment—enacted in response to *Oregon* v. *Mitchell*—as well as the Fourteenth, Fifteenth, Nineteenth, and Twenty-fourth Amendments, would have been unnecessary. The effect of state campaign activities on federal interests is incidental at best. An incidental effect on the federal system has never been deemed sufficient to justify such an intrusion on the ability of state parties and state electors to run their own systems consistently with the Constitution.

The Guarantee Clause guarantees the states a "republican form of government," one in which the people control their rulers through the majoritarian process. The Guarantee Clause allows states to decide, for example, whether and when to fill interim vacancies in their legislatures. See *Cintron-Garcia* v. *Romero-Barcelo*, 671 F.2d 1, 5 (1st Cir. 1982). Regulation of speech in state elections has a profound-impact on the entire structure and mechanism of state and local governments. The courts have repeatedly "recogniz[ed] a State's interest in establishing its own form of government." *Sugarman* v. *Dougall*, 413 U.S. 634, 642 (1973).

MEMORANDUM—STATE PARTY "SOFT MONEY" PROVISIONS OF THE CONGRESSIONAL CAMPAIGN SPENDING LIMIT AND ELECTION REFORM ACT OF 1993 AND THE FIRST AMENDMENT

Congress would through this bill undermine the ability of state political party committees to perform their traditional role of organizing crucial local grassroots activities, such as voter registration drives, public education programs, get-out-the-vote campaigns, and "generic campaign activities." It would do so by severely restricting the financial contributions that individual donors and political action committees ("PACs") could make to such efforts, and by specifically subjecting a state party's activities in connection with these grassroots programs, as well as any other campaign activities that could significantly affect a federal election, to the limitations and prohibitions of the federal election campaign laws. This unjustified assault on the First Amendment rights of both state party committees and individual citizens who would like to encourage greater participation in the electoral process and to promote the political causes of their parties serves no legitimate government purpose and is blatantly unconstitutional.

I. STATE PARTY CONTRIBUTION LIMITATIONS

A. The provisions at issue

The bill would allow state political parties to establish separate, segregated "State Party Grassroots Funds," the money in which could be used solely for designated get-out-the-vote campaigns, voter registration drives, generic campaign activities, and the like. Section 312(a) of the proposed legislation would limit individual contributions to no more than $20,000 in any calendar year to a State Party Grassroots Fund and no more than $5,000 in any calendar year to any other state party political committee. The Section further provides that an individual's total contribution to the State Party Grassroots Fund and all state party committees in any given state cannot exceed $20,000 in a calendar year. The proposed legislation imposes similar contribution limitations on multicandidate political committees, or PACs. Under Section 312(b), PAC contributions are restricted to no more than $15,000 in any calendar year to a State Party Grassroots Fund and no more than $5,000 in any calendar year to any other state party political committee. The Section also indicates that a PAC's total contribution to the State Party Grassroots Fund and all state party committees in any given state cannot exceed $15,000 in a calendar year.

Currently, federal election laws do not restrict the amount of money that individuals and PACs can donate to state political party committees for grassroots voter turnout and citizen involvement programs. These suggested provisions would severely limit the amount of money that individuals and PACs could contribute to state parties in support of one of their primary activities—efforts to encourage eligible voters to participate in the political process.

In addition, these sections of the proposed legislation are even more restrictive than they first appear because money donated by any individual to state party organizations and grassroots funds would be encompassed within a $60,000 annual limitation on overall federal election contributions. See Section 312(c). This overall annual limitation specifically includes a $20,000 total cap on individual contributions to all state political committees. Under current law, a $25,000 total federal limitation applies to individual contributions to candidates for federal office and to national political party committees, but not to contributions to state and local political party committees. Consequently, the proposed legislation would undoubtedly reduce overall contributions to state political party funds/committees by not only preventing individual and PAC contributions in excess of $20,000/5,000 or $15,000/5,000 respectively, but also by forbidding individual contributions, no matter how small, if the prospective donor has already given $60,000 to candidates or their authorized committees, national political parties, or other state political party committees or grassroots funds. Such federal limitations on contributions could threaten the ability of state political parties to function in a meaningful way in the political process.

B. Conclusion

Sections 312(a), (b) and (c) would violate the fundamental First Amendment right to promote the political cause of the state parties. These harsh, overbroad restrictions on political contributions to state parties stifle speech on important public issues at the heart of our political system without serving any compelling government interest.

C. Discussion

In *Buckley* v. *Valeo*, 424 U.S. 1 (1976), the Supreme Court emphasized that the making of campaign contributions and expenditures is a form of pure political speech that is "at the core of our electoral process" and must be afforded the broadest possible protections available under the First Amendment. Id. at 14–23, 39 (quoting *Williams* v. *Rhodes*, 393 U.S. 23, 32 (1968)). Nevertheless, the Court has concluded that Congress can impose limitations on political contributions, if there is a sufficiently compelling governmental interest in doing so and if it has used a mechanism that is tailored to avoid any unnecessary interference with the contributors' First Amendment rights. Id. at 24–39. The state party contribution limitations of the bill satisfy neither prong of this two part First Amendment test.

First, the only governmental interest that has been found constitutionally sufficient to justify limitations on political contributions is the need to avoid corruption or the appearance of corruption in the electoral process resulting from the coercive influence of large individual financial contributions to candidates for federal office. Id. at 25–26. The proposed limitations on contributions to state party committees and to State Party Grassroots Funds would not serve that purpose.

Contributions to state party committees and party-sponsored grassroots efforts are not contributions to individual candidates that could result in a donor wielding undue influence over a candidate's positions and actions, once elected to public office. Instead, contributions to state party committees and party-sponsored grassroots efforts are contributions to a cause or viewpoint, reflecting the contributors' general agreement with the philosophies of the state party.

In considering the constitutionality of various limitations on political activities, the Supreme Court has long recognized the distinction between limitations on contributions to a political candidate—which may in certain circumstances be permissible as a means of avoiding corruption or the appearance of corruption in the electoral process—and limitations on contributions to causes or viewpoints—which are not permissible because they achieve no such purpose. *Federal Election Commission* v. *National Conservative Political Action Committee*, 470 U.S. 480, 495–98 (1985) (citing *First National Bank of Boston* v. *Bellotti*, 435 U.S. 765, 789–90 (1978) and *Buckley* v. *Valeo*, 424 U.S. at 47); *Citizens Against Rent Control/Coalition for Fair Housing* v. *City of Berkeley*, 454 U.S. 290, 296–300 (1981). Causes, such as grassroots efforts of state political parties, are not under the control of or dominated by candidates for federal office. Nor are they so entwined with the campaigns of candidates for federal office as to be susceptible to corruption by donations in the same manner as are individual federal candidates.

In addition to restricting the speech of contributors, these contribution limitations have the intent and effect of circumscribing the protected speech of state political parties. The state party activities that would be severely restricted by these proposed contribution limitations include voter registration, get-out-the-vote, and "generic campaign activities" that by definition promote a political party rather than any particular candidate, see Section 311(b). These are activities that reduce rather than increase the potential for political corruption: the larger the voter turnout, or the more the election is focused on issues rather than personalities, the smaller the chance of any single voter or contributor having a disproportionate impact on the political process.

Even if the proposed contribution limitations served to reduce the potential for corruption and thus were supported by a compelling governmental interest, they fail to satisfy the second prong of the First Amendment test. They constitute a fatally overbroad response to any potential for political corruption. See generally *Federal Election Commission* v. *National Conservative Political Action Committee*, 470 U.S. at 498. They are not limited to reducing any undue influence created by large contributions of individuals and groups. Instead, they apply equally to prevent small individual contributions, of any size, if the prospective donor has already given to other political entities a total amount equal to the annual overall federal election contribution limitation. Moreover, there are more narrowly tailored methods, such as carefully drawn disclosure or reporting requirements, that could achieve the same goal. The availability of these less restrictive options would call for the invalidation of the contribution limitations in the bill.

Alternatively, if the purported justification of these contribution limitations is not the prevention of political corruption but rather the "leveling of the playing field" or the equalization of the relative ability of voters in all political parties to affect electoral outcomes by placing ceilings on the efforts of wealthy voters and special interest groups, the proposed limitations are constitutionally forbidden. *Buckley* v. *Valeo*, 424 U.S. at 48–49. The Supreme Court has repeatedly made clear that the "First Amendment's protection against governmental abridgement of free expression cannot properly be made to depend on a person's financial ability to engage in public discussion." Id. at 49 (citing *Eastern R. Conf.* v. *Noerr Motors*, 365 U.S. 127, 139 (1961)).

Having no constitutionally permissible justification, campaign reform legislation that limits contributions to state political party committees and grassroots funds, and which thereby threatens essential voter registration campaigns, get-out-the-vote efforts, and other important state party functions, would not be allowed to stand.

II. STATE PARTY RESTRICTIONS ON USAGE OF CAMPAIGN FUNDS

A. The provisions at issue

Section 313(b) of the proposed legislation would greatly expand the scope of state party activity that is subject to federal regulation by adding to the Federal Election Campaign Act a new section explicitly restricting certain traditional, previously unlimited state party functions. Specifically, this new section would subject to federal limitations, prohibitions and reporting requirements all state party committee contributions and expenditures for:

Any get-out-vote activity conducted during a presidential election year;

Any get-out-the-vote activity conducted during any other year that is not exclusively on behalf of (or does not specifically identify only) one or more state or local candidates or ballot measures, or that includes any effort or means used to identify or turn out those identified to be supporters of any federal candidate;

Any generic campaign activity (i.e., an activity that promotes a political party rather than a particular candidate);

Any activity that identifies or promotes a federal candidate, regardless of whether state or local candidates are also promoted;

Voter registration;

Development and maintenance of voter files during an even numbered calendar year;-or

Any other activity that significantly affects a federal election or that is not exclusively on behalf of (or does not specifically identify only) state or local candidates.

The proposed legislation would impose severe federal limits on virtually all of the critical state party campaign activities that do not clearly and exclusively relate to candidates for state office. For example, under this proposal, a state party's costs for making buttons that do nothing more than encourage citizens to "Vote" in a state election that takes place during a presidential election year would be considered an expenditure that is subject to the limitations of the federal election campaign laws. Similarly, a state party's expenditure of funds for a pamphlet promoting a gubernatorial candidate would be subject to the limitations of the federal election campaign laws if it: (i) reports on an endorsement of the gubernatorial candidate by a federal candidate; (ii) includes a statement of the gubernatorial candidate's view of the programs of a particular federal candidate; or (iii) contains a photograph of the gubernatorial candidate and a federal candidate.

B. Conclusions

The bill's attempt to limit the use of state political party funds is a flatly unconstitutional restriction on protected political speech. Proposed Section 313(b) eliminates previously unconfined avenues for the free expression of political ideas that were essential to upholding the current contribution limitations of the Federal Election Campaign Act. These provisions do so without serving any substantial governmental interest in stemming the reality or appearance of corruption.

C. Discussion

The proposed limitations on the use of state party funds heavily burden core First Amendment political expression. First, it was precisely because the Federal Election Campaign Act leaves open many unrestricted avenues for political activists to express their support of political ideas that the Supreme Court allowed the current federal election contribution limitations to stand. *Buckley* v. *Valeo*, 424 U.S. at 22, 28; see also *Republican National Committee* v. *Federal Election Commission*, 487 F.Supp. 280, 287 (S.D.N.Y. 1980).

Second, even if such limitations on the use of state party funds were permissible, these sweeping provisions would nevertheless be constitutionally defective because they are vague and overbroad. They apply to restrict the ability of state parties to communicate with voters through such a broad range of means and on such a wide array of topics, including any matter that could significantly affect an election for federal office, that they essentially regulate all state party campaign activity, unless that activity clearly and exclusively relates to candidates for state office. In *Buckley* v. *Valeo*, construing similarly imprecise restrictions on expenditures in the Federal Election Campaign Act of 1971, the Supreme Court made clear that, in order to survive a vagueness challenge, the expenditure limitations at issue could not be read to apply to funds spent on the propagation of one's views on issues without "in express terms advocat[ing] the election or defeat of a clearly identified candidate for federal office." 424 U.S. at 44. contrary to this constitutional requirement, the proposed limitations would sweep so broadly as to reach and suppress not only explicit advocacy of candidates, but also discussion of public issues and efforts to further public involvement in the electoral process. By including within its regulatory scope any activity that could significantly affect an election for federal office, the bill fails to recognize that "candidates, especially incumbents, are intimately tied to public issues involving legislative proposals and governmental actions. Not only do candidates campaign on the basis of their positions on various public issues, but campaigns themselves generate issues of public interest." Id. at 42. Because they have the "potential for encompassing both issue discussion and advocacy of a political result," id. at 79–80, the broad use restrictions of proposed Section 313(b) are unenforceable.

Third, because "voting is of the most fundamental significance under our constitutional structure, *Illinois Board of Elections* v. *Socialist Workers Party*, 440 U.S. 173, 184 (1979), and "no right is more precious in a free country than that of having a voice in the election of those who make the laws under which, as good citizens, we must live," *Burdick* v. *Takushi*, 112 S.Ct. 2059, 2067 (1992) (quoting *Wesberry* v. *Sanders*, 376 U.S. 1, 17 (1964)), these grassroots efforts to increase voter awareness and participation are at the very center of the First Amendment. The Supreme court in *Buckley* v. *Valeo* made clear that these goals are to be encouraged—not discouraged by regulation. 424 U.S. at 93.

Fourth, as the Supreme Court has repeated time and again, the only constitutionally valid limitations on campaign giving and spending are those that are imposed as a cure for real or apparent corruption in the electoral process. *Federal Election Commission* v. *National Conservative Political Action Committee*, 470 U.S. at 496–97 (citing other cases). Usage limitations are not such a cure. It is absurd to suggest that a large contributor to a state party exercises a corrupting influence on the federal electoral process because the state party elects to use his or her contribution in efforts to encourage citizens to vote in a gubernatorial election that happens to occur in a presidential election year. But, even if that proposition were true, it is still more absurd to suggest that such state party get-out-the-vote efforts based on small contributions (or, for that matter, contributions of any size that are in compliance with the proposed state party contribution limitations of Sections 312 (a), (b) and (c) of the bill) "corrupt" the federal process and thus need to be subject to additional draconian federal limitations. This bill draws no distinction between use of funds derived from large contributions and use of funds obtained from $10 donations—it restricts the speech resulting from all. Thus, the usage limitations of the proposed legislation are blatant restrictions on the quantity and nature of protected political speech. If included in a congressional campaign reform law, these restrictions should and will be struck down.

Mr. MCCONNELL. Another legal memorandum which I have here and ask unanimous consent to insert into the RECORD at this time details the serious constitutional questions raised by the bill's restrictions on lobbying activities and contributions.

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

MEMORANDUM—CONGRESSIONAL CAMPAIGN SPENDING LIMIT AND ELECTION REFORM ACT OF 1992—RESTRICTIONS ON CONTRIBUTIONS BY LOBBYISTS

The Congressional Campaign Spending Limit and Election Reform Act of 1992 ("the bill") would restrict the ability of designated American citizens—lobbyists—from petitioning certain government officials. The bill would prohibit lobbyists from contributing to a Member of Congress whom the lobbyist contacted in the preceding year. The bill would also restrict lobbyists from contacting any Member of Congress for twelve months following a contribution or solicitation on that Member's behalf. Like other American citizens, lobbyists have a First Amendment right to contribute to political campaigns and to petition their government. These provisions would burden impermissibly these citizens' First Amendment rights to free speech and to petition their government.

SUMMARY OF PROVISIONS

The restrictions on lobbyists' speech are found in Section 401 of Title IV. Section 401(b) would amend Section 315 of the Federal Election Campaign Act, 2 U.S.C. 441(a), as amended by Section 313(b), by adding a two-part provision. The first part of Section 404(b) would prohibit a lobbyist from making any contributions to or soliciting any contributions on behalf of either any Member of Congress with whom the lobbyist has had any "lobbying contact" in the preceding twelve months, or any "authorized committee" of the President if the lobbyist has had "a lobbying contact" with a "covered Executive Branch official." The term "covered Executive Branch official" is defined quite broadly to include a large number of Executive Branch officials from the President down to "any officer or employee serving in a position of confidential or policy-determining character under Schedule C. * * *"

The second part of Section 404(b) would prohibit a lobbyist from making a lobbying contact with a Member of Congress or a covered Executive Branch official where the lobbyist has made a contribution to or solicited contributions on behalf of those persons during the preceding twelve months.

CONCLUSIONS

The bill violates the free speech and petition rights of a selected set of American citizens—lobbyists. Lobbying is protected by the

Constitution both as free speech and as an act of petitioning the government. Any restriction on these rights must be analyzed under the Supreme Court's "strict scrutiny" test. "Strict scrutiny" requires that in order for the government to justify its restriction of a citizen's First Amendment rights, the government must have a compelling state interest in doing so and the government must have available no other more narrowly tailored options for achieving that goal. The bill does not offer a compelling state interest for this absolute ban on speech and petition, and in any event there exist more narrowly tailored means of regulating the influence of lobbyists to the extent that lobbyists' activities could lead to corruption of the federal political process.

DISCUSSION

Lobbying the government is clearly "protected by the First Amendment." *Regan* v. *Taxation With Representation*, 461 U.S. 540, 552 (1982) (Blackmun, J., concurring); *Eastern Railroad Presidents' Conference* v. *Noerr Motor Freight, Inc.*, 365 U.S. 127, 137–138 (1961). The *Noerr* court set out the rationale for lobbying's protected status:

"In a representative democracy such as this, these [legislative and executive] branches of government act on behalf of the people and, to a very large extent, the whole concept of representation depends upon the ability of the people to make their wishes known to their representatives. . . . The right of petition is one of the freedoms protected by the Bill of Rights, and we cannot, of course, lightly impute to Congress an intent to invade these freedoms."

Id. at 137–138. See also In re IBP Confidential Business Documents Litigation, 797 F.2d 632 (8th Cir. 1986), cert. denied sub nom. *Bagley* v. *IBP, Inc.* 479 U.S. 1088 (1987) (letter to legislative subcommittee privileged as First Amendment petitioning activity); *Greenwood Utilities Com'n* v. *Mississippi Power Co.*, 751 F.2d 1484 (5th Cir. 1985) (right to petition extends even to petitions for anticompetitive ends); *Cammarano* v. *United States*, 358 U.S. 498 (1959).

This bill would force lobbyists to choose between exercising their First Amendment right to petition the government and their First Amendment right to make political contributions to candidates of their choice. If a lobbyist contributes to a candidate, the bill would prohibit him or her from petitioning, or lobbying, that candidate for a year after the candidate's election. This prohibition would apply even though the justification put forward for contribution limits, and accepted by the Supreme Court in *Buckley*, was to address this very problem—limiting the influence of contributors on office holders. 424 U.S. at 25–27. Alternatively, if the lobbyist has petitioned, or lobbied, the candidate within the preceding year, the bill would prohibit him or her from contributing to that candidate's campaign. There is no constitutional justification for requiring a citizen to choose between two fundamental rights.

In addition, the bill would single out lobbyists for special treatment. In this regard, the bill is akin to the differential taxation schemes for newspapers and magazines struck down as unconstitutional by the Supreme Court twice in the last decade. See *Arkansas Writers Project, Inc.* v. *Ragland*, 481 U.S. 221 (1986); *Minneapolis Star & Tribune Co.* v. *Minnesota Comm'r of Revenue*, 460 U.S. 575 (1983). In *Minneapolis Star*, the Court held unconstitutional a Minnesota tax on paper and ink used in the production of newspapers. In *Arkansas Writers Project*, the court held unconstitutional an Arkansas sales tax program that taxed general interest magazines but exempted newspapers and religious, professional, trade and sports journals. In *Arkansas Writers Project*, the sales tax could not be characterized as nondiscriminatory because it was not applied evenly to all magazines, much as the Minnesota tax singled out certain publications for unique treatment. See *Arkansas Writers Project*, 481 U.S. at 228–229. The present bill would achieve the same unconstitutional results by singling out a particular class of citizens who wish to speak and to petition their government, and then burdening those speakers' and petitioners' rights. Indeed, the bill is even more egregious than the differential taxes struck down in *Minneapolis Star* and *Arkansas Writers Project* because the bill proposes a complete prohibition on lobbyists' speech, whereas the state statutes at issue in the Supreme Court cases permitted speech, albeit at a higher and unjustified price.

Mr. MCCONNELL. The bill before us also imposes an unconstitutional condition on the receipt of taxpayer funds in Presidential races by requiring participating candidates to agree to a number of Presidential debates in a predetermined format. This requirement is as unconstitutional as it is unnecessary, and I anticipate that the Supreme Court in its wisdom will strike it out. A legal memorandum which I now ask unanimous consent to have printed in the RECORD details the constitutional problems with this absurd provision.

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

MEMORANDUM—CONDITIONING PUBLIC FUNDING FOR GENERAL ELECTION CAMPAIGNS FOR PRESIDENT ON AGREEMENT BY CANDIDATE TO PARTICIPATE IN PRESIDENTIAL DEBATES

For the first time, Congress would through this bill attempt to dictate to presidential candidates how they conduct their general election campaigns. It would do so by conditioning the receipt of federal funding for the general election period upon an agreement by the presidential and vice presidential candidates to participate in three presidential and one vice presidential debates. This unprecedented invasion of a candidate's First Amendment right to decide how to conduct his or her campaign serves no proper government interest, and is clearly unconstitutional.

I. THE PROVISIONS AT ISSUE

Section 703 of the bill would add a new Section 315(b)(3)(A) to the Federal Election Campaign Act. This new provision would require, as a condition for receipt of federal funding during the general election period, the candidates for President and Vice President to agree in writing that the presidential candidate will participate in at least three debates with all other presidential candidates eligible to receive federal funding, and that the candidate for vice president will participate in at least one debate with all other vice presidential candidates eligible for public funding. In the event the Federal Election Commission determines that either of the candidates of a political party was responsible "at least in part" for the failure to participate in such debates, those candidates would become ineligible to receive federal funding, and would be required to repay any amounts received to the Secretary of the Treasury.

Under current law, candidates are eligible for federal funding if they agree to certain record keeping and audit requirements, certify that they will not incur qualified campaign expenses in excess of the amount of funding they receive, and certify that they will accept no contributions except as necessary to make up for deficiencies in the availability of public funding. 26 U.S.C. §9003(a) (b).

II. CONCLUSIONS

Section 703 would violate a candidate's First Amendment right to run his or her campaign the way he or she sees fit. When it first enacted public funding for presidential campaigns, Congress clearly expressed its intention that such funding not be used as a pretext for dictating how candidates conduct their campaigns. Yet that is exactly what this provision would do, with no compelling government interest stated to justify this intrusion.

Moreover, this provision could prove extremely disruptive to presidential campaigns. Enforcement of the provision would be vested in the Federal Election Commission, which would receive broad authority to seek injunctive relief in the days immediately before an election. The mere threat of an injunction could disrupt a presidential campaign, and affect the result of an election.

II. DISCUSSION

As with all other aspects of this bill, the provision purporting to require participation in presidential and vice presidential debates touches "an area of the most fundamental First Amendment activities." *Buckley* v. *Valeo*, 424 U.S. 1, 14 (1976). Indeed, the First Amendment guaranty of free speech "has its fullest and most urgent application precisely to the conduct of campaigns for political office." *Monitor Patriot Co.* v. *Roy*, 401 U.S. 265, 272 (1971). That guaranty includes "the right to refrain from speaking at all," *West Virginia Board of Education* v. *Barnette*, 319 U.S. 624, 714 (1943), because "[m]andating speech that a speaker would not otherwise make necessarily alters the content of the speech." *Riley* v. *National Federation of the Blind*, 487 U.S. 781, (1989). Thus, candidates have a First Amendment right to decide whether they will debate their opponents.

Throughout our Nation's history, candidates have always been afforded the latitude to determine how they will conduct their campaigns, and whether speeches, television appearances, newspaper interviews, or presidential debates are the most effective way of communicating their messages. When Congress initially enacted public funding for presidential campaigns in 1974, it was appropriately concerned about the possibility that public funding would lead to government mandates on how campaigns would be conducted, and made certain that such intrusion would not occur.

"The bill makes clear that candidates are permitted full flexibility and discretion in their election efforts, subject only to limitation on the dollar amounts of expenditures and contributions.

* * * * *

"Equally important, the Committee has resisted any suggestion that those who accept federal campaign funds be obligated to conduct their campaign in particular ways, or to use the federal monies for specific purposes that some may think are useful to the electorate. Whether they qualify for public assistance and accept it, or not, all candidates are free to 'do their own thing': To decide how they will conduct their campaign

and employ their financial resources." S. Rep. No. 689, 93d Cong., 2d Sess., [1974] U.S. Code Cong. & Adm. News 5595–96.

When the Supreme Court upheld the public funding provisions of the 1974 Amendments, it specifically relied upon this commitment by Congress to avoid interference with the conduct of political campaigns. *Buckley* v. *Valeo*, 424 U.S. at 93 n.126. Earlier this year, a well-regarded district court judge interpreted this passage in *Buckley* as evidencing "the possibility that subsidy provisions could be unconstitutional as applied if they entailed excessive government entanglement with the mostly private political process." *Voice Choice, Inc.* v. *Stefano*, 1993 WL 15229 (D.R.I. Jan. 12, 1993).

Proponents of Section 703 might argue that it does nothing more than impose an additional condition on the receipt of public campaign funding, and that candidates may maintain control over their own campaigns by opting not to accept the public funding; the availability of this option, proponents might say, avoids conflict with the First Amendment. To the contrary, the Supreme Court has repeatedly made clear that the government may not impose "unconstitutional conditions" on the receipt of public funding.

In *Perry* v. *Sindermann*, 408 U.S. 593, 597 (1972), the Court pointed out that:

"For at least a quarter-century, this Court has made clear that even though a person has no 'right' to a valuable government benefit and even though the government may deny him the benefit for any number of reasons, there are some reasons upon which the government may not rely. It may not deny a benefit to a person on a basis that infringes his constitutionally protected interest—especially, his interest in freedom of speech. For if the government could deny a benefit to a person because of his constitutionally protected speech or associations, his exercise of those freedoms would in effect be penalized and inhibited."

Subsequently, in *FCC* v. *League of Women Voters of California*, 468 U.S. 364, 402 (1984), the Court applied this principle to strike down on First Amendment grounds a statute that prohibited non-commercial broadcasting stations that receive federal funding from airing editorials. The Court specifically rejected the argument that the stations waived their First Amendment rights by accepting the federal funding. *Id* at 401 n.27. This is especially true when, as in Section 703, the recipient of public funding cannot exercise his or her First Amendment rights outside the publicly funded enterprise. See *Rust* v. *Sullivan*, 111 S.Ct. 1759, 1775 (1991). If a candidate exercised his or her First Amendment right to refuse to participate in presidential debates, Section 703 would take away all of that candidate's federal funding. This condition violates the First Amendment.

This unconstitutional condition cannot be justified by any compelling governmental interest. The only governmental interest sufficiently "compelling" to support campaign finance restrictions is the prevention of corruption or the appearance of corruption. *Buckley*, 424 U.S. at 26, 94–96. See *FEC* v. *National Conservative Political Action Committee*, 470 U.S. 480, 496–97 (1985) ("we held in *Buckley* and reaffirmed in *Citizens Against Rent Control* [v. *Berkeley*, 454 U.S. 290 (1981)] that preventing corruption or the appearance of corruption are the only legitimate and compelling government interests thus far identified for restricting campaign finances.") No similar interest has been or could be advanced here. The sole justification for Section 703 appears to be the view that presidential and vice presidential debates serve the sponsors' notion of the "public interest," even though such debates are a relatively recent phenomenon in presidential campaigns. And, notably, despite the provisions for public funding of House and Senate campaigns in the bill, the sponsors have not seen fit to vindicate the supposedly important public interest in debates by requiring House and Senate candidates who receive taxpayers' money to debate.

It is not difficult to foresee that such reasoning by this provision's sponsors could next lead to a requirement that presidential candidates appear on "Larry King Live," or whatever happens to be in vogue at the moment. Those requirements, like this one, are not supported by any justifiable government interest sufficient to override the candidate's First Amendment right to run his or her own campaign.

The mischief that could be caused by this provision can be readily predicted. Section 604(b) of the bill would grant the FEC authority to seek a temporary restraining order if "there is insufficient time to conduct [normal] proceedings before the election * * *." Even private parties could seek such relief under Section 604(a) in the event the FEC deadlocked. The mere threat of such an injunction could be enough to cause serious disruption during the final days of a presidential election campaign.

Mr. MCCONNELL. Finally, Mr. President, the last memorandum which I ask unanimous consent to have printed in the RECORD explains in some detail the roughshod treatment which third party candidates receive under this bill. Not only does this incumbent drafted bill clearly protect the interests of incumbents, it also clearly protects the interests of the two major parties in a way that offends the first and fourteenth amendments of the Constitution.

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

MEMORANDUM—CAMPAIGN FINANCE AMENDMENTS—DISCRIMINATION AGAINST NON-PARTY CANDIDATES

ISSUE PRESENTED

Whether the proposed campaign finance amendments impermissibly discriminate against nonmajor party candidates.

CONCLUSION

1. The proposed campaign finance amendments discriminate on their face against non-major party Senate candidates by providing them with fewer communication vouchers than are provided to major party Senate candidates, forcing them into an unfair dilemma: they must either elect the supposedly "voluntary" system of public subsidies, and thus suffer a severe financial disadvantage in relation to major party candidates, or they can campaign with private funds but be subject to severe punitive measures—extensive federal subsidies to their opponents and additional subsidies to their opponents if they exceed the expenditure ceiling—for refusing to accept public funding. This discrimination based on status offends due process and equal protection as embodied in the Fifth Amendment to the United States Constitution.

2. The amendments also differentiate between major party and non-major party Senate candidates with respect to the amount of funds they are provided if their opponents violate the amendments' expenditure limits. The distinction and disparity in treatment is wholly arbitrary, and without constitutional support or authority.

ANALYSIS

A. Voter communication vouchers

Section 503(c) of the proposed campaign finance amendments facially discriminates against non-major party Senate candidates[1] with respect to the number of voter communication vouchers they are provided:

"(c) VOTER COMMUNICATION VOUCHERS.—(1) The aggregate amount of voter communication vouchers issued to an eligible Senate candidate shall be equal to 20 percent of the general election expenditure limit under section 502(b) (10 percent of such limit if such candidate is not a major party candidate)."

Thus, major party Senate candidates are provided with twice the number of communication vouchers as non-major party Senate candidates, *regardless of the historical strength of support for the respective candidates.*

Such bald discrimination against non-major party candidates violates equal protection as guaranteed by the Fifth Amendment to the United States Constitution. Different treatment of major and non-major party candidates received careful review by the Supreme Court in *Buckley* v. *Valeo*, 424 U.S. 1, 93–96 (1976). The 1974 Federal Election Campaign Act contained a similar disparity between the funding provided major and non-major party Presidential candidates. The *Buckley* Court sanctioned this disparity because it was based on the legitimate goal of supporting only those candidates with a reasonable chance at success, *as measured by the historical strength* of the candidates' parties in the previous Presidential election. The Court emphasized that "acceptance of public funding [under the 1974 Act] entails voluntary acceptance of an expenditure ceiling. Non-eligible candidates are *not* subject to that limitation." *Id. at 95.*

The disparate treatment in the proposed amendments, on the other hand, is not based on the strength of the performance of a candidate's party in the previous Senate election, but on the candidate's *status* as either major or non-major party members. Under the Federal Election Campaign Act, non-major party Presidential candidates are entitled to funding "based on the ratio of the vote received by the party's candidate in the preceding [Presidential] election to the average of the major-party candidates." *Buckley*, 424 U.S. at 88. Thus, a non-major party Presidential candidate will receive a greater amount of funds the greater the support for his party in the previous election. Although the funds received by a non-major party presidential candidate will never equal those received by a major party Presidential candidate, this disparity only reflects the relative historical strength of support for the respective party candidates, since by definition the candidates of the major parties received over 25% of the vote in the previous Presidential election, while the candidates of the non-major parties received less than 25% of the vote. In approving this scheme, the *Buckley* Court emphasized that "Congress'

[1] A non-major party candidate is a candidate: (1) who is not a member of a party receiving 25% or more of the popular vote in the last presidential election and (2) who did not qualify under state law for the ballot in a general election in an open primary in which all candidates for office participated and which resulted in at least one other candidate for the ballot in the general election. *See* Section 135(a)(23) and (and I.R.C. §9002(6) referenced therein).

interest in not funding hopeless candidacies with large sums of public money necessarily justifies the withholding of public assistance from candidates without significant public support." *Id.* at 96 (citations omitted). *See also American Party of Texas v. White*, 415 U.S. 792, 794 (1974).

The proposed amendments, however, discriminate against non-major party Senate candidates *regardless* of historical strength of support. If the Senate candidate is not a member of a party which received over 25% of the national vote in the preceding Presidential election, and if the Senate candidate did not qualify for the general election in an open primary election, then he will be labeled a non-major party candidate, regardless of the historical support for his party's candidates in the particular *Senate* election. For example, a non-major party Senate candidate may be an incumbent who received over 60% of the vote in the previous election. Nonetheless, he will receive only one-half the number of communication vouchers as his major party challenger. Such discrimination, which is based purely on the status of the candidate's party as "major" or "non-major," and which does not take into account the historical strength of support for the Senate candidate or his party's past candidates for the relevant Senate office, is plainly unconstitutional.

Moreover, the current bill would remove a non-major party candidate's unfettered right to opt out of public funding by imposing an array of punitive measures on non-participating candidates. For example, in addition to receiving broadcast vouchers and subsidized mail rates, Senate candidates who agreed to the expenditure limitations would receive huge subsidies from the federal government if their non-participating, non-major party opponent exceeded that limitation. This "damned if you do, damned if you don't" is not sanctioned by the holding in *Buckley*.

B. Excess expenditure amounts

Among the proposed campaign finance amendments' enforcement mechanisms for ensuring compliance with their expenditure limits is the provision of increased aid to a non-complying Senate candidate's opponent in the form of an "excess expenditure amount." Section 503(b)(3) of the proposed amendments sets forth the method for calculating the "excess expenditure amount." If a non-complying Senate candidate exceeds the general election expenditure limit by an amount of anywhere from $1 to one-third of the entire expenditure limit, a major party opponent is provided with an "excess expenditure amount" equal to one-third of the entire expenditure limit. If the non-complying Senate candidate exceeds the expenditure limit by anywhere from one-third to two-thirds of the limit, the opponent is provided with an "excess expenditure amount" of two-thirds of the limit. And if the non-complying Senate candidate exceeds the limit by anywhere from two-thirds of the limit upwards, the major party candidate is provided with an "excess expenditure amount" equal to 100% of the expenditure limit.

A different rule holds, however, if the opponent is a non-major party candidate. If the non-complying Senate candidate's opponent is a non-major party candidate, then the non-major party Senate candidate is provided with an "excess expenditure amount" of the lesser of: (1) an amount equal to the contributions he has received in excess of the threshold contribution limit or (2) one-half of his opponent's general expenditure limit. As explained above, this difference is wholly arbitrary and, to the extent it provides greater benefits on the basis of *status*—major party candidates—it is constitutionally indefensible.

Mr. McCONNELL. On one other issue which arose late in the debate but is of paramount constitutional importance is the vast increase in power transmitted to the Federal Election Commission by this legislation. The bill gives the general counsel of the Commission—actually the bill, as amended now, does not but would have—the bill gives the general counsel of the Commission, an unelected, unappointed bureaucrat, unprecedented powers to harass candidates, contributors, and private citizens exercising their first amendment rights.

The bill gives the general counsel a deciding vote in all cases where the six Commissioners are deadlocked on whether to proceed with an investigation. Up to now, the Commission has been truly bipartisan with both parties selecting equal numbers of Commissioners. This change in the law, should it be returned to the bill in any form, would abruptly change the balance of power.

The general counsel, also, under the original bill, stood to gain immense powers to issue subpoenas and compel testimony merely at his own personal whim. These measures have the effect of anointing the general counsel as campaign czar.

Additional constitutional flaws, Mr. President: An amendment lifting all out-of-State fundraising until the last 2 years of a Senate election cycle raises serious constitutional questions; a 50-percent broadcast discount, the Supreme Court may wish to review whether this qualifies as a taking, the subject of the Nickles amendment, the Nickles-Burns amendment, which will be voted on before 2 o'clock; an amendment requiring that all letters to the editor which advocate the election or defeat of a candidate be filed in advance with the Federal Election Commission or the Secretary of State certainly raises serious constitutional questions. Others may also want to challenge the bundling restrictions in the legislation, the incumbents-only provisions for candidate travel to be exempt from the spending limits. This violates the 14th amendment by discriminating against challengers in favor of incumbents.

With all of these constitutional flaws in mind, flaws which go to the heart of the bill and, in effect, nearly every one of its major provisions, I will raise—and the Senator from Oklahoma, who is not on the floor at the moment knows that I will raise it—a point of order against S. 3, as amended, on the ground that it violates the first amendment of the Constitution.

Now, Mr. President, the Senator from Oklahoma would like to have a few moments to speak in opposition to this. He is in the Senate Finance Committee on a very important issue as we speak, and by understanding with him I am going to ask unanimous consent to temporarily lay aside the constitutional point of order. He has indicated he will not make a motion to table the constitutional point of order but simply wants to speak in opposition to it at the appropriate time. He and I are hoping that we will be able to stack these amendments, beginning sometime around 1 o'clock or a little after. We will do that after consultation, obviously, with the majority so that we can minimize the inconvenience to Senators moving toward a final vote at 2 o'clock.

So, Mr. President, I ask unanimous consent that my constitutional point of order be temporarily laid aside.

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

Is the Senator making a point of order at this time or is he reserving that?

Mr. McCONNELL. I say to the President, I wish to make a parliamentary inquiry as to when the Senator from Kentucky should make the constitutional point of order.

The PRESIDING OFFICER. The point of order would be in order any time prior to 2 o'clock.

Mr. McCONNELL. The constitutional point of order then does not need to be made at this moment; it can be made at any time prior to 2 o'clock?

The PRESIDING OFFICER. That is right.

Mr. McCONNELL. The constitutional point of order I will make will be made against the entire amendment, and it is my understanding based on what the Chair has just stated that I can make that constitutional point of order against the entire bill at any time prior to 2 o'clock.

The PRESIDING OFFICER. The Senator from Kentucky is correct.

Mr. McCONNELL. I thank the Chair. I yield the floor.

Mr. LIEBERMAN addressed the Chair.

The PRESIDING OFFICER. The Senator from Connecticut.

ORDER OF PROCEDURE

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

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

Mr. LIEBERMAN addressed the Chair.

AGREEMENT OF THE SENATE FINANCE COMMITTEE

Mr. LIEBERMAN. Mr. President, I rise to speak in reaction to the agreement among the Democratic Members of the Senate Finance Committee which was announced yesterday. In doing so, I want to go back to the President's State of the Union Message

earlier this year and other comments that the President has made about his goals and his challenges with regard to the economy.

As the President said in his State of the Union speech, he is trying to do two things, and we have to try to do two things at once that have not often be done at once successfully. And that is because of the difficult situation that the President has inherited, simultaneously, to try to cut the deficit, to stimulate a weak economy, and to create jobs.

As part of doing that, the President has set out some significant goals. One was to reduce the deficit by $500 billion over the next 5 years. Another was to stimulate a genuine economic recovery, which means to create jobs for the millions of people who lost their jobs in the recession that the economists tell us we're out of. But a lot of people out there do not really feel we're out of the recession based on the lives they are leading.

Mr. President, as I look at this agreement from the Democratic members of the Finance Committee, it seems to be that it achieves some substantial deficit reduction. But I am deeply troubled that at the same time it has removed from the President's program and from the House-passed legislation most of the incentives for an economic recovery, most of the incentives for job creation. And in doing so, the Finance Committee has presented us with a program that does not really achieve what is uppermost on the minds of the American people today; that is, jobs and jobs creation—protecting jobs for those who still have them and creating jobs for those who have lost them in this recession.

Mr. President, the truth is that if we could set the deficit aside we'd look at our economy as it is today and any of us in our right mind would not be raising taxes. We would be cutting taxes. That's what our Government has traditionally done when the economy was weak. We're inhibited in our ability to do that because of the need to cut the deficit.

But I think that by eliminating the incentives for investment, by eliminating some of the tax cuts within the program as it has moved along from the White House through Congress, we are making a big mistake that will make it even harder for our economy to recover, and for our people to be employed.

Now this agreement that was announced yesterday takes some steps in the right direction. Some taxes are cut back. The tax increases are somewhat less than they would otherwise would be. More spending cuts are adopted, but there's still a lot of tax increases in this program, and though those tax increases will go, according to the President's recommendation, into a trust fund directly to cut the deficit, they will, I fear, also have the effect, by taking money out of the economy, of making it harder for this economy of ours to get pumping again in creating jobs.

And that is why the investment incentives, the tax cuts, that were in this program are so critically important and why I am so disappointed that they've been left out of this Finance Committee agreement.

My friend and colleague from Arkansas, Senator, DALE BUMPERS, was quoted in the newspaper today saying that the omission of the capital gains tax cut from the Finance bill—which was only partially included in the President's plan to begin with—I quote my friend and colleague from Arkansas, "outrageous." And he's right, it is outrageous.

Mr. President, the Government cannot and should not create the jobs that we need in our economy, in our country. The private sector can and will create the jobs if we give them the opportunity and if we give them a few incentives to help make that happen.

We all talk so much around here about small business. I was thinking the other day that we rhetorically embrace small business but then we programmatically strangle small business. We say that small business is where the jobs are going to be created and that's right. Look at the last decade. Big businesses lost about 2 million jobs. The jobs that were created through the eighties, 10 million, were created in small businesses.

Small businesses need capital. A lot of them are still having trouble getting it from the banks. Small startup businesses that develop into the big businesses that create the jobs need the kind of investment that the targeted capital gains tax cut would have provided for. But it's out of the bill. And not only that, to add insult to injury, the capital gains tax rate that exists now is actually raised for wealthier taxpayers. I know people think that people of wealth can just keep paying and paying. But people of wealth, well it's the old Willy Sutton line. Why did he rob banks? Because that's where the money is.

Why do we want to create a tax system to encourage people of wealth to put their money into productive investments in our society instead of dropping it into passive investments that do not help us is because they have the money. And that's what the capital gains tax cut proposal is all about.

But the shortcomings on the investment side of the agreement announced yesterday do not stop there, I am afraid. They do not stop at the capital gains tax cut. They also knock out the empowerment zones, the enterprise zones which the administration proposed as a way to engage the energy and resources of the private sector to help revive some of the most desperate areas of our country, poor urban areas, poor rural areas, poor Indian reservations. And the judgment here, again going back to the premise that the Government can't and shouldn't do that, is that if you cut some taxes to create incentives, yes you deprive the Government of some revenues, but you leverage that investment that you are making many times over because you are bringing in private capital to create jobs for people in our poorest areas. That is gone from this bill. I think that's a terrible mistake.

Other incentives for the business community have been reduced. Small businesses in the House-approved measure were allowed to write off $25,000 of equipment purchases. That has been knocked back to $15,000. That will make it a little harder for small businesses that are trying to invest and create new jobs. The President recommended some reform of the alternative minimum tax. That's another way to create some funds to create some investment. That is reduced in this agreement.

The writeoffs to companies that acquire intangible assets and takeovers is still there, but again it is reduced from the House bill. The passive loss deductions for real estate professionals, this is all arcane and technical, but, Mr. President, it is the real estate industry that collapsed in States like mine in Connecticut that brought the rest of the economy down with it. Unless we can revive at least in part that real estate industry, the rest of the economy is going to have a hard time coming back.

So as I look at the program, I'm troubled by the absence of incentives for investment. Without those incentives, without those tax cuts, we are not going to have the economic recovery that we need. We get focused on getting a package passed, and that's understandable, that's our job, and I think the country will be happy if we get a package passed. But then, we have to ask ourselves the next question: Will it work? Not only will it reduce the deficit, but will it help the economy to recover and create and protect jobs?

I rose today to say that I am profoundly troubled, but I will go beyond that. I'd say that you would have to work hard to convince me that this package—which takes so much out of the economy and yet removes all of those tax cuts and incentives for investment and growth—will really work to do what we want it to do. It's like Government itself. Someone said to me the other day and it's true, we spend too much time worrying about what goes into the pipe, and not enough time worrying about what comes out, the results. That is the concern that I have about the agreement announced today.

As much as I appreciate the tremendous effort that was made by the

Democratic members of the Finance Committee, as much as I appreciate the difficult economic circumstances in which they are operating—no easy choices, all painful choices—and as much as I appreciate the fact that they did cut some of the tax increases and did cut some more spending, I say respectfully that I believe they erred in cutting out this wide range of incentives for investment in our economy. These incentives are designed to generate genuine economic growth and to create jobs.

That is why I look forward to working with Members of the Senate, both parties, to see that when this measure reaches the floor, we can, in a responsible way, understanding the fact that we're probably going to have to come up with some more spending cuts, put back in some of these tax incentives and tax cuts. I think that's our responsibility. It's also our opportunity.

The bottom line is this: We'd better do it if this program is not only going to pass, but if it's going to work.

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

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

CONGRESSIONAL SPENDING LIMIT AND ELECTION REFORM ACT OF 1993

The Senate continued with the consideration of the bill.

Mr. DORGAN. Mr. President, I have listened to my friend from Kentucky on the subject of this campaign finance reform bill, most especially on the subject of the tax provision in it. I wanted to make a couple of comments, because I understand that he rather artfully describes it as "a tax on speech" when, in fact, it is nothing of the sort.

Before I respond to that, let me say that the core of this legislative proposal is to propose limits on campaign spending. The Senator from Kentucky indicated yesterday that he did not support limits on spending, and I understand that.

Mr. McCONNELL. If the Senator will yield on that point, the Senator knows, I assume, that the Supreme Court said that spending is speech; they are interchangeable.

Mr. DORGAN. I understand what the Supreme Court said in the case on this subject. The point I was making is that the Senator from Kentucky indicated, as a matter of philosophy, that he did not support spending limitations in campaigns. I point out that we are in a time in this town and in this body where the refrain that you hear from virtually every desk on all sides in this Chamber is that we ought to cut spending.

Cut spending, they say. Cut spending; spending is the problem. Cut spending. Cut Medicare. Cut Medicaid.

But then we talk about spending in political campaigns, where people say: Do not cut us. Do not cut spending; do not cut spending in political campaigns.

I think it is appropriate to describe the problem in American politics as too much spending and, therefore, we ought to impose spending limits which is, in effect, cutting spending in the area where I think it really counts.

Mr. McCONNELL. Mr. President, will the Senator yield?

Mr. DORGAN. I am happy to yield to my friend from Kentucky.

Mr. McCONNELL. Is the Senator aware spending in campaigns come from voluntary donations from individuals and PAC's, and not tax dollars?

Mr. DORGAN. Mr. President, I am quite aware of that.

The point is, if the problem is spending, as it is in the Federal budget, and the solution is to cut spending, I understand the chorus and I join the chorus. We are going to cut spending and, in fact, the reconciliation bill we are going to bring to the floor of the Senate is going to cut spending more than the President recommends.

If, in political campaigns, the problem is spending, it does not matter whose money you are spending, if it is out-of-control spending. Why not cut spending in political campaigns, if the problem is spending?

Why would we say the solution to spending in other areas is to cut spending, but the solution to excess spending in campaigns is to protect politicians by saying, "Do not cut us"?

There is a legitimate philosophical difference here on the question. Is there a problem with too much spending in campaigns, first of all? I think yes. Should we try to impose some limit, albeit a voluntary limit, on campaign spending in order to resolve this problem? I think yes.

The Senator from Kentucky says no, there is not a problem with spending. I was in the chair and heard the lengthy description of that, on which we disagree. I certainly respect the opinion of the Senator from Kentucky. I think he is wrong. I think if you go into a town meeting anyplace in this country and ask people what they think, they will tell you what they think. I think the people are right.

The fact is, spending in this country has mushroomed in campaigns. It is not unusual for millions of dollars to be spent in Senate campaigns, where only hundreds of thousands of dollars were spent previously.

We would do ourselves a service, we would do the country a service, and we would certainly do the political system a service in this country, in my judgment, if we began to impose some spending limits.

The Supreme Court says we cannot do that on a mandatory basis, even if we wanted to.

So we say let us find a way to provide incentives to do it on a voluntary basis, and we have done that.

One of the approaches in that piece of legislation is to say that those who do not accept the voluntary spending limits will not be granted a tax exemption. Political campaigns are tax exempt. That is something bestowed upon them by Federal law. It is not a right. It is not automatic. It is just that, currently, we say those activities are tax exempt.

This legislation simply says we will withdraw the tax exemption and subject the contributions to a tax of 34 percent on the contributions if one chooses not to accept spending limits.

The point is not to tax speech. The point is to say to those who want to spend more than the limits, to say only to those who are the big spenders in campaigns: You decide whether you want to tax yourselves. If you want to spend over the limit, you have chosen to embrace a tax on the contributions to your campaign. Your organization is going to have to bear that tax.

This is not a tax someone imposes on you. This is a tax you impose upon yourself by deciding not to accept spending limits.

I only rise to point that out because the Senator from Kentucky is, I think, a skilled debater, very artful in the way he described this as a tax on speech. In fact, it is nothing of the kind. It is not a tax on speech. It is simply to try to reinforce a desire to have voluntary spending limits from those of us who believe one of the major problems in campaign spending is there is too much money in American political campaigns.

If one believes there is not too much money floating around here in campaigns, then one would want to oppose this. If one thinks things are fine at this point, and let us not have changes, then one will want to oppose this.

If someone believes—as most American people understand—we have a serious problem, we have exponential increases in spending on American campaigns in our political system, especially for the House and the Senate, and it would be a constructive step to try to establish some kind of spending limits for House and Senate campaigns, then one would want to embrace the proposal as a reasonable proposal to advance towards a solution to deal with campaign finance reform.

I again say that I respect the Senator from Kentucky. I think he makes his case very well. I do not think he makes the case well when he says this proposal is a tax on speech.

I think the Senator from Kentucky could well revise that by saying this, in

fact, is an attempt by some of us who believe we ought to limit spending in campaigns and have found ways to do it that we think would be effective.

I will be happy to yield to my friend from Kentucky.

Mr. MCCONNELL. Mr. President, briefly, in response to my good friend from North Dakota, I did not make this up. The Supreme Court of the United States said spending was speech.

The ACLU, in a recent memorandum, said that the Supreme Court has long held that the Government cannot require the people to pay a tax for exercise of that which the first amendment has made a constitutional privilege.

This is not something the Senator from Kentucky sort of pulled out of thin air. We are talking about a well-established legal precedent.

The Supreme Court, in the Buckley case, and this is a direct quote, said:

> The mere growth in the cost of Federal election campaigns in and of itself provides no basis for Government restrictions on the quantity of campaign spending and the resulting limitation on the scope of Federal campaigns. The first amendment denies Government the power to determine that spending to promote one's political views is wasteful, excessive, or unwise.

Just one final sentence.

> In the free society ordained by our Constitution, it is not the Government, but the people, individually as citizens and candidates, and collectively as associations and political committees, who must retain control over the quantity and range of debate on public issues in a political campaign.

I understand what my friend from North Dakota is saying, and reasonable people can differ. All I am saying is I did not sort of just pull this out of the air, the observations I made about either the tax on speech or the Supreme Court's clear and unambiguous decision that spending was speech. The Court will get a chance to take a look at this again, and revisit the issue.

I understand the view the Senator from North Dakota has. If there is too much speech going on in these campaigns, that is the sort of thing——

Mr. DORGAN. Mr. President, if I may reclaim my time, it is not a discussion underway here about how much speech goes on in the campaign. Lord knows that political candidates in this country speak too much, run too long, bore the American people half to death. That is not the issue.

No one is suggesting there be a limit on speech. This proposal, incidentally, does not tax speech. I think the Senator from Kentucky understands that this proposal is a proposal that would simply withdraw a tax exemption that is now given not as a matter of right, it is a tax exemption that the legislative process has decided to bestow on these organizations, including political organizations.

The Supreme Court has repeatedly recognized that the tax exemption is a matter of legislative grace, and they have reasoned that Congress may impose whatever conditions it deemed appropriate on the award of that tax exemption as long as the limits are content neutral.

There is a 1983 ruling, Washington, versus Regan. The Court upheld the same sort of requirements.

The point I make to the Senator is that no one is saying if you speak, someone is going to tax you. That is not the issue, simply not the issue. It is not a tax on speech.

We are simply saying if you think it is productive to limit spending in campaigns—I happen to think it is—then why should we not create conditions under which it would be advantageous for candidates to accept some kind of spending limits?

One of the conditions under which we would do that is to say those who do not accept those limits probably ought not be given a basic tax exemption. That is the point I make.

I am here only because when I hear someone say that our side is proposing a tax on political speech, I say nonsense. No one has suggested anything of the kind. Our side is saying we would like to limit campaign spending.

I understand there is a lot of opposition to that, because some of you think it is healthy to go out and chase tens of millions of dollars, to be free to do that so you can conduct campaigns for 18 years.

Campaigns are too long. They need to be improved and shortened. It seems to me we would do the American people a service if we had some sort of limit. Buckly versus Valeo said we cannot do that. We cannot do it in a mandatory way.

So we have constructed a method by which we think we could do that in a voluntary way, that would probably persuade most people to accept it.

That is the only point I want to make.

I understand that the compromise which was reached last evening is not perfect. The Senator from Oklahoma, I think, did a masterful job, working with others in the Chamber, to perfect a compromise. There are parts of this I do not like. But, generally speaking, I think we are on the right track.

We think there is too much money in campaigns. We do not propose to tax speech. We propose to establish voluntary limits on campaign expenditures. Those who oppose that should vote against this. But those who believe, as we do, that there is too much money floating around and that we ought to try to establish some limits ought to support this.

I yield the floor.

Mr. BOREN addressed the Chair.

The PRESIDING OFFICER. The Senator from Oklahoma.

Mr. BOREN. Mr. President, I know that my colleague from Kentucky wants to vote very soon. I do not want to delay that because we want to make sure we have a chance for a vote on his point of order and also a vote on the pending Nickles amendment before the hour of 2 o'clock arrives, so I will try to be brief on this matter.

First, let me address myself to the constitutional point of order about to be raised by my colleague from Kentucky.

There is no question that any legislation dealing with political campaigns and political speech involves delicate constitutional questions.

I understand those questions. In another life, I was a college professor and one of the courses I taught was constitutional law.

The Court, in Buckley versus Valeo, upheld restrictions on political contributions, but it ruled that Congress could not force a limit on how much an individual could spend, either for his or her own campaign or on independent expenditures.

But in the Buckley case, the Court also upheld the voluntary spending limits that are in place in Presidential campaigns. So the Court has never ruled that a system of inducements for voluntary compliance much like what we have in the Presidential system is unconstitutional. In fact, to the contrary, that has been allowed to go forward.

In writing this legislation, we have made great efforts to follow the Buckley decision and to construct a voluntary spending limits system that would pass constitutional muster. We have contacted constitutional scholars and legal experts. We have had the American law section of the Congressional Research Service prepare memorandums on constitutional questions to provide advice for us in the course of drafting this legislation and in the course of amending this legislation.

We believe, of course, that we have written these provisions within the context and within the constraints of the Buckley decision. And we believe that we have written it consistent with the requirements of the U.S. Constitution as they have been interpreted by the U.S. Supreme Court.

Of course, the legislative branch is not the branch of Government that will make the ultimate determination of this question.

And we have acceded yesterday to an amendment by the Senator from Kentucky that will allow the expeditious consideration of this matter by the Supreme Court. We feel confident that the Supreme Court will rule in favor of the validity of this legislation if it comes to the Court in its current form.

It is not our responsibility to make a final ruling on this issue. As interested as Members of this body are in the constitutional question, as much as we have tried to inform ourselves, as much as we have researched the issue, clearly

this is an issue that will ultimately be decided by the Supreme Court of the United States. And it is my hope that we will not use the constitutional argument, which must be decided ultimately by the Court, to prevent us from going forward on important campaign finance reform. That decision will be left to the Court ultimately.

And we have, as I say, a provision in bill providing for expedited Court review to determine the constitutionality of this legislation.

I know that the Senator from Kentucky has constitutional concerns. He has raised those questions. I know he has read the Buckley decision and he has researched it thoroughly and presented his point of view on it. But I think, while we could argue this at length, we feel we have devised a system that meets the test of the Buckley case.

Mr. President, I ask unanimous consent to have printed in the RECORD an article from the Brookings Review, entitled "Stopping the Buck Here, the Case for Campaign Spending Limits," by Jonathan Krasno and Donald Green, which goes to these constitutional points.

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

[From the Brookings Review, spring 1993]

STOPPING THE BUCK HERE: THE CASE FOR CAMPAIGN SPENDING LIMITS

(By Jonathan S. Krasno and Donald Philip Green)

Everybody—the public, members of Congress, campaign contributors, and, as always, Common Cause—seems to be dissatisfied with the way congressional campaigns are financed. The call for change is loud and steady. Campaign finance reform is such a prominent issue that all three presidential candidates featured it conspicuously in their campaigns last fall. Now that the days of gridlock are over and Democrats control both Congress and the presidency, supporters of reform are optimistic that this year something will actually get done.

The problem is what to do. Incumbents complain that the current system transforms them from legislators into fundraisers who constantly hunt for money out of the fear that their next opponent will be well-financed. Challengers have a different grievance: they claim that the system is stacked against them in that it allows incumbents to raise funds far more easily than they can. The image of politicians' endless chase for money, fueled by the inevitable articles about this PAC or that, makes an already cynical public even more critical of Congress. The charge that members trade votes for contributions, however, exaggerated, remains a serious concern.

There is a partisan twist to this issue, too. Because Democrats and Republicans raise money from different sources, any change in policy might affect one party more than the other. As a result, beyond agreeing that the existing system is a mess. Democrats and Republicans see eye to eye on little else. Republicans favor party campaign committees and individual contributors. Democrats want to preserve political action committees' and labor unions' role. But the fiercest point of contention is whether to slow the money chase by setting limits on the amount candidates can spend on their campaigns.

Democrats have long maintained that spending ceilings are an essential part of any campaign finance reform package. They claim that limits will both free candidates from the demands of constant fundraising and reduce the influence of monied interests. Republicans are viscerally opposed to spending limits, which they regard as a Democratic ploy that will guarantee the reelection of incumbents and, not coincidentally, a continued Democratic majority in Congress. That belief has derailed campaign finance legislation in the past, and it may prove strong enough to do it again in the current, 103rd Congress.

Last year a far-reaching campaign finance reform bill that included limits on campaign spending passed both the House and the Senate, only to be vetoed by George Bush. With Bill Clinton in the White House, the outlook for enactment will be different. But there is nothing automatic about the bill's prospects. Recent foot-dragging by the Democratic leadership suggests that some members who supported it last year did so knowing that Bush would veto it. The large turnover on Capitol Hill as a result of last fall's elections is another question mark.

The biggest hurdle for campaign reform this year, as in the past, will be the Republicans' conviction—buttressed by the preponderance of academic analysis—that a bill with spending limits is a virtual Incumbent Protection Act. But that view, which for years has stood in the way of campaign finance reform, is simply mistaken. Spending limits will not harm challengers' chances or make congressional elections less competitive.

THE REPUBLICAN CASE FOR UNLIMITED SPENDING

The case against spending limits, no matter who is making it, starts with the image of the almost invulnerable incumbent. And it is a fact that incumbents rarely lose—in the past 10 years, for example, more than 95 percent of House incumbents have won reelection. Among the reasons why are the familiar perquisites of office like the franking privilege, which allows incumbents to flood their constituents' mailboxes with self-serving missives, and the casework incumbents do to cut through government red tape and secure services for their constituents.

The result is an incumbent advantage in voter familiarity, approval, and even affection that is extremely difficult for challengers to overcome. That's where Republicans believe that money comes in. To defeat entrenched incumbents, they reason, challengers must outspend them. In fact, challengers must spend every dollar they can if they are to have any hope of overcoming their political handicap.

Are the Republicans right? Our analysis examines the impact of campaign spending and spending limits in 1,540 House races from 1976 to 1990. This set of races includes each contest in which an incumbent was opposed by a major party challenger in that particular election and in the previous election (we excluded 1982 because of redistricting). We focused our attention on these districts because our statistical analysis relies on historical voting patterns. (Because spending patterns in Senate elections vary so much as a result of population differences among states, we concentrate on House races, but ongoing research on Senate elections points to the same conclusions.)

As it turns out, money is essential for challengers, but they do not necessarily have to spend more of it than incumbents do. Winning challengers spent almost four times more money than the average challenger ($490,000, as compared with $130,000 in 1990 dollars). But among the 66 challengers who won (4.3 percent of the sample), fewer than half (46 percent) managed to outdo the incumbent. Republican conventional wisdom to the contrary, outspending incumbents does not seem to be essential for challengers.

What about all those challengers who lost? They usually ended up swamped in a sea of incumbent dollars. Incumbents outspent challengers by an average of more than $200,000. Designing a policy to protect the rights of the handful of challengers able to raise and spend more money than incumbents ignores the overwhelming majority of challengers who now cannot hope to raise money on that scale. If the Republican goal is to enhance competition, that is not the way to do it. Of course, one may hold out for some sort of system that will help challengers raise more money than incumbents. But hard as it is to imagine how that might be accomplished given the fund-raising advantages that come naturally to incumbents, it is even harder to imagine congressional incumbents passing a law to do it.

THE ACADEMIC ARGUMENT

Opposition to campaign spending limits is not confined to Republicans. Academic analysts of campaign finance, led by the Gary Jacobson of the University of California at San Diego, agree that spending limits would curtail challengers' ability to defeat incumbents. Jacobson has estimated the effects of campaign spending on election results using a model in which the vote is determined by four factors; incumbent spending, challenger spending, the challenger's percentage of votes in the past election, and national tides favoring one party or the other.

One of Jacobson's chief findings is that spending by incumbents has virtually no effect on the results. How can that be? The answer goes back to the image of the invulnerable incumbent. In Jacobson's view, incumbents' advantage in familiarity works against them as far as the productivity of their spending is concerned. Relatively well known to begin with, incumbents have already purchased by means of their other activities, the name recognition and favorable opinion that campaign dollars are meant to buy. By contrast, spending by challengers, who generally begin their campaigns in obscurity, has a substantial effect. As challengers gain prominence, the effect of their spending diminishes. Incumbents basically begin at the point of diminished returns as a result of their other activities.

In such a world, spending limits certainly would adversely affect challengers. Ceilings would restrict the amount they could spend—and the money they spend is the only money that influences the vote. Limits would have no consequences for incumbents, since their spending is essentially wasted.

LET'S TRY THAT AGAIN

Jacobson's view, of course, depends on Jacobson's numbers. Our numbers are different. As we see it, the effect of incumbent spending is substantial—in fact, many times larger than Jacobson estimates. Figure 1 shows the return from spending by incumbents and two types of challengers, a politically experienced one and a novice (the most common type of challenger). Both sorts of challengers receive more bang for their buck than incumbents, but incumbents are far from unable to influence election outcomes.

We reached this conclusion by using a model based on Jacobson's pioneering effort.

To his model we added a fifth variable, challenger quality, which measures the background characteristics of the challenger, such as political experience or celebrity status, that relate to political success. We also make allowances for the fact that politically experienced challengers are able to spend money more effectively than novices. Indeed, as figure 1 shows, challenger spending turns out to be most productive for high-quality challengers, those with the best product to sell.

Most important, our model solves one longstanding difficulty in accurately measuring the impact of incumbent spending. Incumbents are so good at raising money that they can simply raise and spend more when they feel it is necessary. The point at which they decide to spend more, of course, is the moment they sense that they are in some danger of losing. Thus, incumbents tend to spend more the worse they do—which makes it look as though their big spending has little effect on the election results.

We address the problem by using an incumbent's spending in the previous election as a gauge of his or her ability or taste for fundraising. Some representatives, such as Robert Dornan (R-CA) or former member Stephen Solarz (D-NY), are always on the list of top spenders, while William Natcher (D-KY) and Andrew Jacobs (D-IN), are always at the bottom. Compared with other members, these incumbents always spend a lot or a little, regardless of the opposition. By taking these tendencies into account, we can correct for that portion of incumbent spending that is a reaction to a surprisingly strong challenger. This adjustment reduces the number of cases in our analysis—as noted earlier—but the result is an estimate of incumbent spending effects that is sizable and sensible. Clearly, incumbent spending does influence election results, though, as figure 1 shows, its dollar-for-dollar effect is not as large as that of challenger spending. Our finding may come as no surprise to most incumbents, but it is a break from the accepted view among academics. How does it affect conclusions about the effect of spending limits?

WHAT WOULD LIMITS DO?

We can use our model not only to evaluate the effects of campaign spending in past elections, but to simulate what would have happened if spending limits had been introduced. We can, for example, posit a variety of spending ceilings, limit all candidates who spent in excess of the ceilings to those various dollar amounts, and then use our effect estimates to calculate the predicted vote in these 1,540 elections. What we find is that reasonable spending limits would not impair challengers' ability to win elections.

Our conclusion is such a departure from the conventional wisdom that a few words about its underlying logic are necessary. The essential fact about campaign spending in House elections is that incumbents almost always far outspend challengers. The result is that the net impact from incumbent spending is on par with the yield from challenger spending, despite the higher dollar-for-dollar productivity of challenger spending. In other words, when looking at figure 1, it is important to remember that we are not comparing the votes gained by incumbents and challengers at the same level of spending: incumbents usually spend several hundred thousand dollars more. Reasonable limits will aid most challengers by forcing economy on incumbents. Challengers themselves, who do not ordinarily spend beyond most ceilings seriously proposed, will be largely unaffected. To be sure, limits may slightly harm the tiny minority of challengers who can raise money above the spending ceiling, but this small cost is more than offset by improving the chances of other challengers as a result of greater financial parity with incumbents. Moreover, the loss of high-spending challengers is less than one might expect because of the diminishing marginal returns from spending shown in figure 1.

[Charts not reproducible in the RECORD.]

Figure 2 shows how spending limits would affect the vote in House elections. The horizontal gray line marks the predicted vote without limits—the status quo—and the red line is the predicted vote under various spending limits. With a $50,000 ceiling, the mean challenger vote peaks at 34.6 percent, a small gain in competitiveness over the existing system. But the most striking thing is that the average challenger is so badly outspent that even outlawing all campaign spending would be a slight improvement over the current system.

Of course, our concern is not primarily with "average" challengers, since victory remains so far from their grasp, but with challengers who might win. We measured the effect of spending limits on this group (figure 3) by calculating the number of challengers with more than 45 percent of the vote—a point marking the borderline of a close election—under various ceilings. Here low ceilings have adverse effects: limiting spending to less than $200,000 would reduce the number of close races to the number predicted without limits. However, limits at $200,000 or more produce as many or slightly more close races. And of the proposals seriously contemplated, none would set ceilings this low and thus none would impair the ability of challengers to compete against incumbents.

In a nutshell, reasonable limits would not make elections less competitive.

THE EFFECT OF PUBLIC FINANCING

Because of the 1976 Buckley v. Valeo Supreme Court ruling that mandatory campaign spending limits infringe on the right of free speech, spending limits, if enacted, will have to be combined with some sort of public financing to encourage candidates to abide by the limits voluntarily.

What effect does the combination of public subsidies and spending limits have on the prospects for challengers? We tested the impact of three different levels of public financing—outright grants of $100,000 and matching funds of up to $100,000 and $200,000—by adding the appropriate amount to each candidate's spending and calculating their predicted share of the vote. As others have argued, the electoral effect of public funding is unambiguous: challengers benefit enormously. What may be surprising is that sensible spending ceilings have no adverse impact on challengers in such a system.

As figure 4 shows, in terms of mean predicted vote, challengers benefit under all three types of public financing. Once again, challenger vote peaks at relatively low spending limits, then gently declines. At the higher levels contemplated by most lawmakers, challengers continue to do better than they do under the status quo.

Our particular interest, again, is with the top echelon of challengers—those who wage closely contested battles with incumbents. Spending subsidies substantially increase the number of serious challengers (figure 5). All the options yield more competitive challengers than the current system. Of course, surprising the current system is a small feat. What option creates the most competition? The outright grant of $100,000, by providing seed money for impoverished challenger campaigns, would do the best job. Challengers gain under the other subsidy plans as well. In short, the combination of public financing and reasonable spending limits makes for more competitive elections than does the existing system.

One might still imagine an argument against spending limits based on how they might affect each party. Republicans, after all, are convinced that spending limits will hurt them more than Democrats. To test for partisan differences in the effect of spending limits, we used our model to examine the plan passed by Congress and vetoed by Bush last year—$600,000 limits coupled with up to $200,000 in matching funds. As it turns out, both parties' challengers stand to gain from the reform: the number of close races involving Republican challengers increases from 119 to 140; the number involving Democratic challengers, from 69 to 85. Republicans may seize on that as evidence that such a system offers proportionately greater advantages to Democrats than to Republicans, but the difference is small and might be reversed by linking matching funds to individual contributions only and excluding PACs. In the end, it is clear that both parties' challengers would gain from the combination of spending limits and subsidies. Perhaps we should not write this where House incumbents might read it, but the combination of spending limits and subsidies passed by House incumbents last year would have reduced their chances for reelection.

It is important to stress that our findings probably underestimate the beneficial effects of these reforms for challengers. Campaign finance reform that includes public financing may well make it easier for challengers to raise funds from private sources. At the very least, the fact that public financing will help some challengers will inspire potential candidates to oppose incumbents. Currently, just one in seven House challengers has ever held elective office of any kind. Our study shows that not only do experienced candidates look more attractive to voters, they also spend money more effectively.

TOWARD MORE COMPETITIVE ELECTIONS

Insofar as the goal of campaign finance reform is to make elections more competitive, it is clear that reasonable campaign spending limits will not interfere. As usual, the devil is in the details. The cost of campaigning varies considerably across House districts (and far more so, of course, across Senate races). Most House candidates in Los Angeles cannot afford television, and so opt for mail and phone banks. In North Dakota television is relatively inexpensive. Such differences, naturally, could affect the influence of limits. Candidates in expensive districts might need more money than those in districts were it is relatively cheap to run for Congress. But the principles remain the same. Incumbents spend more than challengers, and their spending affects the vote. The financial equality promised by reasonable spending limits remains a step forward for most challengers, whether in Los Angeles or North Dakota. Adjustments might be made to the limits to account for these cost differences, or the pubic subsidies could be structured to allow candidates to take advantage of the mode of campaigning (television, telephoning, mail) that suits them best. This issue is resolvable.

Such complexities do not alter the fundamental fact revealed by our analysis: spending limits would not hinder challengers' ability to contest House elections. Of course, the best argument for spending

limits is based on congressional ethics, not electoral competition. And clearly, public financing would do far more to improve the odds for challengers than spending ceilings. The point is that the conventional wisdom that limits would hinder challengers is wrong. That leaves would-be reformers free to support campaign spending limits on the grounds that they would free candidates from the endless money chase, reduce potential conflicts of interest, and, best of all, help restore public faith in Congress.

(Mr. FEINGOLD assumed the chair.)

Mr. BOREN. Mr. President, let me also turn specifically to the question of a tax-exempt status. We have had discussion raised about the question of the tax that would be collected from campaign committees and whether or not we could grant a tax exemption to those complying candidates.

Let me say that is the issue—whether or not we are able to set conditions in granting special tax privileges or tax-exempt status to any particular organization.

I might say, Mr. President, that is the issue. We are not talking about taxing speech. We are not talking about taxing certain entities. We are talking about whether or not the Congress is empowered to grant a special status, a privileged status, a tax-exempt status to an organization.

The Supreme Court has repeatedly recognized that tax exemption is a matter of legislative grace. The Supreme Court has reasoned that Congress may impose whatever conditions it deems appropriate on the award of tax exemptions as long as the limits are content neutral.

Under a 1983 ruling on taxation without representation in Washington versus Regan, the Court upheld the requirement that to qualify for exemption as a 501(3)(c) organization, charitable organizations must restrain from substantial lobbying. While recognizing the organization's constitutional right to lobby, the Court held that Congress is not constitutionally required to subsidize that right through tax exemption.

So I think it is very clear that, while political organizations may have a constitutional right to make unlimited campaign expenditures, Congress is not constitutionally required to subsidize those expenditures through tax exemption.

And I point out this proposal does not discriminate among candidates on the basis of party affiliation or political beliefs. So it meets the test of neutrality. It meets the test under previous Court decisions, such as in the Regan case that I cite, that allow Congress the ability to decide what conditions should be imposed for the granting of special tax privileges.

Mr. President, I would like to turn now briefly from the point that has been raised in terms of the constitutionality that will be raised in the point of order shortly by my colleague from Kentucky to also talk for just a moment about the pending Nickles amendment, which would do away with the 50-percent discount for candidates under the bill in terms of broadcasting costs.

Let me say, we have been very careful to try not to go too far. And my colleagues will recall that when we have had provisions on the floor calling for free broadcast time, I have opposed those amendments because I think we should take this one step at a time in making sure that we are not being unfair to the broadcast industry. That is the reason we have held this to 50 percent, even though there have been proposals—the distinguished minority leader, Senator DOLE, and others who have argued at other times for totally free broadcast time—we have talked about a 50-percent discount in the lowest unit rate.

There is no question that we, again, have the right to do this. We grant a license to broadcasters. The people own the airwaves. The people grant that license to a particular broadcasting company. They are able to receive a substantial economic benefit by being given that exclusive license and, therefore, we have held for many, many years that we should have the right to impose conditions on the granting of those licenses. And, surely, one of the reasonable conditions would be to make sure that the American people, through the airwaves, are able to obtain information about candidates and issues in campaigns before they go to the polls to vote.

Mr. President, this issue strikes at the very heart of the bill before us. We all know that if we are to have spending limits in campaigns, if we are to stop the money chase in American politics, there must be sufficient incentives in place to induce candidates under the Supreme Court decision to voluntarily accept these spending limits.

This is perhaps the most critical of all of the benefits that would be conveyed to those candidates who accept spending limits. This is one of the most important, if not the most important, inducements to candidates to accept spending limits.

So, Mr. President, the issue with the Nickles amendment is the spending limits themselves.

As I have said over and over again, we have waited year after year after year to do something meaningful about campaign finance reform. We have waited year after year to stop the money chase in American politics. And as more and more money has flowed into campaigns—$300 million, $400 million, $600 million flowing into campaigns—more and more of it from special interest groups, more and more from political action committees, distorting the political process more and more, because the money goes to incumbents at the rate of 3 to 1 over challengers. And the American people see that, and the American people no longer believe that this institution belongs to them. They believe that it belongs to the special interests. They believe that it belongs to the special interests, and those who can pour the money into campaigns.

Mr. President, how long are we going to wait before we take action to stop the money chase in American politics and return Government back to the people again? This is our chance. We will have this chance this afternoon in a very few minutes, to cast a vote to finally begin to restore confidence in this institution, to restore American politics to being a contest between those who have ideas that will help solve the Nation's problems, a contest based on qualifications, a contest based upon a discussion of the issues related to the future of this country instead of a contest primarily based upon which candidate can raise the most money in a campaign.

Let us stop the money chase. Let us return integrity to the institution. Let us store the broken trust between the American people and the Congress of the United States. We are the trustees of this institution. We are the only people who have a vote on it.

Well over 80 percent of the American people say they want spending limits, they want to cut out the influence of so much money pouring into political campaigns. They do not have a vote today. We have a vote today. We are the trustees of this institution. We have a chance, speaking for the American people, acting for the American people, to put spending limits in place and to shut off the money chase in American politics. Let us not miss that opportunity. Let us not fail to meet our responsibility to the American people.

I urge my colleagues to vote down this amendment which would strike at the heart of our proposal to limit runaway spending in campaigns. I urge my colleagues to vote against the constitutional point of order that has been raised.

Let us take this important step in the right direction to bring reform, real reform to the American political system.

Mr. MCCONNELL. Mr. President, what is the pending business?

The PRESIDING OFFICER. The pending question is the Nickles amendment, amendment No. 465.

Mr. MCCONNELL. Mr. President, I ask unanimous consent the Nickles amendment be temporarily laid aside.

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

Mr. MCCONNELL. Mr. President, I earlier outlined all the constitutional flaws in the underlying bill which go to the heart of the bill and infect nearly every one of its major provisions. I now

raise a point of order against S. 3, as amended, on the ground it violates the first amendment of the U.S. Constitution, and I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. MCCONNELL. Senator BOREN's citation of the Regan case is not on point, because the count was reviewing whether the Government could decide not to subsidize speech, as a general proposition. In that case, and particularly in Rust versus Sullivan, The Court made clear that if the Congress had made an affirmative decision to grant a tax exemption for speech-related activity, it could not then seek to use that exemption to restrict the scope or content of the speech itself. Justice O'Connor, writing in the Rust case, made it clear that if the title X funds in question had been appropriated for the purpose of subsidizing speech, instead of family planning services, she would be obliged to strike the content-based restrictions imposed by Federal regulations adopted during the Reagan administration.

The Exon-Durenberger tax without question imposes discriminatory tax treatment on campaign committees, based on candidates' constitutionally protected right to speak freely and without regard to Government-imposed speech spending limits. Unlike the denial of tax exemption involved in the Regan case, where the Government had decided as a general matter not to subsidize speech with a tax exemption, the Exon-Durenberger amendment represents a boldfaced attempt to coerce candidates to limit their speech—in violation of their constitutional rights—by selectively extending tax exemption only to those candidates who agree to surrender their first amendment freedom. Such obvious discriminatory treatment—aimed directly at the exercise of constitutionally protected freedoms—is blatantly hostile to the first amendment and cannot withstand constitutional scrutiny. The Regan case has no bearing in this case, because the Court already has signaled a constitutional distinction between a Government decision not to subsidize speech generically, and a Government decision to actively punish certain expressions of speech, based on its scope or content.

The PRESIDING OFFICER. Under the precedents and practices of the Senate, the Chair has no power or authority to pass on such a point of order. The Chair, therefore, under the precedents of the Senate, submits the question to the Senate. Is the point of order well taken?

The yeas and nays have been ordered. The clerk will call the roll.

The bill clerk called the roll.

Mr. DOLE. Mr. President, I announce that the Senator from Wyoming [Mr. SIMPSON] is necessarily absent today due to the death of his father.

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

I further announce that, if present and voting, the Senator from Wyoming [Mr. SIMPSON] would vote "yea."

The yeas and nays resulted—yeas 39, nays 59, as follows:

[Rollcall Vote No. 156 Leg.]

YEAS—39

Bennett	Gorton	Mack
Bond	Gramm	McConnell
Brown	Grassley	Murkowski
Burns	Gregg	Nickles
Coats	Hatch	Packwood
Cochran	Hatfield	Pressler
Coverdell	Heflin	Roth
Craig	Helms	Shelby
D'Amato	Hollings	Smith
Danforth	Hutchison	Stevens
Dole	Kempthorne	Thurmond
Domenici	Lott	Wallop
Faircloth	Lugar	Warner

NAYS—59

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

NOT VOTING—2

Simpson	Specter

The PRESIDING OFFICER. The point of order is not sustained.

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

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

The motion to lay on the table was agreed to.

AMENDMENT NO. 465

Mr. BOREN. Mr. President, I move to table the pending Nickles amendment and ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is not a sufficient second.

Mr. BOREN. Mr. President, I request again the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion. The yeas and nays have been ordered. The clerk will call the roll.

The legislative clerk called the roll.

Mr. DOLE. Mr. President, I announce that the Senator from Wyoming [Mr. SIMPSON], is necessarily absent today due to the death of his father.

I also announce that the Senator from Delaware [Mr. ROTH], is necessarily absent.

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

I further announce that, if present and voting, the Senator from Wyoming [Mr. SIMPSON], would vote "nay."

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

The result was announced—yeas 53, nays 44, as follows:

[Rollcall Vote No. 157 Leg.]

YEAS—53

Akaka	Feingold	Mikulski
Baucus	Feinstein	Mitchell
Biden	Ford	Moseley-Braun
Bingaman	Glenn	Moynihan
Boren	Graham	Murray
Boxer	Harkin	Nunn
Bradley	Inouye	Pell
Breaux	Jeffords	Pryor
Bumpers	Johnston	Riegle
Byrd	Kassebaum	Robb
Campbell	Kerrey	Rockefeller
Chafee	Kerry	Sarbanes
Cohen	Lautenberg	Sasser
Conrad	Leahy	Shelby
Daschle	Levin	Simon
Dodd	Lieberman	Wellstone
Dorgan	Mathews	Wofford
Durenberger	Metzenbaum	

NAYS—44

Bennett	Faircloth	Lugar
Bond	Gorton	Mack
Brown	Gramm	McCain
Bryan	Grassley	McConnell
Burns	Gregg	Murkowski
Coats	Hatch	Nickles
Cochran	Hatfield	Packwood
Coverdell	Heflin	Pressler
Craig	Helms	Reid
D'Amato	Hollings	Smith
Danforth	Hutchison	Stevens
DeConcini	Kempthorne	Thurmond
Dole	Kennedy	Wallop
Domenici	Kohl	Warner
Exon	Lott	

NOT VOTING—3

Roth	Simpson	Specter

So the motion to table the amendment (No. 465) was agreed to.

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

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

The motion to lay on the table was agreed to.

Mr. CHAFEE. Mr. President, after spending nearly 3 weeks considering campaign finance reform legislation, we are about to pass a good bill. As you know, I believe the bill that was first brought before us had several serious problems. That is why I joined with Senators JEFFORDS, COHEN, DURENBERGER, and MCCAIN to try to solve some of those problems.

We set forth nine principles that we believed should be included in any package that is labeled campaign reform. Let me take a moment to review the nine points:

We were successful in our effort to ban, or at least to limit to $1,000, contributions from political action committees.

We insisted that the same rules must apply to both the House and the Senate. To accomplish this we made certain that the restrictions on contributions from PAC's are applied to both

bodies. Similarly, we have made restrictions on the use of the frank during election years, the same in both the House and Senate.

We have solved the very difficult and complex issue of soft money. Now, all money that is spent to influence the outcome of Federal elections will be reported to the Federal Elections Commission [FEC]. We were able to go one step further and to require advance notice to candidates when these soft-money activities were going to occur and give the candidates who would be affected some recourse to respond.

Unfortunately we were not able to get agreement on the amendment offered by Senators COHEN and DOMENICI that would require candidates to raise the bulk of their funds from in-State contributions. Perhaps that is an issue that will have better success in the House.

We were successful in prohibiting out-of-State fundraising except during the 2 years prior to a candidate's election. This should reduce the amount of time that is taken up by fundraising activities.

Our amendment on severability was not acceptable to the majority, but it is my hope that in conference the ambiguities that exist in the current bill will be worked out.

Senator MCCAIN's amendment to limit the amount of money that can be repaid to a candidate who makes loans to his or her own campaign was not accepted. But an amendment by Senator WELLSTONE to limit the amount of money a candidate can contribute, to his or her own campaign, to $25,000 may help to address that point.

The Durenberger-Exon amendment allowed us to avoid public financing except under the most restricted circumstances.

Finally, the Durenberger-Exon amendment includes a revenue source, the tax on non-complying campaign committees.

All in all, I would say that we started with a bill that failed to address some of the major problems with our current system of campaign financing and then asked the taxpayers to pick up the check. Now, we have legislation that limits the influence of special interest groups, closes the loopholes that allowed undisclosed and unregulated money to flow into the system, apply the same set of rules to candidates for both the House and the Senate, encourage us to do our fundraising at home, and minimizes the cost to taxpayers.

Finally, it is my hope that we will be able to come to some resolution on the issue of changing the composition of the Federal Election Commission that does not favor one party over another. This is a critical issue for many of my colleagues, and I believe a valid one. Certainly, the FEC should be able to act decisively in order fairly to enforce Federal campaign laws. However, I do not believe that either of the major political parties should be made the driving force for deciding FEC cases.

I hope that the House of Representatives takes our efforts here seriously. If a bill comes back to use from conference that fails to include the provisions that we have agreed to here, it would be highly unlikely that I would support the conference report.

Mr. DURENBERGER. Mr. President, I rise in support of S. 3, the campaign finance bill as amended.

Let me say at the outset, and I think it is well known, that I am not in love with this bill as it stands. That may put me in company with a large number of Senators.

The key objection that I, and others, raised to the bill as introduced was that it was not a campaign reform bill, as much as a taxpayer financed election bill. While some of my colleagues believe that taxpayer financing is a part of reform, I believe that a bill based on taxpayer financed election campaigns of the kind I have experienced would only serve to undermine further the confidence of the American people that we are here to serve their interests, rather than our own.

I went into this process looking for a better way.

My main goal was not the negative one of eliminating public financing. That was a detail. I entered this debate looking for two things: greater involvement in our campaigns by our constituents and a level playing field for our challengers.

With the current bill I think we take great strides to accomplish this.

First, we create strong incentives for candidates to accept reasonable spending limits. This provision will go as far as the Constitution allows to prevent someone from buying an election either with personal wealth or with the wealth conferred on incumbents by grateful interests.

Second, we greatly reduce the Washington money chase, an activity engaged in almost exclusively by incumbents, by eliminating PAC contributions, limiting contributions from lobbyists, and limiting fundraising out of the election cycle to our home States.

Third, we require disclosure of the so-called soft money. This provision recognizes the rights of groups and individuals to influence elections, but also recognizes the right of the voters to know who is doing the influencing.

Fourth, we place serious, unambiguous limits on the use by incumbents of the public money available only to us through the franking privilege. Henceforth the public will know that the money provided to incumbents to conduct legitimate business will not be used to give the incumbent an unfair electoral advantage.

The sum of these provisions is that the contributions of individual voters are enhanced at the expense of the contributions of special interest. The old saying of the political fundraiser is: "Money talks, early money shouts." Under the provisions of this bill, the small contributors become the loudest voice in campaign financing, that is as it should be.

So this bill meets my expectations about enhancing the role of the individual voter.

In addition, the sum of the provisions of this bill gives challengers a more level playing field. Incumbents will always have advantages in name recognition, experience, and campaign infrastructure. There is nothing we can do about that.

But this bill eliminates the incumbent advantages that come with the special interests in Washington, the use, and occasional misuse, of the taxpayer money that we all get to run our offices, and the head start that we, in the Senate, get during the 4 years out of the election cycle.

My second goal, then, of leveling the playing field, is accomplished in this bill.

I said that I am not in love with this bill. My principal problem with it is that it leaves open the door that in some rare cases, where a candidate has grossly exceeded spending limits, some tax money may find its way into the campaign coffers of his or her opponent. I think that is unnecessary spending limit reform, but it was necessary to get this bill passed. I am reluctantly accepting that compromise because I believe that under the provisions of this bill taxpayer financing of any of congressional campaigns will be extremely rare.

I am made more willing to accept this remote chance of a taxpayer subsidy of campaigns because we removed the prospect of enormous tax subsidies flowing into campaigns. As originally introduced, this bill would make the taxpayer—involuntarily—the largest contributor to our campaigns, to the tune of nearly $500 million every election. Had that survived, I believe the taxpayers of this country would have reacted strongly and negatively against the Senate for filling the campaign coffers at the expense of more worthwhile programs.

Under the bill, as amended, the public financing only occurs if one candidate chooses to grossly overspend, and even then, is less costly and partially funded by the tax on campaign committees. I believe this compromise was worth it to achieve the good parts of this bill.

My other regret over this bill is that the Senate did not accept the amendment of the Senators from Maine and New Mexico which would reduce the amount of money we can raise from out-of-State contributors. This practice, available much more widely to incumbents than to challengers, remains

as one of the principle incumbent advantages as well as a source of frustration for our constituents who can feel distant from an elected representative financed by people from other parts of the country. It is a great disappointment to me, and a serious flaw in this bill, that those amendments were not accepted.

Finally, I want to say a few words about the process from here out. When the President unveiled his campaign finance reform proposal, I was disappointed. I felt it was lukewarm reform. It was written by Democrats trying to accommodate differences among Democrats. It did not seriously limit special interest money, it created a confusing and unworkable set of rules different for the House than for the Senate. And it proposed to bill the American taxpayer for financing of campaigns.

There will be a strong temptation among interest groups to make drastic changes in this bill in the House and in the conference committee. I, of course, do not presume to tell our colleagues in the House how to vote. But I wish to serve notice on the Senate and particularly on Senate conferees that I have no qualms about withholding my support from the conference report if it does not accomplish the kinds of reform contained in this bill or if it relies on public subsidies of our campaigns.

If we focus on what the people want, rather than what is in our own personal, partisan, political best interest, we will have campaign reform worthy of the name.

Mr. LEVIN. Mr. President, this reform in the way congressional campaigns are financed is a critical step toward raising the American people's low confidence in the integrity of their elected officials and institutions. Yesterday's 12th vote in the last 6 years to bring an end to a filibuster was a critical breakthrough, and I am proud to have helped craft the final compromise this year that broke the deadlock.

We are now ready to enact major election law reforms which we have repeatedly proposed since the mid-1980's. They include curbing the money chase by setting limits on how much candidates can spend in campaigns, cutting back on special interest money in the form of PAC contributions, eliminating the unregulated soft money loophole, keeping lobbyists out of political fundraising, and strengthening enforcement by the Federal Election Commission.

Senator JIM EXON and I worked closely with Majority Leader GEORGE MITCHELL and floor manager Senator DAVID BOREN in developing a set of incentives for candidates to agree to spending limits. In campaign finance reform, the three most important factors are limits on spending, limits on spending, and limits on spending. The limits in this bill will cut the amount of spending by the average Senator running for reelection by over 30 percent, and greatly leveling the playing field for challengers, who rarely are able to match the incumbent's spending level.

I ask unanimous consent that I be allowed to insert tables which address the issue of whether challengers or incumbents will be affected more by this legislation. It has been charged by some that this legislation is an incumbent's protection act. But, let us look at the facts. In the 82 Senate races in the last 4 election cycles, 1986–92, in which the race was competitive, the incumbents would have been affected by these spending limits in 59 races or 72 percent of the time. A competitive race for the purposes of this table is one in which 1 candidate outspent the challenger by 10 times or more or in which the winning candidate won with 67 percent of the vote or more. During the same period, the challengers would have been affected by these spending limits in 18 races or 22 percent of the time. In fact, of those 18 races in which the challenger would have been affected by the spending limits, in all but 5 of them the incumbent spent even more than the challenger. In other words, in all but 5 of those 18 races the incumbent would have been hurt more than the challenger. To give a concrete example of how an incumbent could be affected more than a challenger, the spending limit under this legislation for my State of Michigan would be more than $3 million less than I spent in my last race in 1990, but higher than the amount my opponent was able to raise.

I cosponsored the leadership bill when it was first introduced this year and voted repeatedly for cloture on that bill. When those efforts failed, we brought forward our proposed mix of incentives. They include a system of backup public financing to help candidates who agree to abide by spending limits but face opponents who do not adhere to those limits or last-minute attacks by third parties. We also would deny a tax exemption for campaign receipts for candidates who refuse to abide by spending limits, and would eliminate the bill's proposal to provide up front Federal subsidies to campaigns. Our amendment won the support of enough Republican Senators so that on the third try we were able to win the 60 votes necessary to bring an end to debate and send the bill on to the House.

With President Clinton's leadership, I am more confident than I have ever been that this is the year we will see enactment of significant changes in the discredited way campaigns are financed in America.

This bill is our one best chance to make significant reforms and finally limit the money spent on campaigns and to limit the money chased for campaigns.

We must not squander the first real opportunity in a decade for change.

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

1986–92 SENATE RACES AND CAMPAIGN SPENDING

[By candidates and by political parties under 441(A)(D)]

Year	State	Dem. vote (percent)	Dem. candidate	Dem. spending	GOP candidate	GOP spending	S. 3 total allowed spending
			WINNING DEMOCRATIC CHALLENGERS [1]				
1992	CA	55	Feinstein	$9,375,962	Seymour	$9,299,760	$11,105,025
1986	FL	55	Graham	6,392,936	Hawkins	7,843,585	6,775,787
1986	NC	52	Sanford	4,514,408	Broyhill	5,591,765	3,999,461
1988	NE	57	Kerrey	3,564,322	Karnes	3,415,805	2,316,737
1986	SD	52	Daschle	3,543,078	Abdnor	3,493,695	2,241,717
1988	NV	50	Bryan	3,046,038	Hecht	3,632,354	2,296,702
1986	GA	51	Fowler	2,998,348	Mattingly	5,854,317	3,861,462
1988	CT	50	Lieberman	2,793,879	Weicker	2,907,544	2,469,738
1992	WI	53	Feingold	2,409,289	Kasten	6,397,326	3,136,214
1986	AL	50	Shelby	2,362,511	Denton	5,119,344	2,724,178
1986	WA	51	Adams	2,047,962	Gorton	4,042,083	3,180,267
1990	MN	52	Wellstone	1,470,708	Boschwitz	8,189,318	2,871,390
1986	ND	50	Conrad	976,444	Andrews	2,457,492	2,236,822
			Average of 13 races	3,499,683	Democratic challenger outspent in 10 of 13 races	5,249,568	
			WINNING REPUBLICAN CHALLENGERS [2]				
1992	GA	49	Fowler	$6,052,835	Coverdell	$4,264,988	$3,861,462
1992	NC	48	Sanford	5,197,154	Faircloth	3,514,886	3,999,461
1988	MT	48	Melcher	1,551,916	Burns	1,167,321	2,252,076
			Average of 3 races	4,267,302	Republican challenger outspent in 3 of 3 races	2,982,398	

1986–92 SENATE RACES AND CAMPAIGN SPENDING—Continued

[By candidates and by political parties under 441(A)(D)]

Year	State	Dem. vote (percent)	Dem. candidate	Dem. spending	GOP candidate	GOP spending	S. 3 total allowed spending
			LOSING DEMOCRATIC CHALLENGERS [3]				
1988	CA	44	McCarthy	$8,846,549	Wilson	$16,533,739	$11,105,025
1990	NC	48	Gantt	8,301,218	Helms	18,256,579	3,999,461
1992	NY	49	Abrams	7,901,762	D'Amato	13,063,501	8,577,259
1992	PA	49	Yeakel	5,863,822	Specter	11,463,695	6,157,954
1988	FL	50	MacKay	4,341,698	Mack	6,040,272	6,775,787
1986	PA	43	Edgar	4,180,517	Specter	7,234,715	6,157,954
1990	KY	48	Sloane	3,287,704	McConnell	5,676,964	2,549,411
1988	RI	45	Licht	2,968,750	Chafee	3,110,312	2,271,884
1992	OR	48	AuCoin	2,824,849	Packwood	8,277,176	2,435,700
1988	MN	41	Humphrey	2,762,853	Durenberger	7,167,590	2,871,390
1986	OK	45	Jones	2,657,352	Nickles	3,532,502	2,452,093
1988	DE	38	Woo	2,321,403	Roth	2,067,430	2,242,855
1986	ID	48	Evans	2,176,871	Symms	3,437,090	2,268,697
1990	CO	43	Heath	2,027,675	Brown	3,955,067	2,475,544
1986	NY	41	Green	1,818,531	D'Amato	9,865,827	8,577,259
1990	TX	38	Parmer	1,797,087	Gramm	13,565,272	7,903,213
1992	IN	42	Hogsett	1,786,678	Coats	4,255,592	3,455,648
1990	ME	39	Rolde	1,718,778	Cohen	1,734,182	2,289,757
1990	OR	46	Lonsdale	1,691,086	Hatfield	2,960,926	2,435,700
1992	OK	38	Lewis	1,542,147	Nickles	3,748,746	2,452,093
1986	WI	47	Garvey	1,528,756	Kasten	4,219,992	3,136,214
1990	SD	45	Muenster	1,423,460	Pressler	2,236,738	2,241,717
1992	MO	46	Rothman-Ser	1,416,674	Bond	5,439,745	3,250,115
1990	IN	46	Hill	1,179,247	Coats	3,984,516	3,455,648
1992	AK	38	Smith	1,016,531	Murkowski	2,021,239	2,229,650
1990	ID	39	Twilegar	643,477	Craig	1,752,804	2,268,697
1988	WY	50	Vinich	578,856	Wallop	1,542,997	2,221,340
1986	AK	44	Olds	474,121	Murkowski	1,600,306	2,229,650
1986	IA [4]	34	Roehrick	256,673	Grassley	2,944,228	2,420,560
1986	IN [4]	38	Long	127,187	Quayle	2,427,988	3,455,648
1986	OR [4]	36	Bauman	64,139	Packwood	7,491,360	2,435,700
1990	WY [4]	36	Helling	7,543	Simpson	1,527,743	2,221,340
1988	MO [4]	32	Nixon	962,046	Danforth	4,338,470	3,250,115
1988	PA [4]	32	Vignola	528,236	Heinz	6,043,105	6,157,954
1992	IA [4]	28	Lloyd-Jones	446,649	Grassley	2,714,613	2,420,560
1990	NH [4]	33	Durkin	419,179	Smith	1,520,731	2,278,601
1992	AZ [4]	32	Sargent	310,481	McCain	4,066,802	2,541,084
1988	IN [4]	32	Wickes	308,736	Lugar	3,412,601	3,205,656
1986	NH [4]	32	Peabody	307,760	Rudman	1,276,922	2,278,601
1992	KS [4]	32	O'Dell	285,393	Dole	3,542,989	2,393,921
1988	UT [4]	32	Moss	154,775	Hatch	4,206,995	2,315,941
1990	NM [4]	27	Benavides	38,510	Domenici	2,360,387	2,310,704
1986	UT [4]	27	Oliver	24,508	Garn	883,977	2,135,941
1990	KS [4]	26	Williams	16,627	Kassebaum	586,601	2,393,921
1990	SC [4]	34	Cunningham	6,232	Thurmond	2,592,438	2,486,587
			Average of 45 races	1,854,069		4,904,077	
			Average 28 compet. races	2,985,485		7,984,116	

[4] Indicates non-competitive: outspent by 10x or less than 33% of vote.

Dem. challenger outspent in 44 of 45 races.

			LOSING REPUBLICAN CHALLENGERS [3]				
1990	NJ	51	Bradley	$12,792,729	Whitman	$1,204,388	$8,763,866
1986	CA	50	Cranston	12,669,887	Zschau	13,443,398	11,105,025
1988	TX	59	Bentsen	9,895,941	Boulter	2,439,787	7,903,213
1990	IL	65	Simon	9,676,099	Martin	5,791,610	5,848,790
1988	OH	57	Metzenbaum	9,561,960	Voinovich	9,100,722	5,625,246
1988	NJ	54	Lautenberg	8,625,295	Dawkins	8,154,283	8,763,866
1990	MA	57	Kerry	8,540,095	Rappaport	5,637,963	3,720,268
1990	MI	58	Levin	7,362,323	Schuette	3,103,672	4,964,754
1990	LA	54	Johnston	5,954,105	Duke	2,615,267	2,722,926
1990	IA	54	Harkin	5,866,462	Tauke	5,272,879	2,420,560
1992	OH	55	Glenn	5,597,005	DeWine	3,950,196	5,625,246
1988	NY [4]	67	Moynihan	5,519,972	McMillan	753,908	8,577,259
1992	CT	61	Dodd	4,718,586	Johnson	2,674,444	2,469,738
1992	SC	51	Hollings	4,300,881	Hartnett	1,176,493	2,486,587
1988	NM	63	Bingaman	4,067,526	Valentine	756,573	2,310,704
1992	SD	66	Daschle	4,037,204	Haar	588,901	2,241,717
1992	MD [4]	71	Mikulski	3,636,992	Keyes	1,175,682	3,144,973
1990	AL	61	Heflin	3,606,293	Cabaniss	2,168,352	2,724,178
1988	MI	60	Riegle	3,596,180	Dunn	642,439	4,964,754
1992	HI	58	Inouye	3,527,878	Reed	438,851	2,282,585
1988	TN	65	Sasser	3,441,466	Andersen	944,453	3,190,732
1992	NV	52	Reid	3,368,763	Dahl	582,364	2,296,702
1992	FL [4]	66	Graham	3,319,129	Grant	245,577	6,775,787
1988	AZ	57	DeConcini	3,021,425	DeGreen	465,819	2,541,084
1988	MA	65	Kennedy	2,993,838	Malone	1,001,679	3,720,268
1992	AL [4]	66	Shelby	2,893,702	Sellers	149,578	2,724,178
1990	WV [4]	69	Rockefeller	2,822,799	Yoder	33,710	2,340,416
1990	DE	63	Biden	2,718,340	Brady	341,229	2,242,855
1986	CT	65	Dodd	2,689,385	Eddy	566,889	2,469,738
1986	IL	65	Dixon	2,659,194	Koehler	1,414,236	5,848,790
1990	MT [4]	70	Baucus	2,625,052	Kolstad	844,610	2,252,076
1990	NE	59	Exon	2,523,345	Daub	1,570,964	2,316,737
1990	RI	62	Pell	2,470,015	Schneider	2,156,797	2,271,884
1986	SC	63	Hollings	2,394,646	McMaster	795,844	2,486,586
1992	KY	64	Ford	2,329,469	Williams	336,304	2,549,411
1988	ND	59	Burdick	2,252,040	Strinden	998,405	2,236,822
1992	LA [4]	73	Breaux	2,017,203	Stockstill	20,000	2,722,926
1992	AR	60	Bumpers	2,016,268	Huckabee	1,103,110	2,385,497
1990	TN	70	Gore	1,984,872	Hawkins	6,510	3,190,732
1990	HI	54	Akaka	1,868,339	Saiki	2,499,521	2,282,585
1986	VT	63	Leahy	1,837,584	Snelling	1,589,506	2,232,496
1986	AR	62	Bumpers	1,800,828	Hutchinson	1,088,782	2,385,497
1990	OK [4]	83	Boren	1,610,921	Jones	140,912	2,452,093
1988	MD	62	Sarbanes	1,586,168	Keyes	976,855	3,144,973
1986	OH	62	Glenn	1,512,009	Kindness	1,279,173	5,625,246
1988	ME [4]	81	Mitchell	1,471,526	Wyman	239,884	2,289,757
1986	HI [4]	74	Inouye	1,415,484	Hutchinson	31,843	2,282,585
1986	KY [4]	75	Ford	1,321,029	Andrews	63,822	2,549,411

1988	WV	65	Byrd	1,282,846	Wolfe	244,505	2,340,416
1992	VT	56	Leahy	1,244,872	Douglas	307,035	2,232,496
1988	HI[4]	77	Matsunaga	790,710	Hustance	33,325	2,282,585
			Average of 51 races	3,957,582		1,826,728	
			Average 38 compet. races	4,505,211		2,353,258	
			OPEN SEATS WON BY DEMOCRATS				
1992	CA	48	Boxer	$11,997,706	Herschenso	$10,103,716	$11,105,025
1988	WI	52	Kohl	7,491,600	Engeleiter	3,179,452	3,136,214
1992	IL	55	Braun	7,036,442	Williamson	3,096,475	5,848,790
1986	CO	50	Wirth	3,845,699	Kramer	3,972,072	2,475,544
1986	LA	53	Breaux	3,040,813	Moore	6,239,172	2,722,926
1988	VA[4]	71	Robb	3,031,666	Dawkins	628,674	3,800,480
1986	MD	61	Mikulski	2,215,922	Chavez	1,892,760	3,144,973
1986	NV	50	Reid	2,068,173	Santini	2,751,561	2,296,702
1992	CO	55	Campbell	1,805,846	Considine	2,491,217	2,475,544
1992	WA	55	Murray	1,720,983	Chandler	2,913,341	3,180,267
1992	ND	60	Dorgan	1,714,327	Sydness	608,566	2,236,822
			Average of 11 races	4,129,925		3,443,374	
			Average 10 compet. races	3,343,147		2,777,329	
			OPEN SEATS WON BY REPUBLICANS				
1986	MO	47	Woods	$4,425,623	Bond	$5,718,653	$3,250,115
1988	MS	46	Dowdy	2,523,059	Lott	3,572,142	2,396,425
1988	WA	49	Lowry	2,496,279	Gorton	3,162,129	3,180,267
1992	UT	42	Owens	2,014,750	Bennett	4,148,862	2,315,941
1992	ID	43	Stallings	1,327,457	Kempthorne	1,414,872	2,268,697
1992	NH	48	Rauh	938,967	Gregg	986,154	2,278,601
1986	AZ	40	Kimball	597,698	McCain	2,576,939	2,541,084
1988	VT[4]	30	Gray	576,208	Jeffords	968,877	2,232,496
			Average of 8 races	1,862,505		2,819,829	
			Average 7 compet. races	2,046,262		3,084,250	
			Average of 19 open seats	3,175,222		3,180,823	
			Average 17 compet. races	2,740,057		2,867,910	
			INCUMBENT RACES WITHOUT CHALLENGERS OR UNFUNDED				
1990	GA[4]	100	Nunn	$1,245,052		$0	$3,861,462
1990	AR[4]	100	Pryor	850,503		0	2,385,497
1990	AK[4]	33	Beasley	455	Stevens	1,734,346	2,229,650
1990	VA[4]	0		0	Warner	1,397,548	3,800,480
1990	MS[4]	0		0	Cochran	693,907	2,396,425
1986	KS[4]	30	MacDonald	0	Dole	1,791,629	2,393,921
			Average of 137 races	2,962,794		3,336,433	
			Average of 99 competitive races[4]	2,918,390		3,824,053	

[1] Dem. challenger outspent in 10 of 13 races.
[2] Rep. challenger outspent in 3 of 3 races.
[3] Dem. challenger outspent in 44 of 45 races.
[4] Indicates non-competitive: Outspent by 10x or less than 33% of vote.

Note.—Of 112 challengers, 16 won; 4 of the 16 outspent incumbents; 3 of the 4 were Democrats. In 19 open seats, winner outspent loser in 13 races; of those 13, 6 were Democrats, 7 Republicans. 56 Democratic incumbents outspent their challengers by an average of $1,993,658 or 108 percent. 62 Republican incumbents outspent their challengers by an average of $2,672,674 or 129 percent.

Mrs. MURRAY. Mr. President, we have spent more than 4 weeks on this legislation. We have cast more than 50 votes. The majority leader has put a tremendous amount of his own time and effort into this bill.

Unfortunately, I think the American people will be disappointed that all this debate produced so little. It's like bringing your car into the shop for a 50,000-mile overhaul, and getting an oil change. What we have given the American people is only a small step toward campaign finance reform. Even if we had worked on this for another month, I am not sure we would have been able to do any better.

Under this bill, incumbents and opponents may choose to abide by voluntary spending limits. For a Senate race in the State of Washington, this amount is about $2.5 million. But a candidate does not have to adhere to the voluntary limits. He or she can choose to raise as much money as possible, just like we do today. And although PAC's may no longer contribute to candidates, a wealthy individual can still assure his big check gets into his candidate's warchest.

The only real disincentive to ignoring the voluntary limits is that your campaign will be taxed at the highest corporate rate and that money will go to your opponent to help make up the difference. How this will work in the real world is impossible to figure out. When the final expenses for phones and consultants and rent are not received until weeks after the election is over, how does one know if the limits have been exceeded? Victorious candidates sometimes find their consultants remember expenses for which they had not billed the candidate. Should we require the phone company or the office building to bill campaigns on a daily basis? How will a candidate know if or when her opponent has exceeded the voluntary spending limits? What will she be able to do about it? Suppose a candidate exceeds the limits, but contests the IRS ruling? Does his opponent get any extra funding at all? Who really knows?

For the American people, campaign finance reform is not about setting limits on spending or giving out vouchers for television time. It is about not having to watch all those negative television ads in the final weeks of an election. It means not coming home each evening to a mailbox jammed with campaign trash. Dirty campaigns will not be eliminated by institutional changes, but by the candidates themselves. This bill offers incremental reform. It takes us one step forward. And even one step toward reform is better than staying where we are.

Finally, a word about EMILY's List. When I announced to run for the Senate I was, in a competitive sense, an unknown. When EMILY's List endorsed my candidacy it gave me a boost that was more important than money. It gave me credibility, which political, business and labor people and the general public all understood. Certainly, the money it raised in mostly $100 checks also helped. EMILY's List is an extremely important factor in changing the face of this institution and should be allowed to continue. To take away the opportunity for women and minority candidates to run would not be reform.

Ms. MIKULSKI. Mr. President, the goal we are seeking with campaign reform is a goal I have fought for all my life—empowering people. I believe that the way to empower our voters is reduce the influence of big money fundraising and prove to the people who elected us that we work for them. Campaign reform should make votes count, not influence.

When I first ran for office I challenged two political machines.

I won by using 110 percent of my own energy and 110 pairs of shoes. I beat those political machines by going door-to-door and I did it for a reason. I wanted to win for those who had been left out and left behind.

Mr. President, I am still using sweat equity. I have made a pledge this year to be in every county in Maryland before the Fourth of July. That is how I get in touch with my constituents. It is how I get the chance to listen to their concerns and then take their concerns and turn them into public policy.

I believe in working with and working for the people who elected me. And I do not think that it is a democracy when only those with golden Rolodexes have the resources to get into office.

That is why I support this bill. I am for spending limits. And I am for campaign reform.

That is also why we need organizations like EMILY's List. I am concerned that some plans that have been labeled reform would mean the end of EMILY's List. That kind of reform does not empower. It disempowers and disenfranchises. And that is especially true for women.

Every one of the Democratic women Senators here today faced enormous obstacles in their election bid.

They faced those obstacles because of who they were—not because of what they stood for. To pretend that this is no longer true is to be naive. EMILY's List helped them.

I know how important help can be. Twenty years ago I held my first fundraiser. It was a polka party for $3 a ticket. My supporters were men and women who had to budget carefully to contribute to my city council bid. For them to organize an event was a big deal in their life. It was unknown territory for many of them. It was stepping out of the roles they had traditionally filled. It was a little bit frightening but also exciting. Because it gave them a chance to have a say about what happened to their own lives, to make their voice heard for a candidate.

Other contributions came to me from people who really wanted to see a good government person in office at city hall. I remember one woman who invited her friends to hear me at a get together in the living room of her home.

It was the kind of neighborhood where women belonged to the garden club and did volunteer work. They were civic minded and responsible citizens. I gave a rousing speech on how to save Baltimore through the activism of neighborhood coalition. And when I finished that woman asked for $25 or $50 contributions and then collected checks from each of the guests.

I think of her as sort of the forerunner of Ellen Malcolm who founded EMILY's List. So I ask myself—did that woman buy me? Was that influence?

Those first events enabled me to get going. And the political base I put together of one small check here and one small check there is how I still campaign.

When I ran for Senate for my second term—we had fundraisers called Baseball for Barb, where we ate hot dogs and sat in the stands together rooting for the Orioles.

And Senator MITCHELL joined me when we did Be-bop for Barb in a dance hall in Glen Burnie. We did everything except bungee jumping for Barb.

We did what we could to encourage grassroots participation and small donor fund raising. That is what EMILY's List is all about too. That is real reform, bringing mainstream people back into the mainstream of political participation. And that is why I want to see EMILY's List continue to raise small donor funds for those who have started small and are ready to grow.

I do not make this argument on behalf of my own campaign or any of my colleagues. As incumbents, we have the same capability to raise campaign funds as our colleagues. EMILY's List is not designed for incumbents. Last year 98 percent of the money raised went to nonincumbents.

Mr. President, I stand here today on behalf of future candidates. The next generation. Women who will need the networks of support that have proved so valuable for those of us who have already won our elections.

This is not about special treatment. This is about acknowledging that fact that women have historically been excluded from access to financing. It is about the fact that women have different career paths. Different networks of support. And different fundraising strategies.

I want real reform. I want to return politics to the people. Real reform makes it easier for outsiders to come into the political system. Real reform encourages grassroots participation and small donor fund raising.

I know of no organization that does this better than EMILY's List. It is a model for the type of empowerment that campaign reform should bring about.

Mr. President it is time to improve our election laws. It is time to return political influence to the people who cast their votes, those who will prosper or suffer as a result of the laws we pass. That is the kind of campaign reform I am ready to fight for.

Mr. FORD. Mr. President, I rise in strong support of S. 3, the Congressional Spending Limit and Election Reform Act, and urge my colleagues to support its final passage.

I wish to compliment all of my colleagues who have contributed to this debate and made efforts to improve this legislation. I believe we have made great strides on this issue, and have made important changes to broaden the support for this measure. The bipartisan initiative adopted yesterday represents a true compromise at a time when we needed it most. We have stricken the communications vouchers and up-front public financing in order to remove some objections to this bill. We have changed the funding mechanism in order to remove other objections. We have reduced the threshold contribution requirement. Mr. President, I believe all of the changes we have made are important, and many of them constitute improvements in the bill.

We now have a solid compromise proposal. I believe we should support it. And I also hope it represents the kind of compromise effort we will begin to see more of on this floor.

Americans are generally very tolerant. They understand that many of our problems are extremely complex, and will not be solved overnight. But on some issues, Mr. President, they are running out of patience. Balancing the budget cannot be done immediately, but a great deal of political reform can be. Solving the health care crisis will not happen in 1 month or even 1 year, but changing the way we do business can. As I have said before, Mr. President, every time we delay on the issue of controlling campaign spending, we are fueling voter discontent. Every time we fail to control the money chase, we are helping proposals like term limits. The American people have sent a pretty clear message that if we cannot reach an agreement to control ourselves, they will take action for us.

So it seems to me we have a very clear choice before us today. We cannot begin to solve our most complex problems until we change the way we conduct problem solving. We must change the process before we can expect the process to work. Americans perceive that special interests have unusual access to our political process and influence over it because of their campaign contributions. Americans perceive that we spend an unhealthy and increasing amount of our time raising money and soliciting contributions. And they are right. We must give them the spending limits they so strongly support.

I believe the choice is quite clear. It is a choice between chasing money or capping money; a choice between term limits or spending limits; and a choice between gridlock or compromise. I hope my colleagues will make the right choice and support the compromise campaign spending reform proposal before us today.

Mr. President, I yield the floor.

Mr. DOLE. Mr. President, last month, five of my Republican colleagues—Senators CHAFEE, COHEN, DURENBERGER, JEFFORDS, and MCCAIN—outlined a set of nine principles that they argued must be followed before lending their support to any campaign reform bill.

During the course of this debate, and through the amendment process, many of these principles have been met.

This debate may have seemed like the local, rather than the express train, but perhaps that is the price of progress.

I am pleased that my colleagues on the other side of the aisle have followed the Republican lead by banning all PAC contributions. From day one, a complete PAC-ban has been a key element in the Republican approach to campaign reform.

Unfortunately, the administration proposal had originally adopted a status quo approach to PAC's, lowering the PAC contribution limit modestly to $2,500 for Senate candidates and retaining the current $5,000 limit for House candidates.

In the end, the Senate had its say and a complete PAC-ban was adopted. This is a big step in the right direction.

I am also pleased that the Senate embraced the amendment offered by my colleague from Vermont, Senator JEFFORDS, requiring the disclosure of nonparty soft money expenditures and allowing the political parties to respond to these expenditures in kind.

This amendment will help level the political playing field and will shine some sunlight on the millions of labor union contributions that are pumped each year into the campaign finance pipeline.

But, Mr. President, I was disappointed that the amendment offered by my distinguished colleagues, Senators MCCONNELL and SHELBY, which would have removed the multimillion dollar public-financing provisions from the bill, was defeated—largely along partisan lines.

Without a doubt, the Shelby-McConnell amendment was the cleanest, clearest, and most sensible approach to ensuring that this bill will not end up establishing a taxpayer-financed entitlement program for politicians. It should have passed.

Mr. President, we have been around the campaign finance reform track for several years now. We have debated this bill for nearly 3 weeks.

And, no doubt, many of us have learned a simple lesson by now—that congress is probably the very last place to go, if you're looking to draft a neutral, nonpartisan plan for campaign finance reform.

The pressures of partisan politics can weigh in heavily indeed. And more often than not, these pressures will prevail as they have with this bill and its restrictive, anticompetitive limits on campaign spending.

Now, Mr. President, don't get me wrong; I do not blame my colleagues on the other side of the aisle for acting in their own self-interest. If I were in their shoes, if my colleagues on this side of the aisle were in the majority, we too would try to pass a one-sided bill that would help Republicans to the detriment of Democrats. That is just the way it is. This is politics.

And that is why I intend to introduce a bill later this month that will take the responsibility of untying the Gordion knot of campaign reform away from Congress and invest it elsewhere—in a bipartisan, blue-ribbon commission.

The Commission will have 1 year to draft a reform proposal, and Congress will have a few months either to pass the proposal or reject it.

No amendments. A limitation on debate. And an up or down vote—take the Commission's proposal or leave it behind.

Let me add that if the Senate receives a conference report that differs in large, perhaps even small, ways from the bill passed by the Senate today—on the PAC-ban issue, on public financing, on the issue of establishing the same rules for the House and the Senate—then I hope my Republican colleagues will be prepared to stand united and prevent that bill from reaching the President's desk.

Finally, Mr. President, I want to thank and congratulate my distinguished colleague from Kentucky, Senator MCCONNELL, for the free education he has provided, not only for those of us in the Senate, but also for those who may have watched the Senate these past few weeks on television.

Through sheer hard work and his considerable intellect, Senator MCCONNELL has proven that he is Congress', and perhaps even the country's, foremost expert on campaign finance reform. Wherever we may stand on this issue, Senator MCCONNELL deserves our gratitude for enriching this debate.

NEIGHBORHOOD SECURITY

Mr. DOLE. Mr. President, the American people vote on 2 days each year: on election day and on tax day, April-15.

Last year, taxpayer financing of campaigns was a landslide loser. A whopping 82 percent of all taxpayers voted "no" to sending $1 to the Presidential election campaign fund, the Government program that hands out tax dollars to Presidential candidates.

Let us face it: At a time when the American people are reeling from the tax and spend proposals coming out of Washington, they are in no mood to establish a new entitlement program for politicians.

But, when all is said and done, that is exactly what this bill was, and may still be, even after the amendment offered yesterday by my distinguished colleague from Minnesota, Senator DURENBERGER. According to a conservative estimate by the Congressional Budget Office, the original version of this bill would have cost the taxpayers $350 million. The Senate Republican Policy Committee estimates that the bill would have cost the taxpayers even more—nearly $1 billion over a 6-year period.

GETTING OUR PRIORITIES STRAIGHT

Mr. President, we need to get our priorities straight.

Instead of debating whether to pump tax dollars into political campaigns, we ought to be debating how to pump tax dollars into campaigns to rid our streets of crime.

Today, sadly, the American people live in fear—fear for their personal safety, fear for their neighborhoods, and fear for their children who have entered a world where violence is the tragic rule, rather than the exception.

Too often, we read or see the gruesome accounts of gruesome crimes, and our response is simply to shrug it off.

Some of us shrug it off as the price we pay for living in a free society. Others take comfort in a deceptive security that says, "Oh, that won't happen to me."

Crime, like a very hot shower, can become very comfortable. The more we experience it, the more we accept it. It becomes normal, even routine. In the end, we lose our outrage and begin tolerating the intolerable.

Well, Mr. President, it is time to regain our sense of outrage, and start showing some intolerance toward the vicious thugs and other predators who rule our streets.

The citizens of Los Angeles are leading the way, electing a new mayor who ran a campaign to turn L.A. around with a "no excuses, no holds-barred" approach to crime, an approach those of us in Washington seem to have forgotten in our little world of cloture petitions and tabling motions.

The American people are not very interested in debates about spending limits and communications vouchers, and they certainly do not want their tax dollars used to finance politicians and our own reelection efforts.

But the American people do want more security, more police, not just for themselves, but more importantly, for their children.

It is time to stop the bloodshed on the streets of America and start the hard work of getting done what really counts—making our country a better, safer, more secure place for every citizen.

THE NEIGHBORHOOD SECURITY FUND

Mr. President, if cloture had not been involved, we could have begun this process today.

I had intended to offer an amendment that would have established within the U.S. Treasury a trust fund called the neighborhood security fund. The fund would be administered by the Attorney General, acting through the Director of the Bureau of Justice Assistance.

Under the amendment, money that would have been spent on the so-called communications vouchers—the key element in the public-financing scheme in the bill—would instead be diverted to the neighborhood security fund.

Money in the fund would be available to assist our local communities in hiring new police officers who would be employed, not at a desk job, but where it counts—out on the streets fighting crime. In order to receive Federal assistance, a local government would have to certify that it has allocated funds sufficient to cover 50 percent of the salary of a first-year officer. The Federal Government, acting through the fund, would match the local effort by picking up the tab for the remaining 50 percent of the salary.

Mr. President, it is no secret that more police means more deterrence and less crime. During the recent Rodney King civil rights trial, crime in Los Angeles dropped by nearly 30 percent as the LAPD was out in force to prevent a second outbreak of violence. Obviously, the criminals thought twice before they picked on the innocent citizens of Los Angeles.

This lesson is an important one. Although my amendment would not have created an army of young, vigorous police officers, it certainly would have extended a helping hand to some of our local communities who need to supplement their crime-fighting efforts with some new officers.

POLICE OR POLITICIANS?

Finally, Mr. President, this amendment was about priorities: Is our priority the police or is it politicians? Is our priority saving lives on the streets of America? Or saving our own political lives in the Halls of Congress? More money for neighborhood security? Or more money for the political security of politicians?

As far as this Senator is concerned, the choice was—and still is—crystal clear.

Mr. President, I ask unanimous consent that the full text of my amendment be inserted in the RECORD.

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

AMENDMENT

On page 7, line 7, strike "by—" and all that follows through "(II)" on line 10 and insert "by".

On page 17, add "and" and the end of line 14.

On page 17, beginning with line 17, strike all through page 23, line 19, and insert:

"(d) WAIVER OF EXPENDITURE AND CONTRIBUTION LIMITS.—(1)(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 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 200 percent of the general election expenditure limit under section 502(b).

"(2)(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 the expenditures which may be made by reason of subparagraph (A) shall not exceed 200 percent of the general election expenditure limit under section 502(b).

On page 23, line 21, strike "(1)".

One page 24, strike lines 3 through 20.

On page 26, strike lines 3 through 14, and redesignate accordingly.

On page 32, beginning with line 15, strike all through page 36, line 7.

At the appropriate place in the amendment, insert he following new section:

SEC. . PRESIDENTIAL ELECTION CAMPAIGN FUND REPLACED BY NEIGHBORHOOD SECURITY FUND.

(a) IN GENERAL.—Subchapter A of chapter 98 of the Internal Revenue Code of 1986 is amended by adding at the end the following new section:

"SEC. 9512. NEIGHBORHOOD SECURITY FUND.

"(a) CREATION.—There is established in the Treasury of the United States a trust fund to be known as the Neighborhood Security Fund, consisting of such amounts as may be credited or paid to such Trust Fund as provided in this section or section 9602(b).

"(b) TRANSFERS TO FUND.—There are hereby appropriated to the Neighborhood Security Fund each fiscal year an amount equal to the funds in the Treasury which the Secretary estimates would have been expended on voter communication vouchers if such vouchers had been included in the Congressional Campaign Spending Limit and Election Reform Act of 1993.

"(c) USE OF FUND.—Amounts in the Neighborhood Security Fund shall be available, as provided in appropriation Acts, for use by the Attorney General, acting through the Director of the Bureau of Justice Assistance, for the purpose of making grants to the States to be distributed to units of local government to be used to pay 50 percent of the first year's compensation of newly hired law enforcement officers who are assigned (or will be assigned after training) to neighborhood police patrols. No grants shall be made to a unit of local government under this subsection unless such government certifies that—

"(1) any newly hired law enforcement officer with respect to whom funds are received under this subsection represents a net increase in the number of officers or neighborhood police patrol (and does not replace an officer who has been assigned to desk or other duties), and

"(2) funds have been allocated by the State or units of local government for the payment of the other 50 percent of the first year's compensation of newly hired law enforcement officers to which this subsection applies."

(b) CONFORMING AMENDMENT.—The table of sections for subchapter A of chapter 98 is amended by adding at the end of the following new item:

"Sec. 9512. Neighborhood Security Fund."

Mr. BIDEN. Mr. President, yesterday, the Senate approved the Exon-Durenberger amendment to the campaign finance reform bill. And, shortly, we will vote on final passage of the legislation. I voted for the Exon-Durenberger amendment, and I will vote for the bill. However, I cast both votes reluctantly, and I want to take a few minutes to explain why.

For 20 years, I have held one fundamental, consistent, and unwavering position on campaign finance reform. True reform means comprehensive reform—and that means public funding of congressional campaigns.

As I have said on numerous occasions—and I was not the first to say it: "Moderate reform is like moderate chastity." There is no such thing. Yet, the campaign finance reform bill before us now is still another attempt at so-called moderate reform.

Even before the Exon-Durenberger amendment was adopted, I had concerns about the piecemeal nature of this legislation. The public funding in the bill was limited in scope—it was only broadcast vouchers, and it only amounted to 25 percent of the combined primary and general election spending limits. But, perhaps more importantly, the public funding in the bill was designed only for one purpose: To allow us to establish spending limits, which the Supreme Court ruled in Buckley versus Valeo that Congress cannot do without providing incentives.

Spending limits are an important reform, but public funding is also important—and not just as a means to an end. Public funding is important for its own sake—for getting money out of the process. That is why I joined Senators KERRY and BRADLEY in offering an amendment to provide true public funding—90 percent of the general election spending limit. Our amendment would have eliminated the special interest money from the process and would have leveled the playing field between incumbents and challengers. Unfortunately, that amendment failed.

And, unfortunately, the Exon-Durenberger amendment stripped what little public funding there already was in the bill completely out of the bill. Instead of providing public funding to candidates who voluntarily accepted the spending limits, the Exon-Durenberger amendment provides public funding to a candidate only when his or her opponent exceeds the spending limit.

The truth is, we needed more public funding than was in the bill, not less. However, the reality is that the Republicans were engaged in yet another filibuster. And the choice facing the Senate was a campaign finance reform bill with no public funding—but with some important changes—or no campaign finance reform bill at all.

This bill does not provide public funding. But, it does establish spending

limits. It does end the soft—or sewer—money that is used to avoid all campaign finance laws. It does ban contributions from political action committees. And it does prohibit the practice of bundling campaign contributions, a means to skirt the individual and PAC contribution limits.

Therefore, to move forward with these important changes—despite my strong support of public funding and my strong distaste for moderate reform—I voted for the Exon-Durenberger amendment, and I will vote for the bill.

But, let's not kid ourselves or the American people about what we are doing here. This bill is not a complete solution. History shows that moderate reform only encourages immodest loopholes. And, if the past provides any prologue to the future, the reforms embodied in this bill will only create new problems that will have to be fixed with new reforms. Perhaps one day the Senate will learn that the way to stop repeated reform is to enact real reform.

So, Mr. President, I will vote for this moderate reform, but I will not settle for moderate reform. I will be back. I will be back next year, and the year after that, and the year after that. And, for as long as I have the privilege of serving the people of the State of Delaware in the U.S. Senate, I will continue to fight for the only real, comprehensive campaign finance reform: public funding of congressional campaigns.

I yield the floor.

Ms. MOSELEY-BRAUN. Mr. President, I have been a strong supporter of campaign finance reform for a long tme. I worked for campaign finance reform when I was in State government. And campaign finance reform was a cornerstone of my campaign for the U.S. Senate. I told the people of Illinois that achieving meaningful campaign finance reform would be a top priority of mine—and I keep my promises. That is why one of the first bills I cosponsored in the Senate was S. 3.

The reason campaign finance reform is so needed is very simple—to ensure that voters, and not money, determines election results. Voters know what we all should know. They know the money chase has gotten out of control, and they know that big money stifles the kind of competitive elections that are essential to our democracy. And voters know that the effort to raise the money needed to run for election ends up making it more difficult to make needed reforms in a whole range of areas.

Ordinary people believe that the current system makes Government too distant from them. They want—and deserve—Government that is responsive to their needs and their problems. They fear that because Senators and Representatives have to spend so much of their time raising money for campaigns, they will not have the time necessary to fully meet their obligations to all of their constituents.

I am a new Member of this body, but I know that all of the Members of the Senate take their obligations to their constituents very, very seriously. I also have firsthand experience, however, with the demands of fundraising, and I think it is long past time to enact real reform, and to put a brake on the costs of campaigning.

The way to do that is through spending limits. Spending limits fundamentally change our system, and make it more open and competitive. And spending limits will help focus elections more on issues, instead of on who can run the most slickly packaged negative TV commercials.

Tough spending limits are the cornerstone of reform. It is vitally important, however, as we take the first major step towards enactment of reform legislation, that we keep a couple of fundamental principles closely in mind.

First, it must not limit the ability of minorities, or women, or anyone, to participate in our political system. Reform must open our system, not close it in any way. It must not entrench incumbents, and it must not create a tilt in the playing field that advantages some at the expense of others.

Second, the interests of ordinary Americans must be the top priority of reform. Our objective must be to make our system more democratic. Reform must be designed to ensure that every American is free to participate, that every American has a chance to participate, that the election system is fair, simple, and understandable, and that every American is able to feel confident that the system can work for them.

In a recent article in the Washington Post, David Broder argued that many of the populist reforms now being discussed that resonate strongly with the public

> Have a common characteristic: They would all increase the power of the economic and social elite that most vociferously advocates them. And they might well reduce the influence of the mass of voters in whose name they are being urged.

I think we need to take Mr. Broder's warning to heart, Mr. President. We must be sure that, at the end of the day, the bill we enact is a provoter bill, and not a proelites bill. With that criteria in mind, there are at least two areas of the bill that need another look.

The first is the treatment of unions. As the bill now stands, union members cannot pool their money through a political action committee, or through any other means, to make contributions to candidates. Currently, each individual union member makes very small contributions; in fact, monthly contributions range from as little as a few cents to a high of a few dollars. Union members, however, have a real appreciation of the benefits of collective action, and they know that their voices are heard much clearly when they act collectively.

Further, the average union member, like most other Americans, has to concentrate on making ends meet and on helping their families. Often, they have neither the time nor the financial resources to be able to make a major commitment of time or money to a political campaign. That means that their ability to act collectively is even more important.

Similarly, EMILY's List provides a different kind of mechanism that enables women to do what union members do—act collectively.

EMILY's List has helped bring women into politics. It played an important role in my campaign, and I think the efforts of EMILY's List is one of the main reasons there are now five Democratic women Senators instead of just one.

EMILY's List helps challengers; 98 percent of the contributions its members made in the last election cycle went to challengers. Even more important, however, is the fact that EMILY's List has energized women, that it has given more women a way to participate in our political system—women who have never participated before.

I think that kind of activity should be encouraged, and not artificially limited. EMILY's List has helped open up our system; it has showed more women that the system can work for them. I think EMILY's List is American democracy in its purest form. EMILY's List should be applauded and encouraged, and not terminated.

I know the argument that letting EMILY's List continue to function means creating a loophole that special interests might be able to walk through. In my view, however, we cannot afford to end this kind of prowoman, pro-democracy, pro-openness activity.

We want to further encourage women, and union members, and other ordinary Americans to participate in our system. I think that any practical problems in these areas can and must be resolved. Our priority must be to ensure that our political system, and that includes our system of campaign finance, encourages participation by ordinary Americans. Our priority must be to ensure that our political system encourages openness to every American.

I am voting today to take the next step and to send this bill to the House of Representatives. I do not believe this is a perfect bill, but I do think its flaws are correctable.

I urge my colleagues, therefore, to improve the bill where improvements are needed, and to return to the Senate the kind of reform bill of which we can all be proud.

Mr. President, I ask unanimous consent that a copy of the David Broder article be printed in the RECORD.

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

WHY THE NEW "REFORM" REALLY SERVES THE ELITES

(By David S. Broder)

From coast to coast an army of reformers, waving the banner of populist protest against the special interests, is mobilizing to enact a host of remedies for the ills of American democracy.

Term-limits, campaign finance reform and curbs on lobbying in particular are gathering support as cures for a system the reformers say is overrun with careerism, insider influence and financial corruption. If enacted, their remedies would without doubt change the nature of the American republic: The structure and operations of government would be recast and power would be substantially redistributed.

Yet paradoxically, the "populist" reforms, many of which are pushed by "good government" groups like Common Cause and the League of Women Voters, have a common characteristic: They would all increase the power of the economic and social elite that most vociferously advocates them. And they might well reduce the influence of the mass of voters in whose name they are being urged.

Even so, the reform agenda resonates powerfully with the public. Billionaire businessman Ross Perot, a one-fifth of the popular vote for president espousing these themes and now has built a massive grass-roots organization to promote them. Poll after poll shows broad support for all these measures.

One would expect that such sweeping changes would occasion great debate. But in many of the major marketplaces of ideas—TV talk shows and commentaries—the "debate" is remarkably one-sided. The reformers ground against the hacks, crooks and influence-peddlers. Who wants to defend perks and privileges, political action committees and the brigade of Gucci-shod lobbyists?

As Perot told me in an interview last month, "If there's someone out there who thinks our future would look better if we had more foreign lobbyists, let 'em speak up."

I'm not foolhardy enough to accept Perot's dare, but I do want to argue that the missing side of this debate needs to be heard, not because the reformers are entirely wrong in their criticisms—they are not—but because they have an agenda that is not as innocuous or disinterested as they pretend.

Reformers couch their proposals in terms of eliminating pernicious influences on politics and government, but they rarely acknowledge that the process changes they push would also redistribute power—in the direction of themselves and their social-economic peers. What they would do with this power remains unclear from their manifestos. But historically, regimes that have been dominated by social and economic elites frequently have failed to respond to the needs of the lower classes. Often, they have seeded true people's movements that have taken an ugly turn.

This is not a new phenomenon in American history. Richard Hofstadter, in his book "The Age of Reform," linked the "progressivism" of the first two decades of this century to the offense taken by the established, largely Protestant elites as waves of fresh immigrants swelled the cities and provided votes for political bosses who controlled jobs, contracts and municipal graft. The reformers did not like the bosses and they did not care much for the immigrants either. So they set out to cleanse the cities of both political corruption and moral turpitude. Prohibition and anti-prostitution drives were in their armory, as well as calls for civil service, nonpartisan election and professional city managers.

Their allies in this enterprise were the newspapers and magazines, and the "muckraking" tradition of that era continues today as the dominant ethic in newsrooms and editorial offices. Now, as then, journalists, academics and reformers have disproportionate confidence in their own moral judgments and disproportionate influence in the places where these issues are discussed.

At the root of this debate are two different conceptions of democracy. One puts democracy out in the forum and marketplace. The other enshrines it in the temple.

The first sees the workings of representative government—especially in a big, diverse and complex nation like this one—as an inherently messy brawl of competing egos, ambitions, factions and interests. Its adherents welcome efforts by individuals and groups of all kinds to mobilize mass support and to threaten reprisal on public officials who do not heed them. They want only a few rules, rooted in the Constitution, to keep the game from becoming unseemly.

The second concept envisages a government of selfless, public-spirited leaders, who need to be kept immune from the corrupting influence of the surging mobs of favor-seekers who would defile the temple of democracy. Its proponents would prefer that the voice of the voters be heard only in elections conducted under strict and complex rules, and those chosen to hold office should then be guided, as Edmund Burke argued, by conscience and immunized from pressure groups.

Though today's reformers have appropriated the rhetoric of "temple guardians," their preferred remedies for "cleansing" the system are remarkably similar to actions that would enhance their own power and influence. Take their three favorites:

TERM LIMITS

Almost 10 years ago, Alan Ehrenhalt, then of Congressional Quarterly and now of Governing magazine, documented how the legislatures of America were losing their long-time majorities of lawyers, farmers, insurance and real estate agents and small businessmen, who found a short stay in the state capital and enjoyable diversion for their everyday work. Into their seats, in many cases, came teachers, former legislative aides and other political "junkies" who looked on the legislature not as a part-time sideline but as a career.

To hear term-limits advocates tell it, these "career politicians" have damn near ruined the legislatures and Congress. They have loaded up on staff who then spend every waking hour finding new ways to spend or waste public money. Because their livelihoods depend on staying in office, the newcomers have escalated political warfare, building mini-machines and shaking down lobbyists for contributions. In return, the lobbyists have imposed their expensive private-interest agendas on what was the parsimonious, public-spirited government of the good old days.

There is an element of truth in this, but it's far from the whole story. In the "good old days," many legislatures looked like that in my adopted Virginia. There the General Assembly and the state Senate were filled with junior partners in leading law firms, which "carried" them for the duration of the legislative sessions. This practice perhaps was intended as a contribution to good government, but it also guaranteed a sympathetic ear for a client's problems when a piece of legislation happened to come before the partner's committee.

Now, when term-limits advocates urge that we return to the days when "good citizens" gave a few years to serving in political office, I wonder who will take them up on the invitation. Who is more likely to interrupt her career for six years of low pay as a state legislator—a librarian or a junior partner in a local law firm? A day-laborer or the owner of his construction company? A dental assistant or a doctor's spouse?

When you change politics from a career to a part-time avocation, you change the motivation for people to seek office. And the impact is not felt randomly across the population. Part-time politics works very well for members of the social-economic elite. But for people without the advantages of leisure time and financial resources, the hard work of politics makes little sense if it offers no long-term opportunities and rewards.

CAMPAIGN FINANCE

The same tilt can be discerned in proposals for campaign-finance reform offered by Common Cause and other "good-government" groups. The changes they want are complex, but almost all aim to reduce the influence of money—especially money collected through political action committees (PACs) or "bundled" contributions.

The reformers offer many rationales for these changes: Senators and representatives spend too much time fundraising. They are driven into compromisingly close relationships with their financial supporters. They cannot deal disinterestedly with issues because the same lobbyists who twist their arms on legislation line their pockets at campaign time.

Implicit in these arguments is the "temple" model of democracy—the appealing but unreal notion that lawmakers should be like high priests, untouched by personal, private or political relations with those affected by the laws they pass. But legislators and mayors and governors and presidents do not live in a vacuum; they are subjected to all kinds of influence, including, ultimately, the sanction of voter approval or disapproval.

By focusing their wrath on money influence, the reformers divert attention from other kinds of access and influence—the very kind wielded most effectively by people like themselves. Think of this: If I am a member of a trade union or a gun owners' group, or a flower-growers' association, and I give money to its PAC, which is then handed to a candidate or officeholder, I am, in the lexicon of reformers, a corrupting influence on our politics and should be strictly regulated—or maybe banned. But if I am a volunteer who walks a precinct for my candidate or stuffs envelopes at headquarters or writes a position paper for her, then I am a public-spirited citizen making our democracy strong and vital.

Now, who has the money, the time, the skills to gain access and influence by being a position-paper writer or even a humble envelope-stuffer? Not the typical NRA or UAW member. Rather, I would guess that you would find an amazing overlap between these certified "public-spirited" citizens and the kinds of people who belong to the League of Women Voters, Common Cause and similar groups.

Taking money out of politics will clearly reduce the influence of the average union or

anti-abortion group member, but it won't touch the access the typical Yale Law School or Kennedy School of Government graduate enjoys. So tell me: Which side in this debate represents elitist influence, and which represents populism?

LOBBYING CONTROLS

The third piece of this reform triad—the cry for further controls on lobbyists—is of the same character as the other two. It is an elitist impulse disguised as a populist measure.

Here the facts of the matter are pretty obvious: If lobbying were outlawed or severely curbed, who would lose influence—the average small employer who belongs to the Chamber of Commerce or Ross Perot, the famous advocate of lobbying controls?

If that strikes you as a loaded comparison, try this. Generally speaking, what sort of people do you think hire lobbyists: those who already have access to government decision-makers or those who believe that otherwise they would not have access? My guess is the same as yours. They're the people who fear they would not get their foot in the door without a lobbyist.

Who are the people who have access to government decision-makers without having to pay to secure it? Well, bless me, in most instances they are the decision-makers' pals, their social and financial peers, the folks they see when they go home for weekends.

In a world without paid lobbyists, access and influence would still exist. But they would be distributed very differently. And the winners, at least in my view, would once again be the elite.

That's not to say that there aren't measures that would truly improve the workers of our government. Limiting tenure of committee chairmen, providing more resources to challengers for House and legislative seats, improving disclosure of lobbying and financing arrangements across the board all make sense. But real caution is needed when it comes to the current "reform" agenda, which tilts power strongly to the elite and away from the mass of voters.

Behind all these specific issues is the larger question of how comfortable Americans are with what it takes to make representative government work. In their heyday, political parties were the most efficient device ever invented for energizing democracy and making election results more representative of the needs and desires of the mass of voters. The bad old big-city machines turned out the Democratic vote, and so did many less celebrated rural and small-town Republican machines. The process was not always pretty. Corruption could be found.

In the flush of affluence after World War II, a large portion of the electorate—especially in the higher income and education classes—decided that this country could be governed quite well without political parties. They proudly proclaimed their liberation from partisanship by saying, "I vote for the person, not the party" Inevitably, the turnout in elections declined—but not across the board. The wealthy and the educated continued to show up to vote; the poor and less educated dropped out. That decline continued for 30 years, until it was modestly arrested last November.

Now the reformers are out to cripple the political parties still further in their vital mobilization effort. Both parties pay for their registration and voter-turnout drives with "soft money" contributions, which the present law allows in larger sums than contributions directly to federal candidates.

The New York Times editorial page calls it "sewer money," a usage adopted by many reform organizations. The snobbism of that term is marvelous. Taking money in big chunks from corporations, unions or individuals and using it to register and turn out people who are not nearly as motivated as your average editorial writer or Common Cause board member is exactly the kind of dirty work you would expect—ugh—politicians to be engaged in. So let's us high-minded purists stop them from such work.

But many reformers are not content with driving the parties out of politics; they want to get rid of the politicians as well. That is the unstated agenda of the term-limits movement. It will, if it succeeds, make public office once again a socially acceptable place for amateurs and dilettantes, people with far better things to do than to grub about for long in the gritty business of government.

One likely effect of shortening the tenure of elected officials would be to increase the power of their unelected staff members. That change would serve the interests of the elite. The ranks of congressional and legislative staffs are filled by the educated young. The House Ways and Means Committee may be chaired by a rough-hewn street politician like Dan Rostenkowski, but the staff work is done by lawyers and economists from the elite universities. Remove Rosty, along with his knowledge of why and how certain provisions were written the way they were, and the bright-scrubbed staffers will have their way.

Finally, suppose we let the reformers take the lobbyists out of the picture, regulate them like the lepers they are and deny anyone a tax break for hiring them. You can be assured that the new amateur officeholders and their well-educated staffs will be approached only by those who already know them: their fellow members of the elite.

It is a perfect circle. And the fact that it is being sold—and bought—as a populist movement designed to eliminate corruption and special interest influence just shows how clever our new ruling class will be.

But if it succeeds, history strongly suggests, its victory will not be permanent. Sooner or later, voters will figure out that they have been bamboozled. and when that moment comes, you will see a *genuine* populist revolt. If we are lucky, it will revive the kind of vigorous, open, competitive and gamy representative government we saw with the New Deal but now seem to be shunning. If we are not so lucky, history does not lack in populist demagogues who have overthrown elites—and then ruled by means not comforting to recall.

Mr. BROWN. Mr. President, I rise in opposition to final passage of S. 3, the Congressional Spending Limit and Election Reform Act of 1983. I oppose this bill because it is not true reform, Mr. President, it is incumbent protection. Furthermore, we should not be calling on the taxpayers of this country to finance this incumbent protection package at a time when huge sacrifices are being asked of them to address our budget deficit. True reform of our campaign finance system can come with term limits and not by putting unfair hurdles in the path of challengers.

This measure has created a new entitlement program for politicians. Under this bill, incumbents receive taxpayer-financed food stamps in the form of broadcast and newspaper ad vouchers, preferential mail and broadcast rates, extra payments if an opponent exceeds the spending limits, and extra payments if an independent group runs an ad campaign against them.

The sponsors of this legislation have apparently recognized the deficiencies inherent in taxpayer financing of campaigns because they have accepted amendments scaling back the scope of public financing. Under the bill as proposed by President Clinton, the bill would have provided public funding to those abiding by the spending limits in the form of communication vouchers for advertising or mailings.

But under a compromise, complying candidates would not receive vouchers unless their opponents refused to abide by the spending ceilings or received the help of independent expenditures from outside groups. In such cases, a candidate could receive up to the full amount of the spending ceiling for his or her State.

Funds for this incumbent subsidy would come from taxpayers, in the form of imposition of the top corporate tax rate, now 34 percent, on contributions to noncomplying candidates. If that tax failed to cover the necessary amount, or is declared unconstitutional in court, the money would come from repeal of the deduction that businesses can take for lobbying expenses.

These funding mechanisms are another taxpayer ripoff. The revenue saved by this tax increase does not 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.

This is not true reform. And Americans know it. In poll after poll Americans have made clear to their elected officials their opposition to public financing. For example, in a recent Fabrizio McLaughlin & Associates poll, Americans were asked, "Would you favor or oppose campaign finance reform legislation that includes a provision for taxpayer financing of congressional campaigns?" A clear majority of those responding indicated they opposed public financing.

The Senate could have done the right thing and stripped all public financing from the bill, and in so doing effectuate the will of the people. However, an amendment to do just that, which was offered by Democratic Senator RICHARD SHELBY from Alabama and Republican Senator MITCH MCCONNELL from Kentucky, was defeated by a vote of 53 to 44.

The American people do know what true reform of our campaign system requires—and that is term limits for their elected officials. In the same Fabrizio McLaughlin & Associates poll, Americans were asked whether they favored term limits for Members of Congress. Over 75 percent of those polled said "yes." And when asked whether

they favored or opposed campaign finance reform legislation that included a provision to limit congressional terms, 70 percent said "yes" and only 17 percent said "no."

That is why, Mr. President, I offered an amendment to the campaign finance reform bill to require Senate and House candidates who received public financing to serve no more than 12 years. After serving 12 years, Members of Congress would be ineligible to receive further public financing.

The amendment was defeated 39 to 57. However, the Senate came 9 votes closer to effectuating the will of the people. A similar amendment offered by me 2 years ago during consideration of the last campaign finance bill received 30 votes.

Mr. President, President Clinton was elected on a platform of change. This bill unfortunately does not represent true change but only more of the same. Incumbent protection is not change. Subsidizing political campaigns with taxpayer money is not change.

Necessary and true change—that is, political reform that strikes at the heart of fiscal irresponsibility—can come about only through a balanced budget amendment, a line-item veto and term limits.

Passage of the balanced budget amendment would signal a fundamental change aimed at reducing the debt. Similarly, the line-item veto is an effective tool to control spending and eradicate waste.

And finally no mechanism short of term limits can limit irresponsible spending by nailing the lid shut on pork barrel spending.

All three constitutional amendments are supported by the American people. All are opposed by the current leadership.

Term limits, and with them the line-item veto and the balanced budget amendment, are the tools to dismantle a bloated Federal Government. They are the mechanisms which will return to the people and to the States, the social, economic, and political powers that are rightfully theirs.

It is my belief that the injection of robust competition back into the political process will produce better results for the American people. However, that effort is frustrated by S. 3's key provisions designed to maintain the advantages of incumbency.

TAXPAYER FINANCED CAMPAIGN FINANCE REFORM IS NOT THE ANSWER

Mr. KEMPTHORNE. Mr. President, during my recent campaign for the U.S. Senate, the people of the State of Idaho convinced me that they are tired of politics as usual in Washington, DC, and they are demanding a change. They dislike abuses of power and privilege. They feel that we in Washington, DC have lost touch with America. They feel we have not addressed the real issues facing America like spending and the deficit.

The people of Idaho did not once suggest to me that they should be taxed to contribute to campaigns across the country. As a matter of fact, I cannot remember a single incident where anyone asked me to tax them more at all.

We had the opportunity to respond to that demand for change and enact real campaign reform. But that reform was not present in the legislation before us today. As long as we look to pad our own pockets at the expense of the American taxpayers we cannot call it meaningful campaign finance reform.

These last few weeks, there has been a great deal of talk about reforming campaign laws. And quite frankly, Mr. President, that is all it has been—a lot of talk. The people of this country want action, and I believe they want action that does not dip further into their pockets. The people of America hate the idea of financing elections. S. 3 would be financed, but only in part, through a system of voluntary checkoffs. Well, in my State of Idaho only 9 percent of all taxpayer filings included a campaign checkoff.

I was an original cosponsor of S. 7, the Comprehensive Campaign Finance Reform Act of 1993. This was a plan that accomplished, what I believe, are the important elements of campaign reform—and it would not have cost the taxpayers a dime.

In addition to eliminating soft money, the Republican campaign reform proposal banned contribution bundling; closed the millionaire's loophole; strengthened reporting requirements; and provided party seed money for challengers—to increase electoral competition.

S. 7 eliminated all taxpayer financed mass mailings, reduced out-of-State contributions by 50 percent and best of all, no taxpayer funds would be used to fund the system.

This plan for taxpayer-financed campaigns is the ultimate perk—an entitlement program for politicians. And I agree with those who have also spoken on the floor—what we need is real campaign reform, not a sham that amounts to handouts for politicians.

S. 3 is advertised as having, in the words of the New York Times, "eliminated most of the public financing * * * ." The problem however, Mr. President, is that S. 3 still retains significant public financing. If any candidate exceeds the spending limits in the bill, then his opponent receives taxpayers' dollars to match that amount. This is a massive subsidy for politicians. I have pledged that I would not support any campaign finance legislation that lines a politician's pockets with taxpayers' moneys.

S. 3 is, according to even the ACLU, unconstitutional. It raises taxes on no less a constitutional right than free speech in direct contravention to the U.S. Supreme Court in Buckley versus Valeo.

The American people have sent a message to this Congress: Cut spending first. I submit to you that S. 3, is designed to pad the pockets of politicians, is a new program and new spending which the American people simply will not tolerate.

Why are we even talking about a new way to put politicians in the public's wallets?

Any politician who does not feel that he or she should take the taxpayers' money for a campaign would be labeled by this bill with a "scarlet letter"—a statement that the candidate has not agreed to voluntary spending limits.

Instead let me suggest that any candidate who took this money should have been required to state that, "This candidate has chosen to be funded by the taxpayers instead of independent supporters."

We are in danger of taking the political process away from the American people and handing it over to a bureaucracy.

Mr. President, we have come to a fork in the road, and it is time for us to make a decision on campaign finance reform. We had the opportunity to support S. 7, a simple and effective piece of legislation that would have brought about real reform without any of the funding—without any of the coercion.

Mr. President, the latter course, is the prudent course. It accomplishes the campaign reform that is needed, and it does not cost the taxpayers a dime.

Mr. HARKIN. Mr. President, I rise in support of the campaign finance reform bill we will vote on today. This legislation is a step forward in restoring the public's trust in the political process. The American people are fed up with high spending campaigns paid for by fat cat big spenders and Gucci-shoed lobbyists. The public overwhelmingly supports reforms, and in this bill, they will get them.

The major advantage of this bill is the imposition of spending caps, that will stop the out-of-control spiral of campaign spending. The pattern of recent years has been that the candidate spending the most money almost always wins—and that has generally been the incumbent, with the fundraising advantages and contacts that being in office provides. By capping spending, we will make races more competitive.

Although I support this bill, I would have gone significantly further in making reforms. We should have at least halved the limit on individual campaign contributions by adopting Senator WELLSTONE'S amendment. By leaving the limits at $2,000 per election cycle, and at the same time eliminating organized campaigns of smaller donors such as bundling and political action committee [PAC] contributions, we may be tilting the election process even more toward the interests of those who have too much influence in

Washington already—the moneyed interests that use their wallets as a doorstop on their Senator's inner chamber.

I also question the wisdom of a 33-percent excise tax on all campaigns to coerce voluntary compliance with this legislation. I would have supported a system that provided more real incentives. I thought that the bill as introduced, and as passed in the last Congress, and as in the President's proposal, struck a reasonable balance to allow candidates to decide whether to comply with the spending limits voluntarily, as required by Supreme Court rulings on this issue.

Further, we need clean money to flush the special interest money out of the system. The only way to do that is to provide additional public financing, and I am sorry that the relatively small public financing provisions in this bill were reduced even further to allow this legislation's passage. These funds came from a voluntary checkoff, and by the elimination of the deduction for lobbying expenses. Keeping these provisions would be an investment in good government, and in giving challengers a chance. Providing the communications vouchers would have helped level the playing field.

Despite these misgivings, Mr. President, I feel that this legislation is better than the alternative of no reform at all. The limits on campaign spending will help end the continual money chase. Reforms concerning the acceptance of soft money closes a significant loophole that invites abuse. And discounted mail and broadcast rates will give challengers a boost that can help them get their message out. Despite my concerns, therefore, I will vote for passage of this legislation.

Mrs. BOXER. Mr. President, I rise today in support of the Congressional Spending Limit and Election Reform Act of 1993. I support this legislation because I believe it will help reduce the influence of special interest groups in the electoral process. Although I strongly support a Senate electoral system modeled after the Presidential system—with all money removed from general elections—I still believe that this bill is a step in the right direction.

I am concerned, however, that some provisions of this bill may have unfortunate and unintended consequences for grassroots organizations like EMILY's List.

Groups like EMILY's List operate by distributing information about candidates to their members. If members wish to support a particular candidate, they write checks payable to the campaign committee and forward them to the organization's headquarters. The organization then presents the contributions to the candidate.

Mr. President, this kind of grassroots activism is a far cry from the influence peddling that this legislation rightfully seeks to eliminate. Groups like EMILY's List do not lobby and have no financial interest in legislation pending before Congress. Members of these groups contribute the vast majority of their funds to challengers—unlike virtually every PAC in existence today. Therefore, Mr. President, I do not believe that groups like EMILY's List are part of the problem. I believe they are part of the solution.

EXPLANATION OF ABSENCE AND POSITIONS ON VOTES

Mr. BAUCUS. Mr. President, from May 27 through June 9 of this year, due to the sudden illness and subsequent death of my father, John Baucus, I missed a number of votes. While my vote would not have been decisive in any of the decisions, I feel that it is important that my constituents know how I feel about these issues. Therefore, Mr. President, I submit the following statement explaining how I would have voted on each of these amendments to S. 3, the campaign finance reform bill:

THURSDAY, MAY 27, 1993

1. The Hollings Sense of the Senate Amendment to limit campaign expenditures. I would have voted in favor.

2. The Kerry-Biden-Bradley Amendment that would have provided general election public funding of 90 percent of general election spending limit for candidates who achieve a threshold of 10 percent of the general election spending limit in contributions of $250 or less. I would have voted in favor.

3. The Graham Amendment to require a candidate who mails a campaign advertisement that refers to an opponent to file an exact copy of the mailing the Federal Election Commission and with the Secretary of State of the candidate's State on the same day of the mailing. I would have voted in favor.

4. The Graham Amendment to make it a condition of eligibility to receive benefits that a Senate candidate agree to participate in at least one debate. I would have voted against.

FRIDAY, MAY 28, 1993

5. The DeConcini Amendment which would have lowered the primary spending limit to 50 percent of the general election limit and lowered the general election minimum spending limit to $900,000. I would have voted against.

TUESDAY, JUNE 9, 1993

6. The Graham Amendment that sought to authorize the FEC to make grants to states to fund the preparation and mailing of voter information pamphlets. I would have voted against.

7. The Graham Amendment that would have made broadcast discounts available to candidates for state and local offices who abide by reasonable state-established spending limits. I would have voted against.

8. The McConnell Amendment which would have eliminated the inflation adjustment for the public financing allotment in the bill. I would have voted to table.

9. The McCain Amendment which makes the provisions of S. 3 effective for the 1994 election cycle. I would have voted in favor.

10. The Boren Amendment in the nature of a substitute to the Gregg Amendment which provides that revenues derived from the elimination of deduction for lobbying expenses shall be used to reduce the deficit and reduce the role of special interest in congressional election campaigns. I would have voted in favor.

WEDNESDAY, JUNE 9, 1993

11. The Bennett Amendment which sought to limit the use of public funding by a candidate to no more than two general elections. I would have voted to table.

12. The McConnell Amendment which would have required disclosure of payment made on communications when paid for by public funding. I would have voted to table.

13. The Bennett Amendment which would have limited public financing to challengers only. I would have voted to table.

14. The McConnell Amendment which sought to strike the provision exempting legal and accounting compliance costs from campaign spending limits. I would have voted to table.

Mr. MCCAIN. Mr. President, as the Senate has now completed action on the campaign finance reform bill, I want to take this opportunity to state for the RECORD what will guide my decisionmaking as the bill continues throughout the legislative process.

I have long supported campaign finance and election reform: strong, fair legislation that curbs the money chase that the public despises. At the outset of this year's debate four of my colleagues and myself set forth nine principles that we stated would guide our decisions on campaign finance reform. Those principles are: First, that political action committees, PAC's, must be subject to further limitation or eliminated; second, the House and Senate must adopt the same rules; third, all soft money must be disclosed; fourth, in-state contributions should be favored over out-of-State contributions; fifth severability; sixth campaign fundraising should be limited to the actual election cycle; seventh, campaign committee should not be allowed to pay back loans that candidates make to their own campaigns; eight, public financing should be avoided; and ninth, any bill that provides for public financing must be paid for.

These principles did not favor any party. They were designed to bring fairness to the current system and truly level the playing field for elections.

Acceptance of these points was crucial to my supporting this bill. I was pleased that eight of these points were adopted by the Senate. Although I was disappointed that the Senate did not accept language mandating that in-State contributions be favored over out-of-State contributions, I hope that this issue can yet be addressed.

Moreover, I sought to improve and strengthen the bill, offering amendments to prohibit politicians from using campaign funds for personal purposes and to apply the bill to 1994 elections rather than 1996 elections.

The Senate unanimously adopted the first of the amendments forbidding any candidate from using campaign funds for personal use. Adoption of this amendment was crucial in order to ensure the integrity of campaigns.

The Senate also voted 85 to 7 to adopt my amendment to apply the provisions of this legislation to 1994 elections. Mr. President, there is no reason to postpone implementation of this bill. If campaign reform is needed—and I agree with the American public that it is—then it is needed now, not years from now.

Let me clarify this point. This legislation must apply to all campaign activities immediately upon the bill being signed into law. If the enactment date is postponed, then the public will have a clear message that incumbent Members of Congress are doing nothing more here than protecting their seat.

I believe that this bill has been significantly improved over the legislation that was initially forwarded by President Clinton. It addresses many of the abuses that exist in the current system, and goes a long way toward leveling the playing field between incumbents and their challengers.

While improved, however, the bill is not perfect. For example, I am not completely satisfied with the resolution of the public financing issue. While I would have preferred that the legislation avoid any public financing, I believe the compromise that was struck is a reasonable approach to this issue.

All the issues I have just addressed must be included, as the Senate passed them, in any legislation that would be sent to the President.

Should the House of Representatives or a House-Senate Conference Committee report out legislation that creates different standards between the bodies, fails to address any of the nine original principles I have just outlined, or does not include my two amendments which were overwhelmingly adopted by the Senate, I reserve the right to take any step necessary to prevent this bill from becoming law.

Mr. President, passage of good, fair campaign finance reform is an issue we can all agree upon. I would hope we later have that opportunity.

However, legislation that is not balanced or contains mechanisms to help unfairly protect incumbents is wrong, and it should not be passed. I would hope that my good friends in the House of Representatives would not try to perpetrate such a sham on the American public.

I remain committed to meaningful campaign finance reform, and I remain committed to the principles I outlined at the beginning of this debate. As long as these goals are met, I will be leading efforts to seek final passage of this legislation.

I yield the floor.

Mr. RIEGLE. Mr. President, I would like to lay out some of the reasons why I feel that campaign finance reform is urgently needed. One of the strongest messages we are hearing from the people of this country is that they are disillusioned with their Government.

Much of the disenchantment is directed at the Congress, the body that is supposed to carry out the will of the people of this country. I believe that much of this frustration is directly related to the need for campaign finance reform.

Over the last decade, the cost of running for federal office has increased dramatically. The need to raise increasing sums of money has several negative consequences. It discourages people of modest means from running for public office, and it can create the impression that Members of Congress are more concerned with raising money than addressing the issues that face this country.

The trends in campaign spending over the last several years are deeply troubling. The average cost of winning a seat in the Senate in 1976 was $600,000. That figure has now risen to more than $4 million. This gives a great advantage to candidates with enormous personal wealth; many Members of the U.S. Senate today are able to draw on large personal resources for their campaigns. Those who have access to this kind of money have a much greater opportunity to run for the Senate and in many cases to be elected. But for most Americans who do not have access to those kinds of special assets, the prospect of running for the U.S. Senate has been moving steadily out of reach.

When I first entered politics in 1966, I did not come from a wealthy background, but I was able to defeat a sitting Member of Congress. Now it has become prohibitively expensive to run for office, for both challengers and incumbents. I am one of the few in the Senate today who is not a millionaire.

Campaign spending reform is needed to encourage broader participation in our legislative system and to make it possible for challengers to have a fair chance of winning, regardless of their personal economic circumstances. There has been a lot of debate about whether voluntary limits hurt or help challengers. But the facts show that incumbents outspend challengers in the vast majority of cases. In the 1990 election, incumbents outspent challengers 3 to 1. And incumbents' ability to raise large amounts of money actually scares off challengers. The truth is that reasonable spending limits will encourage competition by making it possible for challengers to compete on a more equal footing with incumbents, and it will open the possibility of running for office to more citizens.

Campaign finance reform is also needed to make sure that Senators' time and effort can be devoted to solving our Nation's problems. Because elections are so costly, Members of Congress must spend an increasing amount of time raising funds to finance their reelection campaigns. A Senator today has to raise an average of $13,000 or more a week in order to run for reelection. That task is an enormous drain on one's time and energy. It's not a task I relish, yet under our current system it must be done in order to have access to the media and be prepared to address any potential negative campaigns that might be launched against you.

I have been a strong and consistent supporter of efforts over the last few years to make fundamental changes in our campaign financing system. I believe the ultimate solution is to provide public funding for campaigns because that reform would reduce the advantage for wealthy candidates, eliminate the potential for conflicts of interest—real or perceived—attaching to the vast sums of money needed for contemporary campaigns, and end the need to spend time to raise money for political campaigns. Despite this clear virtue, I understand that many people do not support this position.

I strongly support the bill that is before us because it takes several much needed steps to reform the campaign financing including establishing voluntary limits on spending, reinforced with incentives for compliance and ending soft money and bundling practices.

While we are grappling with the difficult questions of campaign financing, we should also look at the larger picture of campaigns in general, and the impact they have on people's confidence in our electoral system. There has been a great deal of discussion over the last few years about negative campaigning and the shortcoming of the 30 second sound bite. As we are all aware, advertising techniques have been moving toward harsh attack images aimed at putting candidates on the defensive, rather than encouraging real debate on the key issues facing this country.

Provisions in this legislation to provide vouchers for broadcast advertising and to reduce the cost of advertising will reduce the overall costs of campaigns, and marks a small step toward encouraging candidates to discuss the issues in greater detail.

In addition to supporting these changes in the law, I have adopted my own personal guidelines for my own fundraising efforts. I have pledged that, regardless of whether campaign finance reform legislation is enacted or not, I will accept no PAC contributions from any company whose principal business is under the jurisdiction of any committee or subcommittee which I Chair and I will not accept any personal contributions from individuals who are CEO's or officers of these companies or any sponsorship by them of campaign reelection fundraising events.

Mr. President, we have one of the greatest legislative systems in the world—one that has been admired and copied by other nations. One of the most important strengths of our system is that it is based on the principle

of inclusion. But the escalating demands of raising large sums of money to run for public office is putting serious strains on our system of citizen Government. We must make sure that our Government is reflective of all Americans, not just the wealthy or a privileged few. Campaign finance reform must be enacted if we are to restore fair competition and true representation to our political campaigns.

Mr. GLENN. Mr. President, I have heard that money is the mothers' milk of politics. If that is true I think it's time for the EPA, FDA, FTC, and FEC, to declare it unsafe for public consumption.

The chase is on for money and ever more money, whether soft, hard, bundled, or independent. Candidates need it to pay for an explosion of campaign expenses. We raise it in an endless string of dinners, receptions, cross-country trips, and telephone calls. How else can we effectively express our views on important issues?

The Senator from Oklahoma [Mr. BOREN] first brought the necessity of campaign finance reform to the attention of the Senate in 1985. He has continued to lead this effort through all the difficulties and I commend him for his work.

Nothing is more important to our system of representative Government than the guarantee of free and fair elections. Many citizens believe that the credibility of our electoral process has been eroded by election campaigns whose costs have skyrocketed and whose public purposes are paid by private dollars. I believe that the bill before the Senate brings vast improvement to our current system. It will provide many of the improvements we brought to Presidential elections in the 1970's.

In my early campaigns, less money was raised and spent, political action committees were few, contributions were almost unrestricted, and reporting requirements were all but nonexistent. Today, millions are raised through direct mail, PAC's, and endless dinners, receptions, and telephone calls.

Once raised, extraordinary amounts of money are spent on consultants, polling, computerized demographic analyses of constituencies, and television advertising.

We all remember the Watergate era that led to the current campaign finance rules. Reform was long overdue at that time. Now, we again confront the question of money in politics. In the 1970's we sought to reduce the impact of special interests by limiting contributions. The rise of PAC's, bundling, and soft money, has seriously eroded the credibility of past reform.

Campaigns are too expensive and fundraising detracts from the main purpose of the campaign. Fundraising detracts from our ability to effectively confront the need for more jobs, to reduce the national deficit, to provide for adequate health care, and to promote quality education for our children. Let us restrict campaign spending through voluntary limits. No meaningful reform can be enacted without campaign spending limits.

Political action committees [PAC's] play too large a role in campaigns. Let us reduce the role of PAC's. This legislation would eliminate political action committee contributions to Senate campaigns.

Soft money and bundling have undermined reporting requirements and allowed large contributions to go unreported. Let us eliminate these loopholes.

This bill is a major overhaul of the way in which candidates for the U.S. Senate and House of Representatives raise and spend money for election campaigns. In the 102d Congress both Houses passed a bill only to have it vetoed by the President. This year we have a great opportunity. We now have a President willing to sign a bill and yet we have taken a step backward in the Senate.

It is important that these reforms will be voluntary. Senate candidates who do not wish to comply will not be forced to do so, nor will they benefit from the advantages of the bill. Incumbents and challengers who voluntarily agree to abide by the limits will be eligible to receive reduced rates and vouchers for broadcast advertising. The costs of this legislation will be offset by the establishment of a new gross receipts tax on political campaigns or through the elimination of the deduction for lobbying expenses.

I supported making this legislation even stronger. We should bring to congressional campaigns the system we have seen in Presidential campaigns—public funding contributed voluntarily by taxpayers through the checkoff on tax returns. No question could be raised about the source of campaign funds when taxpayers voluntarily choose to contribute. Although this amendment was unsuccessful some public support is provided through reduced broadcast and postal rates.

Our current campaign finance structure is flawed. It encourages suspicion. It distracts candidates and voters from the issues that are truly important in a campaign. Mr. President, it is past time to act. Public confidence in our electoral process has been seriously damaged. Let us correct those shortcomings through the passage of this bill.

Mr. BOREN. Mr. President, if I could have the attention of my colleagues, we will go to a vote on final passage here in a brief period. The two leaders may want to speak briefly. In light of the discussion last night about enforcement provisions for the Federal Election Commission, several of us have been working all morning trying to come to an agreement on a substitute amendment for the original provision in the bill for a mechanism for breaking the tie at the Federal Election Commission, if a tie results in inaction.

We had basically agreed on an approach which would have the four leaders, two Democrats and two Republicans, of the two Houses, appoint a group of four who would select an administrative law judge to make the decision as to whether or not there would be an appeal to a court for a trial de novo in case of a tie.

There was very broad agreement, I might say, among our colleagues on both sides of the aisle who participated in these negotiations, that that would be a fair and impartial way. You would have the two Republican leaders and two Democratic leaders have an equal say in doing that.

I understand that, because we have been so short of time to have a full discussion with all Members on both sides about that provision, there would be objection to offering that amendment at this time. So I will not attempt to do so.

I would like to engage my colleague from Maine, Senator COHEN, in particular, and Senator JEFFORDS, in a brief discussion of this matter just to ascertain from them if they think we have made progress, and that perhaps this is the kind of concept we can work on in conference and try to refine in conference a way that we might be able to make the FEC more effective.

Mr. President, I wonder if I might yield for a brief comment in response to my question to my colleague from Maine and my colleague from Vermont, who participated in these discussions.

The PRESIDING OFFICER (Mr. REID). The Senator from Maine is recognized.

Mr. COHEN. Mr. President, I think the Senator from Oklahoma correctly characterizes the effort that was underway this morning. There were several of us—three, plus the staffs of several others—who were present to explore ways in which we might propose for adoption an enforcement mechanism that would meet with bipartisan support.

We have recommended one approach. It has not been circulated with the entirety of the group of the seven of us who were involved in late negotiations over the last several days.

Nonetheless, I think the Senator from Oklahoma properly characterized it as a good-faith effort to come to at least some sort of approach to a resolution on the subject.

It has not been approved by the minority leader. It has not been circulated with the other Members on this side. So it would be premature for us to try to move forward now.

I think it at least has a foundation for either refinement or modification

of this approach in the future as far as the conference is concerned. I could not commit our side to agreeing to it other than to say it was a good-faith undertaking and hopefully we can make improvement upon it.

Mr. JEFFORDS. Mr. President, I would just add to what the colleague from Maine said but also state that the offensive language which was causing the problem requiring the concurrence from the general counsel into such a mechanism would be stricken so that it would only be the three commissioners going through the ALJ and then on to the district court in the event people felt it was necessary.

Mr. MCCAIN. Mr. President, let me add I am one of the seven. I have not seen it, and I oppose it.

Mr. BOREN. Mr. President, the staff member of the Senator from Arizona was in the meeting.

Mr. MCCAIN. I still oppose it.

Mr. BOREN. Mr. President, let me just say what we did provide was to take the general counsel out. I know the Senator from Arizona knows that. It is taking the general counsel out of the process and working toward the possibility of the administrative law judge selected, in essence, by Senator DOLE, Mr. MICHEL, Speaker FOLEY, and Senator MITCHELL or their representatives, and that is the consent we are looking toward then with the ultimate judicial determination.

I think we have had a good discussion of this matter. Obviously, we cannot resolve it in 60 seconds on the floor at this point.

All I hope is our colleagues continue good-faith efforts between now and the conference to come up with a genuinely partisan proposal on this matter.

Mr. President, I yield the floor, I think, for a unanimous-consent request for the majority leader.

The PRESIDING OFFICER. The majority leader is recognized.

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Republican leader be recognized for 3 minutes and that following his remarks I be recognized for 3 minutes prior to the vote.

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

Mr. DOLE. Mr. President, I ask unanimous consent to amend that request to the effect that the Senator from Kentucky [Mr. MCCONNELL] have 2 minutes before the Republican leader.

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

Mr. MCCONNELL. Mr. President, I thank the Republican leader. I probably will not take 2 minutes.

I express great appreciation to those who have fought the good fight over the last 3 weeks and stayed the course, including most of the people on our side of the aisle and the Senator from Alabama [Mr. SHELBY].

This has been a fascinating debate. We have had terrific staff work.

I thank Steven Law, Tamara Somerville, Kurt Branham, Dennis Shea of Senator DOLE'S staff, Lincoln Oliphant of the Republican Policy Committee, Elizabeth Greene, Howard Greene; Tom Young and Kathy Casey from Senator SHELBY'S office, and Michael Hess and Tom Josephiak of the RNC.

Let me say this is not the end of this issue to those of you who care about it. This is not the end of it. It still has to clear the House. And it is fraught with questionable constitutional provisions.

I want to thank all of you for sticking with me during this debate. I guarantee you that this will be decided ultimately in the U.S. Supreme Court.

I also thank the Republican leader for his continued support during this debate. This is an issue that affects all of us. It affects the right of people out there to participate in our campaigns and our right to speak. These are important first amendment concerns, and they will not be finally determined by the majority today.

So I thank my colleagues for their support.

The PRESIDING OFFICER. The Senator's time has expired.

The minority leader is recognized for 3 minutes.

Mr. DOLE. Mr. President, let me first thank my colleague, the Senator from Kentucky [Mr. MCCONNELL], for his untiring efforts to bring about meaningful campaign reform, neutral campaign reform.

We did not prevail, but it was not because he did not give it his best effort and with the help of a great majority of our colleagues.

Let me also compliment the Senator from Oklahoma [Mr. BOREN]. I do not agree with the final product, but I certainly agree he expended a great deal of time and energy and reached the result and at least got the process started.

I have mixed feelings as this bill leaves the Chamber and goes to the House. I think maybe the House Democrats have been in the Democratic Cloakroom cheering Republicans on, hoping this bill might be defeated.

We have the opportunity now to face up to some of these problems. We do not have any PAC money in this bill. We now have a provision that is going to put a little sunshine on the millions of dollars organized labor pours in the campaign, soft money. That was the Jeffords amendment.

There have been improvements. The one amendment that should have been adopted is the McConnell-Shelby amendment. If that were adopted, we would wrap this up fairly quickly, probably with a little more bipartisan support.

The bottom line is it is very difficult to be totally neutral in this particular issue. As we said, if we were in charge, we would try to gain the advantage just as Democrats gained the advantage of this bill.

We understand the editors of the New York Times do not understand things like that, but we understand things like that.

It is not neutral. It probably never could be neutral unless we had a total nonpartisan outside group come up with some plan.

I will propose at the appropriate time to introduce such a plan. We will be compelled after about 9 months. We will have eight members of that Commission and they will be compelled to give us a package. We would have to vote it up or down, pretty much like the Base Closure Commission.

If everything else fails, there is a way to get campaign reform. Everyone supports campaign reform if it is neutral. I do not suggest there was not an effort to make it totally neutral, but it is hard to do. It is difficult to do, probably impossible to do. It would not have happened if we had been in charge. If we had the majority, we probably would have had a little thing that might have benefited us, and I know there are a quite a few little things that benefit the Democrats and incumbents in this particular package.

For all the reasons I lay out in my statement, I oppose the bill.

I again thank my colleague from Kentucky, Senator MCCONNELL, for an extraordinary job.

The PRESIDING OFFICER. The majority leader is recognized.

Mr. MITCHELL. Mr. President, and Members of the Senate, the Senate has considered for 3 weeks and is now about to vote on a very important bill.

If enacted, it will help to restore the American people's confidence in this institution and in our system of government.

It will reduce the role of money in Federal election campaigns. It will enable Government to better serve the national interest rather than the special interests.

As with most compromises, this bill does not please everyone. It does not include every provision I personally would have preferred. But it represents fundamental reform of the way we elect Members of Congress. It will make elections more competitive.

This legislation includes the essential element of true campaign finance reform, a cap on the amount of money that can be spent in campaigns.

Every Senator, every candidate for office, every American knows that American political campaigns are too long and too expensive. This legislation, for the first time, will do something about that.

The bill strengthens the abilities of challengers to mount effective campaigns, and that is really the source of opposition to this bill, because this bill will help challengers by restraining incumbent spending, reducing the advantage typically enjoyed by the incumbents.

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The statistics are striking. Of the 27 challengers in the last Senate election, only 2 spent more than the limits in this bill. By contrast, 20 of the incumbents spent more than the limits in this bill—on average nearly $2 million more apiece.

That is why this bill is opposed, because this will level the playing field to some extent. It provides significant incentives to encourage compliance with voluntary spending limits, but it remains a voluntary system.

It is important that all Americans understand that this puts into effect a voluntary system. No candidate will be required to limit campaign spending if he or she chooses not to do so. There are incentives to participate, but there is no legal enforcement. Anybody can go out of the system if they want to do so.

Mr. President, this is an important bill.

I commend all of those who have led the way and persevered in reaching this point, particularly the distinguished Senator from Oklahoma [Mr. BOREN], and the distinguished Senator from Kentucky, the chairman of the Rules Committee, Senator FORD. I thank them very much for their leadership.

I urge my colleagues to vote for this bill.

Mr. BOREN. Mr. President, I ask for the yeas and nays on final passage.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. Without objection, the substitute amendment, numbered 366, as amended, is agreed to, and the bill is considered read a third time.

The question is on final passage of the bill, as amended.

The yeas and nays have been ordered. The clerk will call the roll.

The legislative clerk called the roll.

Mr. DOLE. Mr. President, I announce that the Senator from Wyoming [Mr. SIMPSON] is necessarily absent today due to the death of his father.

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

I further announce that, if present and voting, the Senator from Wyoming [Mr. SIMPSON] would vote "nay."

The VICE PRESIDENT. Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 60, nays 38, as follows:

[Rollcall Vote No. 158 Leg.]

YEAS—60

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

NAYS—38

Bennett	Gorton	Mack
Bond	Gramm	McConnell
Brown	Grassley	Murkowski
Burns	Gregg	Nickles
Coats	Hatch	Packwood
Cochran	Hatfield	Roth
Coverdell	Heflin	Shelby
Craig	Helms	Smith
D'Amato	Hollings	Stevens
Danforth	Hutchison	Thurmond
Dole	Kempthorne	Wallop
Domenici	Lott	Warner
Faircloth	Lugar	

NOT VOTING—2

Simpson	Specter

So the bill (S. 3), as amended, was passed, as follows:

S. 3

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

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.
Sec. 106. Restrictions on use of camaign funds.

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.

Subtitle C—Soft Money of Persons Other Than Political Parties

Sec. 321. Soft money of persons other than political parties.

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.
Sec. 406. Out-of-State fundraising.

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. Penalties.
Sec. 605. Audits.
Sec. 606. Prohibition of false representation to solicit contributions.
Sec. 607. Regulations relating to use of non-Federal money.
Sec. 608. Simultaneous registration of candidate and candidate's principal campaign committee.
Sec. 609. Reimbursement fund.
Sec. 610. 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.
Sec. 711. Application of increased revenues to reduce the deficit.
Sec. 712. Sense of the Senate that Congress should adopt a joint resolution proposing an amendment to the Constitution that would empower Congress and the States to set reasonable limits on campaign expenditures.
Sec. 713. Sense of the Senate.
Sec. 714. Campaign advertising that refers to an opponent.
Sec. 715. Limit on congressional use of the franking privilege.

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 5 percent of the general election expenditure limit under section 502(b).

"(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.

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 $25,000.

"(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)(3)(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)(3)(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 campaign account of each eligible Senate candidate who accepted benefits under this title to determine, among other things, whether the candidate has complied with the expenditure limits and conditions of eligibility of this title, and other requirements of this Act.

"(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 which are equivalent to the increase in Federal revenues by reason of the repeal of the exempt function income exclusion under section 527 of the Internal Revenue Code of 1986 for authorized committees, and the graduated rates under such section for the principal campaign committee, of any candidate who does not abide by the campaign expenditure limits under this title, but only to the extent such amounts do not exceed the amount certified by the Commission as necessary to carry out the purposes of this title.

"(B) Amounts received in the Treasury which are equivalent to the increase in Federal revenues by reason of the disallowance of deductions for lobbying expenditures, but only to the extent such amounts do not exceed the amount certified by the Commission under subparagraph (A) reduced by amounts appropriated to the Fund under subparagraph (A).

"(C) Amounts transferred to the Fund under any provision of this Act.

"(D) 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. 431 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 nomination for election, or election, to Federal office 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;

"(iii) makes contributions or expenditures aggregating in excess of $1,000 during a calendar year; or

"(D) any committee described in section 315(a)(8)(D)(i)(III).".

(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. Nothing in this paragraph shall be construed to permit the establishment, financing, maintenance, or control of any committee which is prohibited by paragraph (3) or (6) of section 302(e).".

(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 Federal office (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 Federal office (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 aggregate Federal election spending limits applicable to the candidate for the election cycle.

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 subsections (a), (b), and (c) of 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.".

SEC. 106. RESTRICTIONS ON USE OF CAMPAIGN FUNDS.

(a) RESTRICTIONS ON USE OF CAMPAIGN FUNDS.—Title III of the Federal Election Campaign Act of 1971 (2 U.S.C. 431 et seq.) is amended by adding at the end the following new section:

"SEC. 327. (a) An individual who receives contributions as a candidate for Federal office—

"(1) may use such contributions only for legitimate and verifiable campaign expenses; and

"(2) may not use such contributions for any inherently personal purpose.

"(b) As used in this subsection—

"(1) the term 'campaign expenses' means expenses attributable solely to bona fide campaign purposes; and

"(2) the term 'inherently personal purpose' means a purpose that, by its nature, confers a personal benefit, and such term includes, but is not limited to, a home mortgage payment, clothing purchase, noncampaign automobile expense, country club membership, vacations or trips of a non-campaign nature, and any other inherently personal living expense as determined under the regulations mandated by section 106(b) of the Congressional Campaign Spending Limit and Election Reform Act of 1993.".

(b) REGULATIONS.—For the purposes of subsection (a), the Federal Election Commission shall, not later than 90 days after the date of enactment of subsection (a), prescribe regulations to implement the subsection. Such regulations shall apply to all contributions possessed by an individual at the time of implementation of this section.

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 2 times 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 using funds derived from a payment made under section 503(a)(3)(B) 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.

"(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)(A) If a candidate or political party is notified under section 304(h) that a person is making disbursements in excess of $10,000—

"(i) solely in opposition to such candidate or solely in support of an opponent of such candidate, or

"(ii) in opposition to such political party or in support of another political party,

the national committee may make the transfers described in subparagraph (B).

"(B) In the case of—

"(i) a notification described in subparagraph (A)(i), the national committee may transfer funds to authorized committees of the candidate described in such paragraph, or

"(ii) a notification described in subparagraph (A)(ii), the national committee may transfer funds to the State Party Grassroots Fund in the State where the disbursements are being made.

The aggregate amounts which may be transferred under this subparagraph 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.".

(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.".

(e) CONTRIBUTIONS 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 $7,500 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)."

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".

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."

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 OF CERTAIN CONTRIBUTIONS BY LOBBYISTS.—Section 315 of FECA (2 U.S.C. 441a), as amended by section 314(b), is amended by adding at the end the following new subsection:

"(m)(1) A lobbyist, or a political committee controlled by a lobbyist, shall not make contributions to, or solicit contributions for or on behalf of—

"(A) any member of Congress with whom the lobbyist has, during the preceding 12 months, made a lobbying contact; or

"(B) any authorized committee of the President of the United States if, during the preceding 12 months, the lobbyist has made a lobbying contact with a covered executive branch official.

"(2) A lobbyist who, or a lobbyist whose political committee, has made any contribution to, or solicited contributions for or on behalf of, any member of Congress or candidate for Congress (or any authorized committee of the President) shall not, during the 12 months following such contribution or solicitation, make a lobbying contact with such member or candidate who becomes a member of Congress (or a covered executive branch official).

"(3) If a lobbyist advises or otherwise suggests to a client of the lobbyist (including a client that is the lobbyist's regular employer), or to a political committee that is funded or administered by such a client, that the client or political committee should make a contribution to or solicit a contribution for or on behalf of—

"(A) a member of Congress or candidate for Congress, the making or soliciting of such a contribution is prohibited if the lobbyist has made a lobbying contact with the member of Congress within the preceding 12 months; or

"(B) an authorized committee of the President, the making or soliciting of such a contribution shall be unlawful if the lobbyist has made a lobbying contact with a covered executive branch official within the preceding 12 months.

"(4) For purposes of this subsection—

"(A) the term 'covered executive branch official' means the President, Vice-President, any officer or employee of the executive office of the President other than a clerical or secretarial employee, any officer or employee serving in an Executive Level I, II, III, IV, or V position as designated in statute or Executive order, any officer or employee serving in a senior executive service position (as defined in section 3232(a)(2) of title 5, United States Code), any member of the uniformed services whose pay grade is at or in excess of 0-7 under section 201 of title 37, United States Code, and any officer or employee serving in a position of confidential or policy-determining character under schedule C of the excepted service pursuant to regulations implementing section 2103 of title 5, United States Code;

"(B) the term 'lobbyist' means—

"(i) a person required to register under section 308 of the Federal Regulation of Lobbying Act (2 U.S.C. 267) or the Foreign Agents Registration Act of 1938 (22 U.S.C. 611 et seq.) or any successor Federal law requiring a person who is a lobbyist or foreign agent to register or a person to report its lobbying activities; or

"(C) the term 'lobbying contact'—

"(i) means an oral or written communication with or appearance before a member of Congress or covered executive branch official made by a lobbyist representing an interest of another person with regard to—

"(I) the formulation, modification, or adoption of Federal legislation (including a legislative proposal);

"(II) the formulation, modification, or adoption of a Federal rule, regulation, Executive order, or any other program, policy or position of the United States Government; or

"(III) the administration or execution of a Federal program or policy (including the negotiation, award, or administration of a Federal contract, grant, loan, permit, or license); but

"(ii) does not include a communication that is—

"(I) made by a public official acting in an official capacity;

"(II) made by a representative of a media organization who is primarily engaged in gathering and disseminating news and information to the public;

"(III) made in a speech, article, publication, or other material that is widely distributed to the public or through the media;

"(IV) a request for an appointment, a request for the status of a Federal action, or another similar ministerial contact, if there is no attempt to influence a member of Congress or covered executive branch official at the time of the contact;

"(V) made in the course of participation in an advisory committee subject to the Federal Advisory Committee Act (5 U.S.C. App.);

"(VI) testimony given before a committee, subcommittee, or office of Congress a Federal agency, or submitted for inclusion in the public record of a hearing conducted by the committee, subcommittee, or office;

"(VII) information provided in writing in response to a specific written request from a member of Congress or covered executive branch official;

"(VIII) required by subpoena, civil investigative demand, or otherwise compelled by statute, regulation, or other action of Congress or a Federal agency;

"(IX) made to an agency official with regard to a judicial proceeding, criminal or civil law enforcement inquiry, investigation, or proceeding, or filing required by law;

"(X) made in compliance with written agency procedures regarding an adjudication conducted by the agency under section 554 of title 5, United States Code, or substantially similar provisions;

"(XI) a written comment filed in a public docket and other communication that is made on the record in a public proceeding;

"(XII) a formal petition for agency action, made in writing pursuant to established agency procedures; or

"(XIII) made on behalf of a person with regard to the person's benefits, employment, other personal matters involving only that person, or disclosures pursuant to a whistleblower statute.".

"(5) For purposes of this subsection, a lobbyist shall be considered to make a lobbying contact or communication with a member of Congress if the lobbyist makes a lobbying contact or communication with—

"(i) the member of Congress;

"(ii) any person employed in the office of the member of Congress; or

"(iii) any person employed by a committee, joint committee, or leadership office who, to the knowledge of the lobbyist, was employed at the request of or is employed at

the pleasure of, reports primarily to, represents, or acts as the agent of the member of Congress.".

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".

SEC. 406. OUT-OF-STATE FUNDRAISING.

Title III of FECA, as amended by this Act, is amended by adding at the end the following new section:

"OUT-OF-STATE FUNDRAISING

"SEC. 328. A person shall not solicit or accept a contribution from a person that is not a legal resident of the candidate's State of residence prior to the date that is 2 years prior to the date of a general election for a congressional office in which the person seeks to become a candidate.".

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. 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. 605. 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. 606. 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. 607. 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. 608. 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. 609. 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. 610. 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.".

SEC. 711. APPLICATION OF INCREASED REVENUES TO REDUCE THE DEFICIT.

(a) DEFICIT REDUCTION.—The amount of increased revenue to the United States that is determined to be attributable to the disallowance of a deduction from income tax for lobbying expenses made by any law shall be paid into the general fund of the Treasury, to reduce the deficit and, to the extent provided by law, shall be used to reduce the role of special interests in congressional elections by funding the provision of benefits to candidates to encourage their agreement to campaign expenditure limits.

SEC. 712. SENSE OF THE SENATE THAT CONGRESS SHOULD ADOPT A JOINT RESOLUTION PROPOSING AN AMENDMENT TO THE CONSTITUTION THAT WOULD EMPOWER CONGRESS AND THE STATES TO SET REASONABLE LIMITS ON CAMPAIGN EXPENDITURES.

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

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

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

SEC. 713. SENSE OF THE SENATE.

It is the sense of the Senate that every employee in the executive or legislative branch of the Federal Government shall follow appropriate officially prescribed procedures in contacts and dealings with the Federal Bureau of Investigation and the Internal Revenue Servce.

SEC. 714. CAMPAIGN ADVERTISING THAT REFERS TO AN OPPONENT.

Title III of FECA, as amended by this Act, is amended by adding at the end the following new section:

"CAMPAIGN ADVERTISING THAT REFERS TO AN OPPONENT

"SEC. 329. (a) CANDIDATES.—A candidate or candidate's authorized committee that places in the mail a campaign advertisement or any other communication to the general public that directly or indirectly refers to an opponent or the opponents of the candidate in an election, with or without identifying any opponent in particular, shall file an exact copy of the communication with the Commission and with the Secretary of State of the candidate's State by no later than 12:00 p.m. on the day on which the communication is first placed in the mail to the general public.

"(b) PERSONS OTHER THAN CANDIDATES.—A person other than a candidate or candidate's authorized committee that places in the mail a campaign advertisement or any other communication to the general public that—

"(1) advocates the election of a particular candidate in an election; and

"(2) directly or indirectly refers to an opponent or the opponents of the candidate in the election, with or without identifying any opponent in particular,

shall file an exact copy of the communication with the Commission and with the Secretary of State of the candidate's State by no later than 12:00 p.m. on the day on which the communication is first placed in the mail to the general public.".

SEC. 715. LIMIT ON CONGRESSIONAL USE OF THE FRANKING PRIVILEGE.

Section 3210(a)(6)(A) of title 39, United States Code, is amended to read as follows:

"(A) A Member of Congress may not mail any mass mailing as franked mail during a year in which there will be an election for the seat held by the Member during the period between January 1 of that year and the date of the general election for that office, unless the Member has made a public announcement that the Member will not be a candidate for reelection to that seat or for election to any other Federal office.".

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.

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 should be funded by disallowing the Federal income tax deduction for expenses paid or incurred for lobbying the Federal Government 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).

(c) CLARIFICATION OF RELATIONSHIP TO POTENTIAL RECONCILIATION ACT PROVISIONS.—The amount of increased revenue to the United States that is determined to be attributable to the disallowance of a deduction from income tax for lobbying expenses made by any law shall be paid into the general fund of the Treasury, to reduce the deficit and, to the extent provided by law, shall be used to reduce the role of special interests in congressional elections by funding the provision of benefits to candidates to encourage their agreement to campaign expenditure 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 interlocutory order or final judgment, decree, or order issued by any court ruling on the constitutionality of any provision of this Act or amendment made by this Act.

(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.

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

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

The motion to lay on the table was agreed to.

The PRESIDING OFFICER (Mr. REID). The Senator from Oklahoma.

Mr. BOREN. Mr. President, we have just witnessed a great victory for the American people. I want to express my appreciation to a number of people.

First of all, I want to express my appreciation to the President of the United States, who vigorously worked for the passage of this legislation. It was appropriate that the President, in announcing his support for this legislation and for campaign finance reform, made that announcement in the Rose Garden before a group of students, high school students who had come to Washington to see Government in action, because the bill that we have passed today will help change politics for them in the future. It will open the door of opportunity for those young people who wish to enter politics and perform public service because they want to serve their country to do so without having to sit down and worry first about raising massive amounts of money in order to have a chance to participate in the political process.

I want to thank the majority leader, who worked long and hard every step of the way in all of the negotiations to help bring the votes together to pass this bill and Senator WENDELL FORD, the chairman of the Rules Committee, who was an early sponsor of this legislation and who provided support from that committee in a timely fashion and continued to help lead support for the bill on the floor.

I want to thank Senator ROBERT BYRD, the President pro tempore of the Senate, a long time supporter of this legislation. When he was the majority

leader, he attempted, again and again, to bring this legislation to the floor, to end the filibuster so that it might be considered, one cloture vote after another in attempting to move forward in the cause of campaign finance reform.

I want to thank two former Members of the Senate whose influence remains strong because they were individuals of such enormous personal integrity: former Senator John Stennis, of Mississippi, and former Senator Barry Goldwater, of Arizona. He sponsored with me early efforts in campaign finance reform. Both of those former Senators understood that the system was drifting in the wrong direction and that more and more money was determining the outcome of political elections, as opposed to the qualifications of the candidates and the ideas that candidates had to solve the very serious challenges facing this country.

I want to thank several members of the staff who have worked with us so hard in this entire process. First, from my personal staff, I want to thank Joe Harroz who spent many, many extra hours working on this legislation. I want to thank Bob Rozen, staff member to the majority leader, who has been a principal architect and drafter working with us on this legislation. He and Joe Harroz, together, have been on the floor all the time that this bill has been pending. Their advice, their help, has been enormously beneficial.

Then I want to thank those from the Rules Committee, the staff of Senator FORD, Tom Zoeller, Jack Sousa, and Jim King who worked with us again in the Rules Committee in the early stages of this legislation and in the drafting of the bill. They have also been here available to us on the floor. They have worked untold extra hours to help us on this legislation.

From the Democratic Policy Committee staff, Paul Brown has also been of great help to this effort.

So, Mr. President, I think this is an important moment for our country. It is an important step forward toward real political reform. During this last election, the people tried to express themselves in many ways about the frustration that they feel about what has been happening in American politics. And at the top of the list was their feeling that the Congress of the United States, meant to be the institution of Government where the people themselves can be heard and can be represented, that the Congress of the United States no longer really represented people like them because elections were being decided more and more by the influx of money.

The people saw the money chase in American politics. The American people saw $680 million flow into campaign funds for Members running for the House and for the Senate. They saw the political action committees and the special interests giving to incumbents at the rate of $9 to incumbents for every $1 they gave to challengers. They saw the fact that most challengers did not have a chance because sitting Members could usually outspend them at a ratio of 3 to 1, and the American people said: "We don't believe the Congress anymore represents people like us." And the average American begins to wonder if they really have a chance to have an impact at the polls to decide elections, because it was working out that the candidate with the most money was winning time after time after time.

Mr. President, what we have done today is to demonstrate to the American people that we are willing to change a system that gives an enormous benefit to those Members who sit here already.

Sixty Members of this body, without regard to self-interest today, since on the average they can raise three times as much as challengers, have voted to put limits on themselves in terms of how much money they can raise and spend in political campaigns. The 60 Members, on both sides of the aisle, who voted for this legislation today have demonstrated to the American people that they want to return government back to the people and keep faith with the American people by reducing the enormous influence of money in political campaigns and returning power to the people back at the grassroots, at the ballot box where it belongs.

So, Mr. President, I again thank all those who have worked so hard for so long to make this possible: The members of the staff I mentioned, Senator FORD, Senator MITCHELL, and the President. As someone said in one press story I read, this is not shadowboxing any longer because if the Congress passes the bill this year, it is something that will be different. In the past it was always felt it was a free vote because it was going to the White House where it was sure to be vetoed.

So year in and year out, as we struggled, we knew even if we were successful in the Congress, we were likely facing a Presidential veto. All of that changed when Bill Clinton became President of the United States and not only said that he would sign a bill into law to limit campaign spending, to reform the campaign process, but that he would work heart and soul as hard as he could to pass that bill. He has kept that commitment. He has worked hard with us, talking to Members of the Senate, making public statements, rallying the American people behind this bill. The President deserves great credit with this victory today, and he deserves our appreciation for his unyielding support of this effort.

Mr. President, this is a happy day for the country. It is a good day for those young people that the President spoke to in the Rose Garden because now when you talk to young people about the hope that they will someday want to give back to their country by entering into public service, they can begin to concentrate on what they should concentrate upon: getting a good education, learning as much as they can, making sure that they have high ideals and a vision of the future and ideas that will be of benefit to this country, instead of having to focus their attention on how they might someday raise the massive amounts of money that are now required to run for public office.

So it is a good day for our country. Again, I express my appreciation to all those who have had a part in it.

Mr. President, I ask unanimous consent that the bill be printed as passed.

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

Mr. MITCHELL addressed the Chair.

The PRESIDING OFFICER. The majority leader.

THANKS TO SENATE PAGES

Mr. MITCHELL. Mr. President, we, in the Senate, reply upon many people who work behind the scenes every day to help ensure that the Senate's business is conducted as smoothly as possible. The Senate pages are clearly among the hardest working of these people. I think it is appropriate to take a few minutes now to recognize and thank the Senate pages for tomorrow will mark the end of service of the current group of pages.

I am struck by the sacrifices these young people are willing to make to serve the Senate. They leave home to spend part of their junior year of high school working long hours and rising early to attend school. At a time when many of their peers are engaged in sports and planning the prom, these students are focused on Senate floor procedures, amendments, and filibusters. I hope they have found their time here to be worthwhile and educational.

Each day, they perform the tasks necessary to keep the Senate functioning. They locate podiums for Senators seeking to speak on the floor; they ensure that all Senators receive copies of amendments; they deliver messages between Senate offices. Their schedule is entirely contingent on the Senate schedule. On the other hand, Senate business, in a real sense, is contingent on their assistance.

Much is asked of the pages during their service. I hope they feel that they have gained much as well.

On behalf of every Member of the U.S. Senate, I express our appreciation to the pages and wish them well as they return home.

Mr. President, I would like to read the names of the pages. For those whose names I mispronounce, I apologize in advance: Rebecca Antkoviak; Andrea Besikof; Paul Dickson; Andrew Dulac; Leonard Fifield; Michelle Fleming; Ben-Israel Halley; Kathleen

Hennessey; Sara James; Elizabeth Joyce; Daniel Lapidus; Taraye Lopez; Cullen McGough; Cara Martin; Joshua Peterson; Hannah Pingree; Ariana Rolich; Justin Scaramazzo; Mike Smith; Sabrina Sorenson; Dawn Streufert; Darren Wallach.

Mr. President, I again thank these young people and wish them all very well. I now yield the floor.

SUPPLEMENTAL APPROPRIATIONS ACT OF 1993

The PRESIDING OFFICER. The clerk will now report H.R. 2118.

The assistant legislative clerk read as follows:

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

The Senate proceeded to consider the bill which was reported from the Committee on Appropriations with amendments, as follows:

(The parts of the bill intended to be stricken are shown in boldface brackets, and the parts of the bill intended to be inserted are shown in italics.)

H.R. 2118

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, to provide supplemental appropriations for the fiscal year ending September 30, 1993, and for other purposes, namely:

TITLE I—SUPPLEMENTAL APPROPRIATIONS

CHAPTER I

DEPARTMENT OF AGRICULTURE, RURAL DEVELOPMENT, FOOD AND DRUG ADMINISTRATION, AND RELATED AGENCIES

DEPARTMENT OF AGRICULTURE

FOOD SAFETY AND INSPECTION SERVICE

SALARIES AND EXPENSES

For an additional amount for "Salaries and expenses", $4,000,000.

COMMODITY CREDIT CORPORATION

Notwithstanding any provision of law, any Commodity Credit Corporation funds that were appropriated by Public Law 102-229 and Public Law 102-368 for losses of crop production in 1990, 1991, and 1992 and that are unexpended as of the date of enactment of this Act shall be made available to producers of 1990, 1991, and 1992 crops of wheat, feed grains, upland cotton, rice, sugar beets, sugarcane, soybeans, and peanuts for losses of production due to the deterioration of the quality of such commodities caused by natural disasters, as determined by the Corporation: Provided, That such funds shall also be made available to producers of the 1993 crops of agricultural commodities for crop losses caused by natural disasters which occurred prior to May 1, 1993: Provided further, That such funds shall also be made available to producers for 1993, 1994, and 1995 crop losses if such losses are due to the occurrence of Hurricanes Andrew and Iniki and Typhoon Omar: Provided further, That such funds shall be made available under the same terms and conditions as authorized for 1990, 1991, and 1992 crop losses: Provided further, That no payments to producers under this Act shall be at a rate greater than the rate used in making payments under Public Law 102-229 and Public Law 102-368: Provided further, That any such funds shall remain available until September 30, 1993: Provided further, That no funds may be used pursuant to the last clause of the fifth proviso of the appropriation for the Commodity Credit Corporation in Public Law 102-368.

RURAL DEVELOPMENT ADMINISTRATION

(RESCISSION)

Of the funds made available for this heading in Public Law 102-341, $8,576,000 are rescinded. Such funds were made available for salaries and expenses.

RURAL DEVELOPMENT INSURANCE FUND PROGRAM ACCOUNT

For an additional amount for the "Rural development insurance fund program account", for the costs of water and sewer direct loans, $35,543,000, to subsidize additional gross obligations for the principal amount of direct loans not to exceed $250,000,000: Provided, That with regard to the funds provided herein, the Secretary may use 1980 U.S. Census information to determine the eligibility of loan applications submitted prior to the availability of 1990 U.S. Census information.

RURAL WATER AND WASTE DISPOSAL GRANTS

For an additional amount for "Rural water and waste disposal grants", $35,000,000, to remain available until expended: Provided, That with regard to the funds provided herein, the Secretary may use 1980 U.S. Census information to determine the eligibility of loan applications submitted prior to the availability of 1990 U.S. Census information.

FARMERS HOME ADMINISTRATION

RURAL HOUSING INSURANCE FUND PROGRAM ACCOUNT

(INCLUDING RESCISSIONS)

For an additional amount for the "Rural housing insurance fund program account", $4,576,000 for the cost of guaranteed unsubsidized section 502 loans, for total loan principal not to exceed $250,000,000.

Of the amounts provided under this heading for the cost of low-income housing section 502 direct loans in Public Law 102-341, $64,826,000 are rescinded.

Of the amounts provided under this heading for the cost of section 515 rental housing loans in Public Law 102-341, $17,672,000 are rescinded.

Of the amounts provided under this heading for the cost of credit sales of acquired property in Public Law 102-341, $3,571,000 are rescinded.

RENTAL ASSISTANCE PROGRAM

For an additional amount for the Rental Assistance Program, for expiring agreements and for servicing existing units without agreements, $66,287,000.

AGRICULTURAL CREDIT INSURANCE FUND PROGRAM ACCOUNT

(RESCISSIONS)

Of the amounts provided under this heading for the cost of direct operating loans in Public Law 102-341, $15,000,000 are rescinded.

Of the amounts provided for the cost of emergency insured loans under this heading in Public Law 102-341, $15,000,000 are rescinded.

Of the amounts provided under this heading for the cost of credit sales of acquired property in Public Law 102-341, $3,511,000 are rescinded.

SALARIES AND EXPENSES

(RESCISSION)

Of the amounts provided under this heading in Public Law 102-341, $15,000,000 are rescinded.

FOOD AND NUTRITION SERVICE

SPECIAL SUPPLEMENTAL FOOD PROGRAM FOR WOMEN, INFANTS, AND CHILDREN (WIC)

For [the funds remaining after the] *any* fiscal year 1993 reallocation process, the Secretary may waive the 15 percent cap regulation to ensure additional funds are received by States most in need.

HUMAN NUTRITION INFORMATION SERVICE

(RESCISSION)

Of the amounts provided under this heading in Public Law 102-341, $2,250,000 are rescinded.

DEPARTMENT OF HEALTH AND HUMAN SERVICES

FOOD AND DRUG ADMINISTRATION

SALARIES AND EXPENSES

(TRANSFERS OF FUNDS)

[For an additional amount for "Salaries and expenses" from fees collected pursuant to section 736 of the Federal Food, Drug, and Cosmetic Act, not to exceed $36,000,000, to remain available until expended: *Provided,* That fees derived from applications received during fiscal year 1993 shall be subject to the fiscal year 1993 limitation.]

For an additional amount for carrying out the Mammography Quality Standards Act, $3,000,000, of which $1,000,000 shall be transferred from the Centers for Disease Control and Prevention; $1,000,000 shall be transferred from the National Institutes of Health "National Cancer Institute"; and $1,000,000 shall be transferred from the Health Care Financing Administration "Program Management".

CHAPTER II

DEPARTMENTS OF COMMERCE, JUSTICE, AND STATE, THE JUDICIARY, AND RELATED AGENCIES

DEPARTMENT OF COMMERCE

MINORITY BUSINESS DEVELOPMENT AGENCY

MINORITY BUSINESS DEVELOPMENT

The sum "$13,889,000" under this heading in Public Law 102-395, 106 Stat. 1852, is amended to read "$15,050,000".

ECONOMIC DEVELOPMENT ADMINISTRATION

ECONOMIC DEVELOPMENT ASSISTANCE PROGRAMS

(RESCISSION)

Of the amounts provided under this heading in Public Law 99-190 and Public Law 99-591, $11,807,000 are rescinded.

ECONOMIC DEVELOPMENT REVOLVING FUND

(RESCISSION)

Of the unobligated balances in the Economic Development Revolving Fund, $67,000,000 are rescinded.

NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION

OPERATIONS, RESEARCH, AND FACILITIES

(RESCISSION)

Of the amounts provided under this heading in Public Law 102-395, $1,750,000 are rescinded and in addition of the amounts also provided under this heading for a semitropical research facility located at Key Largo, Florida, in Public Law 101-515 and Public Law 102-140, $794,000 are rescinded.

GENERAL PROVISION

SEC. 201. Notwithstanding any other provision of law, the Secretary of Commerce, acting pursuant to Public Law 102-368 to provide grants to cover the costs of tourism promotion needs arising from Hurricane Andrew, Hurricane Iniki, or other disasters, shall not establish or enforce a maximum or minimum dollar amount of assistance to be made available to any State or eligible entity.

DEPARTMENT OF JUSTICE

GENERAL ADMINISTRATION

SALARIES AND EXPENSES

Notwithstanding section 1346 of title 31, United States Code, or section 612 of the Treasury,

Postal Service, and General Government Appropriations Act, 1993, funds made available for fiscal year 1993 by this or any other Act shall be available for the interagency funding of debt collection tracking and reporting by the Department of Justice.

ASSETS FORFEITURE FUND

(RESCISSION)

Of the funds made available under this heading in Public Law 102–395, $35,000,000 are rescinded.

FEDERAL BUREAU OF INVESTIGATION

SALARIES AND EXPENSES

For an additional amount for "Salaries and expenses", $32,000,000, to remain available until expended, of which the entire amount is for necessary expenses of the Federal Bureau of Investigation for special programs in support of the Nation's security.

FEDERAL PRISON SYSTEM

BUILDINGS AND FACILITIES

(RESCISSION)

From unobligated balances available under this heading, $130,000,000 are rescinded.

OFFICE OF JUSTICE PROGRAMS

JUSTICE ASSISTANCE

(INCLUDING RESCISSION)

For an additional amount for "Justice Assistance", $200,000,000, to remain available until expended, for grants authorized by chapter A of subpart 2 of part E of title I of the Omnibus Crime Control and Safe Streets Act of 1968, as amended to enhance public safety and the quality of life and to promote the interaction of law enforcement officers with citizens, notwithstanding the limitations of section 511 of said Act.

Of the amounts provided under this heading in Public Law 102–140 to carry out part N of title I of the Omnibus Crime Control and Safe Streets Act of 1968, as amended, $1,000,000 for grants for televised testimony of child abuse victims are rescinded.

THE JUDICIARY

COURTS OF APPEALS, DISTRICT COURTS, AND OTHER JUDICIAL SERVICES

DEFENDER SERVICES

For an additional amount for "Defender Services", $55,000,000, to remain available until expended.

FEES OF JURORS AND COMMISSIONERS

For an additional amount for "Fees of Jurors and Commissioners", $5,500,000.

RELATED AGENCIES

DEPARTMENT OF TRANSPORTATION

MARITIME ADMINISTRATION

MILITARY USEFUL VESSEL OBLIGATION GUARANTEES

(INCLUDING RESCISSION)

For an additional amount for "Military Useful Vessel Obligation Guarantees", $48,000,000, to remain available until expended.

Of funds provided under this heading in Public Law 102–395, 106 Stat. 1860, $48,000,000 are rescinded.

FEDERAL COMMUNICATIONS COMMISSION

SALARIES AND EXPENSES

For an additional amount for "Salaries and expenses," $11,500,000, to remain available until expended.

THOMAS JEFFERSON COMMEMORATION COMMISSION

SALARIES AND EXPENSES

(RESCISSION)

Of the amounts provided under this heading in Public Law 102–395, $200,000 are rescinded.

OFFICE OF THE UNITED STATES TRADE REPRESENTATIVE

SALARIES AND EXPENSES

For an additional amount for "Salaries and expenses", $500,000, to remain available until expended.

[SMALL BUSINESS ADMINISTRATION

[BUSINESS LOANS PROGRAM ACCOUNT

[For an additional amount for "Business loans program account" for the cost of guaranteed loans authorized by section 7(a) of the Small Business Act, $181,000,000.]

CHAPTER III

DEPARTMENT OF DEFENSE—MILITARY

MILITARY PERSONNEL

MILITARY PERSONNEL, NAVY

For an additional amount for "Military Personnel, Navy", $7,100,000.

OPERATION AND MAINTENANCE

OPERATION AND MAINTENANCE, ARMY

For an additional amount for "Operation and maintenance, Army", $149,800,000.

OPERATION AND MAINTENANCE, NAVY

For an additional amount for "Operation and maintenance, Navy", $46,356,000.

OPERATION AND MAINTENANCE, MARINE CORPS

For an additional amount for "Operation and maintenance, Marine Corps", $122,192,000.

OPERATION AND MAINTENANCE, AIR FORCE

For an additional amount for "Operation and maintenance, Air Force", $266,400,000.

[OPERATION AND MAINTENANCE, DEFENSE AGENCIES

[For an additional amount for "Operation and maintenance, Defense Agencies", $2,000,000.]

OPERATION AND MAINTENANCE, NAVY RESERVE

For an additional amount for "Operation and maintenance, Navy Reserve", $237,000.

HUMANITARIAN ASSISTANCE PROGRAM

For an additional amount for the "Humanitarian Assistance Program", $23,000,000: Provided, That not less than $23,000,000 shall be made available until expended to continue emergency relief operations for the Kurdish population and other minorities of northern Iraq: Provided further, That, notwithstanding any other provision of law, the Department of Defense is authorized to make grants to any individual, non-profit private voluntary organization, government or government agency, or international or intergovernmental organization, to assist in meeting the humanitarian needs of the people of northern Iraq: Provided further, That, notwithstanding any other provision of law, items or articles procured for this humanitarian purpose may be grown or produced inside or outside the United States.

REAL PROPERTY MAINTENANCE, DEFENSE

For an additional amount for "Real Property Maintenance, Defense", $29,098,000.

REVOLVING AND MANAGEMENT FUNDS

DEFENSE BUSINESS OPERATIONS FUND

For an additional amount for "Defense Business Operations Fund", [$293,500,000] *$295,500,000.*

OTHER DEPARTMENT OF DEFENSE PROGRAMS

DEFENSE HEALTH PROGRAM

For an additional amount for "Defense Health Program", $299,900,000.

RELATED AGENCIES

NATIONAL SECURITY EDUCATION TRUST FUND

There is hereby appropriated out of funds in the National Security Education Trust Fund, $10,000,000, which shall remain available until expended, for the purposes set out in paragraph (1) of section 804(b) of the National Security Education Act of 1991 (title VIII of Public Law 102–183; 50 U.S.C. 1904(b)), and may be obligated for such purposes notwithstanding any other provision of law.

GENERAL PROVISIONS—CHAPTER III

[SEC. 301. Section 9032 of the Department of Defense Appropriations Act, 1993 (Public Law 102–396) is amended by inserting ", the California and Hawaii recompetition contract," after "pursuant to this general provision" in the next to the last proviso (relating to preemption provisions).]

SEC. 301. Section 9165 of the Department of Defense Appropriations Act, 1993 (Public Law 102–396) is hereby repealed.

SEC. 302. Section 9084 of the Department of Defense Appropriations Act, 1993 (Public Law 102–396) is amended by inserting "or any other beneficiary described by section 1086(c) of title 10, United States Code," after "or a dependent of such a member,", and by inserting ", or end stage renal disease" after "solely on the grounds of physical disability" in the paragraph preceding the first proviso.

SEC. 303. In Section 103 of the Classified Annex which is incorporated into the Department of Defense Appropriations Act, 1993 (Public Law 102–396) the clause "notwithstanding any other provision of law" is hereby deleted.

CHAPTER IV

DEPARTMENT OF THE INTERIOR AND RELATED AGENCIES

DEPARTMENT OF THE INTERIOR

UNITED STATES FISH AND WILDLIFE SERVICE

CONSTRUCTION AND ANADROMOUS FISH

Of the $2,700,000 included under this head in Public Law 102–381 for construction of the Ottawa National Wildlife Refuge, Ohio, Metzger Marsh project, $2,600,000 shall be available as a grant from the United States Fish and Wildlife Service to Ducks Unlimited, Inc., for construction of the Federal portion of the dike and pumping station at Metzger Marsh.

BUREAU OF INDIAN AFFAIRS

OPERATION OF INDIAN PROGRAMS

(INCLUDING TRANSFER OF FUNDS)

For an additional amount for "Operation of Indian programs", [$21,300,000, of which $2,100,000 shall remain available until September 30, 1994; and $19,200,000 for school operations] *$11,142,000 for school operations which* shall become available for obligation on July 1, 1993, and shall remain available for obligation until September 30, 1994; and of which $3,900,000 shall be derived by transfer from unobligated balances available in the "Oil spill emergency fund" account [and $4,937,000 shall be derived by transfer from unobligated balances available under "Indian health services, Department of Health and Human Services" for the Morris K. Udall Scholarship Foundation, Public Law 102–154.]

MISCELLANEOUS PAYMENTS TO INDIANS

The paragraph under this head in Public Law 102–381 is amended by adding the following before the period: "and (3) to reimburse Indian trust fund account holders for losses to their respective accounts where the claim for said loss(es) has been reduced by a judgment and/or settlement agreement approved by the Department of Justice".

MISCELLANEOUS PERMANENT APPROPRIATIONS

(INCLUDING TRANSFER OF FUNDS)

For an additional amount for the "Alaska resupply program", $6,000,000, to remain

available until expended, to be derived by transfer from the unobligated balances available in the "Oil spill emergency fund" account.

CHAPTER V

DEPARTMENTS OF LABOR, HEALTH AND HUMAN SERVICES, EDUCATION, AND RELATED AGENCIES

DEPARTMENT OF LABOR

EMPLOYMENT AND TRAINING ADMINISTRATION

TRAINING AND EMPLOYMENT SERVICES

(INCLUDING TRANSFER OF FUNDS)

For an additional amount for "Training and employment services", $200,000,000, to be available upon enactment of this Act, to carry into effect the Job Training Partnership Act, of which $3,500,000 is for activities under part D of title IV of such Act, of which up to $1,000,000 may be transferred to the Program Administration account, and of which $196,500,000 is for activities under part B of title II of such Act.

DEPARTMENT OF HEALTH AND HUMAN SERVICES

HEALTH RESOURCES AND SERVICES ADMINISTRATION

VACCINE INJURY COMPENSATION

For an additional amount for payment of claims resolved by the United States Claims Court related to the administration of vaccines before October 1, 1988, $30,000,000, to remain available until expended.

SOCIAL SECURITY ADMINISTRATION

PAYMENTS TO SOCIAL SECURITY TRUST FUNDS

For an additional amount for "Payments to Social Security Trust Funds" to reimburse the trust funds for administrative expenses to carry out sections 9704 and 9706 of the Internal Revenue Code of 1986, $10,000,000, to remain available until expended.

SUPPLEMENTAL SECURITY INCOME PROGRAM

For making, after June 15 of the current fiscal year, benefit payments to individuals under title XVI of the Social Security Act, for unanticipated costs incurred for the current fiscal year, such sums as may be necessary.

LIMITATION ON ADMINISTRATIVE EXPENSES

For an additional amount, $10,000,000, to remain available until expended, to carry out sections 9704 and 9706 of the Internal Revenue Code of 1986.

ADMINISTRATION FOR CHILDREN AND FAMILIES

REFUGEE AND ENTRANT ASSISTANCE

For an additional amount for making payments for Refugee and Entrant Assistance activities authorized by title IV of the Immigration and Nationality Act and section 501 of the Refugee Education Assistance Act of 1980, $3,700,000.

DEPARTMENT OF EDUCATION

STUDENT FINANCIAL ASSISTANCE

For an additional amount for "Student financial assistance" for payment of awards made under subpart 1 of part A of title IV of the Higher Education Act of 1965, as amended, **[$160,000,000]** *$360,000,000*, which shall be available through September 30, 1994, only for such awards made for award year 1993–1994 and prior award years.

COMMUNITY INVESTMENT PROGRAM

(RESCISSION)

Of the amounts provided under title XII of Public Law 102-368, Additional Assistance to Distressed Communities, under the heading "Community Investment Program", $500,000,000 are rescinded.

CHAPTER VI

DEPARTMENT OF DEFENSE—MILITARY CONSTRUCTION

[MILITARY CONSTRUCTION, NAVY

[For an additional amount for "Military Construction, Navy" to cover the incremental costs arising from flood damage at Camp Pendleton, California, $3,000,000.]

[FAMILY HOUSING, NAVY AND MARINE CORPS

[For an additional amount for "Family Housing, Navy and Marine Corps" to cover the incremental costs arising from flood damage at Camp Pendleton, California, $4,345,000.]

HOMEOWNERS ASSISTANCE FUND, DEFENSE

(INCLUDING RESCISSION)

Of the funds appropriated for "Homeowners Assistance Fund, Defense" under Public Law 102-380, $133,000,000 is hereby rescinded.

For an additional amount for "Homeowners Assistance Fund, Defense", $133,000,000, to remain available until expended.

CHAPTER VII

DEPARTMENT OF TRANSPORTATION AND RELATED AGENCIES

DEPARTMENT OF TRANSPORTATION

OFFICE OF THE SECRETARY

(TRANSFERS OF FUNDS)

OFFICE OF THE ASSISTANT SECRETARY FOR TRANSPORTATION POLICY

For necessary expenses of the Office of the Assistant Secretary for Transportation Policy, $2,358,000 to be derived from amounts made available for the "Office of the Assistant Secretary for Policy and International Affairs" in the Department of Transportation and Related Agencies Appropriations Act, 1993.

OFFICE OF THE ASSISTANT SECRETARY FOR AVIATION AND INTERNATIONAL AFFAIRS

For necessary expenses of the Office of the Assistant Secretary for Aviation and International Affairs, $7,920,000 to be derived from amounts made available for the "Office of the Assistant Secretary for Policy and International Affairs" and the "Office of Essential Air Service" in the Department of Transportation and Related Agencies Appropriations Act, 1993.

OFFICE OF THE DIRECTOR OF PUBLIC AFFAIRS

Amounts made available for the Office of the Assistant Secretary for Public Affairs in the Department of Transportation and Related Agencies Appropriations Act, 1993, which are unobligated on the date of enactment of this Act shall be transferred to and merged under this head.

OFFICE OF THE ASSISTANT SECRETARY FOR BUDGET AND PROGRAMS

(RESCISSION)

Of the funds appropriated for "Office of the Assistant Secretary for Budget and Programs" under Public Law 102-388, $158,000 are rescinded.

OFFICE OF THE ASSISTANT SECRETARY FOR GOVERNMENTAL AFFAIRS

(RESCISSION)

Of the funds appropriated for "Office of the Assistant Secretary for Governmental Affairs" under Public Law 102-388, $224,000 are rescinded.

OFFICE OF THE ASSISTANT SECRETARY FOR PUBLIC AFFAIRS

(RESCISSION)

Of the funds appropriated for "Office of the Assistant Secretary for Public Affairs" under Public Law 102-388, $158,000 are rescinded.

OFFICE OF COMMERCIAL SPACE TRANSPORTATION

OPERATIONS AND RESEARCH

(RESCISSION)

Of the funds appropriated for "Office of Commercial Space Transportation, Operations and Research" under Public Law 102-388, $25,000 are rescinded.

COAST GUARD

OPERATING EXPENSES

(RESCISSION)

Of the funds appropriated for "Operating Expenses" under Public Law 102-388, $5,476,000 are rescinded.

OIL SPILL LIABILITY TRUST FUND

Not more than $7,000,000 shall be expended in fiscal year 1993 pursuant to section 6002(b) of the Oil Pollution Act of 1990 to carry out the provisions of section 1012(a)(4) of that Act.

FEDERAL AVIATION ADMINISTRATION

OPERATIONS

(RESCISSION)

Of the funds appropriated for "Operations" under Public Law 102-388, $13,750,000 are rescinded.

GRANTS-IN-AID FOR AIRPORTS

(LIQUIDATION OF CONTRACT AUTHORIZATION)

(AIRPORT AND AIRWAY TRUST FUND)

(INCLUDING RESCISSION OF FUNDS)

For an additional amount for liquidation of obligations, $100,000,000, to be derived from the Airport and Airways Trust Fund and to remain available until expended: Provided, That $29,028,000 of unobligated contract authority are rescinded.

FEDERAL HIGHWAY ADMINISTRATION

LIMITATION ON GENERAL OPERATING EXPENSES

The $398,000,000 under the head "Limitation on General Operating Expenses" in Public Law 102-388 for necessary expenses for administration, operation, including motor carrier safety program operations, and research of the Federal Highway Administration, shall be reduced by $2,248,000.

FEDERAL-AID HIGHWAYS

(LIMITATION ON OBLIGATIONS)

(HIGHWAY TRUST FUND)

The obligation limitation under the heading "Federal-Aid Highways (Limitation on Obligations) (Highway Trust Fund) shall be reduced by $2,248,000.

FEDERAL RAILROAD ADMINISTRATION

RAILROAD SAFETY

(RESCISSION)

Of the funds appropriated for "Railroad Safety" under Public Law 102-388, $140,000 are rescinded.

NORTHEAST CORRIDOR IMPROVEMENT PROGRAM

(INCLUDING RESCISSION)

Of the funds appropriated for "Northeast Corridor Improvement Program" under Public Law 102-388, $204,100,000 are rescinded.

For an additional amount for "Northeast Corridor Improvement Program", $204,100,000, to remain available until expended.

GRANTS TO THE NATIONAL RAILROAD PASSENGER CORPORATION

For an additional amount for "Grants to the National Railroad Passenger Corporation", to remain available until expended, $25,000,000 for operating losses incurred by the Corporation and $25,000,000 for capital improvements.

FEDERAL TRANSIT ADMINISTRATION

ADMINISTRATIVE EXPENSES

(RESCISSION)

Of the funds appropriated for "Administrative Expenses" under Public Law 102-388, $305,000 are rescinded.

SAINT LAWRENCE SEAWAY DEVELOPMENT CORPORATION

OPERATIONS AND MAINTENANCE

(HARBOR MAINTENANCE TRUST FUND)

(RESCISSION)

Of the funds appropriated for "Operations and Maintenance" under Public Law 102-388, $91,000 are rescinded.

OFFICE OF INSPECTOR GENERAL

SALARIES AND EXPENSES

(RESCISSION)

Of the funds appropriated for "Salaries and Expenses" under Public Law 102-388, $285,000 are rescinded.

INDEPENDENT AGENCY

INTERSTATE COMMERCE COMMISSION

SALARIES AND EXPENSES

(RESCISSION)

Of the funds appropriated for "Salaries and Expenses" under Public Law 102-388, $360,000 are rescinded.

GENERAL PROVISION

NEW YORK NOISE COMMITTEE

SEC. 701. Section 345 of the Department of Transportation and Related Agencies Appropriations Act, 1992, as amended by section 353 of the Department of Transportation and Related Agencies Appropriations Act, 1993, is amended by adding at the end thereof the following:

"(7) The Metropolitan New York Aircraft Noise Mitigation Committee established under this section shall not be subject to the Federal Advisory Committee Act".

SEC. 702. Notwithstanding any other provision of law, funds made available under the Department of Transportation and Related Agencies Appropriations Act, Fiscal Year 1993, for the fuel cell buses program under the Federal Transit Administration's Discretionary grants account shall be transferred to that agency's Transit Planning and Research account and be administered in accordance with section 6 of the Federal Transit Act, as amended.

CHAPTER VIII

TREASURY, POSTAL SERVICE, AND GENERAL GOVERNMENT

DEPARTMENT OF THE TREASURY

BUREAU OF ALCOHOL, TOBACCO AND FIREARMS

SALARIES AND EXPENSES

For an additional amount for "Salaries and expenses", $4,000,000, for expenses arising from the Waco, Texas law enforcement operation.

UNITED STATES CUSTOMS SERVICE

SALARIES AND EXPENSES

(INCLUDING TRANSFER OF FUNDS)

For an additional amount for "Salaries and expenses", $1,618,000, to be derived by transfer from unobligated balances in the "Operation and Maintenance, air and marine interdiction programs" account.

BUREAU OF THE PUBLIC DEBT

ADMINISTERING THE PUBLIC DEBT

(RESCISSION)

Of the funds made available under this heading in Public Law 102-393, $3,400,000 are hereby rescinded.

UNITED STATES SECRET SERVICE

SALARIES AND EXPENSES

For an additional amount for "Salaries and expenses", $7,350,000 for expenses associated with the protection of former President Bush, security for the residence of Vice President Gore, for the extraordinary expenses associated with the World Trade Center bombing, and other urgent activities.

EXECUTIVE OFFICE OF THE PRESIDENT

OFFICE OF ADMINISTRATION

SALARIES AND EXPENSES

For an additional amount for "Salaries and expenses", $4,342,000, to remain available until expended.

THE WHITE HOUSE OFFICE

SALARIES AND EXPENSES

For an additional amount for "Salaries and expenses", $7,410,538.

OFFICIAL RESIDENCE OF THE VICE PRESIDENT

OPERATING EXPENSES

Notwithstanding the limitation contained under this heading in Public Law 102-393, not to exceed $125,000 may be available for official entertainment expenses.

SPECIAL ASSISTANCE TO THE PRESIDENT

SALARIES AND EXPENSES

For an additional amount for "Salaries and expenses", $107,000.

NATIONAL CRITICAL MATERIALS COUNCIL

SALARIES AND EXPENSES

(RESCISSION)

Of the funds made available under this heading in Public Law 102-393, $50,000 are hereby rescinded.

NATIONAL SPACE COUNCIL

SALARIES AND EXPENSES

(RESCISSION)

Of the funds made available under this heading in Public Law 102-389, $650,000 are hereby rescinded.

INDEPENDENT AGENCIES

FEDERAL ELECTION COMMISSION

SALARIES AND EXPENSES

For an additional amount for "Salaries and expenses", $112,000.

GENERAL SERVICES ADMINISTRATION

FEDERAL BUILDINGS FUND

(LIMITATIONS ON AVAILABILITY OF REVENUE)

The funds made available for obligation under this heading in Public Law 102-393 for the following accounts are hereby reduced in the following amounts: "Rental of space", $16,000,000 and "Installment and acquisition payments", $2,000,000: Provided, That the aggregate limitation on Federal Buildings Fund obligations established in Public Law 102-393 is hereby reduced by such amounts: Provided further, That the amount deposited into the Fund is reduced by $18,000,000.

INDEPENDENT AGENCIES

NATIONAL ARCHIVES AND RECORDS ADMINISTRATION

OPERATING EXPENSES

For an additional amount for "Operating expenses", $2,997,000.

GENERAL SERVICES ADMINISTRATION

ALLOWANCES AND OFFICE STAFF FOR FORMER PRESIDENTS

For an additional amount for "Allowances and Office Staff for Former Presidents", $194,000.

[ADMINISTRATIVE PROVISIONS

[SEC. 801. Not to exceed 4 per centum of any appropriations made available to the Executive Office of the President in fiscal year 1993 may be transferred between such appropriations. Notwithstanding any authority to transfer funds between appropriations contained in this or any other Act, no transfer may increase or decrease any appropriation by more than 4 per centum and any such proposed transfers shall be approved in advance by the Committees on Appropriations of the House and Senate.

SEC. 802. Notwithstanding the limitation contained in Public Law 102-393 (Treasury, Postal Service, and General Government Appropriations Act, 1993), within the appropriation, "Official Residence of the Vice President", not to exceed $130,000 shall be available for official entertainment expenses.]

GENERAL PROVISIONS

SEC. 801. Notwithstanding any provision of law, the funds made available to the United States Customs Service by this or any other Act, may be transferred to state and local governmental agencies for law enforcement purposes.

SEC. 802. Notwithstanding any provision of law, for the purposes of implementing Executive Order No. 12839, the Secretary of the Treasury shall achieve 50 percent of the personnel reductions for all Treasury bureaus in headquarters and regional offices and in positions graded general schedule 14 and higher: Provided, That such reductions shall not adversely affect drug control, law enforcement, trade facilitation, or delivery of services to the public: Provided further, That if such reductions cannot be achieved, the Secretary shall request approval from the House and Senate Committees on Appropriations prior to making personnel reductions in other areas.

SEC. 803. Section 617 of Public Law 102-393 is hereby repealed.

SEC. 804. Notwithstanding any other provision of law, $2,000,000 made available by transfer to the Drug Enforcement Administration from the "Special Forfeiture Fund" account of the Office of National Drug Control Policy in Public Law 102-393 may be used for an expansion study of the El Paso Intelligence Center and for the operation and maintenance of the computer systems at the Center.

CHAPTER IX

DEPARTMENTS OF VETERANS AFFAIRS AND HOUSING AND URBAN DEVELOPMENT, AND INDEPENDENT AGENCIES

DEPARTMENT OF VETERANS AFFAIRS

VETERANS BENEFITS ADMINISTRATION

COMPENSATION AND PENSIONS

For an additional amount for "Compensation and pensions", [$147,422,000] *$475,000,000*, to remain available until expended.

VETERANS HEALTH ADMINISTRATION

MEDICAL CARE

(TRANSFER OF FUNDS)

For an additional amount for "Medical care", [$5,000,000] *$3,000,000*, to be derived by transfer from amounts appropriated under the head "Medical administration and miscellaneous operating expenses" in Public Law 102-389.

Notwithstanding any other provision of law, not less than $9,315,000,000 of the sums appropriated under this heading in Public Law 102-389 shall be available only for expenses in the personnel compensation and benefits object classifications.

Notwithstanding any other provision of law, funds provided under this heading in Public Law 102-389 shall be available to establish and operate a geriatric research, education, and clinical center as directed in House Conference Report 102-902.

MEDICAL ADMINISTRATION AND MISCELLANEOUS OPERATING EXPENSES

Notwithstanding any other provisions of law, the national oversight quality assurance activities, described in section 104 of Public Law 102-405, shall be funded under this heading during the remainder of the fiscal year and in subsequent fiscal years.

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

HOUSING PROGRAMS

HOME INVESTMENT PARTNERSHIPS PROGRAM

(TRANSFER OF FUNDS)

For additional amounts for the HOME investment partnerships program, as authorized under title II of the Cranston-Gonzalez National Affordable Housing Act, as amended, subject to the terms provided under this head in the Dire Emergency Supplemental Appropriations Act, 1992, Public Law 102-368, to remain available until expended, $60,000,000, to be derived by transfer from the $100,000,000 appropriated in the second paragraph under the head "Annual contributions for assisted housing" in such Act.

SEVERELY DISTRESSED PUBLIC HOUSING PROJECTS

(TRANSFER OF FUNDS)

For activities as set forth in the third paragraph under the head "Homeownership and opportunity for people everywhere grants (HOPE grants)" in the Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act of 1993, $300,000,000, to remain available until expended, to be derived by transfer from amounts appropriated for the purpose under the foregoing head.

YOUTHBUILD PROGRAMS

(TRANSFER OF FUNDS)

For activities authorized by subtitle D of [the Housing and Community Development Act of 1992] *title IV of the Cranston-Gonzalez National Affordable Housing Act*, under the heading "HOPE for Youth: Youthbuild", [$40,000,000], to remain available until expended, to be derived by transfer from amounts appropriated under the head "Homeownership and opportunity for people everywhere grants (HOPE grants)" in title II of the Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 1993, Public Law 102-389.

ANNUAL CONTRIBUTIONS FOR ASSISTED HOUSING

Of the amounts of budget authority (and contract authority) carried over from fiscal year 1992, $78,000,000 shall be awarded competitively for the construction or major reconstruction of obsolete public housing projects (MROP), other than for Indian families; $79,996,578 shall be for an additional amount for section 8 property disposition; and $45,000,000 shall be used in connection with requirements arising from litigation: Provided, That funds made available under this head shall not be subject to section 213(d) of the Housing and Community Development Act of 1974, as amended: Provided further, That, notwithstanding section 111(c) of the Housing and Community Development Act of 1992, amounts made available for these MROP projects shall be obligated pursuant to notice published in the Federal Register.

FEDERAL HOUSING ADMINISTRATION

FHA—MUTUAL MORTGAGE INSURANCE PROGRAM ACCOUNT

The limitation on commitments to guarantee loans during fiscal year 1993 to carry out the purpose of section 203(b) of the National Housing Act, as amended, is increased by a loan principal of $42,854,000,000.

GOVERNMENT NATIONAL MORTGAGE ASSOCIATION

GUARANTEES OF MORTGAGE-BACKED SECURITIES LOAN GUARANTEE ACCOUNT

The limitation on new commitments during fiscal year 1993 to issue guarantees to carry out the purposes of section 306 of the National Housing Act, as amended (12 U.S.C. 1721(q)), is increased by an additional $30,000,000,000.

COMMUNITY PLANNING AND DEVELOPMENT

COMMUNITY DEVELOPMENT GRANTS

(TRANSFER OF FUNDS)

For an additional amount for "Community development grants", for use only for the repair, renovation, or replacement, or other authorized community development activities affecting structures damaged or destroyed by Hurricane Andrew, Hurricane Iniki, Typhoon Omar, and other Presidentially-declared disasters, to remain available until September 30, 1995, [$40,000,000] *$20,000,000*, to be derived by transfer from the $100,000,000 appropriated in the second paragraph under the head "Annual contributions for assisted housing" in the Dire Emergency Supplemental Appropriations Act, 1992, Public Law 102-368: *Provided*, That the Secretary may waive entirely, or in any part, any requirement set forth in title I of the Housing and Community Development Act of 1974, except a requirement relating to fair housing and nondiscrimination, the environment, and labor standards, if the Secretary finds that such waiver will further the purposes of the use of the amount hereby transferred.

MANAGEMENT AND ADMINISTRATION

SALARIES AND EXPENSES

The third, fourth, and fifth provisos under this head in title II of the Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 1993, Public Law 102-389, are repealed.

ADMINISTRATIVE PROVISIONS

The accounts under the head "Management and administration", except the account for the Office of Inspector General, in title II, Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 1992, Public Law 102-139, and the amounts in such [accounts] *accounts*, are hereby [merged,] *merged* into "Salaries and expenses", for the purposes of administering such accounts in accordance with 31 U.S.C., subchapter IV, chapter 15.

[The seventh paragraph under this heading in the Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 1993, Public Law 102-389 (the second full paragraph at 106 Stat. 1591) is repealed.]

Of the $260,000,000 earmarked in Public Law 102-389 for special purpose grants (106 Stat. 1571, 1584), $1,750,000 made available to Los Angeles, CA, for a loan fund to be administered by a nonprofit community organization in support of small business revitalization that will create a beneficial impact on employment, income, savings, and the development of a stronger community economic base in South Central Los Angeles shall instead be made available to the Brotherhood Crusade Black United Front of Los Angeles for the same purpose.

Of the $54,250,000 earmarked in Public Law 101-507 for special purpose grants (104 Stat. 1351, 1357), $1,350,000 made available for the Bickerdike Redevelopment Corporation for the rehabilitation of 70 units in three buildings, for rental to low-income tenants in the City of Chicago shall instead be made available for the Bickerdike Redevelopment Corporation, for the creation of rental subsidy for 70 units of affordable housing for rental to low-income tenants in the City of Chicago. The Rental Subsidy program is to be set up through a secure investment portfolio by Bickerdike whereby principal and interest earned will be used to subsidize rents for a period of years.

Notwithstanding any provision of law or regulation thereunder, the requirement that an amendment to an urban development action grant agreement must be integrally related to the approved project is hereby waived for project No. B84AB210149.

INDEPENDENT AGENCIES

[ENVIRONMENTAL PROTECTION AGENCY

[PROGRAM AND RESEARCH OPERATIONS

[(TRANSFER OF FUNDS)

[For an additional amount for "Program and research operations", up to $5,000,000, to be derived by transfer from amounts provided under the head "Abatement, control, and compliance" in Public Law 102-389.]

NATIONAL AERONAUTICS AND SPACE ADMINISTRATION

RESEARCH AND DEVELOPMENT

(TRANSFER OF FUNDS)

For an additional amount for "Research and development", $5,000,000, to be available until September 30, 1994, to be derived by transfer from amounts provided under the head "Construction of facilities" in Public Law 102-389.

TITLE II—GENERAL [PROVISIONS]

PROVISION

SEC. 201. No part of any appropriation contained in this Act shall remain available for obligation beyond the current fiscal year unless expressly so provided herein.

[SEC. 202. In fiscal year 1994 and thereafter, the payments, revenues, and surcharges referred to in sections 3404(c)(3), 3405(f), and 3406(c)(1), respectively, of Public Law 102-575 shall be assessed and collected to the extent required in appropriations Acts.]

This Act may be cited as the "Supplemental Appropriations Act of 1993".

Mr. BYRD addressed the Chair.

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

Mr. BYRD. Mr. President, the Appropriations Committee will be meeting at 3 p.m. today to make the allocations to the various subcommittees for the new fiscal year of fiscal year 1994. Prior to that time, I would not want any action taken on this bill.

I ask unanimous consent that the ranking manager, Mr. HATFIELD, and I may proceed with opening statements and that following those two statements, the Senate stand in recess awaiting the call of the Chair or the call of the majority leader.

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

Mr. BYRD addressed the Chair.

The PRESIDING OFFICER. The manager of the bill is recognized.

Mr. BYRD. Mr. President, H.R. 2118, the fiscal year 1993 supplemental appropriations bill, provides net new appropriations totaling $1,878,886,538. Of that amount, $515,000,000 is for mandatory payments including VA compensation and pensions, $1,281,583,000 for defense (function 050), and a net $82,304,000 in new budget authority for domestic discretionary activities. Total outlays estimated for this bill are $262 million, of which outlays for defense of $279.5 million and mandatory programs of $40 million are partially offset by domestic discretionary savings of $57.5 million.

The bill as reported by the committee includes recommendations on items that were contained in both the House-passed versions of H.R. 2118 and H.R. 2244, the second supplemental. The combined total of the House bills contained $1,835,055,000 in budget authority and $316,480,000 in outlays. The committee-reported bill is approximately $43 million more than the combined House-passed bills. The difference is primarily made up of money for the Kurdish relief program and additional sums for FBI special programs.

The committee recommends $200 million for the Summer Youth Employment Program. This will provide, according to the Department of Labor, an additional 160,000 jobs this summer for disadvantaged youths ages 14–21. H.R. 2244, as passed the House, includes $320 million for this item. The committee would have liked to include more funding but the requirement that we offset all domestic discretionary items by subcommittee and the lateness in the summer season made it imprudent to do so.

The bill as recommended by the committee also includes $200 million for discretionary grants to State and local law enforcement agencies to hire additional police and further the concept of community policing. It is estimated that approximately 4,545 additional State and local police officers will be hired through these grants made by the Attorney General.

The committee also recommends $55 million for defender services which will permit the continued reimbursement of panel attorneys appointed by the Federal district courts to represent criminal defendants who cannot afford their own counsel. The committee understands that the level provided in the fiscal year 1993 regular appropriation bill was depleted on May 27, 1993. In addition, the bill includes $5.5 million for fees of jurors in the Federal courts. These funds are expected to run out some time this month.

For Amtrak, the bill includes $50 million, of which $25 million is provided for capital improvements to avoid further furloughs of maintenance workers and to procure additional rail cars.

The committee recommends $35.5 million for water and sewer facility loans under the Department of Agriculture. This appropriation will permit the Department to make an additional $250 million in direct loans for these facilities in rural areas. In addition, the committee recommends $35 million for rural water and waste disposal grants which will be used in conjunction with the loan funds to reduce to reasonable levels the cost per household to repay the loans.

In addition to domestic mandatory and discretionary items, the bill includes $1,281,583,000 in budget authority for defense, function 050. Included in this amount is $750 million to cover the costs of Operation Restore HOPE, the United States military humanitarian effort in Somalia, $100 million for Operations Southern Watch and Provide Comfort, $71.6 million to repair flood damage at Marine Corps installations in southern California, $10 million for the National Security Education Trust Fund, and $295 million for health programs for defense personnel and their families.

The bill before us appropriates $750 million in funding to pay part of the costs of the United States operation in Somalia. As you all know from news accounts, the U.N. forces in Somalia, in which the United States is participating, are engaged in a military operation against one of the Somali warlords. This raises questions of both the mission of the U.N. operations and the costs to the United States of continued involvement in Somalia. The Senate, on February 3, 1993, authorized troops to be deployed to Somalia to implement a U.N. resolution which called for use of "all necessary means to establish as soon as possible a secure environment for humanitarian relief operations in Somalia." It has been understood by this Senator from the beginning, that when President Bush first sent United States forces to Somalia the limited mission of the forces was to provide a secure environment to allow food to be distributed and to stop the starvation that was engulfing the country. The purpose was not to establish a new political authority in that nation. It was to secure food lines. However, the current U.N. mission clearly goes beyond this and includes the goal, according to a U.N. Security Council resolution adopted on December 3, 1992, to facilitate the "process of a political settlement under the auspices of the United Nations, aimed at national reconciliation in Somalia.

Mr. President, the United Nations has been in charge of the Somalia operation for about 1 month now, and of the 18,000 military personnel assigned to these forces, the UNOSOM II forces, some 1,200 are United States forces assigned to a Quick Reaction Force and 3,000 are logistics support personnel. Press accounts indicated that the United Nations has asked us to provide another 4,200 marines and sailors, a Marine expeditionary unit, to augment that force, and arrival of that force in waters off the coast is expected this weekend. I am concerned about the escalation of violence as the United Nations attempts to enforce its expanded mission, which includes political goals, and the doubling of the U.S. combat-ready contingent in one fell swoop. The violence which has erupted in the capital city there must be met by the United Nations so that its credibility and authority are not undermined, thus encouraging more attacks on it. But it does not necessarily follow that the United States has got to be the nation to augment the force in such a dramatic fashion. I would caution the administration to beware of enhancing U.S. participation in a mission which seems to be beyond that which was originally agreed to by this body.

In addition, the costs of the Somalia operation have now well surpassed the $1 billion mark. United States costs for Somali relief in fiscal year 1993–94, exclusive of food aid now total some $1.2 billion, including the United States assessment by the United Nations for costs of the so-called UNOSOM I operation, covering November 1, 1992–April 1, 1993 total $33 million and an expected U.N. assessment of $486 million for the costs of UNOSOM II. There may be more U.N. costs to come if this commitment continues. This is on top of United States normal aid to Somalia from fiscal year 1991–93 of some $210 million.

So, Mr. President, the contribution of the United States to the U.N.-led operation in Somalia needs to be kept at a level which does not put the United States back in to the position of shouldering a disproportionately large part of the costs and risks. Doubling U.S. forces over the weekend will add to both, and should be considered very carefully.

The bill also includes $23 million for the ongoing United States humanitarian relief program for the Kurds of northern Iraq, which is administered by DoD, so that the level of effort of the current program will be maintained through the end of the fiscal year. Saddam Hussein continues to put economic, political and military pressure on the Kurdish population now being protected by allied forces. I want to ensure that there is no break in the program which Saddam Hussein could misinterpret as a weakening of our commitment to that population, and tempt a renewed onslaught by Iraqi forces which would require another major Western military response.

Mr. President, the bill does not include a recommended appropriation for the Small Business Administration's section 7(a) Loan Guarantee Program. The House-passed version of H.R. 2118 includes $181 million for this program. The SBA had exhausted its appropriation for fiscal year 1993 of $331.5 million in April of this year. The House bill did not offset this appropriation as is required in the Senate. In order to fund defender services, fees of jurors, police hiring, and other requests of the President, the committee had to make rescissions totaling more than $240 million in the Commerce/Justice Subcommittee. While supportive of the program, we were simply unable to find an additional $181 million in budget authority and $56 million in outlays within that subcommittee to keep the bill in compliance with the budget act.

Mr. President, the committee has produced a good bill under current

budgetary constraints, and the bill deserves the support of my colleagues.

Mr. HATFIELD addressed the Chair.

The PRESIDING OFFICER. The Senator from Oregon.

Mr. HATFIELD. Mr. President, the Senate today turns to the consideration of H.R. 2118, the fiscal year 1993 supplemental appropriations bill.

This bill was passed by the House of Representatives on May 26 and reported from our Committee on Appropriations in the Senate on June 8.

H.R. 2118 has its genesis in the President's request of April 8, 1993, for supplemental appropriations to meet unanticipated requirements and deficiencies in some 47 programs of 18 different departments and agencies. Those requests total approximately $1 billion in both mandatory and discretionary accounts that have been characterized as regular supplementals as distinct from emergency supplementals contained in H.R. 1335, the economic stimulus supplemental considered by the Senate earlier this year. The President proposed no offsets for this supplemental request.

On May 14, the President submitted another supplemental request in the amount of $920 million for three programs: $320 million for summer jobs, $400 in EPA waste water treatment grants, and $200 million to enable State and local governments to hire additional police.

The President proposed to offset this additional spending in this second request with an across-the-board reduction of 0.45 percent against nondefense discretionary programs. The House dealt with this proposal in a separate bill, H.R. 2244, and after substituting specific rescissions in lieu of the across-the-board reduction proposed by the President passed the bill on May 26.

The measure before us recommends funding most of the President's April 8 request plus some elements of the May 14 request plus some elements of H.R. 1335 and some additional items not requested by the President, notably $1.2 billion for the Department of Defense.

I wish to emphasize to my colleagues, particularly those on this side of the aisle, that there are no emergency declarations to this bill, that is, declarations that would exempt spending from discretionary spending caps. So all the spending is under the discretionary spending caps, and of course, the mandatory is excluded from that.

All the spending recommended in that bill is within our subcommittee allocations and the caps on discretionary spending, and I am speaking of the 1993 caps.

All new nondefense discretionary spending is fully offset. In fact, the offsets recommended in the bill would reduce the 1993 nondefense discretionary outlays by $58 million.

This bill is built on the principle that some of us advanced in the Senate debate on H.R. 1335, namely that we were willing to support additional funding for certain priority programs if that funding is offset so that the deficit would not increase—so that the deficit would not increase.

Now, Mr. President, there is one aspect of this bill that troubles me because it does not comport with that principle. The bill as reported from committee recommends $1.281 billion for the Department of Defense. All but $5 million for the National Security Education Trust Fund was not requested by the President. None of it is offset. No point of order under the Budget Act lies because there is room remaining under the fiscal year 1993 discretionary spending cap for function 050 spending.

In other words, this $1.2 billion for the Defense Department is under the Defense Department's cap for 1993. But it does add to the deficit. This is an addition to the deficit. And that concerns me. We debated for days on this floor about the wisdom of appropriating an additional $16 billion for a variety of nondefense programs without offsetting that additional expense to prevent an increase in the deficit.

Many of those programs are ones that I strongly support, and both as an individual Senator and as a manager of the bill on this side of the aisle I sought to reach an agreement to provide additional funding for such programs as summer jobs, child immunization, and highway construction if that additional spending could be offset and would be offset with cuts in spending in other programs. Regrettably, those efforts were not successful.

Now we are asked to appropriate more than $1.2 billion for the Defense Department, money that was not even requested by the Defense Department, and to do so without any regard to the deficit simply because the technical procedure allows us to do so. I believe that is wrong, Mr. President, and I will vote to strike that funding from the bill unless it is offset with reductions in other DOD programs. If we are to demand that the deficit not be increased for nondefense spending, then we should demand equally that it not be increased for defense spending.

Now, when we speak of defense in this particular context, let me say what this money is for. This is not wages for our service personnel but this is money that involves $750 million, the largest piece of it, for the Somalia peacekeeping operations. It involves money for the Iraqi no-fly zone. It involves money for the Kurdish military aid. It involves $299 million for CHAMPUS. That is the health program for military personnel.

Now, we also have information that the Department of Defense could have reprogrammed within existing appropriations moneys to cover those responsibilities. We owe those bills. It is not the question of whether we want to pay those bills or not pay them. We owe them and we have to pay them. I am just talking about the procedure of paying them and not adding to the deficit, which I think is an option.

We will debate this and several other issues during consideration of this measure, and as always I look forward to working with the chairman, Senator BYRD, to move this bill through the Senate as expeditiously as possible and go to conference with the House as quickly as possible and get this matter behind us because, Mr. President, as chairman of one of our subcommittees you fully understand that we are about the business now of 1994 and we have again a timeframe within which we have to move 13 appropriations bills.

This is not too early to begin to give signals to our colleagues that we are going to have to utilize every possible minute of the day in order to move those 13 appropriations bills in the context of the current budget situation before October 1—and July is almost upon us.

I yield the floor.

MORNING BUSINESS

Mr. BYRD. Mr. President, I ask unanimous consent that there be a period for the transaction of routine morning business with Senators permitted to speak therein for not to exceed 5 minutes each, and that the period for the transaction of routine morning business extend until such time as my colleague, Mr. HATFIELD, and I can complete our action in the full committee concerning allocations.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

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

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

Mr. BURNS. Might I inquire of the business of the Senate?

The PRESIDING OFFICER. The pending question is H.R. 2118, the supplemental appropriations bill.

Mr. BURNS. I ask unanimous consent that I may proceed for 5 minutes as in morning business.

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

RECONCILIATION BILL

Mr. BURNS. Mr. President, as we come down to the closing moments of the reconciliation bill that will be before us next week, as most of the details have been coming to our different

offices, it just seems to me this is a time that we really are thankful for sunshine. I think once the American people take a look at this reconciliation bill, they will find out that we are back into the old business of taxing and spending again and we will be asked to support that.

This is really a huge tax on small business. Ninety-eight percent of the employment in the State of Montana is provided by small businesses, farmers, and ranchers. It never ceases to amaze me how the Congressmen, Senators, and folks in the administration can throw about rhetoric of decrying the benefits of those rich business owners and ranchers and farmers. I am just wondering why, in this time when we are trying to expand the job base, when we are trying to get some investment credit back into America, and if you do accumulate just a little bit of money, then we are going to tax it, we are going to come after more of it for taxes, why do we then call you in and ask, "Why don't you expand your business?"

We are the only country in the world, just about, that taxes incentive. I just ask this body who, other than the commerce of this country, do you think pulls the wagons or pays the bills that creates the jobs in this country?

There are only two sources of job suppliers: Private business, be it corporate or small business, and Government—Federal, State, and local level.

We all know the figure that there are more people working for the Government now than there are manufacturing jobs in this country. I am wondering how long we can go on with that.

What I am saying is, Let us concentrate on spending. Let us concentrate on the redundancy of Government services, those services that are offered both at the State and local level and then piled onto by the Federal Government.

Or let us take a look at unfunded Federal mandates that are driving up the budgets of many States. And there is not a State in the Union that is not going through some very difficult financial times.

If you think we are not in a tax revolution, look at my State of Montana where we have no sales tax, and the Governor put forth a sales tax and it was voted down almost 4 to 1.

So I just ask, as this reconciliation bill becomes known and all the parts of it becomes known, I just want the people of this country to take a look at it, and ask: Is it as it is represented? Is it a 1-to-1 spending reduction to tax increases? Or it is more like $4 in new taxes and $1 in spending cuts?

So I ask my colleagues to take a very close look, and for all America this weekend, when you are enjoying Father's Day, take a look at this reconciliation once it is voted out because there is a transportation tax. No matter how small, it is very inflationary because we are at the end of the line in my State. We sell wholesale and we buy retail, and we pay the freight both ways.

At every segment, every part, every manufacturing, every production level is the use of gasoline and diesel. In this bill, I understand before it is voted out, there are no exemptions.

So I say a tax is a tax. You may call it a fee and you may score it like some folks here who have funny accounting systems in this town, but a tax is a tax. I just want to have America take a look at this over the weekend.

Mr. President, I yield the floor, and I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

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

The PRESIDING OFFICER. We are in morning business.

Mr. EXON. I thank the President.

COOPERATION BETWEEN DOD, NOAA AND NASA ON WEATHER SATELLITE PROGRAMS

Mr. EXON. Mr. President, several weeks ago I took to the Senate floor to argue that the Government needed to reexamine its policies and management arrangements for the global positioning system, which is a Department of Defense navigation satellite. I raised that issue because I believe there is a chance for the Government to save the taxpayers money, improve the performance of our economy, and achieve greater efficiencies in our space program.

Today I rise to make a similar case for new efficiencies in another set of space programs.

The Department of Defense maintains an expensive constellation of polar-orbiting weather satellites known as the Defense Meteorological Support Program, or DMSP.

The National Oceanographic and Atmospheric Administration, or NOAA, under the Department of Commerce, also maintains an expensive constellation of polar-orbiting weather satellites, known in this case by the acronym TIROS and NASA is developing a third system known as EOS.

Today, there is a fair amount of commonality and cooperation between these two programs. This commonality and cooperation is the result of 15 or 20 years of hard work by Congress, the Office of Management and Budget, NOAA, and DOD. Over this time period, there has also been numerous studies of the potential to merge the two programs outright in order to save money. Despite progress in achieving commonality and cooperation between these two programs, efforts to merge or converge the programs into a single Government system have always failed, largely because of what I believe were cold war considerations and efforts by individual agencies to protect turf.

Today I make the case that the time has come to examine this issue again. In terms of capacity and capability, the United States does not require two separate constellations of two satellites apiece. The cold war is over. Cooperation between civil agencies and the Department of Defense is no longer the sensitive issue it was when we were confronting the Soviet Union. In fact, today, given the large annual deficit and growing national debt, civil-military cooperation is imperative.

The end of the cold war has changed DOD's requirements for weather satellite support. DOD is no longer focused exclusively on strategic developments within the Soviet Union. DOD now has a global focus on Regional problems and the needs of its tactical combat forces. DOD therefore needs access to weather data on a regular basis throughout the day and night on a worldwide basis. In fact, in Operation Desert Storm, DOD tactical forces made significant use of the civilian weather satellite system.

Budget problems within DOD and NOAA are severe. We can no longer afford to fund redundant programs just because it is more convenient, less complicated, and more satisfying for the various agencies and departments of the Government.

NOAA's budget just does not add up. President Clinton's budget submission identifies over $200 million in NOAA's budget, including the satellite programs, as investments which are above the cap on discretionary spending this year. Paying for these investments will require us to cut funding this year in other areas that have not been identified and the problem will only get worse in the years ahead.

I submit, Mr. President, that merging our national weather satellite programs and reducing the number of satellites taxpayers have to buy and operate can help ease our fiscal problems—without jeopardizing our ability to forecast the weather or defend the Nation. In fact, I believe that it might be possible to improve forecasting capabilities by merging the existing programs. As things stand now, we can not afford to develop new technologies to improve the capabilities of both the DOD or NOAA satellite systems. If we merge them, however, we might be able to free up enough funds to make substantial improvements in capabilities and still save money overall.

I believe it is necessary to examine this issue carefully as soon as possible, for a number of reasons:

First, whereas the trend over the last 15 or so years has been for NOAA and DOD to increase commonality and cooperation, lately this trend has been reversed. Unless we change course we will soon experience divergence rather than convergence between the military and civil systems unless Congress and the new administration take action.

DOD has been planning for some time to try to develop a new version of its satellite, called the Block 6 DMSP. DOD plans to compete this program, which means that it would diverge from NOAA's. The 10-year cost of this effort would be close to $2 billion.

At the same time, NOAA has been planning to develop a new version of its weather satellite, which is known by the acronym OPQ. NOAA has been looking to cooperate on new sensors with both NASA's EOS program and with a European consortium for its new system. This international cooperation, and cooperation with NASA are laudable, but it would come at the cost of commonality with DOD's system.

I believe there is a better way. DOD, NOAA, and NASA should together develop an integrated system with a rational division of labor with respect to sensors, satellite platforms, satellite command and control, and data processing. This approach need not preclude close cooperation with our European friends.

At a minimum, Mr. President, we must act to ensure that our weather satellite systems do no diverge rather than to converge in coming years.

Second, if we are going to be able to overcome the policy issues that prevented convergence in the past, we might have to rethink some recent program decisions. For example, Congress last year directed NOAA to buy two more of the existing TIROS satellites to prevent a gap in coverage around the turn of the century.

If this procurement proceeds, NOAA will have enough satellites to last another 10 years and perhaps substantially longer. Meanwhile, DOD has an inventory of 9 DMSP satellites, which will last until 2007 or even longer. NOAA might have to buy even more TIROS satellites to maintain its constellation until DOD's inventory was exhausted before we could shift to a new common system. That seems to me to be a long wait for a merged program and new capabilities.

It might make more sense for DOD to transfer to NOAA two of its existing satellite buses for NOAA to modify to its TIROS configuration. This would leave NOAA and DOD with seven satellites each. By sharing existing inventory there would be sufficient time to define and build a common system. Part of the money saved by forgoing the NOAA procurement could be applied to designing and developing a merged program. It would also permit the United States to stay in step with European satellite development efforts.

Third, NOAA has been trying to determine how it could capitalize on the technology NASA is developing for the earth observing system, or EOS, for the weather forecasting program. To date, NOAA's plans do not look affordable and Congress denied funds for development last year. If the NOAA and DOD systems were merged it is more likely that resources would be available for modernization. It may be that NASA's sensor technology is affordable within a merged program that combines the resources of DOD, NOAA, and NASA.

If it should turn out that transferring DOD assets to NOAA is not practical or would not save enough money to begin work soon on a merge program, we should continue the procurement of two more Tiros satellites, as Congress mandated last year. If we can agree, however, that a merge system is the objective, it should be possible to postpone or slow down the efforts now underway to develop follow-on systems in both NOAA and DOD.

In closing, Mr. President, let me suggest that such a course that I suggest will save money in the short term and also over the long haul. Mr. President, now is the time to explore new efficiency in military and civilian space systems. Business as usual, based on parochial institutional interests, is not acceptable. I have sent letters to the Deputy Secretary of Defense, William Perry; Secretary Brown; and NASA Administrator Goldin, seconding the request of Chairman BROWN for a thorough administrative review. As a senior member of both the Armed Services and Commerce Committees, I also intend to raise this issue with my colleagues on the key committees of jurisdiction.

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

The PRESIDING OFFICER. Who seeks recognition?

Mr. DODD addressed the Chair.

The PRESIDING OFFICER. The Senator from Connecticut.

Mr. DODD. What is the business before the Senate, Mr. President?

The PRESIDING OFFICER. Morning business.

THE NOMINATION OF JEAN KENNEDY SMITH TO BE AMBASSADOR TO IRELAND

Mr. DODD. Mr. President, I want to take this opportunity to express my deep sense of satisfaction at the action taken by the Senate last night to confirm the nomination of Jean Kennedy Smith to be United States Ambassador to Ireland. I have been fortunate enough to know Jean Kennedy Smith for a number of years, and from my firsthand knowledge I am convinced that she will accomplish this assignment with the kind of honor and distinction that few others can match.

Mr. President, Jean Kennedy Smith is as intelligent as she is compassionate. Jean Kennedy Smith is as knowledgeable as she is warm-hearted. Jean Kennedy Smith is the right person and this is the right job in the right place at the right time.

I know I speak for millions of Irish-Americans when I say that the quality of this appointment speaks volumes about the importance which this administration attaches to our relations with the Government of Ireland. It is a tribute to the White House, and it is the kind of appointment of which President Clinton can be justifiably and personally proud.

Mr. President, as my colleagues know, Jean Kennedy Smith is no stranger to public service. For years she has dedicated herself to a variety of humanitarian and charitable causes. She founded and sits on the board of directors of Very Special Arts, an organization devoted to enhancing and improving the lives of the disabled by offering them an experience in the world of art. We owe her an enormous debt of gratitude for this important effort and the many, many other contributions she has made to enrich the lives of others.

Mr. President, at a hearing of the Foreign Relations Committee last week, Jean Kennedy Smith demonstrated her thorough knowledge of Irish domestic politics, United States-Irish relations, and the many other issues that will confront her during her time in Dublin. In particular she spoke with eloquence and compassion about the tragic and long-running conflict in Northern Ireland and the steps that might be taken—in Dublin, in London, in Belfast, and in Washington—to promote a lasting settlement in that troubled corner of the world.

This is the Jean Kennedy Smith tradition, Mr. President. Humanitarian outreach. Warm-hearted generosity. Tireless attempts at building peace and understanding. With these efforts Jean Kennedy Smith helps to nourish all of us. I know she will do a great job in Dublin. And I am proud to call her friend.

Mr. DODD. I thank the Chair.

(The remarks of Mr. DODD pertaining to the introduction of S. 1125 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

Mr. DODD. I suggest the absence of a quorum.

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

The PRESIDING OFFICER (Mrs. MURRAY). Without objection, it is so ordered.

SUPPLEMENTAL APPROPRIATIONS ACT OF 1993

The Senate continued with the consideration of the bill.

AMENDMENT NO. 475

Mr. BYRD. Madam President, I have certain amendments in my hand which the two managers have agreed to, and have agreed that they be offered en bloc. I ask unanimous consent that these amendments be offered en bloc, agreed to en bloc, and the motion to reconsider en bloc laid on the table.

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

Mr. BYRD. They go to various parts of the bill.

I ask unanimous consent that statements in explanation of the amendments appear at the appropriate place in the RECORD.

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

Mr. HATFIELD addressed the Chair.

The PRESIDING OFFICER. The chair recognizes the Senator from Oregon.

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

Mr. BYRD. Madam President, I ask unanimous consent that the amendment offered by Mr. HATFIELD be joined with the amendments that I offered previously to various parts of the bill en bloc.

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

The amendments (No. 475) considered and agreed to en bloc are as follows:

On page 28 line 25, strike "$4,342,000" and insert "$415,000".

On page 32 after line 23 insert:

SEC. 802. Notwithstanding any other provision of law, the Comptroller General of the United States shall conduct an investigation into the alleged politicization of executive branch investigative agencies with respect to the White House travel office and shall submit the findings from such investigation to the Congress by no later than September 30, 1993.

On page 34, insert the following after line 24:

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

COMMUNITY PLANNING AND DEVELOPMENT

HOME INVESTMENT PARTNERSHIP PROGRAM

For additional amounts for the HOME Investment Partnerships program, as authorized under title II of the Cranston-Gonzalez National Affordable Housing Act, as amended, subject to the terms provided under this head in the Dire Emergency Supplemental Appropriations Act, 1992, Public Law 102-368, $75,000,000, to remain available until expended: *Provided*, That up to $50,000,000 of the amounts required to fund the foregoing amount shall be derived by transfer from the Homeownership and Opportunity for People Everywhere (HOPE Grants) account and the remaining amounts shall be transferred from the Flexible Subsidy Fund, notwithstanding section 236(f)(3) of the National Housing Act and section 201(j) of the Housing and Community Development Amendments of 1978, as amended.

On page 36, insert the following after line 19:

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

HOUSING PROGRAMS

FEDERAL HOUSING ADMINISTRATION

FHA—GENERAL INSURANCE AND SPECIAL RISK INSURANCE PROGRAM ACCOUNT

For an additional amount for the cost of guaranteed loans authorized by sections 238 and 519 of the National Housing Act, as amended (12 U.S.C. 1715z-3(b) and 1735c(f)), up to $38,000,000: *Provided*, That notwithstanding section 236(f)(3) of such Act and section 201(j) of the Housing and Community Development Amendments of 1978, as amended, amounts required to fund the foregoing amount shall be derived by transfer from the Flexible Subsidy Fund during fiscal year 1993: *Provided further*, That prior to obligation of any funds from this transfer, such sums as may be necessary shall be rescinded from such Fund so that no amount so transferred shall increase Departmental budget outlays or budget authority.

During fiscal year 1993 additional commitments to insure loans under this head shall not exceed a total principal, any part of which is to be guaranteed, of an additional $1,000,000,000.

On page 37, insert the following after line 23:

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

COMMUNITY PLANNING AND DEVELOPMENT

COMMUNITY DEVELOPMENT GRANTS

On the $4,000,000,000 appropriated under this head in the Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 1993, $37,500,000 shall be available for authorized community development activities for the use only in areas impacted by Hurricane Andrew, Hurricane Iniki or Typhoon Omar: *Provided*, That notwithstanding any provision of law the foregoing $37,500,000 shall be derived from certain set-asides established for fiscal year 1993 under section 107 of the Housing and Community Development Act of 1974, including $6,000,000 for section 107(a)(1)(C), $9,000,000 for section 107(a)(1)(F), $15,000,000 for section 107(a)(1)(H) and $7,500,000 for section 107(a)(1)(I): *Provided further*, That an additional $7,500,000 shall be available also for use in areas impacted by the above named disasters to be derived from amounts made available under this head in fiscal year 1993 in accordance with section 119(o) of such Act: *Provided further*, That the Secretary may waive entirely, or in any part, any requirement set forth in title I of such Act, except a requirement relating to fair housing and nondiscrimination, the environment, and labor standards, if the Secretary finds that such waiver will further the purposes of the use of the amounts made available to the impacted areas.

At the appropriate place insert:

DEPARTMENT OF AGRICULTURE

AGRICULTURAL NATURAL DISASTER ASSISTANCE

From amounts made available to the Farmers Home Administration in Public Law 102-368, the Secretary of Agriculture may transfer from the following accounts up to the specified maximum amounts as follows: Agricultural Credit Insurance Fund Program Account, $28,000,000; Rural Water and Waste Disposal Grants, $20,000,000; Emergency Community Water Assistance Grants, $5,000,000; and Rural Development Insurance Fund Program Account, $10,000,000. Such funds shall be available through the end of FY 1994 for:

(a) a program designed to reduce the interest rate on Business and Industry guaranteed loans, whereby with respect to loans guaranteed by the Secretary under which the rate of interest charged by any legally organized lending institution (hereinafter "lender") does not exceed by more than 100 basis points the prime rate as defined by the Secretary, the Secretary may enter into a contract with any such lender under which the lender will receive payments in such amounts as will during the term of such contract reduce the interest rate paid by a borrower by one percentage point: *Provided*, That the borrower would otherwise be unable to make payments on such loan when due;

(b) permanent replacement of temporary migrant housing and rental assistance under "Rural Housing for Domestic Farm Labor";

(c) utilization of section 9 of the Cooperative Forestry Assistance Act of 1978 (16 U.S.C. 2105), without any requirement for state cost-sharing on matching funds;

(d) cost share assistance in accordance with Title IV of the Agricultural Credit Act of 1978 (16 U.S.C. 2201-2205) for nurserymen for the rehabilitation of fencing destroyed or damaged by Hurricane Andrew: *Provided further*, That such amounts so transferred shall be available only in areas affected by Hurricane Andrew, Hurricane Iniki, and Typhoon Omar: *Provided further*, That the entire amount transferred is hereby designated by Congress as an emergency requirement pursuant to section 251(b)(2)(D)(i) of the Balanced Budget and Emergency Deficit Control Act of 1985.

At the appropriate place insert the following:

SECTION . AMENDMENT.

Section 1(a) of the Act entitled "An Act to authorize the Architect of the Capitol to acquire certain property", approved August 3, 1992, is amended to read as follows:

"(a) ACQUISITION OF PROPERTY.—(1) That Architect of the Capitol, under the direction of the Senate Committee on Rules and Administration, may acquire, on behalf of the United States Government, by purchase, condemnation, transfer or otherwise, as an addition to the United States Capitol Grounds, such real property in the District of Columbia as may be necessary to carry out the provisions of this Act. Real property acquired for purposes of this Act, may, in the discretion of the Architect of the Capitol, extend to the outer face of the curbs of such property so acquired, including alleys or parts of alleys and streets within the lot lines and curblines surrounding such real property, together with any or all improvements thereon.

"(2) Subject to the approval by the Committee on Appropriations of the Senate, and amount necessary to enable the Architect of the Capitol to carry out the provisions of paragraph (1) of this subsection maybe transferred from any appropriation under the heading '**SENATE**' and the subheading 'SALARIES, OFFICERS AND EMPLOYEES', and 'OFFICE OF THE SERGEANT AT ARMS AND DOORKEEPER', and the subheadings 'CONTINGENT EXPENSES OF THE SENATE' and 'SERGEANT AT ARMS AND DOORKEEPER OF THE SENATE' to the account appropriated under the heading '**ARCHITECT OF THE CAPITOL**' and the subheadings 'CAPITOL BUILDINGS AND GROUNDS' and 'SENATE OFFICE BUILDINGS'."

Mr. HATFIELD. Madam President, just a brief statement as to the amendment I am offering.

The PRESIDING OFFICER. The Senator from Oregon.

Mr. HATFIELD. The pages have been housed in housing which the House has established over the years but will no longer be available. In 1992, in August, Congress authorized the Capitol Architect to begin negotiations for site location for a new page dormitory for the Senate, but that authorization was a site specific, a property specific.

That property negotiation did not work out. What we are doing, in effect, is saying to the same Capitol Architect this is a more generic authorization to seek out certain properties that may be available now that he can negotiate to bring to a successful contract in order to provide for that future housing of the pages. And so all we are doing is making something that was very specific now more generic and more open ended for the Capitol Architect to seek properties wherever they may be, since the initial property that was so specific is no longer available.

Mr. BYRD addressed the Chair.

The PRESIDING OFFICER. The Senator from West Virginia.

Mr. BYRD. As the manager of the bill I am in agreement with the distinguished ranking manager with respect to this amendment and urge that it be agreed to.

The PRESIDING OFFICER. Under the previous order, the amendments have been agreed to.

Mr. BYRD. Madam President, an amendment which I offered previously read as follows:

Notwithstanding any other provision of law, the Comptroller General of the United States shall conduct an investigation into the alleged politicization of Executive Branch investigative agencies with respect to the White House travel office and shall submit the findings of such an investigation to the Congress by no later than September 30, 1993.

The purpose of the amendment was to address concerns that have been expressed about the decision earlier this year to dismiss all seven members of the staff of the White House travel office. The decision to dismiss the staff was made after management and accounting review of the travel office was made by a well-known accounting and consulting firm Peat Marwick.

That review identified a series of significant weaknesses in accounting systems at the travel office. In addition, discrepancies were found in the petty cash fund which raised concerns about possible theft.

More recently, pending an internal review by the Office of Management and Budget and White House Chief of Staff Mack McLarty, the travel office staff was placed on administrative leave with pay. Two former staff members have filed for retirement.

Questions have been raised about possible contacts between the White House and the Federal Bureau of Investigation. This amendment is intended to clear up any questions regarding the propriety of those contacts. The White House views this amendment as a constructive step in putting an end to the speculation about any of the actions taken in the matter.

I have offered the amendment in that same constructive spirit.

The Comptroller General will conduct the investigation and submit the findings to the Congress by no later than September 30, 1993.

Madam President, I yield the floor.

Mr. JOHNSTON addressed the Chair.

The PRESIDING OFFICER. The Chair recognizes the Senator from Louisiana [Mr. JOHNSTON].

Mr. JOHNSTON. Madam President, I ask unanimous consent that the pending committee amendment be temporarily laid aside in order to consider this amendment.

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

AMENDMENT NO. 476

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

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Louisiana [Mr. JOHNSTON] proposes an amendment numbered 476.

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

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

The amendment is as follows:

On page 40, after line 16, insert the following:

CHAPTER X

DEPARTMENT OF DEFENSE—CIVIL

DEPARTMENT OF THE ARMY

CORPS OF ENGINEERS—CIVIL

ADMINISTRATIVE PROVISION

Using funds heretofore appropriated under "Construction, General", the Secretary of the Army, acting through the Chief of Engineers, is directed to augment, reprogram, transfer or apply such additional sums as necessary to continue construction and cover anticipated contract earnings on any project which received an appropriation or allowance within the appropriation in fiscal year 1993 in order to avoid terminating any contracts and to avoid schedule delays.

Mr. JOHNSTON. Madam President, this amendment provides that within available funds in the construction general account that the Chief of Engineers is mandated to preprogram or augment those accounts where there are contracts on which earnings have been made or will be made before the end of the fiscal year.

Generally speaking, this situation occurs where there is good weather and they make more earnings than the contract provides for. It provides for the reprogramming of the funds and the augmentation of funds from that construction general account to these contracts.

I think this may be applicable in a few places around the country. I know it is applicable in the Red River project in Louisiana, where because of good weather the earnings have come on faster. In that kind of situation, there are two alternatives. Without this provision, there will be two alternatives. One would be to terminate, shut down the project which will involve the termination costs and remobilizing. That is a very unlikely thing. The more likely thing is that the contractor would continue the work, accrue the earnings and thereby be entitled to 6.5 percent interest which is the going rate for those funds to be paid out of the ensuing fiscal year.

This avoids that simply by requiring that the funds be augmented or reprogrammed out of the construction general account; in other words, out of the funds that are already available in the appropriations.

Mr. BYRD. Madam President, this amendment has been discussed with both managers. As for my part, I am prepared to accept the amendment and I support it.

Mr. HATFIELD. Madam President, the amendment has been cleared on this side.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 476) was agreed to.

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

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

The motion to lay on the table was agreed to.

ORDER OF PROCEDURE

Mr. BYRD. Madam President, I ask unanimous consent that the committee amendments be considered, and agreed to en bloc with the exception of the following amendments. Page 11, lines 3 through 17; page 13, lines 1 through 16; and that the bill be considered as original text for the purpose of further amendment; provided, further, that no points of order be waived.

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

Mr. BYRD. Madam President, I have no further amendments at this point. I understood Senator BUMPERS had an amendment.

Madam President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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

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

Mr. INOUYE. Madam President, I ask unanimous consent that floor privileges be extended to Mr. John Young of my staff during consideration of the supplemental appropriations bill.

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

Mr. INOUYE. Thank you, Madam President.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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

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

Mr. BYRD. Madam President, I wonder if my colleague, Mr. HATFIELD, has any idea as to how many amendments there might be to the bill on his side of the aisle.

Mr. HATFIELD. Madam President, I will be happy to respond to the chairman.

We have been making an effort to corral potential amendments, at least, and get a list of them.

I have a possiblility of an amendment by Mr. GRASSLEY relating to older Americans' employment; an amendment by Mr. ROTH on jobs; and a possible amendment dealing with the same subject that was dealt with by an amendment of the Senator from West Virginia, the chairman, which the Senate had already acted on en bloc, to the transportation office in the White House; a possible sense-of-the-Senate on Bosnia and Herzegovina; and one possibility of unauthorized funding.

All of these are, I think, with the exception of maybe amendments by Mr. ROTH, Mr. GRASSLEY, and one by Mr. BROWN on cargo preference—I think there are about three of those for certain, and the others are on the iffy side, at this point.

Mr. BYRD. Very well. I thank the distinguished Senator.

Madam President, I yield the floor.

The PRESIDING OFFICER. The Senator from New Jersey.

Mr. LAUTENBERG. Madam President, over the last few days we have been discussing the supplemental appropriations bill. I, as a member of that committee and chairman of the transportation subcommittee, have had many discussions with the chairman of the full committee and the chairman of the Subcommittee on Defense regarding the supplemental proposed on behalf of the Defense Department. I have urged that deficit spending currently in this bill be offset, and we have come to a conclusion here that I think is very beneficial.

When the House of Representatives considered H.R. 2118, the supplemental appropriations bill for fiscal year 1993, it added $1.2 billion in new money for the Pentagon. The administration did not request the new deficit spending. The new money remains in the Senate version of the bill, which provides $1.9 billion in total.

Madam President, the administration did not ask for an additional $1.2 billion in spending for the Department of Defense, as is included in the supplemental bill.

The administration identified existing resources within its current budget to pay for American troops involved in peacekeeping operations in Somalia without inflating the deficit. Secretary of Defense Aspin sought to transfer $750 million from his existing budget to pay for the bill. The funs were to come from programs that he determined are low priority and not critical to the national defense. The transfer requires congressional approval.

Instead of approving the transfer, however, the House of Representatives disregarded the recommendation of the Secretary of Defense to pay for the effort in Somalia out of existing funds. Instead, it added $750 million in new spending to cover the Somalia effort, plus an additional $466 million for good measure.

Madam President, of course our Government must pay for this Somalia operation. Nor is there any argument that the additional $466 million is for meritorious programs like enforcing the no-fly zone in Iraq, or paying medical benefits for the military. That is not the issue here.

The only issue is whether to pay for the Somalia operation by deficit spending or by reallocating money from existing defense funds. The Pentagon has set its priorities. It is willing and able to pay for Somalia out of existing funds, as is the President. Why should Congress tell them to do it differently?

There are many good reasons why we should not. First and foremost is the deficit. The Federal Government is already in debt to the tune of $4.2 trillion. And soon the Senate will consider a deficit reduction package that includes hundreds of billions of dollars worth of new revenue, in addition to hundreds of billions of dollars in program cuts. What we are trying to do is desperately get ahold of our deficit problem.

Our Nation pays a terrible price if we go deeper and deeper into the red.

That is what this bill does to our Nation. One need not be a mathematician or accountant to figure out the arithmetic. If we keep this $1.2 billion in new spending, the deficit will increase by a like number, $1.2 billion. That is $1.2 billion more that we are going to borrow from our children and grandchildren. It is $1.2 billion more that will hang around the neck of economic recovery.

The American people have sent a clear message to us over the last few months: Cut before we spend, and choose our priorities carefully.

We should allow the Defense Department the flexibility to respond to international contingencies.

However, we owe it to the American people to choose priorities in defense spending, just as this supplemental legislation does in domestic spending.

All domestic discretionary outlays added in the legislation are offset by reductions out of the existing domestic budget. However, none of the defense spending is paid for out of the existing budget.

We should not increase the deficit when, in this instance, at least, the administration has explicitly stated that it can meet our defense needs within existing funding levels through specific transfers.

Others have argued that by agreeing to the $750 million in reprogramming, we will undercut the readiness of our Armed Forces. However, a rather superficial look—let us say, a cursory look—at some of the programs deemed to be low priorities by Secretary Aspin in the reprogramming request demonstrates that in many cases this is a false assertion.

Should we really be spending nearly $40 million designated for salaries for personnel who are no longer serving? Do we really need to spend money buying advanced cruise missiles when the program has been canceled? Can we really afford a new executive jet for the top Coast Guard admiral?

As chairman of the Senate Transportation Appropriations Subcommittee, I carefully reviewed the justification for the C-20 and other programs in the reprogramming request and found that there are some that we just cannot afford, including a new executive jet for the Coast Guard commandant.

In this reprogramming request, the Pentagon makes a persuasive case that we do not need these items for our national security. Some may take issue with these and other recommendations. It is fair to have a disagreement. However, if the Congress does not accept the Pentagon's recommendations, we have a responsibility to work with them to identify other funds from the existing budget that can be transferred, rather than adding willy-nilly to the deficit.

The amendment that will be offered will save the American taxpayers money by offsetting $1.2 billion in deficit spending added to the bill. An amendment to offset these funds has been endorsed by the National Taxpayers Union and the Council for Citizens Against Government Waste.

I ask unanimous consent, Madam President, that the text of these organizational endorsements, along with a copy of a New York Times editorial supporting this effort, be printed in the RECORD.

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

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

Hon. FRANK LAUTENBERG,
U.S. Senate,
Washington, DC.

DEAR SENATOR LAUTENBERG: On behalf of the National Taxpayers Union, I am writing to express our support for your amendment

to cut additional funds for the Department of Defense that the Administration did not request and are included in the FY '93 Supplemental Appropriations bill.

The Administration did not ask for the additional $1.2 billion that is included in the Supplemental. In fact, the Pentagon has identified $750 million in offsets to cover the costs of the request for Somalia. Your amendment to eliminate the funds, rather than add $1.2 billion to the deficit does the taxpayers a tremendous service.

The federal government is already projected to run a deficit of over $300 billion this year. To add to this expected record deficit, in the name of unrequested funding, would be an affront to current and future generations of taxpayers.

We applaud your $1.2 billion deficit reduction effort and hope the Senate will approve your amendment rather than new deficit spending.

Sincerely,

JILL LANCELOT,
Director, Congressional Affairs.

COUNCIL FOR
CITIZENS AGAINST GOVERNMENT WASTE,
Washington, DC, June 11, 1993.

Hon. FRANK LAUTENBERG,
U.S. Senate, Senate Hart Office Building, Washington, DC.

DEAR SENATOR LAUTENBERG: I am writing to express the Council for Citizens Against Government Waste's (CCAGW) support for your amendment to cut the $1.2 billion in new unrequested defense spending in the fiscal year 1993 supplemental appropriations bill. CCAGW may rate this vote in its annual ratings.

This new spending was not requested by the Clinton administration or the Armed Services Committee. Instead the Appropriations Committee decided to approve new spending and add to the already out-of-control deficit. It is unnecessary and fiscally irresponsible to appropriate money for programs that the Pentagon offered to fund by reprogramming. This amendment is an important step in restoring fiscal sanity to this country.

Sincerely,

THOMAS A. SCHATZ.

[From the New York Times, June 11, 1993]

FORCING MONEY ON THE MILITARY

The Senate Appropriations Committee followed the House's lead this week and approved $1.2 billion in additional spending for the Pentagon. The money will be used for relief efforts in Somalia, health insurance for military families, the repair of storm-damaged Marine bases, air operations over Iraq and aid to the Kurds—worthy causes all.

The odd thing is that the Pentagon didn't ask for the money. To pay for these causes, it was prepared to reprogram funds it didn't need, like $274 million to buy executive jets for the top brass and V.I.P.'s.

But what may be fat even to the Pentagon is prized pork for some members of Congress. Damn the deficit, they declared. Full speed ahead. Representative Joseph McDade even warned of a "return to the days of the hollow Army, the hollow Navy, the hollow Air Force" if the $1.2 billion was not added to an already bloated Pentagon budget. Only his argument is hollow.

Senators Jim Sasser, Charles E. Grassley and Frank R. Lautenberg want the full Senate to put an end to this excess. They're right.

Mr. LAUTENBERG. Madam President, if the military had needs that cannot be met within existing resources, the administration should have asked for the money. Until then, the Congress ought to put the taxpayers' credit card back in its wallet.

Madam President, I have had several discussions with the chairman of the Appropriations Committee, as well as the chairman of the Subcommittee on Defense in Appropriations. It is their desire to try to work as vigorously as anyone else to make sure that the deficit does not increase. And I want to compliment each one of them for the effort that they put in to offset deficit spending in this bill and protect our military readiness.

So I think we have arrived at a way to do that which the chairman of the Appropriations Committee is going to propose soon as an amendment. I hope our colleagues will support this amendment. It is responsible. It is appropriate fiscal management. At the same time, it makes sure that our defense needs, which have already been cut, are not cut to the bone or to the point at which we cannot answer the call when required.

So, as we look here at ways to best serve the needs of our country and the personnel who serve it, what we have to do is, provide them with what they need and at the same time, keep our eye, if you will, on the other ball, and that is the deficit. That is what is being proposed in our amendment which will fully offset defense spending in this legislation.

I commend my colleagues for working to find a way to see that we control deficit spending. I am delighted that we are going to approach it in the same sound fiscal manner as we have tried to approach all of the other needs for Government.

I yield the floor, Madam President.

Mr. EXON addressed the Chair.

The PRESIDING OFFICER (Mr. ROBB). The Chair recognizes the Senator from Nebraska [Mr. EXON].

Mr. EXON. I thank the Chair.

Mr. President, as an original cosponsor of the pending Lautenberg amendment, I rise to urge my colleagues to support this measure and strike a blow for very reasonable fiscal responsibility.

The $1.2 billion in additional Department of Defense spending contained in this supplemental appropriations bill is to cover unexpected spending for important military priorities which I strongly support. This amendment does not question the need to fund the cost of our operations in Somalia or our enforcement of the Iraqi no-fly zone. I hope that the Senate is unanimous in its support of these and other deserving military programs. What is being debated is how to pay for this supplemental request. And that is the heart and soul of the Lautenberg amendment which I cosponsor.

The Department of Defense offered to offset these rising costs by reprogramming $750 million in funds previously appropriated by the Congress but no longer necessary. In fact, certain military programs identified in the programming request and being offered as an offset were never wanted by the Pentagon in the first place. I turn my colleagues' attention to the $274 million for executive support aircraft contained in the Pentagon's reprogramming request.

For years, the Congress has been telling the Defense Department it must get tough, it must understand, it must non-competitively purchase executive support aircraft, similar in size to a Lear jet, even though there was no military need for these dozens of planes. The feeding frenzy for local aviation jobs courtesy of a reluctant Pentagon and its well-worn charge card became so bad that I authored an amendment to the 1993 Defense authorization bill fencing all new money until the Pentagon reported back to Congress telling us what support aircraft it had, what it needed, whether it planned to transfer some excess planes from the active forces to the reserve forces, and how it was planning to competitively determine which of the many makes of planes it would buy, if more aircraft were, in fact, needed.

Nine months have gone by since Congress asked for this report and we have heard nothing, Why? The answer is simple. The Pentagon doesn't want the aircraft. It doesn't need the aircraft. It's telling the Congress what we sometimes have a hard time telling ourselves: The obvious. Don't spend money on unnecessary programs, especially at a time of scarce resources and ballooning debt.

By approving the administration's original request and reprogramming funds from this and other low-priority defense programs, the Senate will be taking a stand against the business-as-usual approach of, on one hand, charging new spending against the mountainous debt and, on the other, wringing our hands back home about how it takes time and the time is now to make tough budget choices.

But then again, what is $750 million in the scheme of things? Veritable chicken feed for a ravenous national debt with a hunger so great that it takes away 1 out of every 6 tax dollars collected for interest on the debt alone. There are many places in this great country where $750 million is a lot of money. And if with smug indifference we simply throw it into the national debt black hole, we will have once again asked every taxpayer to shoulder just a little more financial burden today and for generations to come.

A vote for the Lautenberg amendment is sensible and fiscally responsible. It will not harm our military's ability to provide for our Nation's security. But it is also more. Passage of the amendment will be a symbolic blow

against business as usual. It will reassure the already skeptical American taxpayer that the U.S. Senate, for at least 1 day in the month of June, has rededicated itself to having the Federal Government live—or attempt to live, or give some signal that we care about living—within our means.

I referenced in my remarks that 9 months ago I requested—we requested as a Senate—a report from the military as to the needs of this type of aircraft. Interestingly enough, I was not playing business as usual. Interestingly enough at that time there was a consideration to purchase some of this type of executive aircraft—executive aircraft, not fighting aircraft—that would be built partially, at least, in Lincoln, NE. I thought it was an outrage, although the normal, expected thing to do in those circumstances was to keep your mouth shut and maybe create a few jobs at home.

I am not against creating jobs. But I am against the things that are being attempted in this particular area, that further erode the confidence of the people of the United States, even though it can be said that this is a little amount of money and we should not worry about it.

I was against this proposition even though it might have benefited, directly, my home community and a potential manufacturer there. I simply say that business as usual is something we cannot afford. I hope the Senate will have the wisdom to overwhelmingly agree to the amendment that I think is very timely and is offered by the Senator from New Jersey.

I yield the floor.

The PRESIDING OFFICER. The Chair recognizes the President pro tempore [Mr. BYRD].

AMENDMENT NO. 477 TO THE SECOND EXCEPTED COMMITTEE AMENDMENT ON PAGE 13, LINE 1 THROUGH LINE 16

Mr. BYRD. Mr. President, during the Appropriations Committee markup of this bill, Senator LAUTENBERG expressed his concern that the $1.25 billion in funding for the Department of Defense contained in the bill was not offset, and he stated at that time that he would attempt to offer an amendment to offset the spending because, as he stated, it would add to our national deficit.

I, subsequent to that point, as chairman of the full committee, asked Senator INOUYE, the chairman of the Subcommittee on Defense, and Senator LAUTENBERG to visit with me in my office together with Senator SASSER, who was a cosponsor of the Lautenberg amendment.

So we had some discussions. I think those discussions were profitable to the time of the Senate because they had led to, I believe, a proposal which will be supported by not only Senator LAUTENBERG and Senator INOUYE and Senator SASSER, but also Senator HATFIELD and Senator STEVENS and others. This amendment which we have suggested, that I offer on behalf of all of us who are named therein, rescinds $1.25 billion from the Department of Defense so as to fully offset the initiatives funded in the bill as requested by the administration.

And so I shall offer this amendment on behalf of myself and Mr. LAUTENBERG and Mr. SASSER and Mr. HATFIELD and Mr. INOUYE and Mr. STEVENS. As I say, it will fully offset the initiatives funded.

The offsets include the $750 million in funds proposed by the Department of Defense in a reprogramming request to fully offset the costs of United States peacekeeping in Somalia. Second, the amendment reduces funds for classified programs appropriated in fiscal year 1993 but not now planned for expenditures. And, third, for military personnel costs which no longer need to be funded in fiscal year 1993.

The House chose, as Mr. LAUTENBERG so correctly stated, not to offset any of these programs since the Defense Subcommittee is $2 billion under its budget allocation for 1993 spending and, furthermore, the amounts provided for defense in 1993 are more than $14 billion below the amounts allocated in the Budget Enforcement Act for defense spending. Therefore there is no budget requirement to offset the bill.

Nevertheless, we are daily concerned about the deficit and this amendment ensures that, even though the House action is proper and is allowed under the rules of the Budget Enforcement Act, the spending for these needed and requested defense matters will not add to the deficit and will be fully offset.

I am mindful that the leaders of the Defense Subcommittee, Senator STEVENS and Senator INOUYE, who as I have already indicated have joined me on this amendment, are concerned about further requirements well in excess of another $1 billion that we will need to meet later in this fiscal year. Sources that we are using to fully offset the $1.2 billion in this amendment will not, of course, be available to fund those upcoming requirements later in the year. So there will be mounting pressure on the Defense budget as we go along.

I know Senators INOUYE and STEVENS are aware and concerned about this matter. I also appreciate the concerns—may I repeat—that have been raised by the distinguished Senator from New Jersey [Mr. LAUTENBERG], and I thank him for not offering the amendment in the committee. But he indicated in the committee that it was his intention to do so when the bill was called up for debate on the floor. There was no question but that it was a controversial amendment to be brought up in the committee and it would have taken considerable amount of time and would still have to be brought up on the floor and take perhaps a lot of time on the floor. So the Senator from New Jersey was considerate of my urging that he not call the amendment up in the committee but wait until action on the floor. And I want to express my thanks, again, to him for his fine cooperation, that he always affords to the chairman of the full committee. I also wish to thank my chairman of the Defense Appropriations Subcommittee, DANNY INOUYE. In doing so, I recognize that he has a very difficult assignment.

He works hard at it. He is very dedicated, very effective, very competent and very considerate of the situation in this instance. I am pleased that he has worked to try to resolve this matter. And I also extend my thanks to his counterpart on the Defense Appropriations Subcommittee, Mr. Stevens. I thank my own counterpart, Mr. HATFIELD, on the full committee for his cooperation and support of the amendment.

So, Mr. President, the amendment which I have offered includes all the sources that Senator LAUTENBERG used in his amendment and additional sources which have been indicated by Mr. INOUYE and Mr. STEVENS and which follow the principle of offsetting the defense spending in this bill for the full amount. I send the amendment to the desk.

(Ms. MOSELEY-BRAUN assumed the chair.)

Mr. BYRD. Madam President, I ask unanimous consent that the pending committee amendment be set aside for the purpose of allowing this amendment to be offered to the appropriate excepted committee amendment.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will report the amendment.

The legislative clerk read as follows:

The Senator from West Virginia [Mr. BYRD], for himself, Mr. LAUTENBERG, Mr. SASSER, Mr. HATFIELD, Mr. INOUYE, Mr. STEVENS, Mr. BROWN, Mr. EXON, Mr. GRASSLEY, Mr. FEINGOLD, Mr. KOHL, Mr. GREGG, Mr. BUMPERS, Mr. WOFFORD, and Mr. BRADLEY proposes an amendment numbered 477 to the second excepted committee amendment on page 13, lines 1 through 16.

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

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

The amendment is as follows:

On page 13, following line 16, add the following:

(RESCISSION)

SEC. . Of the funds available to the Department of Defense, amounts are rescinded from appropriations as follows:

Military Personnel, Army, $112,014,000;

Military Personnel, Marine Corps, $47,200,000;

Military Personnel, Air Force, $127,100,000;

Reserve Personnel, Army, $486,000;

Reserve Personnel, Air Force, $300,000;

National Guard Personnel, Air Force, $400,000;

Operation and Maintenance, Army, $6,408,000;

Operation and Maintenance, Defense Agencies, $35,000,000;

Aircraft Procurement, Army, 1993/1995, $3,000,000;

Procurement of Ammunition, Army, 1993/1995, $19,000,000;

Other Procurement, Army, 1993/1995, $21,900,000;

Aircraft Procurement, Navy, 1993/1995, $64,800,000;

Weapons Procurement, Navy, 1993/1995, $8,000,000;

Other Procurement, Navy, 1993/1995, $81,450,000;

Missile Procurement, Air Force, 1993/1995, $45,300,000;

Other Procurement, Air Force, 1993/1995, $150,000,000;

Procurement, Defense Agencies, 1993/1995, $22,200,000;

National Guard and Reserve Equipment, Defense, 1993/1995, $257,950,000;

Research, Development, Test and Evaluation, Army, 1993/1994, $6,200,000;

Research, Development, Test and Evaluation, Navy, 1993/1994, $36,200,000;

Research, Development, Test and Evaluation, Air Force, 1993/1994, $115,092,000; and

Research, Development, Test and Evaluation, Defense Agencies, 1993/1994, $90,000,000.

Mr. BYRD. Madam President, I ask unanimous consent that in addition to the cosponsors that I have already indicated, the following Senators be added as cosponsors: Senators EXON, GRASSLEY, FEINGOLD, KOHL, GREGG, BUMPERS, BRADLEY, and BROWN.

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

Mr. LAUTENBERG. Will the Senator yield?

Mr. BYRD. Yes.

Mr. LAUTENBERG. Madam President, I just wanted to say that, as usual, the chairman of the Appropriations Committee, a wise counsel, provides good advice. When I asked about the possibility of bringing this amendment up during the markup on the Defense bill, he recommended, I might say even strongly, that no amendments be offered at that time. Rather he urged me to allow that the bill be reported. And so we are addressing the issue here today. This is a very important piece of legislation that we are discussing. With these supplemental funds, we are not just talking about the military. We are talking about almost $2 billion of supplemental spending that is of a very serious nature. It was the desire of the chairman of the Appropriations Committee, Senator BYRD, and the distinguished ranking member of the Appropriations Committee, Senator HATFIELD, to move the bill to the floor so it could be debated and so we could provide desperately needed funds for those critical programs.

Certainly we include the defense portion in that category. There is not anybody who says we should not have aided Somalia, brought in food, and tried to save lives—not at all.

Does anybody here want to disagree with the no-fly zone being enforced over Iraq? No one I have heard from, I must tell you. We know these responsibilities are cascading. I know we have to have enough personnel, well trained and motivated. The Government needs to be responsible and help them protect us.

So, once again, it is the leadership of the chairman of the Appropriations Committee and everybody's dear friend and teacher, if I may, Senator INOUYE, which enables us to do that. Senator INOUYE has enormous responsibilities with the largest appropriations bill. He must guide it through many a mine and missile field. And still he must be able to respond to the fiscal requirements we have in front of us now, and that is try to do something about cutting the deficit. We all have that responsibility as well.

So I want to thank both the chairman of the committee and the chairman of the subcommittee, Senator INOUYE, for working with me to solve this dilemma that we have; that is, to maintain readiness, to maintain the force that we require, and at the same time, to be responsive to the demand across this country to do something about the deficit.

So I thank my colleagues. I hope everybody will support this amendment.

If I may inquire of the chairman of the Appropriations Committee, have the yeas and nays been ordered?

Mr. BYRD. The yeas and nays have not been ordered.

Mr. LAUTENBERG. Would it be appropriate at this time to request them?

Mr. BYRD. It would certainly be appropriate.

Mr. LAUTENBERG. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. LAUTENBERG. I yield the floor.

Mr. INOUYE. Mr. President, this amendment would rescind $1.25 billion from the Department of Defense. The rescissions are from many and varied specific DOD accounts. Rather than enumerate each account let me describe the amendment this way.

First, the amendment would rescind $750 million of the funds proposed as sources by DOD in its reprogramming 93-1 to offset the costs of United States peacekeeping in Somalia. In addition, the amendment reduces funds for classified programs and for military personnel costs which no longer need to be funded in fiscal year 1993.

Mr. President, I am offering this amendment reluctantly. I believe we should be adding the $1.2 billion to DOD for these emergency requirements, not using previously appropriated funds to offset costs of emergencies. The Defense Subcommittee is $2 billion under its budget allocation for 1993 spending. In addition, the amounts provided for Defense in 1993 are more than $14 billion below the amounts allocated in the Budget Enforcement Act.

Therefore, there is no budgetary requirement to offset this bill. I recognize that many of my colleagues believe that controlling the deficit is a more important consideration. This amendment will ensure that the deficit is not increased even for worthy causes such as Somalia peacekeeping and military health programs.

Mr. President, as chairman of the Appropriations Subcommittee on Defense, I feel compelled to put down a marker and to provide an early warning to my colleagues. The Defense Subcommittee is aware that there are well over $1.2 billion in unfunded requirements that the Department of Defense must meet in this fiscal year.

The subcommittee had planned on using the sources identified by DOD for Somalia to cover a significant portion of these unfunded costs. We will no longer have that option. Furthermore, to meet immediate requirements, we have identified additional sources to cover the costs of this bill.

In doing so, we have further restricted the subcommittee's ability to use previously appropriated funds to meet critical DOD needs which we know will emerge throughout the remainder of this year.

Mr. President, I will address the Senate soon about the problems facing DOD. This is not the time to offer a lengthy discourse about our Nation's defense.

Let me just say, that we are in dangerous waters. We can no longer act precipitously in reducing defense. Each cut recommended will bring real pain to the military departments and to the men and women who serve in our Armed Forces. This amendment may not be the straw that breaks the camel's back, but we are close to that point.

Reluctantly, I recommend that the Senate adopt the amendment.

Mr. BROWN addressed the Chair.

The PRESIDING OFFICER. The Senator from Colorado.

Mr. BROWN. Madam President, I rise in strong support of the Lautenberg initiative. It seems to me it is the essence of good budgeting in a moment in which we ought to praise the Pentagon for having identified their ability to live within a budget.

What is essentially happening here is we are funding needs, that can be described as urgent, through rescissions. That I think is the essence of good budgeting by this Congress; that is, to provide for new needs as they arise by trimming back other expenditures. It is a practice that I think shows great promise for our ability to meet budget demands in the future.

So I am strongly in support of the initiative that has been championed by Senator LAUTENBERG. I want to express my strong praise for his efforts because I think his perseverance and his commitment in this area has led to a very significant development on this bill.

I also want to express my great appreciation to the distinguished chairman of the Appropriations Committee and the ranking member for including me as a cosponsor of this amendment. I am delighted to be allowed to join them in this effort.

Setting priorities, as the committee has done in this instance, can make an enormous difference as we move forward in this decade toward meeting our goals and objectives on the deficit. I believe the kind of commitment the committee has shown in this regard deserves the praise and support of every Member of this body. I yield the floor.

Mr. GREGG addressed the Chair.

The PRESIDING OFFICER. The Senator from New Hampshire.

Mr. GREGG. Madam President, I wish to join my colleagues in praising the amendment offered by the President pro tempore which was originally authored by the Senator from New Jersey. This is an excellent piece of legislation and it is the type of fiscal responsibility that gets us on the right path toward deficit reduction.

I noticed that the Senator from Nebraska mentioned that in some places this might be considered chicken feed. He noted it was not chicken feed in Nebraska, and it would not be chicken feed in New Hampshire. In fact, the amount being saved with this amendment would operate the budget of New Hampshire for 1 year. It is a fairly significant sum. It all adds up.

I want to congratulate the parties who worked hard to make this a successful effort. I hope it brings fiscal responsibility to the process. I yield the floor.

Mr. STEVENS addressed the Chair.

The PRESIDING OFFICER. Is there further debate?

The Senator from Alaska.

Mr. STEVENS. Madam President, I supported the appropriation of $1.2 billion in new defense spending to respond to costs that we could not foresee when acting on the fiscal year 1993 Defense appropriations bill.

The Defense Subcommittee did not use its entire allocation for 1993, not anticipating the specific new missions in Somalia and continuation of the Iraq no-fly enforcement.

I believe these new appropriations are fully justified, and should be in addition to the spending otherwise provided to the Department of Defense.

After close consultation with Senator INOUYE, chairman of the Defense Subcommittee, I have agreed that we can offset these new appropriations by making reductions in other programs where funds will not be spent this year.

While I am troubled by some of these cuts, in programs which I feel still have great merit, the overriding need to protect the vital O&M funds for the Department make this the most sensible decision at this point in the fiscal year.

I hope all members take note of Secretary Aspin's letter to the Senate concerning this supplemental bill. He makes clear the need for urgent action on this measure.

All of us have worked closely with the new Secretary during his time as chairman of the House Armed Services Committee, and know he would not make this request unless these funds were genuinely important for the military.

This amendment responds to the concerns of some members who believed that defense and domestic discretionary spending should abide by the same offset requirements.

Members must understand that the commitment of United States military forces to Somalia, to Yugoslavia, or other potential peacekeeping sites is not a free good.

There is no allowance in the Defense budget for operations on the scale of Restore Hope in Somalia. If the military is to be engaged in these sorts of missions, we must be prepared to add funds during the year to pay those costs.

The sacrifice of American military personnel and their families from these missions should not be compounded by cuts in the critical health care, morale and quality of life programs on which those families rely.

I hope all Members have taken note of Secretary Aspin's letter to the Senate concerning this supplemental bill, and I ask that it be printed in the RECORD after my remarks.

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

(See exhibit 1.)

Mr. STEVENS. Madam President, in conclusion, the Secretary has made clear the need for urgent action on this measure. I, too, commend the chairman and ranking member for their actions. I have tried to work as closely as possible with my good friend, the chairman of the Defense Subcommittee, and we have agreed to this substitute on the basis that it will offset these new appropriations by making reductions in other programs where the funds will not be spent this year.

I am troubled by these cuts in programs that I feel still have great merit. The overriding need to protect the vital O&M funds for the Department make it the most sensible decision at this point of the fiscal year.

I think Members should remember that the commitment of U.S. military forces to Somalia, to Yugoslavia, and other peacekeeping sites is not free. There is no allowance in the defense budget for operations on the scale of Restore Hope in Somalia. If the military is to be engaged in these sorts of missions in the future, I think we must be prepared to add funds during the years to pay for these costs.

The sacrifice of American military personnel and their families in performing these missions should not be compounded by the cuts in critical health care, morale, and quality of life programs on which those families rely. But in this case, this amendment responds to the concerns of the Members who believe that the defense and domestic discretionary spending should abide by the offset requirements that apply to all programs, and I am pleased to agree to this amendment.

I again commend my colleagues for the work they have done in making sure that it was appropriate at this time.

EXHIBIT 1

THE SECRETARY OF DEFENSE,
Washington, DC, June 15, 1993.

Hon. ROBERT J. DOLE,
Minority Leader, U.S. Senate, Washington, DC.

DEAR MR. LEADER: This letter seeks your support for the timely passage of the fiscal year (FY) 1993 supplemental appropriations bill. The bill is essential for the Department of Defense to meet urgent needs and the large expenses incurred in our participation in Somalia relief operations. Originally the Department proposed a reprogramming for its Somalia expenses. However, we have since identified additional requirements that exceed both our transfer authority and reprogramming sources.

If a way is not provided to meet these requirements, the prudent readiness levels of our armed forces will be at risk. Currently, our forces are working hard to stay in good shape in spite of large personnel losses and turbulence, and severe budget pressures. But their readiness is vulnerable to even moderate shortfalls in their Operation and Maintenance (O&M) accounts. Without the O&M funding in this bill, Army training exercises will be cut back substantially, ship steaming hours will be reduced, and flying hours will fall below the level needed to ensure the proficiency of our pilots.

To keep U.S. forces "ready to fight" in this demanding time for our defense posture, I urge you to support speedy passage of the FY 1993 supplemental appropriations.

Sincerely,

LES ASPIN.

Mr. KOHL. Mr. President, I was proud to be an original cosponsor of Senator LAUTENBERG's amendment and equally proud to be a cosponsor of Senator BYRD's amendment.

I am proud because, I adopted, this amendment will prevent $750 million from being added to the deficit. While that is certainly not an insignificant sum, I hope and expect that it will pale in comparison to the money we could save if we accepted the principle behind this amendment.

That principle is simply this: we ought to pay for what we do.

Not a radical notion to most Americans. But revolutionary to many in government. Pay for what we do.

Last year, the military forces of the United States went to Somalia on a mission of mercy. But mercy can cost money. And in this case it did: roughly $750 million.

That was obviously an unexpected expenditure. We could not plan or budget for it. So at the end of the year, the Department of Defense sat down

and tried to figure out how to pay for it.

We often criticize the Pentagon for bad planning. But this time they did just what they should have. They looked at what they had spent and then figured out how to pay for it. It wasn't easy, it wasn't painless. But they did it. They said they would cover the costs of the Somalia operation by eliminating or reducing funding for less important, lower priority programs.

That sort of behavior should be encouraged. It should be praised. It should be supported. It should never—never—be ignored.

But that is what the House decided to do.

The House decided that rather than accept the Pentagon's efforts to pay for the program through reprogramming requests, they would simply let them spend the money. Not even try to offset it. Just add it to the deficit.

Under the budget rules, we can do that. There is room to do it under the budget caps. But just because we can does not mean that we need to or that we should.

The point to remember, Mr. President, is that we can pay for the costs we incurred. Not easily. Not without some pain. But we can do it. The Pentagon identified enough lower priority programs to do it. And if we don't like their list, or if changing circumstance require changes in the list, we can modify it through the normal reprogramming process.

But there was no effort made to find offsets in the House. Because there was room in the budget, because we could spend the money, we did.

That, Mr. President, is why we have a $4 trillion debt.

The Senate Appropriations Committee looked for offsets in other areas. And the committee in general and the chairman in particular should be praised for that. It forced the chairman, and the committee, to make some very painful choices. For example, we cut back on summer jobs because we could not come up with the money to pay for a program I believe we all support. We were forced to deny a number of legitimate and pressing requests for funds because we could not figure out how to pay for them.

Those decisions were and are painful. Some, I hope, will be reversed. In that regard, I will join with Senator BUMPERS and others to offer an amendment to restore funding the SBA loan program. But our amendment accepts the principle of paying for what we do. We went through the information available to us and we found some offsets. We found a way to pay for it. We simply did not say this is an important program—let's add to the deficit to pay for it.

The point, Mr. President, is that we have simply got to abandon the assumption that we can spend more than we have as a matter of course. Our assumption must be that we will pay for what we do. That is the assumption that the Pentagon accepted when it suggested cuts in low priority programs. That is the assumption that Senator LAUTENBERG and I accepted in our amendment and which the Senate will ratify when we adopt the Byrd amendment.

The Byrd amendment will not create a hollow army. It will not destroy our military readiness or threaten the service men and women who protect us. It will, however, prevent our promises of fiscal frugality from being just hollow words. It will, I hope, make us more ready to get on with the task of cutting the deficit. And it will protect the economic future of the men and women who live in this country.

Mr. FEINGOLD. Mr. President, I am proud to be an original cosponsor of the amendment offered by the distinguished chairman of the Appropriations Committee, Mr. BYRD, and the Senator from New Jersey, Mr. LAUTENBERG. I support this amendment very, very strongly. This amendment raises two critical issues:

First, are we serious about reducing the Federal deficit and paying for what the Federal Government spends?

Second, are we going to apply a double standard to domestic spending and defense spending?

When the Clinton administration submitted its request for $750 million to cover the costs of "Operation Restore Hope" in Somalia, it identified $750 million in low-priority defense programs to be reprogrammed to offset the new defense spending being requested.

The House, however, disregarded the administration's offset requests and, in fact, added $450 million in supplemental defense spending, bringing the total of new defense spending to $1.2 billion.

The House action would thus add $1.2 billion to the Federal deficit—$1.2 billion in new Federal spending that we haven't paid for—money we would add to the $4 trillion that we have left for future generations to pay.

I was one of the few Democrats who recently was unable to support President Clinton's economic stimulus package. That opposition was based upon one fact—it wasn't paid for. The economic stimulus package would have added some $16 billion to the Federal deficit.

That was a very difficult position for this freshman Senator to take. I did not enjoy withholding my support for President Clinton's initiative. I did not like hearing from State and local officials in Wisconsin, and many, many Wisconsin constituents who wanted me to vote for the economic stimulus package.

I did not like voting against additional funding for programs like Head Start, childhood immunization, urban development—programs that I strongly support and strongly believe have been underfunded.

But I ran for the U.S. Senate last year on a platform to reduce the Federal deficit; I could not in good conscience—as one of my first actions—vote for additional Federal spending that was not offset by either new revenues or reductions in other programs.

I cannot turn around today and vote to add some $1.2 billion in unfunded spending for the Department of Defense—something I refused to do for programs throughout Wisconsin.

What makes this so untenable is the fact that the administration identified low-priority items to offset the new spending.

Let me give you some examples of what these offsets included: $274 million to buy executive aircraft which are used primarily by VIP's and Members of Congress; and $80 million for SDI, or star wars as it has often been called.

Let me give you some examples of where some of the additional new spending is going: $5 million for a national security education trust fund; and $71.6 million for repairs to Marine Corps facilities, including the El Toro Base which is slated to be closed under the current round of base closing.

Mr. President, let me stress again, the Clinton administration did not ask for additional unfunded defense expenditures—they were added by the House Appropriations Committee. The Clinton administration proposed spending offsets for the $750 million that it requested.

This amendment does not eliminate the defense requests—it simply provides that they must be paid for.

This amendment asks that the Defense Department use the same kind of discipline that we ask from the rest of the Federal Government—establish spending priorities and reallocate spending according to those priorities.

There is simply no reason why defense spending should be spared the same kind of discipline that is imposed upon all Federal spending. Opponents argue that DOD has taken unfair cuts in the deficit reduction process and that continued cuts will create a hollow force.

The truth is the Department of Defense has had an artificially high budget in past decades. Moreover, the Pentagon is the agency most affected by the end of the cold war. While we must maintain a strong, responsive, and advanced military, we do not need to spend the trillions of dollars on defense that we did in the previous decade.

It simply is not credible to suggest that we will imperil our national security by requiring that the defense funding requested in this supplemental be offset—somewhere in the enormous defense budget. Indeed, the administration has already done most of the work

for us in identifying the $750 million in offsets for the funds that the administration initially requested.

What is imperiling our national security is the Federal deficit and unchecked deficit spending. This is an amendment that should be adopted unanimously. It will send a very clear message that we are serious about reducing the deficit and paying the bills that the Federal Government runs up.

If we send a different message—that the Pentagon has a special credit card that doesn't have to be paid for—it will be very hard to ever achieve what is most important to our Nation's long-term security—reduction of the Federal deficit.

I applaud the chairman of the Appropriations Committee, the Senator from West Virginia [Mr. BYRD] for putting forth this amendment and the Senator from New Jersey [Mr. LAUTENBERG] for his leadership on this issue.

The PRESIDING OFFICER. Is there further debate?

If not, the question is on agreeing to the amendment.

The yeas and nays have been ordered. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. DOLE. Madam President, I announce that the Senator from Wyoming [Mr. SIMPSON] is necessarily absent today due to the death of his father.

I also announce that the Senator from Indiana [Mr. LUGAR], the Senator from New Hampshire [Mr. SMITH], and the Senator from Wyoming [Mr. WALLOP], are necessarily absent.

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

I further announce that, if present and voting, the Senator from Wyoming [Mr. SIMPSON] and the Senator from Wyoming [Mr. WALLOP] would vote "yea."

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

The result was announced—yeas 95, nays 0, as follows:

[Rollcall Vote No. 159 Leg.]

YEAS—95

Akaka	Craig	Hatch
Baucus	D'Amato	Hatfield
Bennett	Danforth	Heflin
Biden	Daschle	Helms
Bingaman	DeConcini	Hollings
Bond	Dodd	Hutchison
Boren	Dole	Inouye
Boxer	Domenici	Jeffords
Bradley	Dorgan	Johnston
Breaux	Durenberger	Kassebaum
Brown	Exon	Kempthorne
Bryan	Faircloth	Kennedy
Bumpers	Feingold	Kerrey
Burns	Feinstein	Kerry
Byrd	Ford	Kohl
Campbell	Glenn	Lautenberg
Chafee	Gorton	Leahy
Coats	Graham	Levin
Cochran	Gramm	Lieberman
Cohen	Grassley	Lott
Conrad	Gregg	Mack
Coverdell	Harkin	Mathews
McCain	Nunn	Sarbanes
McConnell	Packwood	Sasser
Metzenbaum	Pell	Shelby
Mikulski	Pressler	Simon
Mitchell	Pryor	Stevens
Moseley-Braun	Reid	Thurmond
Moynihan	Riegle	Warner
Murkowski	Robb	Wellstone
Murray	Rockefeller	Wofford
Nickles	Roth	

NOT VOTING—5

Lugar	Smith	Wallop
Simpson	Specter	

So the amendment (No. 477) was agreed to.

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

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

The motion to lay on the table was agreed to.

Mr. HATFIELD. Madam President, I ask unanimous consent that the second committee amendment, as amended by the Byrd-Hatfield-Inouye-Stevens-Lautenberg amendment be adopted.

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

Mr. HATFIELD. Madam President, I yield the floor to the Senator from Hawaii, and then I would like to explain the situation on behalf of the managers.

Mr. INOUYE. Madam President, I ask unanimous consent that the pending committee amendment be set aside for consideration of this amendment.

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

AMENDMENT NO. 478

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

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Hawaii [Mr. INOUYE] proposes an amendment numbered 478.

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

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

The amendment is as follows:

On page 12, after line 25, insert:

ENVIRONMENTAL RESTORATION, DEFENSE

Under the heading "Environmental Restoration, Defense" in the Department of Defense Appropriations Act, 1993 (Public Law 102-396), the third, fourth, and fifth provisos are repealed.

Mr. INOUYE. Madam President, the Department of Defense Appropriations Act, 1993, included provisions which have had an unintended, adverse impact on communities relying on access to property owned by the Defense Department. The provisions sought to expedite the transfer of property to States and other entities by requiring the Federal Government to indemnify recipients of properties from claims based on the presence or release of hazardous substances. While we could debate the Pentagon's interpretation of these provisions, their severe interpretation has led to a moratorium on transfers of any property—a result which is exactly the opposite of that intended.

This result has aggravated the impact of base closure and defense budget reductions on communities. Many local groups are diligently trying to move forward with plans to replace the economic loss caused by base closures and downsizing of the Department of Defense.

Madam President, as we all have heard, the economic security of this country is a priority for the new President and the Secretary of Defense. The Department of Defense must resume the practice of leasing and transferring property to communities to promote the economic development so vital to restoring our economy.

I am proposing an amendment which repeals the provisions related to indemnification from the Department of Defense Appropriations Act, 1993. During recent hearings conducted by the Defense Subcommittee, I urged Defense Department officials to carefully consider this matter and work with this committee to develop a solution which would provide relief to struggling communities. This amendment was developed in consultation with the Pentagon, and it is my understanding that the Department of Defense will proceed with leases and transfers of property following enactment. I urge my colleagues in the Senate to adopt this amendment.

The PRESIDING OFFICER. Is there further debate?

If not, the question is on agreeing to the amendment.

The amendment (No. 478) was agreed to.

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

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

The motion to lay on the table was agreed to.

Mr. HATFIELD. Madam President, I would like the attention of my colleagues so that I may explain the situation. On behalf of the chairman of the committee, Senator BYRD, and myself as a comanager of the bill, we would like to take up the Bumpers amendment next. We would like to dispose of the Bumpers amendment, which would require a vote on a waiver, I believe, of the Budget Act. Then we would like to have a listing of the amendments yet to be considered. We would like to lock them into that series of amendments. Then we would like to go back to the majority leader for further action on other matters, or adjournment, or whatever.

So that is the managers' hope. I ask at this time if the Senator from Arkansas [Mr. BUMPERS] would be willing to enter into a time agreement?

Mr. BUMPERS. I would be happy to do this in 30 minutes, equally divided.

Mr. HATFIELD. Madam President, I ask this before proposing a unanimous-consent request to put that to the vote. I would like to indicate that Senator BUMPERS' proposal initially had part of a contribution from the space station. Will the Senator explain that point?

Mr. BUMPERS. Madam President, our amendment offsets $175 million for the Small Business Administration's 7(a) program, which has been shut down since April 26. They have presently 3,800 loan applications ready to go. The offset comes from about seven different places. Most of it comes out of the Small Business Administration. Some of it comes out of the Israeli television thing, which is dead, as the Senator knows. I think it is $34 million out of that.

There is one small problem I would like to proceed with, and that is that the Office of Management and Budget did not, frankly, want us to use the space station. They wanted us to use what is called WPA, Western Power Administration. There is money in the fund there to settle a lawsuit; there is $40 million left. The staff of Senator JOHNSTON's subcommittee tells me the House has used that. I would like to leave it in so we can go to conference with it. If we do not have that money and do not get it in conference, SBA, the 7(a) loan program will be shut down again September 1.

Mr. HATFIELD. Madam President, I am trying to reduce the scope of the opposition. I propose at this time a 30-minute time agreement on the Bumpers amendment, equally divided.

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

Mr. HATFIELD. I thank the Senator.

AMENDMENT NO. 479

Mr. BUMPERS. Madam President, I send an amendment to the desk.

The PRESIDING OFFICER. The clerk will report the amendment.

The legislative clerk read as follows:

The Senator from Arkansas [Mr. BUMPERS] for himself, Mr. LIEBERMAN, Mr. KOHL, Mr. LAUTENBERG, Mr. WELLSTONE, Mr. KERRY, Mr. WARNER, Mr. STEVENS, Mr. BAUCUS, Mr. REID, Mr. DODD, Mr. DOMENICI, Mr. BURNS, Mrs. FEINSTEIN, Mr. BRYAN, Mr. MATHEWS, and Ms. MOSELEY-BRAUN proposes an amendment numbered 479.

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

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

The amendment is as follows:

On page 11, line 17, strike "expended." and insert the following: "expended.

SMALL BUSINESS ADMINISTRATION

BUSINESS LOANS PROGRAM ACCOUNT

For an additional amount for "Business loans program account," for the cost of section 7(a) guaranteed loans (15 U.S.C. 636(a)), $175,000,000, to remain available until expended, of which $15,000,000 shall be derived from funds provided under this heading in Public Law 102-395 for the Small Business Investment Company Program.

DISASTER LOANS PROGRAM ACCOUNT

(RESCISSION)

Of unobligated balances available under this heading, $80,657,000 are rescinded.

SALARIES AND EXPENSES

(RESCISSION)

Of the funds made available under this heading in Public Law 102-395, $2,000,000 are rescinded.

SECURITIES AND EXCHANGE COMMISSION

SALARIES AND EXPENSES

(RESCISSION)

Of the funds made available under this heading in Public Law 102-395 from offsetting collections to be earned by the Securities and Exchange Commission in fiscal year 1993, $11,700,000 are rescinded.

BOARD FOR INTERNATIONAL BROADCASTING

ISRAEL RELAY STATION

(RESCISSION)

From obligated and unobligated balances available under this heading, $180,000,000 are rescinded.

DEPARTMENT OF COMMERCE—ECONOMIC DEVELOPMENT ADMINISTRATION

ECONOMIC DEVELOPMENT REVOLVING FUND

(RESCISSION)

In addition to sums rescinded elsewhere in this Act, of the unobligated balances in the Economic Development Revolving Fund, $16,000,000 are rescinded.

DEPARTMENT OF ENERGY

(RESCISSION)

From unobligated balances available under this heading which were appropriated to the Western Area Power Administration in Public Law 102-377, $40,000,000 is rescinded.

Mr. BUMPERS. Madam President, I offer this amendment on behalf of myself, Senators LIEBERMAN, KOHL, LAUTENBERG, WELLSTONE, KERRY, WARNER, STEVENS, BAUCUS, REID, DODD, DOMENICI, BURNS, FEINSTEIN, BRYAN, MATHEWS, and MOSELEY-BRAUN.

Madam President, since we are going to do this in such a short period of time, I will be very brief. Senator DOMENICI wanted to be heard on this, and I want him to be. But the proof of what we are doing is right here on these charts. I ask unanimous consent that this table of job creation by the 7(a) Guaranteed Loan Program under this amendment be inserted in the RECORD.

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

SMALL BUSINESS ADMINISTRATION GENERAL BUSINESS (7A) LOAN INFORMATION (BY STATE)

[Total request: $3.3 billion, dollar amounts in millions]

	Fiscal year 1993 supplemental request	Employee growth	
		1st year	4th year
Alabama	$60.7	653	2,565
Alaska	24.0	258	1,014
Arizona	33.7	363	1,424
Arkansas[a]	33.4	359	1,411
California	554.3	5,964	23,419
Colorado	68.9	741	2,911
Connecticut	42.1	473	1,779
Delaware	6.9	74	292
District of Columbia	24.8	267	1,048
Florida	114.7	1,234	4,846
Georgia	129.3	1,391	5,463
Hawaii	6.3	68	266
Idaho	24.8	267	1,048
Illinois	95.8	1,031	4,048

SMALL BUSINESS ADMINISTRATION GENERAL BUSINESS (7A) LOAN INFORMATION (BY STATE)—Continued

[Total request: $3.3 billion, dollar amounts in millions]

	Fiscal year 1993 supplemental request	Employee growth	
		1st year	4th year
Indiana	30.4	327	1,284
Iowa	65.8	708	2,780
Kansas	63.2	680	2,670
Kentucky	25.3	272	1,069
Louisiana	45.2	486	1,910
Maine	27.0	291	1,141
Maryland	12.4	133	524
Massachusetts	44.3	477	1,872
Michigan	56.1	604	2,370
Minnesota	61.2	659	2,586
Mississippi	42.9	452	1,813
Missouri	87.1	937	3,680
Montana	50.7	546	2,142
Nebraska	24.7	266	1,044
Nevada	15.8	170	668
New Hampshire	53.8	576	2,260
New Jersey	50.7	546	2,142
New Mexico	36.5	393	1,542
New York	174.5	1,878	7,373
North Carolina	42.4	456	1,791
North Dakota	22.1	238	934
Ohio	69.9	752	2,953
Oklahoma	33.0	355	1,394
Oregon	44.8	482	1,893
Pennsylvania	74.9	806	3,165
Puerto Rico	48.2	519	2,036
Rhode Island	22.1	238	934
South Carolina	27.8	299	1,175
South Dakota	24.6	265	1,039
Tennessee	58.7	632	2,480
Texas	307.1	3,304	12,975
Utah	28.5	307	1,204
Vermont	34.7	373	1,466
Virginia	28.5	307	1,204
Washington	121.4	1,306	5,129
West Virginia	17.7	190	748
Wisconsin	103.5	1,114	4,373
Wyoming	12.1	103	511
National totals	3,309.0	35,605	139,805

Mr. BUMPERS. I am sorry I do not have a table for that side, but I invite my colleague on that side of the aisle to walk over here or simply pick up a copy of the table on his desk and find out what this involves concerning jobs in our respective States. It is $181 million for the 7(a) guaranteed loan program which was included in the President's stimulus package.

When the package failed, this 7(a) program was shut down. It has been shut down since April 26. As I pointed out to the Senator from Oregon, there are 3,800 good loan applications pending that the SBA needs to make totaling almost $1 billion.

Madam President, the thing that is absolutely fascinating, if you stop and think about it, is for $175 million you get almost 35,000 jobs in 1994 alone. Tell me where else, for $175 million, you can get 35,000 jobs. Over a 4-year period, this $175 million, which will generate $3.19 billion in loans, will generate almost 140,000 jobs. Those jobs cost about $780 each. I must say when you consider a space station job at $100,000 or super collider job at $100,000, that ought to be attractive to 100 Senators.

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

Mr. BUMPERS. I am happy to yield.

Mr. JOHNSTON. Madam President, I certainly support what Senator BUMPERS is trying to do here, and the WPA, Western Power Administration, moneys fall within my appropriations subcommittee. So I am very familiar with that. I think the Senator understands

that the money he is talking is $40 million, I believe; is that correct?

Mr. BUMPERS. That is correct.

Mr JOHNSTON. That rests on the assumption there is $100 million more or less available to WPA in this fund, because $60 million has already been used by the House, and the 602(b) allocation which we received in our subcommittee was based on receiving the House bill in the same shape that it came from the House, that is to say, with the $60 million already transferred for WPA.

There is a question about how much money is available. I know Mr. Panetta believes that is more than the $60 million already used by the House.

Mr. BUMPERS. Mr. Panetta called me about three times today to assure me. I must say your staff director and I had a couple conversations about it. He seems to me to be on top of it.

Since we have a short time, let me simply say this. I understand exactly where the Senator is going. I understand his concern. It is also a concern of mine.

If we have to drop the offset when we go to conference, we will just have to drop it. But there is another item. The reason I want to include the Western Area Power Administration offset in the total offsets for $175 million is because I think there is another program in the supplemental that we can use as an offset if this does not work.

Mr. JOHNSTON. Madam President, I was going to ask the Senator if we could have the money included under that assumption.

Mr. BUMPERS. Absolutely. I have no objection to that. Certainly, we cannot use the money if it is not available. If it is not there, if the House has already used it, as the Senator's staff director has told me, then it is not there.

Mr. JOHNSTON. The problem is you can take the money and then if the money is needed, it would have to come from something else. That is the problem.

Mr. BUMPERS. That is true.

Mr. JOHNSTON. So, I would be willing to let this stay in on the basis that if we find out this much money is not available, we find another source for it.

Mr. BUMPERS. I am more than happy to do it on that basis.

Mr. JOHNSTON. Madam President, I support Senator BUMPERS in what he is doing here and am very glad to take this to conference and hope it turns out that we have that much money.

Mr. BUMPERS. I thank the Senator very much.

Ms. MIKULSKI. Madam President, will the Senator from Arkansas yield?

Mr. BUMPERS. I am happy to yield.

Ms. MIKULSKI. Does the Senator from Arkansas wish to identify the source, if the WPA does not work?

Mr. BUMPERS. It is not the space station, I say to the Senator. Does that satisfy the Senator?

Ms. MIKULSKI. Yes. Not everyone should intrude on the Senator's keen strategic thinking, but I did.

Mr. BUMPERS. Bear in mind, I am only one Senator. Hopefully, I will be a conferee, but I have no assurance I will be on the supplemental.

Mr. JOHNSTON. I thank the Senator.

Mr. BENNETT. Madam President, will the Senator yield further?

Mr. BUMPERS. I am happy to yield to the Senator from Utah.

Mr. BENNETT. Madam President, with the understanding that the space station is out, will the Senator allow me to be listed as a cosponsor?

Mr. BUMPERS. Madam President, I ask unanimous consent that Senator BENNETT be added as a cosponsor.

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

Mr. BUMPERS. Maybe we can avoid a rollcall in a minute.

Mr. DOMENICI. Madam President, will the Senator yield for an observation?

Mr. BUMPERS. I yield.

Mr. DOMENICI. Madam President, I am a cosponsor of this amendment and I want to tell the Senate that whenever the Senator from Arkansas or someone else offers a motion to waive a technical budget act point of order, I am going to support it, because I stress that it is only technical.

What happens is you allocate all the funds to the subcommittees consistent with current law, and this amendment will cause one subcommittee to be over its allocation. But the cap that is on all discretionary is still on and we do not break it. In other words, we have saved money on some of the other allocations, $57 million in the committee bill, such that if you are $57 million over in the subcommittee that the Senator is adding money to, you are still under the mandatory limit on expenditures.

I believe we cannot fix it any other way, other than waiving the act for technical reasons. And I would think that this technical reason does not justify vitiating an amendment that will indeed create jobs.

The reason SBA has so much demand is because the banks are not lending money due to regulatory pressures and related concerns. The SBO is a big source of money for small business and it is vital we reinvigorate the guaranteed loan program.

I thank the Senator.

Mr. BUMPERS. I thank the Senator.

Madam President, the Senator from New Mexico just made a very cogent point. The small business community of this country is desperate right now, and the reason they are desperate is because the banks can lend $1 million to a customer at no more cost and considerably less risk than they can a $100,000 loan. So they are not making the loans.

The Finance Committee, most unfortunately, cut out the small business capital gains provision in the reconciliation bill.

So here you have the banks not loaning money. We give them no hope, because we took out the capital gains provision.

This program has been shut down since April 26. The demand this year is 31 percent higher than last year, and last year was 37 percent higher than the year before. The Senator from New Mexico just made the point as to why that is happening.

So, Madam President, I think everybody is pretty much agreed we have to get this program going again. There is not one single dollar the Federal Government spends that generates more jobs per dollar than this. Let me repeat, $780 per job. There is not a chamber of commerce in America that would not love to have all the jobs you could bring them at that cost.

So without taking any further time—Madam President, how much time do I have remaining?

The PRESIDING OFFICER. Six and one-half minutes.

The Senator from California.

Mrs. FEINSTEIN. Madam President, I rise to thank the distinguished Senator from Arkansas for his advocacy for this small business loan program. I come from a State where this program is actually one-half of what the entire administration's stimulus package in jobs would be for California.

The administration's stimulus package would have brought 50,000 jobs. This program, over the same time, brings almost 30,000 jobs in providing new jobs.

Madam President, in California today there are 465 loans that have been approved that cannot be authorized, because as of April this program was out of money. These are not make-work jobs. These are real jobs in the private sector from companies that are going to grow and thrive, and this is the way we should go.

I think the small business loan program is one of the most valuable the Federal Government supports. And what makes it even better is, as Senator from Arkansas just referred, it leverages over $3 billion of loans which is pumped into the economy.

This is an extraordinarily important program. We have received literally hundreds of letters and phone calls saying please help, from banks, from supply companies, from mechanic shops, you name it. And those are applications that are pending.

So I would also like to thank the Senator from Arkansas for agreeing not to fund this from the space station, because the space station in my State also is a big project that has 10,000 jobs this year, highly skilled and important. For every public dollar spent on the space station it will invest $7 in the private sector.

Madam President, in conclusion, I want to say thank you very much, Senator BUMPERS, and to your State for

having the good taste to elect you so you can be here to fight hard for this small business program. I am pleased to join you.

The PRESIDING OFFICER. Who yields time?

Mr. BUMPERS addressed the Chair.

The PRESIDING OFFICER. The Senator from Arkansas.

Mr. BUMPERS. Madam President, I do not believe there are any opponents of this amendment. Therefore, I ask unanimous consent that the time allocated to the opponents be transferred to the proponents, so I can yield time to about five people who wish to speak.

The PRESIDING OFFICER. Is there objection?

Mr. HATFIELD. Madam President, let us keep the time agreement as is.

The PRESIDING OFFICER. There is objection.

Mr. BUMPERS. Madam President, I ask unanimous consent that Senator BINGAMAN be added as a cosponsor.

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

Mr. BUMPERS. Let me say to the Senator from Oregon and Senator FORD, that Senators LAUTENBERG, LIEBERMAN, BOND, and WELLSTONE all wish to speak and I will just let the Senator from Oregon allocate the time.

Mr. HATFIELD addressed the Chair.

The PRESIDING OFFICER. The Senator from Oregon.

Mr. HATFIELD. Madam President, I believe I have 15 minutes.

The PRESIDING OFFICER. The Senator is correct.

Mr. HATFIELD. Madam President, I am happy to yield 2 minutes to the Senator from Connecticut, 2 minutes to the Senator from Montana, 2 minutes to the Senator from New Jersey, and 2 minutes to the Senator from Missouri, and I have a few minutes left after that.

The PRESIDING OFFICER. The Senator from Connecticut.

Mr. LIEBERMAN. I thank the Chair and I thank my distinguished colleague.

And I thank our friend from Arkansas for his steadfast leadership here in the Senate on behalf of the small business community.

Madam President, the fact is, as has been pointed out, that this is the best thing that Congress will have done—this amendment to create jobs in America—since we came into session early this year. It will create 140,000 jobs, and almost 1,780 alone in the State of Connecticut.

And we need this for a simple reason. The Senator from New Mexico said it and said it well. The banks are still not lending money. The only way a lot of good, solid small businesses—these are not fly-by-night operations—can get money to invest in new equipment, to hire new workers is with an SBA guarantee.

In the State of Connecticut alone, we are almost 50 percent higher in SBA applications under this program than we were a year ago.

Let me give you two quick examples of companies, real companies, who are going to benefit from this.

In the city of Norwalk, CT, I visited a man. He likes to make boats and he is a great boatmaker. He has a contract from the city of New York to build two garbage scows. He cannot get a bank to loan him the money to buy the equipment and to hire the workers. His application has been approved by the SBA. It is waiting in Hartford to be funded but he cannot get it unless we pass this amendment.

And, finally, in the town of Berlin, CT, a maker of plastic molding products has a contract from a company in Rhode Island. He can hire 15 workers if he can get the loan from SBA. It is totally approved, waiting for this amendment to pass. That is what is going to happen all over America if we pass this amendment.

Mr. President, to those who say the economic recovery is underway, I say you have not come to Connecticut. Connecticut continues to suffer from one of the worst recessions in recent memory—unemployment remains high and businesses continue to fail. Since 1989 Connecticut has been crushed by the loss of more than 180,000 jobs and we have seen little, if any, new job creation.

One of the reasons for Connecticut's current economic crisis is the credit crunch which is impeding economic growth and job creation. The fact is that creditworthy businesses—particularly small businesses—cannot get loans from banks. They will continue to suffer unless we act soon.

That is why I rise in full support of the amendment offered by Senator BUMPERS to provide additional funding for the critical small business loan guarantee program. The credit crunch has precipitated a dramatic increase in the amount of SBA funding being sought by small businesses. In fact, in the first 4 months of fiscal year 1993, gross SBA lending exceeded levels for all of fiscal year 1991. This level of activity has been increasing steadily and as a result, the program has run out of funds. The SBA window is closed.

The SBA loan guarantee program is nothing short of a safety line for the thousands of small companies which have been and continue to be denied credit—denied credit not because they are failing or fledgling but because they have been consumed by a banking crisis which has swept across many regions of the country. That is why the SBA program has experienced a 26-percent increase in demand nationwide, and nearly a 46-percent increase in Connecticut.

Mr. President, let me be clear that these are not companies of marginal economic utility. The fact is that, both nationally and in Connecticut, small businesses continue to make strong contributions to the U.S. economy. There are now approximately 20 million small firms in the United States which employ 6 of every 10 working people. In fact, of the 20.5 million business tax returns filed in 1991, fewer than 7,000 would be classified as big. In Connecticut more than 85 percent of Connecticut's businesses are small, accounting for more than 40 percent of the State's employment.

Small businesses are not merely a component of economic growth, they are the foundation. Small firms are the principal place where new products are generated and tested. They create the majority of new jobs. They are more flexible in responding to shifting markets and changing demographics, and are able to bring more products to market faster than big businesses. They are free from the pressures of stockholders and quarterly earnings, they, by their very nature, are focused on the long term.

Mr. President, one of the unfortunate aspects of the defeat of the jobs stimulus package is the fact that SBA 7(a) loan guarantee program has run out of funds. Banks all over Connecticut are contacting me with reports of approved loans ready to go once funds are provided by Congress. But, in the meantime, those small businesses cannot go forward with their planned expansion and job creation. Let me be clear, jobs created through the SBA loan program are not make-work government jobs. They are solid private sector jobs created by small businesses.

Mr. President, aside from making economic sense, this program makes fiscal sense. One big advantage of money spent on the SBA program is the multiplier effect of every dollar. Every million dollars in Federal funds for the program translates into $20 million in loans to small businesses. And, this does not include the additional lending impact generated by the 7(a) secondary market.

Everybody agrees on the importance of this program. Funding was included in the President's stimulus package; funding was included in the Dole-Hatfield substitute to the stimulus package; and funding was contained in the supplemental recently passed by the House. This amendment will make credit a reality for thousands of companies and is projected to create more than 140,000 jobs. Connecticut alone will benefit by the creation of more than 1,220 jobs. This is no panacea, no silver bullet, but it is a large step in the right direction.

The credit crunch is strangling New England's economy and impeding New England's economic recovery. Without action, banks cannot provide credit; without credit, businesses cannot grow; and without business growth, jobs cannot be created. It is as fundamental as that. This is an important amendment and I urge its adoption.

Mr. BURNS addressed the Chair.

The PRESIDING OFFICER. The Senator from Montana.

Mr. BURNS. Madam President, I appreciate the work of the Senator from California. We do not have a station, but we have a lot of space. We also need this program.

And if there was one thing that I heard from banking institutions during my town meetings the last time I was home was: "We are not trying to create too many more jobs. We are trying to hang on to the ones we have." And that is especially true in States that are natural resource States, where times are not that good.

This is very, very important. It is not because the banks do not have the money. It is the rules and regulations that this Government has put on banks that is crippling them from really, really being the financial underpinning of our local communities.

So it is very important. Seventy-six percent of the businesses in Montana are small businesses. And this is their source. So I think it is very important. I know it is important when we talk about our State's small businesses where 76 percent of our jobs come from.

I thank the Senator. I serve on the Small Business Committee with him. He has always been a great champion of small business men and women. I thank him for this amendment.

I yield the floor.

Mr. LAUTENBERG addressed the Chair.

The PRESIDING OFFICER. The Senator from New Jersey.

Mr. LAUTENBERG. I thank the Chair.

Madam President, as usual the Senator from Arkansas, the chairman of the Small Business Committee, makes eloquent sense when he describes what is necessary to tackle the problem that small businesses have in getting credit. This amendment offers us one opportunity to make a difference in solving that problem.

Everyone knows that employment growth comes from the small business community.

Before I came to the Senate, I ran a company that specialized in servicing small businesses. The company that I started services 250,000 companies, averaging 50 to 60 employees per account, which is a pretty good representation of small businesses across the country.

Though I do not run the company any more, these small companies still have growing pay rolls. However, often small business people like these cannot find the investment funds to start or to expand their businesses. This amendment is one essential way to do it. The 7(a) program is a terrific program.

I have been a member of the Small Business Committee since this term of the Senate began. The skills of the professional staff and the examples they bring to us confirm that small business will put people to work, will get things going. But small businesses need a source of funds and the banks are just not there.

This amendment, by replenishing funds for this 7(a) program, offers an important step in solving this problem.

Madam President, I rise today to join my colleague, the chairman of the Senate Small Business Committee, in support of this amendment.

This amendment reminds us that what we do in this Chamber is not on behalf of issues or abstractions—but on behalf of real people with real concerns.

My State is hurting. The recession—which seems to have crept away in some parts of the country—has not loosened its grip on New Jersey. Some 295,000 people are out of work. Nearly every New Jersey family has felt the recession's squeeze.

Yet, in the midst of these dim times, there are men and women in my State who want to lead us out. These intensely optimistic and intensely pragmatic souls want to build small businesses. They are willing to take risks and work hard, and ask not for a handout, but merely for a hand up.

Many of them have gone to their local lenders and arranged for a small loan guaranteed by the SBA's 7(a) Program. But when their loans were approved, the final step in getting their businesses up and running, many of them heard the following news:

There is no money left. The pot has run dry.

Now, I am not here to deliver a lecture on capital markets or accounting practices or some other abstraction. I am here to tell you that when there is no money left—when the pot runs dry—real people in my State suffer.

Take Richard Draves in Randolph, NJ. Mr. Draves has been out of work for a year, but created a solid business plant to open a store in Mount Olive. He found some investors who liked his idea, and then he applied for a 7(a) loan to purchase his inventory. His loan was approved but now the fund is empty.

That means Mr. Draves—who has worked hard, done all the right things, and been approved for a loan—cannot get any money. And it means the storefront he wants to move into will remain vacant, and the people he wants to hire will remain unemployed.

Or consider Steve Bybel in Kingsbury. He runs a small glass business and wants to purchase a larger building to operate his company. He too has done all the right things and he too was approved for a 7(a) loan. Yet he cannot get his money either. If Mr. Bybel cannot move into a new building, he will not be able to hire any new employees, and might have to lay off some he already has.

Or consider Richard Pavese who runs a hair salon in Livingston. He is doing well, and wants to expand his shop and hire six more people. He too has done all the right things and he too was approved for a 7(a) loan. But, you guessed it, he cannot get his money.

Madam President, the list goes on—talented, committed small business people who simply want to work hard and create jobs. We need to get them the resources they need to lead New Jersey and the Nation to recovery. If this loan fund is replenished, we will unleash about $40 million in new small business loans in my State, which will eventually mean about 1,700 new jobs.

How do we get the dollars we need to keep this loan program operating? We can do it without raising taxes or adding to the deficit.

Senator BUMPERS and I want to obtain these funds by taking them from several places they cannot be used well and putting them where they can do well.

I urge my colleagues to support this amendment.

The PRESIDING OFFICER. The Senator from Missouri.

Mr. BOND. Madam President, I thank the Chair, and I thank the Senator from Oregon.

I ask unanimous consent to be added as a cosponsor of this amendment.

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

Mr. BOND. Madam President, I wish to commend the Senator from Arkansas. I, too, serve on the Small Business Committee with the Senator, and we have discussed at great length the roadblocks to the creation of jobs in small business in this country.

Over the last 10 years, as large businesses have been cutting 2 million employees, small business has added 10 million employees.

But we know that there are tough times ahead for small business. We are not going to deal with all of the problems of small business in this amendment tonight, because small business does suffer when there are excessive regulations. Small business suffers when there are Government burdens in the form of taxation.

But the one area where we know that small business is being denied the power and the vitality to grow and create business is in credit. Because of the restrictions imposed by this body on lending institutions in the wake of the savings and loan fiasco and by overzealous regulators in financial institutions, there has been significant discouragement to loans by banks and other financial institutions.

The (7a) Program gives us the opportunity to provide the credit that will create the jobs. It is a pleasure to join with the Senator from Arkansas in this amendment. This will stimulate growth in the economy. I urge my colleagues to support it.

I thank the Senator from Arkansas and I yield the floor.

The PRESIDING OFFICER (Mr. CAMPBELL). The Senator from New Mexico.

Mr. DOMENICI. Mr. President, I want to wait until the distinguished Senator yields back time. Then I have a unanimous-consent request, if he is going to.

Mr. HATFIELD. Mr. President, what is the time factor?

The PRESIDING OFFICER. The Senator from Oregon has 6 minutes and 25 seconds.

Mr. BUMPERS. Mr. President, do I have any time remaining?

The PRESIDING OFFICER. The Senator from Arkansas has 3 minutes and 18 seconds.

Mr. BUMPERS. I yield the remainder of my time.

Mr. HATFIELD. Mr. President, I yield the remaining time.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. Mr. President, I ask unanimous consent that the Budget Act be waived with reference to this amendment.

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

Mr. DOMENICI. I thank the Chair. I assume that means we do not have to vote on the point of order. Are we going to vote on the amendment?

Mr. BUMPERS. Parliamentary inquiry, Mr. President? The Budget Act has been waived by unanimous consent, but that will still require a vote on the amendment, will it not?

Mr. KOHL. Mr. President, as a cosponsor of the amendment by Senator BUMPERS, I rise in strong support of the Small Business Administration's 7(a) Loan Guarantee Program.

Until recently, this program did not receive much attention. It was just one of many growth incentive programs offered by various agencies of the Federal Government. In recent months, however, we have come to understand the immense value of this initiative.

Small business 7(a) loan guarantees are a model for the type of public-private partnership that can make our economy grow. For instance, the guarantees spur innovation: a 1992 independent study showed that about 14 percent of firms that started with a 7(a) loan were selling a new product or service.

Further, 7(a) loan guarantees expand the diversity of the American labor market: the same 1992 study found that, on average, almost one-fourth of a 7(a) firm's employees are people of color, Americans with disabilities, or undereducated workers.

And perhaps of most importance, 7(a) firms exhibited faster growth than did small businesses in general: between 1984 and 1989, a sample of 7(a) loan recipients enjoyed 22 percent more growth in revenues—and 65 percent more growth in employment— than did other small businesses.

In 1 year alone, the funds we can secure with this amendment will generate over 35,000 permanent, private sector jobs. Over 4 years, the investment will yield almost 140,000 jobs. Our amendment will not add one penny to the deficit. It is entirely paid for through recissions in other programs. In addition, a Price Waterhouse study indicates that government makes a profit from 7(a) loans. The taxes collected on revenues will exceed the amount we spend on this program. If that is not sound fiscal policy, I do not know what is.

Madam President, it is a cruel paradox that the bankrupt Federal Government has an easier time borrowing money than do America's boldest new entrepreneurs. We have heard over and over about the importance of small business to our country's economic future. To me, the choice is clear, and I hope my colleagues will join me in supporting the Bumpers amendment.

Mr. CHAFEE. Mr. President, I would like to say a few words regarding the Bumpers amendment, and make some general comments about the Small Business Administration [SBA] 7(a) Loan Guarantee Program in particular. I am pleased to join Senator BUMPERS as a cosponsor of this amendment, and hope for its adoption.

The Bumpers amendment addresses an important need. The SBA 7(a) Program is a critical support at a time when the Nation's small businesses are struggling to obtain credit. Thanks in part to stringent regulations that call into question nearly every loan made to a small business in a struggling economy, the small banks that serve as the source of funds for many local businesses simply cannot act without a guarantee from the Government.

In my view, Mr. President, this is a sad state of affairs. It is a shame that the Federal Government has to become directly involved through the 7(a) Program to help banks complete their basic function, making loans. This is why I have sponsored legislation to change some of the regulations that place the greatest burden on lending institutions. We should not have to revisit SBA funding levels each year because we can't seem to get out of the business of building obstacles to credit.

Meanwhile, however, I see no better alternative than to appropriate new funds for the 7(a) Program. Small businesses in my State have nowhere else to turn without SBA-backed loans. Small businesses provide the bulk of the new jobs that are created each year, and to rock the boat now while they are just feeling their legs again would be self-defeating. I urge my colleagues to support this amendment, and to join me in support of my legislation to help address the credit crunch in an even more lasting way. My distinguished colleague from Arkansas, the chairman of the Small Business Committee, is an original cosponsor of my bill, and I thank him for his support and for bringing this amendment.

I thank the Chair.

SUPPLEMENTAL FUNDING FOR THE SBA 7(a) GUARANTEED LOAN PROGRAM

Mr. PRESSLER. Mr. President, I rise in support of Senator BUMPERS' amendment to provide additional funds for the Small Business Administration 7(a) Guaranteed Loan Program—our Government's largest and most successful source of capital for small businesses.

The 7(a) Program ran out of money to lend well over 1 month ago. Last week, additional funding for the program, which was contained in the House-passed supplemental appropriations bill, was dropped by the Senate Appropriations Committee due to a lack of offsets. If the necessary funding for the 7(a) Program is not found, small business owners—and potential owners—nationwide will suffer immensely. Without additional 7(a) money, our country's economic growth will stagnate.

Under the 7(a) Program, the SBA guarantees between 70 and 90 percent of the amount lent to a small business that is not able to obtain financing elsewhere. Small amount borrowers, minority borrowers, and female business owners, in particular, have a difficult time obtaining credit. The 7(a) Program greatly helps these cash-starved businesses obtain much needed capital. The 7(a) Program also is important because excessive Government regulations currently make it difficult or impossible for many banks to make these loans without the guarantee.

Without adequate funding, small businesses are unable to start new ventures, expand their operations, or hire new employees. Many simply need additional funding to provide the day-to-day working capital necessary to stay in business. Without the 7(a) Program, many may be forced to close their doors and send their workers to the unemployment lines.

Mr. President, I must note a measure of disappointment in the handling of this issue. When the 7(a) shutdown was announced in late April, I encouraged President Clinton—both by letter and in the form of legislation—to reprogram as much money as possible from other accounts at the SBA to keep this important program up and running. President Bush reprogrammed the necessary money when he faced a similar situation last year. I cannot understand why President Clinton did not take the same action to keep the program open. Regardless, I am happy to see a solution today.

The 7(a) Program has a proven track record of creating permanent private sector jobs. Obviously, it is not just small business owners who benefit from 7(a) loans. The people businesses hire, the communities in which they are located, and our Nation as a whole all

benefit, as well. In recent years, small businesses have added 4.1 million jobs, while big businesses actually have lost 500,000 jobs. It has been estimated that replenishing the fund would create an additional 12,000 jobs by the end of 1993. In my home State of South Dakota, the 7(a) Program helped create over 200 jobs last year alone.

Not only have SBA borrowers created more jobs, they also have had higher sales, paid more taxes, and produced greater after-tax profits than the small businesses that did not utilize the 7(a) Program. Increased tax bases greatly help local communities, as do the job growth and economic development assisted by these loans. For some communities, the 7(a) program may play a vital role in their very survival.

How does the government benefit from this program? It has been estimated the government's actual rate of return on the 7(a) Program may be as high as 264 percent. Through SBA loan guarantees, the government also takes advantage of the decisionmaking expertise of the private sector. This is because bankers have enough of their own money at risk to ensure that sound loan decisions are made and jobs are created efficiently.

If entrepreneurs are denied access to this program, the only possible results will be decreased sales, less job creation, and reduced profits. The loss of support that the 7(a) Program provides to small business owners will put a stranglehold on one of our Nation's most valuable assets—our entrepreneurs. Small businesses are our greatest hope for new job creation, but they cannot do it without the necessary capital. Meanwhile, 7(a) applications continue to stack up and the demand for these loans continues to rise. This program has been closed down since the end of April and small business owners who have been approved for loans anxiously are awaiting action by Congress and the administration.

For all of these reasons, I believe it is important that we support this amendment to fund the SBA's 7(a) guaranteed loan program for the rest of this year and fully fund the program in fiscal year 1994. Unfortunately, because of increased demand, we likely will find ourselves in a similar situation next year unless we act now.

In conclusion, Mr. President, let me say that the SBA's 7(a) Loan Program is supported strongly by both Republicans and Democrats. To keep the doors to this program closed will only hamper the economic growth we all are trying so hard to achieve.

Mr. STEVENS. Mr. President, this amendment appropriates $181 million into the SBA 7(a) Guaranteed Loan Program which will fund $3.3 billion in SBA loans.

For Alaska, this means an additional $24 million in capital for small businesses.

This capital translates into over 250 new jobs for Alaskans. I might add that small business creates over 85 percent of Alaskan jobs.

It is hard enough for small businesses to plan cash flow for new business development, expansion, and production. But, when they are counting on funds through the SBA guaranteed Loan Program and they don't come through, it can literally stop the business—dead.

That is what has happened to over 30 Alaska small businesses who are waiting for loan money guaranteed by the SBA. Over $5 million in SBA loans in Alaska are ready to go but for the dry well of loan guarantees at the SBA.

I have gotten more than a dozen calls in the last 2 weeks from credit-worthy small businesses with all of their clearances and approvals in line; but with no money in the SBA program, their checks can't be issued.

This is a critical time of the year for Alaska small businesses. As I have often told the Senate, our construction and tourism industries have a very short 3- or 4-month window to make it for the year, and without liquidity now through the SBA program, several could fail.

I am pleased to be an original cosponsor of my friend from Arkansas' amendment to make the valuable and highly effective SBA small business guaranteed loan program liquid again.

The PRESIDING OFFICER. The amendment still has to be disposed of.

Mr. BUMPERS. I ask unanimous consent Senator HARKIN be added as a cosponsor of the amendment.

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

Mr. BUMPERS. I thank the Chair.

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

The amendment (No. 479) was agreed to.

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

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

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. Senator HATFIELD is recognized.

Mr. HATFIELD. What is the parliamentary situation as to the bill?

The PRESIDING OFFICER. The pending question is the committee amendment as amended.

Mr. HATFIELD. Mr. President, I urge we adopt the committee amendment at this time.

The PRESIDING OFFICER. The question occurs on the committee amendment as amended.

So the first excepted committee amendment, as amended, beginning on page 11, line 3 through line 17, was agreed to.

Mr. HATFIELD. Mr. President, the bill is open for further amendment, is it not?

The PRESIDING OFFICER. The Senator is correct.

AMENDMENT NO. 480

Mr. HATFIELD. Mr. President, if I might have the attention of the Senator from Arkansas for just a moment? I have an amendment here, the Senator from Arkansas and the Senator from Mississippi [Mr. COCHRAN] have cosponsored, relating to the amounts provided under the Soil Conservation Service. I would like to offer the amendment on their behalf, if it meets the approval of the Senator from Arkansas?

Mr. President, the amount of money is $3.3 million for the emergency watershed protection program under the conservation service. These amounts are provided under the heading for the cost of direct farm ownership loans, Public Law 102-341, and $2.3 million are rescinded.

I offer this amendment at this time on behalf of the Senators from Arkansas and Mississippi. I send the amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Oregon [Mr. HATFIELD], for Mr. BUMPERS, for himself and Mr. COCHRAN, proposes an amendment numbered 480.

Mr. HATFIELD. 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 5, between lines 10 and 11, insert:

Of the amounts provided under this heading for the cost of direct farm ownership loans in Public Law 102-341, $2,317,000 are rescinded.

On page 3, between lines 15 and 16, insert:

SOIL CONSERVATION SERVICE

WATERSHED AND FLOOD PREVENTION OPERATIONS

For an additional amount for the emergency watershed protection program, $3,328,000.

Mr. HATFIELD. Mr. President, I urge the adoption of the amendment.

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

The amendment (No. 480) was agreed to.

AMENDMENT NO. 481 TO AMENDMENT NO. 475

Mr. HATFIELD. Mr. President, earlier on, when chairman of the committee, Senator BYRD, was offering amendments en bloc, I had proposed an amendment that would provide the authorization to the Capitol Architect to acquire property for the home for the pages. That was based upon an action taken in August 1992, that related to a specific piece of property. I did not include in my amendment to give the authorization to acquire and to make improvements on that property, as did the act of 1992, which did provide for acquisition of a property specific as well as to make improvements.

Therefore I would like to offer at this time a technical amendment to clarify that authorization that we have already adopted, relating to the Capitol Architect, again, to secure property for a home for the pages and to make improvement on that property.

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

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Oregon [Mr. HATFIELD] proposes an amendment numbered 481 to Amendment No. 475.

Mr. HATFIELD. 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:

At the end of amendment No. 475 insert the following:

(b) FACILITIES.—The first sentence of subsection (d) of section 1 of such Act is amended—

(1) by inserting "(1)" immediately after "to make expenditures for"; and

(2) by inserting immediately before the period at the end thereof a semicolon and the following: "and (2) for the construction on such real property of any facilities thereon as authorized under subsection (f)".

Mr. HATFIELD. Mr. President, I think to keep a clarification, a very clear track of what we are doing, I would like to offer this amendment and vitiate the first amendment, and offer this amendment as a substitute which in effect does give to the Capitol Architect, an authorization to seek out certain properties for a home for the pages and to make improvements on those properties.

We are basing that on an action approved by the Senate in August 1992, to give the Capitol Architect authorization to secure a specific piece of property. That specific piece of property was not then acquired. So now we want to continue that authorization on a generality of seeking property, rather than a site-specific, and to make the same improvements that he had previously.

Therefore, I ask unanimous consent to vitiate the first amendment and to offer this one in its place. That ought to clarify.

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

The amendment (No. 481) was agreed to.

Mr. HATFIELD. Is there an adoption of the new amendment to give that authorization to the Capitol Architect? We just finished that—complete?

The PRESIDING OFFICER. The new text will be included in the amendment.

Mr. HATFIELD. It is a very simple procedure that I have made very complex, but I think we have resolved it.

Let us get a complex issue, now, and make it simple.

Mr. President, I urge all Members to make known to the managers of the bill any amendments that they propose to offer. As I indicated earlier, we are very hopeful to complete the work for tonight on this supplemental by getting a listing of all amendments to be considered, lock them in, and then turn to the leader for whatever action he desires to take up.

Chairman BYRD has asked me to proceed on this matter. I am now with a list, and unless I hear otherwise within the next few minutes under a quorum call, we will proceed to list these amendments as the ones and only ones to be considered on the supplemental at a future time, whenever the leadership should so determine.

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

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

AMENDMENT NO. 482

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

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from Arizona [Mr. DECONCINI] proposes an amendment numbered 482.

Mr. DECONCINI. 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 28, line 16, strike "$7,350,000" and insert in lieu thereof, "$11,277,000".

Mr. DECONCINI. Mr. President, this amendment increases the amount available for salary and expenses to the Secret Service to $11,277,000. This amount is still $3 million less than what was requested by the Secret Service to cover the unbudgeted costs of the Bush protection detail, the Pope's visit in August, the losses suffered as a result of the World Trade Center bombing, and the shortfall in funds to pay for the candidate-nominee protection bill. The amount is fully offset by reductions elsewhere in the bill.

Mr. HATFIELD. Mr. President, the amendment has been cleared on this side.

Mr. DECONCINI. Mr. President, I am advised that it has been cleared on this side.

The PRESIDING OFFICER. Is there further debate? If not, the question is on agreeing to the amendment.

The amendment (No. 482) was agreed to.

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

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

The motion to lay on the table was agreed to.

Mr. NUNN addressed the Chair.

AMENDMENT NO. 483

(Purpose: To make a technical amendment to the Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 1993)

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

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from Georgia [Mr. NUNN], for himself and Mr. COVERDELL, proposes an amendment numbered 483.

Mr. NUNN. 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:

At the appropriate place in the bill, insert the following:

SEC. . TECHNICAL AMENDMENT.

Title III of the Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 1993, is amended in the paragraph under the subheading "STATE REVOLVING FUNDS/CONSTRUCTION GRANTS" under the heading "ENVIRONMENTAL PROTECTION AGENCY" by striking "necessary work to remove and reroute the existing sewer lines at" and inserting "improvements related to the sewer system that services".

Mr. NUNN. Mr. President, this amendment has been cleared on both sides of the aisle. It clarifies the use of EPA funds set aside in the fiscal year 1993 VA-HUD appropriations bill for the city of Atlanta. There is no cost to this amendment. It is necessitated by changes in what the city of Atlanta wants to do with the original appropriation.

There is no commitment to the Federal Government to provide any more money than what has already been appropriated.

I ask the amendment be agreed to.

The PRESIDING OFFICER. Is there further discussion on this amendment?

Mr. HATFIELD. Mr. President, the amendment has been cleared on this side of the aisle, and I ask for its adoption.

The PRESIDING OFFICER. Is there further discussion on this amendment? If not, the question is on agreeing to the amendment.

The amendment (No. 483) was agreed to.

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

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

The motion to lay on the table was agreed to.

AMENDMENT NO. 484

Mr. DECONCINI addressed the Chair.

The PRESIDING OFFICER. The Senator from Arizona.

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

The PRESIDING OFFICER. The clerk will report the amendment.

The bill clerk read as follows:

The Senator from Arizona [Mr. DECONCINI] proposes an amendment numbered 484:

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

Mr. DECONCINI. Mr. President, this amendment deals with Commodity Credit Corporation funds and making them available for quality losses prior to 1993. The supplemental appropriations bill before us has this provision.

I wish to thank Senator BUMPERS, the chairman of the Appropriations Subcommittee, for making these funds available to growers affected by 1993 disasters, and I wish to talk about a related issue a little bit, Mr. President.

Growers in my State have been devastated by flooding that occurred earlier this year in Arizona. In-ground crop losses were immense. Land has been taken permanently out of production. Some of my colleagues may remember seeing on CNN in the month of February the loss of a lettuce crop; that was a loss that amounted to millions of dollars to Arizona growers. It is my hope that the disaster assistance provided in this bill will help these growers return to productivity.

The bill also makes growers of certain commodities eligible for this disaster assistance for losses in quality suffered in previous years. Earlier this year, Secretary Espy used his discretion to provide such assistance for corn and potato growers in response to quality losses these farmers suffered. It is only fair that if some growers be made eligible for quality losses, other growers be given the same consideration.

In Arizona, for example, cotton growers suffered enormous quality losses as a result of the white fly infestation. In 1992, these losses in Arizona were at least $53 million. This was a disaster which caused quality losses.

The amendment I am offering simply adds citrus to those crops named in the bill to be made eligible for assistance for quality losses. It would be greatly unfair to exclude citrus growers in Arizona, California, or elsewhere from eligibility. Growers of all crops should be made eligible for this assistance. It would be unfair to make other crops eligible and exclude citrus growers.

I urge my colleagues to adopt this amendment.

The PRESIDING OFFICER. Is there further discussion on the amendment?

Mr. HATFIELD. Mr. President, I am very sorry to say this has not been cleared on our side, and I could not approve this amendment at this time until we have had a chance to, first of all, get a copy of it. I do not even have a copy of the amendment. And I have had information that there would be objections raised on this side.

The PRESIDING OFFICER. The Senator from Arizona.

Mr. DECONCINI. I suggest the absence of a quorum.

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

The bill clerk proceeded to call the roll.

Mr. DECONCINI. 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. DECONCINI. Mr. President, I ask for the yeas and nays on the pending amendment.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. DECONCINI. I thank the Chair and I thank the Senator from Kentucky.

Mr. President, there is opposition to this amendment, and it is not my interest to keep people. As a matter of fact, I usually have interest in getting out at this time of night.

I ask unanimous consent that the pending amendment be set aside, and that, if an agreement is made, it be among those amendments for a vote certain, whenever that day may be, whether it is tonight or tomorrow or Tuesday next week.

Mr. COCHRAN. Mr. President, reserving the right to object, I do not intend to object. I want to inquire as to whether or not the managers of the bill have indicated an agreement to set aside amendments and to have a record vote at a later date. I had not heard a unanimous-consent request on that subject that had been entered.

Mr. FORD. Mr. President, may I say to my friend, we are trying right now to work out some kind of an agreement. Both sides are putting together the amendments at the request of the ranking member of the committee. Hopefully, we will have that done.

The Senator's request would be in order under those circumstances. He is trying to prevent being shut out being considered whenever an agreement is made. I think that is his request. It may not hurt. But I will assure the Senator that nothing will be agreed to tonight without his amendment being in it; that if he will wait until we agree to that, we can have a quorum call. Maybe we are very close to having some kind of an agreement.

Mr. COCHRAN. The point I am making is it may be better to have an understanding rather than try to enter an order for a time certain for a vote on this amendment, if there is no order entered that relates to other amendments. That is the point I am making.

Mr. FORD. His motion is if and when an agreement is reached, that he would be included in that. Otherwise, he would reserve his right to ask for a vote.

Mr. DECONCINI. The Senator from Kentucky is right. He phrases it better. You can tell the Senator from Kentucky is not a lawyer, that he can speak very clearly and concisely.

Mr. FORD. I thank my friend.

Mr. COCHRAN. He is a very talented legislator. I will stipulate to that as well.

Let me just say I will not object.

I withdraw my reservation.

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

Mr. COCHRAN. Mr. President, under current authorities, nonprogram crops are eligible for disaster assistance on quality losses on the amount of the harvested crop which cannot be marketed through the normal commercial channels. Poor quality crops sold through the normal marketing channel at a discount rate are ineligible for disaster assistance on the loss resulting from the price discount. Assistance is available to producers with losses resulting from a natural disaster during the same calender year or in the previous year that affected the production of a crop.

The citrus producers in Arizona have already been reimbursed for loss on the 1990 citrus crop which resulted from the December 1990 freeze, and have subsequently experienced quality problems on the 1991, 1992, and 1993 crops related to the 1990 freeze. These producers have been able to market the poor quality crop through the normal channels, but at discounted prices. Adding citrus crops to the list of crops eligible for quality loss payments in 1990, 1991, or 1992, would, therefore, have minimal impact.

The authority proposed in the committee amendment extends to quality losses suffered by program crops, which, of course, was triggered by the Secretary's decision to make 1992 corn crop quality losses eligible for disaster assistance. These program crops would not otherwise be eligible for assistance.

I object to extending this authority to citrus, which along with a wide range of perennial crops, now qualify for disaster assistance for quality losses. Providing such assistance to follow-on losses resulting from damages sustained from a natural disaster in an earlier year on perennial crops would be costly and difficult to administer.

AMENDMENT NO. 485

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

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from Arizona [Mr. DECONCINI] proposes an amendment numbered 485.

At the appropriate place in the bill, under General Provisions, insert the following General Provision:

SEC. . Of the funds appropriated for "Department of State, International Narcotics Control" in the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1993 (Public Law 102-391), $9,800,000 shall be made available immediately only for aircraft manufacture-certified upgrades of no fewer than eight existing UH-1 helicopters for use in international narcotics control operations in Latin America.

Provided, That none of the funds appropriated in this section shall be used to support the transfer or use of these helicopters in Guatemala.

Mr. DECONCINI. Mr. President, the amendment I am offering today is a simple earmarking of funds already appropriated in the fiscal year 1993 Foreign Aid Appropriations Act. My amendment would earmark $9.8 million of the funds appropriated for Department of State, International Narcotics Control, to upgrade no fewer than 8 existing UH-1 [Huey] helicopters for use in international narcotics control operations in Latin America.

My amendment also ensures that none of these funds could be used for any activities in Guatemala.

This action was supported by the Foreign Operations Subcommittee last year. It is not a new issue, but it is one on which the State Department has refused to act. I have discussed this matter with Senators LEAHY and MCCONNELL, the chairman and ranking member of the subcommittee and I appreciate their counsel on this issue.

I have also modified my amendment to accommodate the concerns of Senator MCCONNELL regarding the use of these helicopters in Guatemala. These are concerns which I share.

Last fall, in Senate Report No. 102-419, the committee report accompanying the fiscal year 1993 foreign aid appropriations bill, the committee recommended that the State Department use this money for the upgrade of these helicopters. The helicopters would be used to support drug interdiction activities in Bolivia, Columbia, and other Andean nations to enable them to combat the drug trade in those countries. This upgrade program would enhance the safety of the helicopters used in these activities. It would also provide a three-fold increase in the UH-1's ability to perform in high-hot environments while reducing operating costs by close to 36 percent and extending the overall life of the helicopter by close to 20 years.

Unfortunately, the State Department has refused to move forward with this initiative in fiscal year 1993, despite support from the INM Air Program officials. Time is slipping away, and these upgrades are desperately needed to allow our older Hueys to attack the drug traffickers in the high-hot climates in Latin America. In order to ensure that this program can proceed on a timely manner, it is important for State to make use of these funds. I would prefer that I did not have to take this route and offer this amendment. I would prefer that State would initiate this action on its own. But, it has been nearly 9 months and we are still waiting. I sympathize with the administration and its transition, but I hope that this is not foreshadowing for how the State Department will treat congressional directions when it requests flexibility and fewer congressional earmarks.

Here is why I am offering an amendment to force the Department to proceed with this important helicopter upgrade program.

First, the upgrade of these old Hueys is an affordable way to provide sophisticated aircraft to our allies in Latin America who are fighting the drug traffickers. We cannot afford to buy new helicopters for this important and dangerous mission, but upgrading existing Hueys to enhance their performance and allow them to fly into difficult terrain, is a good, affordable alternative. The drug smugglers are literally moving into higher, hotter terrain to avoid our helicopters. They know we cannot pursue them into the higher altitudes with the aircraft we currently have. This upgrade initiative will take away the smugglers' option to seek higher ground.

Second, the $9.8 million appropriated last year by the Senate was not overturned in conference with the House. In fact, under the procedures for the foreign operations bill, as I understand it, if an item is contained in one House's committee report and is not specifically overturned or modified in conference, it is agreed to in conference. Such is the case with this provision that was in last year's foreign operations bill. My amendment merely tells the Department to do what was contained in the Senate committee report.

Finally, this amendment does not add any more money to the bill, nor does it add to the deficit. The funds last year were made available within the total amount of appropriations for INM and have already been scored. My amendment merely tells State to release the funds and do what the Senate told them to do last year with regard to this important program.

Mr. President, this amendment, if approved, will make a significant difference in our war on drugs here at home in my region of the country, and in Latin America at the drug source. We need to make do with the assets we have, by making them better and more productive. This initiative does precisely that. Our Latin American allies have indicated their strong support for upgrading the Huey helicopters and we agree. This amendment will go a long way toward making that commitment.

I urge the adoption of the amendment.

Mr. President, I believe this amendment has been agreed to by both sides.

Mr. COCHRAN. Mr. President, I have just been advised by staff that this amendment has not been cleared that the Senator is offering at this time.

Mr. DECONCINI. If the Senator will yield, I was under the impression it had been cleared. It was cleared on this side. I assumed that it had been cleared on the other side.

Mr. COCHRAN. I have just been advised that this amendment has not been cleared. We are not able to clear that now unless there is some misunderstanding. I hope that the Senator would give us an opportunity to discuss it.

Mr. DECONCINI. Certainly.

Mr. COCHRAN. Maybe we can determine whether or not it can be cleared.

Mr. FORD. Under those circumstances, we will discuss it.

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. COCHRAN. 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. COCHRAN. Mr. President, we have now had an opportunity to review on this side of the aisle the amendment offered by the Senator from Arizona [Mr. DECONCINI]. We are able to advise that this amendment is cleared on our side, and we have no objection to it being accepted by the Senate.

Mr. FORD. Mr. President, I thank my friend from Mississippi for his good work. The amendment is obviously cleared on this side. We thank them for joining in. The amendment is ready for adoption.

The PRESIDING OFFICER. Is there further debate on the amendment? If not, the question is on agreeing to the amendment of the Senator from Arizona.

The amendment (No. 485) was agreed to.

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

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

The motion to lay on the table was agreed to.

Mr. DECONCINI. Mr. President, for clarification, the pending business of the Senate is the DeConcini amendment dealing with agriculture.

The PRESIDING OFFICER. The question occurs on that DeConcini amendment.

Mr. DECONCINI. Mr. President, I have another amendment that I talked to the manager, the distinguished Senator from Kentucky, about and that I just wanted a mix of it. The committee has been advised. That deals with the Defense Department and approximately $4 million. It has not been

cleared on that side of the aisle. It has been cleared on this side.

I would like that to be in the mix, whatever is going on. I will make a unanimous-consent request regarding the pending amendment.

I am prepared for that amendment not being set aside under the terms of the unanimous-consent request.

I thank the Senator from Mississippi for agreeing to this amendment.

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

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

MODIFICATION TO AMENDMENT NO. 475

Mr. COCHRAN. Mr. President, in amendment No. 475, in three instances, headings begin: "Department of Housing and Urban Development" were included.

I ask unanimous consent that these headings be deleted from this amendment. This has been cleared on both sides.

Mr. FORD. We have no objection, Mr. President.

The PRESIDING OFFICER. The amendment is so modified.

The modification is as follows:

In amendment 475, in three instances, headings beginning: "DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT" were included.

I ask unanimous consent that these headings be deleted from the amendments.

COUNTERING ANTIARMOR WEAPONS

Mr. INOUYE. Mr. President, the Army and the Advanced Research Projects Agency recently proposed a reallocation of certain fiscal year 1993 Defense Department funds. The proposal would allow the Pentagon to investigate new concepts for defeating missile and artillery rounds fired at our tanks, artillery, and other armored vehicles. The Department of Defense's fiscal year 1993 budget request did not include funds for such antiarmor countermeasure efforts. Nonetheless, officials have proposed reallocating fiscal year 1993 funds to initiate these activities now in order to support planned milestone decisions for the advanced field artillery system in late fiscal year 1994.

While we were unable to deal specifically with this matter prior to Senate consideration of this supplemental appropriations measure, I believe we can adequately address the Department of Defense's request during the conference on the many related items in this bill.

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

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. THURMOND. 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.

TRIBUTE TO FORMER SENATOR MILWARD LEE SIMPSON OF WYOMING

Mr. THURMOND. Madam President, I rise today to pay tribute to the memory of my good friend, former Senator Milward Lee Simpson, who passed away on June 11, 1993. It was my great pleasure to serve with Senator Simpson during his years in the Senate; as it has been my pleasure to serve with his son, AL, for whom I have a high regard.

Milward Simpson was an unusual man, and one of many talents. Not only was he a person of integrity and high principles, but he was very capable and deeply interested in the welfare of our great country and its citizens.

Senator Simpson had a keen sense of humor, and was one of the finest storytellers I have ever known. His intelligence and keen wit enlivened this body a great deal, and his forthrightness and gentlemanly demeanor earned him affection and respect on both sides of the aisle.

Senator Simpson had a long and varied career. In addition to his tenure in the U.S. Senate, he served Wyoming in the State house of representatives and as Governor. A veteran of World War I, he was a great patriot, and he took his reponsibilities as a citizen and public servant very seriously. He was active in a number of organizations, including the American Legion, Rotary International and the Elks, and was a 33d degree Mason.

Senator Simpson's death constitutes a great loss to the people of Wyoming and our Nation, which he served so well. In addition to being an outstanding public servant, he was a loving husband and father; and we are doubly indebted to him for raising a son who is such an asset to the U.S. Senate and this Nation.

My family and I extend our deepest sympathy to Senator Simpson's lovely wife, Lorna; his able and talented son, AL; and the rest of his family during this time of sorrow.

Madam President, I yield the floor.

Mr. FORD. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

Mr. GRASSLEY. Madam President, I am going to speak on the bill, not to offer an amendment, just to give some points of view on defense matters, and it is issues that I have discussed before on this floor that relate to the Defense Department and sloppy bookkeeping and things that fall into that area.

Today, I wish to discuss the defense business operation fund, [DBOF]. DBOF we call it for short—defense business operating fund.

This bill contains a direct $295 million cash transfusion into this fund. The new transfusion already comes on top of a $1.1 billion transfusion that we provided last year.

Madam President, DBOF is supposed to run like a business and pay for itself. Why does DBOF then constantly need a new infusion of cash from the Treasury? The DBOF cash generator is overheated and may be busted. As a result, military services are not getting the cash they need to retain force readiness.

As a Republican, let me say I am not talking about a Clinton Presidency or Secretary Aspin. I am talking about problems that carried over from my own Republican administration where this fund was set up.

So, because of this shortage, that comes up all the time, there is mounting concern about a "hollow force," a term that was used during the late Carter years, early Reagan years to express an inadequacy of our defense forces.

To a large extent then, that is why we are debating a $1.2 billion supplemental bill today. The military has had it with DBOF.

Adm. Frank B. Kelso II, Acting Secretary of the Navy, fears that DBOF is undermining readiness.

In a recent memo dated February 18, 1993, Admiral Kelso said:

Since the beginning of FY 1993, the Department of the Navy, like the other military departments, has relied on a transfer of cash from DBOF to finance the O&M appropriations as directed by the FY 1993 defense appropriations act. We have been informed that the cash position of DBOF is too low to accommodate a complete transfer. A reduction of this magnitude to the O&M accounts for the Navy and Marine Corps would unacceptably impact on our operational readiness.

General McPeak, Chief of Staff of the Air Force, provided an identical assessment in testimony before the House Armed Services Committee on April 1, 1993, but added: "People don't trust DBOF because nobody has visibility into it and can see what the heck is going on with the numbers. We have been whipsawed by it."

Congressman MURTHA, chairman of the Defense Appropriations Subcommittee, is also frustrated by DBOF.

In a letter to Secretary Aspin on March 31, 1993, MURTHA said:

If the DBOF does not generate sufficient cash to be transferred to the services' O&M

accounts, unit training, JCS exercises and equipment readiness will suffer. This will impact on the readiness of the force.

That is an expert in the House of Representatives speaking concerns about DBOF.

Madam President, what went wrong with DBOF?

To begin to understand the problem, we need to go back to the DOD Appropriations Act for fiscal year 1993—Public Law 102-396. What did this bill do to the O&M accounts.

I asked the Congressional Research Services [CRS] to help me sort out the facts.

Mr. Steve Daggett, a specialist in national defense, has done an excellent piece of work.

Madam President, I ask unanimous consent to place the CRS report in the RECORD.

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

CONGRESSIONAL RESEARCH SERVICE,
Washington, DC, April 14, 1993.

To: Hon. Charles Grassley. Attention: Charlie Murphy.

From: Stephen Daggett, Specialist in National Defense, Foreign Affairs and National Defense Division.

Subject: FY1993 Appropriations Action on DBOF.

This is in response to your request for a review of action in the FY1993 Department of Defense Appropriations Act related to the Defense Business Operations Fund (DBOF). I have attached (1) selected sections of the Department of Defense Appropriations Act, 1993 (P.L. 102-396) that concern funding for DBOF and (2) a table that summarizes funding action.

The data in the table track quite closely with report language in the FY1993 Defense Appropriations Conference Report (H.Rept. 102-1015). As the Report notes—

Service Operation and Maintenance (O&M) accounts were reduced by $1,018,000,000 to encourage services to return excess supplies to the supply system—this is shown in line 1 of the attached table.

This amount was offset by a transfer of funds from DBOF—this is shown in lines 7, 8, 9, and 10 of the table. To explain: DOD had requested a transfer of $2,036,000,000 in excess cash from DBOF to service O&M accounts. The appropriations Conference Report provided an additional transfer of $1,018,000 for a total of $3,054,000,000. This total amount is shown as an addition to service total obligational authority (TOA) either in cash (line 7) or as free issues of material from DBOF stocks (line 8) and also as an offsetting reduction in the amount of new budget authority appropriated (line 10).

Service O&M accounts were further reduced by $541,866,000 to reflect the effects of a provision limiting FY1993 DBOF purchases to 70 percent of sales to service customers (line 5), by $379,056,000 because of provisions in prior years similarly limiting DBOF purchases (line 6), and by $400,000,000 to encourage the Army and Air Force to terminate excess on-order contracts (line 4). These amounts are close to those cited on pp. 53-4 of the Conference Report, but I cannot reconcile them precisely.

As the Conference Report notes, these reductions in service O&M accounts were offset by transfers of cash balances from DBOF directed by Section 9101 of the Appropriations Act. These transfers are shown on line 13—note that the total transfer of $1,320,920 shown on line 13 equals (with an allowance for rounding) the sum of lines 4, 5, and 6.

Title V of the Defense Appropriations Act transfers $1,054,800 in DBOF cash balances to various O&M accounts (line 12). The Conference Report explains these transfers on p. 150. The transfers are offset by reductions in service O&M accounts shown as "DBOF Technical Adjustments," (line 2).

I hope this is sufficient to clarify congressional action on funding related to the Defense Business Operations Fund. If CRS can be of any further assistance, please call me at 707-7642.

DEPARTMENT OF DEFENSE APPROPRIATIONS ACT, 1993

(P.L. 102-396—OCT. 6, 1992)

TITLE II—OPERATION AND MAINTENANCE

Operation and Maintenance, Army (including transfer of funds)

For expenses, not otherwise provided for, necessary for the operation and maintenance of the Army, as authorized by law; and not to exceed $14,437,000 can be used for emergencies and extraordinary expenses, to be expended on the approval or authority of the Secretary of the Army, and payments may be made on his certificate of necessity for confidential military purposes; $13,442,418,000 and, in addition, $2,229,000,000, to be derived by transfer from the Defense Business Operations Fund upon completion of the identification of residual inventories and the initiation of the transfer of such inventories to the wholesale supply system of the Defense Business Operations Fund:

Operation and Maintenance, Navy (including transfer of funds)

For expenses, not otherwise provided for, necessary for the operation and maintenance of the Navy and the Marine Corps, as authorized by law; and not to exceed $5,005,000 can be used for emergencies and extraordinary expenses, to be expended on the approval or authority of the Secretary of the Navy, and payments may be made on his certificate of necessity for confidential military purposes; $19,108,558,000 and, in addition $94,500,000, to be derived by transfer from the Defense Business Operations Fund upon completion of the identification of residual inventories and the initiation of the transfer of such inventories to the wholesale supply system of the Defense Business Operations Fund:

Operation and Maintenance, Marine Corps (including transfer of funds)

For expenses, not otherwise provided for, necessary for the operation and maintenance of the Marine Corps, as authorized by law; $1,383,138,000 and, in addition, $58,500,000, to be derived by transfer from the Defense Business Operations Fund upon completion of the identification of residual inventories and the initiation of the transfer of such inventories to the wholesale supply system of the Defense Business Operations Fund:

Operation and Maintenance, Air Force (including transfer of funds)

For expenses, not otherwise provided for, necessary for the operation and maintenance of the Air Force, as authorized by law; and not to exceed $8,912,000 can be used for emergencies and extraordinary expenses, to be expended on the approval or authority of the Secretary of the Air Force, and payments may be made on his certificate of necessity for confidential military purposes; $16,009,040,000 and, in addition, $672,000,000, to be derived by transfer from the Defense Business Operations Fund upon completion of the identification of residual inventories and the initiation of the transfer of such inventories to the wholesale supply system of the Defense Business Operations Fund:

TITLE V—REVOLVING AND MANAGEMENT FUNDS

Defense Business Operations Fund

For the Defense Business Operations Fund; $1,123,800,000: Provided, That, in addition to any other transfer authority contained in this Act, $1,054,800,000 shall be transferred from the Defense Business Operations Fund to appropriations contained in this Act to be merged with and to be available for the same purposes and for the same time period as the appropriations to which transferred, as follows: $480,000,000 to Operation and Maintenance, Navy; $150,800,000 to Operation and Maintenance, Marine Corps; $312,700,000 to Operation and Maintenance, Air Force; and $111,300,000 to Operation and Maintenance, Defense Agencies: Provided further, That, of funds available in the Defense Business Operations Fund, not less than $90,000,000 shall be available for the purchase of 1.8 million cases of Meals Ready to Eat in the current fiscal year.

SEC. 9076. During the current fiscal year, withdrawal credits may be made by the Defense Business Operations Fund to the credit of current applicable appropriations of an activity of the Department of Defense in connection with the acquisition by that activity of supplies that are repairable components which are repairable at a repair depot and that are capitalized into the Defense Business Operations Fund as the result of management changes concerning depot level repairable assets charged to an activity of the Department of Defense which is a customer of the Defense Business Operations Fund that became effective on April 1, 1992.

SEC. 9086. During the current fiscal year, obligations against the stock funds of the Department of Defense may not be incurred in excess of 70 percent of sales from such stock funds during the current fiscal year: Provided, That in determining the amount of obligations against, and sales from the stock funds, obligations and sales for fuel, subsistence, commissary items, retail operations, the cost of operations, and repair of spare parts shall be excluded: Provided further, That upon a determination by the Secretary of Defense that such action is critical to the national security of the United States, the Secretary may waive the provisions of this section: Provided further, That if the provisions of this section are waived, the Secretary shall immediately notify the Congress of the waiver and the reasons for such a waiver.

SEC. 9101. During the current fiscal year, not to exceed $60,500,000 of cash balances in the Defense Business Operations Fund shall be transferred to appropriations of the Department of Defense which are available for energy conservation improvement projects under the Department of Defense Energy Conservation Improvement Program: Provided, That the authority to make transfers pursuant to this section is in addition to any other transfer authority provided by this Act.

SEC. 9101A. In addition to any other transfer authority contained in this Act, $1,371,800,000 from the Defense Business Operations Fund shall be transferred to appropriations contained in this Act to be merged with and to be available for the same purposes and for the same time period as the appropriations to which transferred, as follows: $456,687,000 to Operation and Maintenance,

Army; $299,167,000 to Operation and Maintenance, Navy; $20,448,000 to Operation and Maintenance, Marine Corps; $402,479,000 to Operation and Maintenance, Air Force; $30,038,000 to Operation and Maintenance, Defense Agencies; $9,442,000 to Operation and Maintenance, Army Reserve; $14,924,000 to Operation and Maintenance, Navy Reserve; $754,000 to Operation and Maintenance, Marine Corps Reserve; $15,844,000 to Operation and Maintenance, Air Force Reserve; $31,307,000 to Operation and Maintenance, Army National Guard; $39,830,000 to Operation and Maintenance, Air National Guard; and $50,880,000 to the Defense Health Program.

APPROPRIATIONS ACTION ON DBOF–RELATED FUNDING, FISCAL YEAR 1993

[In thousands of dollars]

	Army	Navy	Marine Corps	Air Force	Reserves	Defense wide/defense agencies [1]	Total
Title II: Operation and Maintenance:							
Excess inventories/return excess supplies	−743,000	−31,500	−19,500	−224,000			−1,018,000
DBOF technical adjustments		−480,000	−150,800	−312,700		−111,300	−1,054,800
Reduce purchases from DBOF	−110,982	−160,640	−10,980	−135,570	−60,194	−16,129	−494,495
Excess on-order purchases	−250,000			−150,000			−400,000
Fiscal year 1993 limit obligations-to-sales	−121,614	−176,028	−12,031	−148,557	−65,961	−17,675	−541,866
Prior year limit obligations-to-sales	−85,074	−123,139	−8,417	−103,922	−46,140	−12,364	−379,056
Transfer from DBOF			58,500	672,000			730,500
Transfer denied—covered by free issue	2,229,000	94,500					2,323,500
Subtotal: Transfer/free issue	2,229,000	94,500	58,500	672,000			3,054,000
Total obligational authority, O&M	15,671,418	19,203,058	1,441,638	16,681,040	7,911,476	22,460,556	83,369,186
Financing adjustments:							
Transfer from DBOF (return of supplies)	−2,229,000	−94,500	−58,500	−672,000			−3,054,000
Other financing adjustments						−400,000	−400,000
Total appropriation, O&M	13,442,418	19,108,558	1,383,138	16,009,040	7,911,476	22,060,556	79,915,186
Title V: Revolving and management funds: Transfer from DBOF [2]		480,000	150,800	312,700		111,300	1,054,800
Title IX: General provisions, sec. 9101A: Transfer from DBOF [3]	456,687	299,167	20,448	402,479	112,101	30,038	1,320,920

[1] Defense Wide/Defense Agency totals include $9,242,572,000 for the Defense Health Program.
[2] Title V also provides $1,123,800,000 in appropriations to DBOF.
[3] Section 9101A also transfers $50,880,000 to the Defense Health Program. In addition, sec. 9101 transfers $60,500,000 to accounts available for energy conservation projects.
Sources: Principal source—Department of Defense Comptroller, "Congressional Action on FY 1993 Appropriation Request," FAD728/93, Final, Jan. 26, 1993. Other sources—H. Rept. 102–1015; Public Law 102–396.

Mr. GRASSLEY. Madam President, in 1993 DOD requested $74.8 billion for O&M. Congress approved $69.4 billion. To the naked eye, this looks like a cut of $5.4 billion. It was counted as a $5.4 billion cut.

But in fact the $5.4 billion cut was a phony cut.

The proof lies in the language of the law itself.

The law says that the services get the $69.4 billion in O&M money up front. But in addition to the $69.4 billion, the law specifically mandates that the services get another $5.5 billion at a future but unspecified date.

In other words, the law says we had to cut the O&M accounts, but the O&M accounts will get the money back because that money is really needed.

This is how the O&M cuts were to be recouped.

First, DOD cycles $80 billion through the DBOF laundry operation to generate the excess cash.

Last year, DBOF was regularly able to produce monthly cash balances of $7 to $8 billion—more than enough to make the rebates and operate DBOF.

The excess cash is generated by jacking up the prices of items sold to the military. So it's a double cut on the services. They get less, and it costs more.

Once the excess cash was in hand, DBOF was directed by law to make $5.5 billion in rebates to the O&M accounts to offset the cuts made by Congress.

But for unexplained reasons, the excess cash has not materialized.

So far, DBOF has made rebates of $2.0 billion—well short of the $5.5 figure mandated by the appropriations act. The cash balance in DOBF is not adequate to pay off the remaining debt and future prospects for more are dim.

Because of all the concern surrounding DBOF's cash position, I asked the General Accounting Office [GAO] on March 1 to audit the DBOF cash account. We need to know how much cash has been generated, and how has it been used.

The GAO has begun to uncover another DOD financial nightmare—billions of dollars in undistributed disbursements. DBOF is writing hundreds of thousands of checks but amounts are not recorded in the books. Checks aren't hooked up to anything. Checks are written but no one bothers to fill our the stub. No wonder DBOF can't get the cash balance straight.

Secretary Aspin also has doubts about DBOF. In a memo dated April 10, 1993, on "A Ready to Fight Force," he made these disparaging words on DBOF:

> If acceptable oversight of DBOF cannot be established it is highly unlikely that either the Department of Defense or the Congress will continue with this system.

Madam President, if the concerns about force readiness are genuine and if the services have a legitimate need for more O&M money, then why are we providing more O&M money to DBOF. DBOF is the problem. The money should go directly to the military services through the front door where it is needed.

There is no need to give legitimate O&M moneys a preliminary flush through the DBOF plumbing works. Why are we doing that?

Air Force Maj. Joe Lokey, a former assistant comptroller at MacDill AFB, FL, knows why. I quote:

There are fewer than a handful of people who understand the complex and convoluted way DOD washes money into and out of these funds. They are, however, useful in subverting the intent of Congress who will no longer appropriate for specific purposes but simply ensure that the DOD K mart is adequately capitalized. It serves no value added purpose to warfighting capabilities as it simply moves money on paper from our right pocket to our left pocket.

Madam President, I quoted from Major Lokey's May 2, 1992, report during a speech I gave on March 23, 1993.

DBOF is nothing more than a cash generating scheme based on phony cuts, price fixing, and backdoor rebates to offset congressional budget cuts.

DBOF serves no useful purpose. And worst of all, it is degrading readiness.

Under section 341 of Public Law 102–484, DBOF will automatically cease to exist on April 15, 1994—unless Congress takes some positive action. DBOF should be allowed to die a quiet death.

Madam President, I will offer an amendment to eliminate DBOF at the appropriate time.

I yield the floor.

Madam President, I hope to speak to this on another matter later on, perhaps even on this bill.

I yield the floor.

Mr. BYRD addressed the Chair.

The PRESIDING OFFICER. The Senator from West Virginia.

UNANIMOUS-CONSENT AGREEMENT

Mr. BYRD. Madam President, I have a proposed unanimous consent agreement which is the result of work on both sides of the aisle, the staffs, and Senator HATFIELD. So I am going to present it with the understanding that

if it is entered into, the Senate will be in tomorrow for a pro forma session only.

I make this statement on the authority of the majority leader. And there will be no session on Monday. The Senate will be in on Tuesday. The first vote would occur at 9:30 a.m.

Madam President, I ask unanimous consent that the following be the only amendments remaining in order to H.R. 2118, the supplemental appropriations bill; that they be first-degree amendments subject to relevant second-degree amendments: Kennedy amendment, education funding; Heflin amendment, Trio Program funding; Bingaman amendment, Public Health Service; DeConcini amendment, Defense/international narcotics; Harkin Amendment, Older Americans; Harkin-Feinstein amendment, refugees; DeConcini amendment No. 484, citrus disasters; Pryor amendment, clarify current funding for educational agencies at base closings; Inouye amendment, Defense related; Mitchell amendment, Department of Justice; DeConcini amendment, Travelgate; Byrd amendment, relevant; Grassley, older Americans employment; Grassley, M Account (No T/A); Roth, Jobs for America; Pressler, soybeans; Dole, Travelgate; Domenici, virus in four corners; Domenici, Technical/Petroglyps Monument; Domenici, Bureau of Reclamation; Helms, relevant; Brown, Cargo preference; Brown, Cargo preference; Bond, White House FTE's; Nickles, disaster assistance; Nickles, community policing; D'Amato, welfare, work fare; D'Amato, welfare, work fare; D'Amato, Department of Education and administrative expenses; a Gramm amendment on prison construction; a Chafee amendment on funding for Cliff Walk; Hatfield, relevant amendment.

Provided further that when the Senate resumes consideration of H.R. 2118 on Tuesday, June 22 at 9:00 a.m., there be 30 minutes remaining debate on the DeConcini amendment No. 484, with the time equally divided and controlled in the usual form; that when all time is used or yielded back, the Senate without any intervening action or debate, vote on or in relation to the DeConcini amendment; that upon disposition of the DeConcini amendment, Senator GRASSLEY be recognized to offer his amendment relating to "M" account; that the next Republican amendment be offered by Senator ROTH relating to Jobs for America; further, that final passage of H.R. 2118 occur not later than 7 p.m. on Tuesday, June 22, without intervening action or debate; that no motion to recommit be in order, and that no points of order be waived by virtue of this agreement.

The PRESIDING OFFICER. Is there objection?

Mr. HATFIELD. Reserving the right to object.

If the Senator will yield, I would like to ask the Senator to include one last amendment by Mr. HATCH relating to law enforcement funding.

Mr. BYRD. Very well. I so revise my request, Madam President.

The PRESIDING OFFICER. Is there objection to the unanimous consent request?

Hearing none, it is so ordered.

The text of the agreement is as follows:

Ordered, That the following amendments be the only amendments remaining in order to H.R. 2118, the Supplemental Appropriations Bill, that they be first degree amendments subject to relevant second-degree amendments:

Bingaman, Public Health Service; Bond, White House FTE's; Brown, Cargo preference; Brown, Cargo preference; Byrd, Relevant; Chafee, Funding for Cliff Walk; D'Amato, Department of Education administrative expenses; D'Amato, Welfare/Workfare; D'Amato, Welfare/Workfare; DeConcini, Defense/international narcotics; DeConcini, No. 484, citrus; DeConcini, Travelgate; Dole, Travelgate; Domenici, Virus in 4 Corners; Domenici, Technical/Petroglyps monument; Domenici, Bureau of Reclamation; Gramm, Prison construction; Grassley, M Account; Grassley, Older Americans; Harkin, Older Americans; Harkin/Feinstein, Refugees; Hatch, Law enforcement funding; Hatfield, Relevant; Heflin, Trio Program funding; Helms, Relevant; Inouye, Defense related; Kennedy, Education funding; Mitchell, Department of Justice; Nickles, Disaster assistance; Nickles, Community policing; Pressler, Soybeans; Pryor, Clarify current funding for educational agencies at base closings; and Roth, Jobs for America.

Ordered further, That at 9:00 a.m. on Tuesday, June 22, 1993, when the Senate resumes consideration of H.R. 2118, there be 30 minutes remaining for debate on the DeConcini amendment, No. 484, with the time to be equally divided and controlled in the usual form.

Ordered further, That when all time is used or yielded back, the Senate without intervening action or debate, vote on or in relation to the DeConcini amendment.

Ordered further, That upon disposition of the DeConcini amendment, the Senator from Iowa (Mr. GRASSLEY) be recognized to offer his amendment relating to "M" account.

Ordered further, That the next Republican amendment be an amendment to be offered by the Senator from Delaware (Mr. ROTH) relating to Jobs for America.

Ordered further, That final passage of H.R. 2118 occur not later than 7:00 p.m. on Tuesday, June 22, 1993, without intervening action or debate.

Ordered further, That no motion to recommit be in order.

Ordered further, That no points of order be waived by virtue of this amendment.

Mr. BYRD. I thank my friend, Senator HATFIELD, for his diligent efforts and his good work. I also thank his staff and ours, and the floor staff, and the majority leader for his assistance, and the majority whip, and all Senators who are now on the floor.

MORNING BUSINESS

Mr. BYRD. Madam President, I ask unanimous consent that there now be a period for the transaction of morning business, with Senators permitted to speak therein for not to exceed 5 minutes each.

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

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 sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

AGREEMENT BETWEEN THE UNITED STATES AND LATVIA CONCERNING FISHERIES—MESSAGE FROM THE PRESIDENT—PM 27

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, together with accompanying papers; which, pursuant to 16 USC 1823, was referred jointly to the Committee on Commerce, Science, and Transportation and the Committee on Foreign Relations:

To the Congress of the United States:

In accordance with the Magnuson Fishery Conservation and Management Act of 1976 (Public Law 94-265; 16 U.S.C. 1801 *et seq.*), I transmit herewith an Agreement between the Government of the United States of America and the Government of the Republic of Latvia Concerning Fisheries off the Coast of the United States, with annex, signed at Washington on April 8, 1993. The agreement constitutes a governing international fishery agreement within the requirements of Section 201(c) of the Act.

United States fishing industry interests have urged prompt consideration of this agreement to take advantage of opportunities for seasonal cooperative fishing ventures. I recommend that the Congress give favorable consideration to this agreement at an early date.

WILLIAM J. CLINTON.

THE WHITE HOUSE, *June 17, 1993.*

MESSAGE FROM THE HOUSE

At 5:58 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 bill, in which it requests the concurrence of the Senate:

H.R. 2404. An Act to authorize appropriations for foreign assistance programs, and for other purposes.

MEASURES READ THE FIRST TIME

The following bill, received from the House yesterday and previously undisposed of, was read the first time:

H.R. 5. An act to amend the National Labor Relations Act and the Railway Labor Act to prevent discrimination based on participation in labor disputes.

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-927. A communication from the Director of the Office of Management and Budget, Executive Office of the President, transmitting, pursuant to law, a cumulative report on rescissions and deferrals; pursuant to the order of January 30, 1975, as modified by the order of April 11, 1986, referred jointly, to the Committee on Appropriations, the Committee on the Budget, the Committee on Agriculture, Nutrition and Forestry, the Committee on Environment and Public Works, the Committee on Finance, and the Committee on Foreign Relations.

EC-928. A communication from the Secretary of Agriculture, transmitting, pursuant to law, a report relative to the contracting of private attorneys; to the Committee on Agriculture, Nutrition and Forestry.

EC-929. A communication from the General Counsel of the Department of Defense, transmitting, pursuant to law, a draft of proposed legislation to authorize the transfer of eleven naval vessels to Argentina, Australia, Chile, Greece, Taiwan, and Turkey; to the Committee on Armed Services.

EC-930. A communication from the Secretary of Energy, transmitting, pursuant to law, a report relative to the Department's program activities with respect to arms control; to the Committee on Armed Services.

EC-931. A communication from the Acting Secretary of the Navy, transmitting, pursuant to law, a report relative to the increase in cost of two defense acquisition programs; to the Committee on Armed Services.

EC-932. A communication from the Acting General Counsel of the Department of Energy, transmitting, pursuant to law a draft of proposed legislation to authorize appropriations for the Department of Energy for national security programs for fiscal year 1994, and for other purposes; to the Committee on Armed Services.

EC-933. A communication from the Deputy Secretary of Defense, transmitting, pursuant to law, a report relative to the Mobility Requirements Study; to the Committee on Armed Services.

EC-934. A communication from the Under Secretary of Defense, transmitting, pursuant to law, a report relative to Selected Acquisition Reports; to the Committee on Armed Services.

EC-935. A communication from the Chairman of the Defense Base Closure and Realignment Commission, transmitting, pursuant to law, certified materials of the Commission including COBRA scenarios and information from the Defense Logistics Agency; to the Committee on Armed Services.

EC-936. A communication from the Chairman of the Defense Base Closure and Realignment Commission, transmitting, pursuant to law, certified materials of the Commission including COBRA scenarios and information from the Department of the Navy; to the Committee on Armed Services.

EC-937. A communication from the Chairman of the Defense Base Closure and Realignment Commission, transmitting, pursuant to law, certified materials of the Commission; to the Committee on Armed Services.

EC-938. A communication from the Director of the Office of Management and Budget, Executive Office of the President, transmitting, pursuant to law, a report on direct spending or receipts legislation within five days of enactment; to the Committee on the Budget.

EC-939. A communication from the Assistant Secretary of State (Legislative Affairs), notice of a Certification for the country of Trinidad and Tobago; to the Committee on Commerce, Science and Transportation.

EC-940. A communication from the Acting Assistant General Counsel, Department of Energy, transmitting, pursuant to law, a notice of a meeting related to the International Energy Program; to the Committee on Energy and Natural Resources.

EC-941. A communication from the Deputy Associate Director for Compliance (Royalty Management Program), Minerals Management Service, Department of the Interior, transmitting, pursuant to law, notice of the intention to make refunds of offshore lease revenues; to the Committee on Energy and Natural Resources.

EC-942. A communication from the Acting Assistant Secretary of Energy, Safety and Health, transmitting, pursuant to law, a report of a supplement to the Draft Environmental Impact Statement on the proposed expansion of the Strategic Petroleum Reserve; to the Committee on Energy and Natural Resources.

EC-943. A communication from the Secretary of Energy, transmitting, pursuant to law, a report on uncosted balances for fiscal year 1992; to the Committee on Energy and Natural Resources.

EC-944. A communication from the Acting Director of the United States Information Agency, transmitting, pursuant to law, notice of an extension of a ban on certain textiles from Bolivia; to the Committee on Finance.

EC-945. A communication from the Administrator of the Agency for International Development, transmitting, pursuant to law, a report relative to development assistance program allocations; to the Committee on Foreign Relations.

EC-946. A communication from the Assistant Secretary of State (Legislative Affairs), transmitting, pursuant to law, a draft of proposed legislation to amend the Foreign Assistance Act of 1961 to authorize the transfer of $20,000,000 in addition to U.S. War Reserve Stockpiles for Allies in Thailand to support the implementation of a bilateral agreement with Thailand; to the Committee on Foreign Relations.

EC-947. A communication from the Assistant Secretary of State (Legislative Affairs), transmitting, pursuant to law, a report relative to the withdrawal of Russian and CIS forces from Estonia, Latvia and Lithuania; to the Committee on Foreign Relations.

EC-948. A communication from the Assistant Secretary of State (Legislative Affairs), transmitting, pursuant to law, a report relative to funds for Morocco; to the Committee on Foreign Relations.

EC-949. A communication from the Secretary of Transportation, transmitting, pursuant to law, two reports of the Office of Inspector General for the period ending March 31, 1993; to the Committee on Governmental Affairs.

EC-950. A communication from the Chief Judge of the United States Tax Court, transmitting, pursuant to law, actuarial reports for the Judges' retirement and survivor annuity plans; to the Committee on Governmental Affairs.

EC-951. A communication from the Deputy Secretary of Defense, transmitting, pursuant to law, a report on audit, inspection and investigative activities for the six month period ending March 31, 1993; to the Committee on Governmental Affairs.

EC-952. A communication from the Chairman of the Board for International Broadcasting, 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.

EC-953. A communication from the Acting Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 10-37, adopted by the Council on June 8, 1993; to the Committee on Governmental Affairs.

EC-954. A communication from the Administrator of the U. S. Agency for International Development, transmitting, pursuant to law, a report relative to audit management and the Inspector General's report; to the Committee on Governmental Affairs.

EC-955. A communication from the Secretary of Agriculture, transmitting, pursuant to law, the Inspector General's report for the six month period ending March 31, 1993; to the Committee on Governmental Affairs.

EC-956. A communication from the Secretary of the Interior, transmitting, pursuant to law, the report of the Inspector General and a report on audit followup, both for the six month period ending March 31, 1993; to the Committee on Governmental Affairs.

EC-957. A communication from the Chairman of the Defense Base Closure and Realignment Commission, transmitting, pursuant to law, certified materials of the Commission including COBRA scenarios and information from the Department of the Navy and the Defense Logistics Agency; to the Committee on Armed Services.

EC-958. A communication from the Director of the Office of Management and Budget, Executive Office of the President, transmitting, pursuant to law, a report relative to direct spending or receipts legislation; to the Committee on the Budget.

EC-959. A communication from the Assistant Secretary of State (Legislative Affairs), transmitting a draft of proposed legislation entitled "Foreign Relations Authorization Act, Fiscal Years 1994 and 1995"; to the Committee on Foreign Relations.

EC-960. A communication from the Assistant Secretary (Legislative Affairs), Department of State, transmitting, pursuant to law, notice of a Presidential determination relative to the refugees and conflict victims in Bosnia and Croatia; to the Committee on Foreign Relations.

EC-961. A communication from the Acting Chairman of the D.C. Council, transmitting, pursuant to law, copies of D.C. Act 10-39 adopted by the Council on June 1, 1993; to the Committee on Governmental Affairs.

EC-962. A communication from the Acting Assistant Attorney General, Department of Justice, transmitting, pursuant to law, a report on settlements for calendar year 1992; to the Committee on the Judiciary.

EC-963. A communication from the Chairman of the Federal Election Commission, transmitting, pursuant to law, the annual report for calendar year 1992; to the Committee on Rules and Administration.

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-99. A joint resolution adopted by the Legislature of the State of Tennessee relative to the election of President Clinton and Vice-President Gore; ordered to lie on the table.

"SENATE JOINT RESOLUTION NO. 45

"Whereas, Bill Clinton of Arkansas and Al Gore of Tennessee have been elected and inaugurated as president and vice-president of the United States; and

"Whereas, This election is historic on many levels: the president and vice president are the first ticket from the South to be elected since Tennessee's own Andrew Jackson and John Calhoun of South Carolina were elected in 1832, Al Gore is the first vice-president from Tennessee in over one hundred twenty-five (125) years, and Bill Clinton and Al Gore are the first president and vice-president born after World War II; and

"Whereas, In addition to the sense of renewed hope and opportunity which is present at the beginning of all new administrations, there is a special sense of destiny and renewal present today as leadership passes from the World War II generation to a contemporary generation—youthful, vigorous, and enthusiastic; and

"Whereas, The presence of a governor as president offers the hope and expectation that the true needs of the people and the states will be addressed, that the federal and state governments can act as partners, not as adversaries, that the federal government will respect the rights and diversity of states and their peoples and will offer cooperation and assistance rather than unfunded mandates and dogmatic restrictions; and

"Whereas, Tennessee can take justified pride in launching the auspicious career of Al Gore and in offering its support in the presidential election to the Clinton/Gore team; and

"Whereas, Regardless of individual preferences in the election, all Tennesseans would join in wishing the new administration well, and in hoping that President Clinton and Vice-President Gore can bring the country together and foster a sense of community, address the genuine concerns that many Americans have about the economy, health care, the intrusive role of government into private lives of its citizens, national debt and the federal budget, the role of the United States in the world, and the myriad of other issues which confront any administration; and restore the bright spirit of hope, opportunity, progress, and humaneness which has dimmed so tragically over the years; now, therefore,

"Be it resolved by the Senate of the ninety-eighth General Assembly of the State of Tennessee, the House of Representatives concurring," That this general assembly, on behalf of itself and all the citizens of Tennessee, congratulate our President, Bill Clinton, and our own Vice-President, Al Gore, on their election, recognizing that one of the special glories and achievements of the United States has been the peaceful, voluntary transfer of governmental power for over two hundred years.

"Be it further resolved, That we also express the best wishes of the people of Tennessee for a successful administration by President Clinton and Vice-President Gore, recognizing that success for them will benefit all Tennesseans and all Americans, regardless of political affiliation, belief, or opinion.

REPORT OF COMMITTEE

The following report of committee was submitted:

By Mr. BYRD, from the Committee on Appropriations:

Special report entitled "Allocation to Subcommittees of Budget Totals from the Concurrent Resolution for Fiscal Year 1994" (Rept. No. 103-59).

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 Ms. MIKULSKI:

S. 1122. A bill to amend title 38, United States Code, to authorize the Secretary of Veterans Affairs to carry out a program for repayment by the Secretary of certain education costs incurred by certain Veterans' Health Administration employees, and for other purposes; to the Committee on Veterans Affairs.

By Mr. GORTON (for himself, Mr. NUNN, Mr. PACKWOOD, Mr. BREAUX, Mr. HATFIELD, Mr. JOHNSTON, Mr. SHELBY, Mr. BURNS, Mr. HEFLIN, Mr. THURMOND, Mr. HOLLINGS, Mr. CRAIG, Mr. LOTT, Mr. COCHRAN, Mr. SMITH, and Mr. LUGAR):

S. 1123. A bill to amend the Internal Revenue Code of 1986 to modify certain provisions relating to the treatment of forestry activities; to the Committee on Finance.

By Mr. D'AMATO (for himself, Mr. BOND, Mr. SHELBY, Mr. BENNETT, Mr. DOMENICI, and Mr. MACK):

S. 1124. A bill to enhance credit availability by streamlining Federal regulations applicable to financial institutions, and for other purposes; to the Committee on Banking, Housing, and Urban Affairs.

By Mr. DODD (for himself, Mrs. KASSEBAUM, Mr. KENNEDY, Mr. JEFFORDS, and Mr. PELL):

S. 1125. A bill to help local school systems achieve Goal Six of the National Education Goals, which provides that by the year 2000, every school in America will be free of drugs and violence and will offer a disciplined environment conducive to learning, by ensuring that all schools are safe and free of violence; to the Committee on Labor and Human Resources.

By Mr. HOLLINGS (for himself, Mr. KERRY, and Mr. SARBANES):

S. 1126. A bill to improve the conservation and management of interjurisdictional fisheries along the Atlantic coast by providing for greater cooperation among the States in implementing conservation and management programs, and for other purposes; to the Committee on Commerce, Science, and Transportation.

By Mr. MCCONNELL:

S. 1127. A bill to establish a rural community service program, and for other purposes; to the Committee on Labor and Human Resources.

By Mr. AKAKA (for himself, Mr. DASCHLE, Mr. DECONCINI, Mr. INOUYE, and Mr. SHELBY):

S. 1128. A bill to amend title 38, United States Code, to permit the burial in cemeteries of the National Cemetery System of certain deceased Reservists; to the Committee on Veterans Affairs.

By Mr. PELL (by request):

S. 1129. A bill to amend the Foreign Assistance Act of 1961 to authorize the transfer of $20,000,000 in addition to U.S. War Reserve Stockpiles for Allies in Thailand to support the implementation of a bilateral agreement with Thailand; to the Committee on Foreign Relations.

By Mr. PRYOR (for himself, Mr. STEVENS, Mr. GLENN, Mr. AKAKA, Ms. MIKULSKI, and Mr. DOMENICI):

S. 1130. A bill to provide for continuing authorization of Federal employee leave transfer and leave bank programs, and for other purposes; to the Committee on Governmental Affairs.

By Mr. PRYOR (for himself and Mr. STEVENS):

S. 1131. A bill to extend the method of computing the average subscription charges under section 8906(a) of title 5, United States Code, relating to Federal employee health benefits programs; to the Committee on Governmental Affairs.

By Mr. RIEGLE:

S. 1132. A bill to provide for fair trade in motor vehicle parts, action under trade remedy laws for certain unfair trade practices, and for other purposes; to the Committee on Finance.

By Mr. BRADLEY (for himself, Mr. BIDEN, Mr. HATCH, Mrs. BOXER, Mr. BRYAN, Mrs. FEINSTEIN, Mr. HOLLINGS, Mr. KERREY, Ms. MIKULSKI, Ms. MOSELEY-BRAUN, Mr. REID, Mr. ROBB, Mr. ROCKEFELLER, Mr. SIMON, Mr. WELLSTONE, Mrs. MURRAY, and Mr. CAMPBELL):

S. 1133. A bill to amend the Public Health Service Act to provide for the establishment of a residential support service program for special high-risk populations of pregnant women and their children, and for other purposes; to the Committee on Labor and Human Resources.

By Mr. SMITH:

S.J. Res. 104. A joint resolution designating September 17, 1993, as "National POW/MIA Recognition Day" and authorizing the display of the National League of Families POW/MIA flag; 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. JOHNSTON (for himself and Mr. BREAUX):

S. Res. 119. A resolution to commend the Women's Track Team of Louisiana State University (L.S.U.) for winning the 1993 National Collegiate Athletic Association Outdoor Track Championship, and for other achievements over the past seven years; considered and agreed to.

By Mr. JOHNSTON (for himself and Mr. BREAUX):

S. Res. 120. A resolution to commend the Louisiana State University (L.S.U.) Tigers for winning the National Collegiate Athletic Association Baseball College World Series; considered and agreed to.

By Mr. REID (for himself, Mr. KENNEDY, Mr. BINGAMAN, Mr. SIMON, and Mr. BRADLEY):

S. Res. 121. A resolution to honor the work and life of Cesar Chavez; considered and agreed to.

By Mrs. KASSEBAUM (for herself and Mr. DOLE):

S. Res. 122. A resolution to express the sense of the Senate with respect to the broadcasting of video programming containing violence; to the Committee on Commerce, Science, and Transportation.

By Mr. DODD (for himself, Mr. PELL, Mr. LIEBERMAN, Mr. MCCAIN, Mrs. KASSEBAUM, Mr. KENNEDY, Mr. ROCKEFELLER, Mr. D'AMATO, Mr. MATHEWS, Mr. DECONCINI, Mr. DORGAN, Mr. SARBANES, Mr. LEVIN, Mr. DOLE, Mr. CAMPBELL, Mrs. FEINSTEIN, Mr. MOYNIHAN, Mr. PRESSLER, Mr. INOUYE, Mr. WOFFORD, Mr. CRAIG, Mr. LUGAR, Mr. SIMON, Mr. HATFIELD, Mr. MITCHELL, Mr. HATCH, Mr. HEFLIN, Mr. GRAHAM, Mr. ROBB, Mr. GLENN, Mr. KERRY, Mr. DURENBERGER, Mr. DASCHLE, Mrs. BOXER, and Mr. SASSER):

S. Con. Res. 31. A concurrent resolution concerning the emancipation of the Iranian Baha'i community; to the Committee on Foreign Relations.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Ms. MIKULSKI:

S. 1122. A bill to amend title 38, United States Code, to authorize the Secretary of Veterans Affairs to carry out a program for repayment by the Secretary of certain education costs incurred by certain Veterans' Health Administration employees, and for other purposes; to the Committee on Veterans' Affairs.

DEPARTMENT OF VETERANS AFFAIRS HEALTH PROFESSIONALS EDUCATION DEBT REDUCTION ACT

• Ms. MIKULSKI. Mr. President, I am pleased to introduce legislation today to authorize a Health Professionals Education Debt Reduction Program within the Department of Veterans Affairs.

The bill I am introducing would authorize $10 million to enable VA to defray the costs of educational expenses for health care professionals serving the VA. This will enable VA to be a more attractive place of employment for nurses, medical technicians, physical therapists, and other health professionals entering the work force.

It will provide VA with a much-needed tool to recruit and retain these health care professionals—and at half the cost of the VA's existing scholarship program for health professionals.

Under my proposal, VA would provide up to $4,000 per year, with a 3-year limit, to repay educational expenses. Under the scholarship program, VA provides $12,000 per year, for 2 years—a total of $24,000.

This educational voucher would be provided after each year of service, just as the President's National Service proposal would do. Therefore, there is virtually no risk to the VA, unlike the scholarship program, which provides financial assistance prior to the individual's service to the VA.

Mr. President, the fiscal year 1993 VA appropriation included $5 million to initiate this program. VA expects it would be able to recruit 400 people in the first year with these funds.

Unfortunately, subsequent veterans legislation prohibited VA from going forward with the program. Therefore, VA is holding $5 million in reserve until an authorization is made. If an authorization is not enacted, VA will lose these funds altogether. Therefore, I believe it is urgent that this legislation be enacted as soon as possible.

I plan to testify before the Senate Veterans' Affairs Committee on June 23, and expect that the committee will markup the legislation soon thereafter.

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. 1122

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Department of Veterans Affairs Health Professionals Education Debt Reduction Act".

SEC. 2. PROGRAM OF ASSISTANCE IN THE PAYMENT OF EDUCATION DEBTS INCURRED BY CERTAIN VETERANS HEALTH ADMINISTRATION EMPLOYEES.

(a) PROGRAM.—(1) Chapter 76 of title 38, United States Code, is amended by adding at the end the following:

"SUBCHAPTER VI—EDUCATION DEBT REDUCTION PROGRAM

"§ 7661. Authority for program

"(a) The Secretary may carry out an education debt reduction program under this subchapter. The program shall be known as the Department of Veterans Affairs Education Debt Reduction Program (hereafter in this subchapter referred to as the 'Education Debt Reduction Program'). The purpose of the program is to assist personnel serving in health-care positions in the Veterans Health Administration in reducing the amount of debt incurred by such personnel in completing educational programs that qualify such personnel for such service.

"(b) Such assistance shall be in addition to the assistance available to individuals under the Educational Assistance Program established under this chapter.

"§ 7662. Eligibility; application

"(a) An individual eligible to participate in the Education Debt Reduction Program is any individual (other than a physician or dentist)—

"(1) who is serving in a position in the Veterans Health Administration under an appointment under section 7402(b) of this title; and

"(2) who owes—

"(A) any amount of principal or interest under a loan the proceeds of which were used by or on behalf of the individual to pay costs relating to a course of education or training at a qualifying educational institution which course led to a degree that qualified the individual for a position referred to in paragraph (1); or

"(B) any amount of principal or interest under a loan the proceeds of which are being used by or on behalf of the individual to pay costs relating to a course of education or training at a qualifying educational institution which course leads to a degree that qualifies the individual for such a position.

"(b) Any eligible individual seeking to participate in the Education Debt Reduction Program shall submit an application to the Secretary relating to such participation.

"§ 7663. Preference for assistance

"In selecting individuals for assistance under the Education Debt Reduction Program, the Secretary shall give preference to the following:

"(1) Individuals who have completed or are engaged in, as the case may be, a two-year or four-year course of education or training at an undergraduate institution leading to a degree that qualified or qualifies, as the case may be, the individuals for a position referred to in section 7662(a)(1) of this title.

"(2) Individuals who serve in the Veterans Health Administration—

"(A) in areas in which the recruitment or retention of an adequate supply of qualified health-care personnel is difficult (as determined by the Secretary); or

"(B) in positions for which the recruitment or retention of such a supply of such personnel is difficult (as so determined).

"§ 7664. Amount of assistance

"(a) Subject to subsection (b), the Secretary may pay to an individual selected to receive assistance under the Education Debt Reduction Program an amount not to exceed $4,000 (adjusted in accordance with section 7631 of this title) for each full year served by the individual in a position in the Veterans Health Administration under section 7402(b) of this title (other than a position referred to in paragraph (1) or (2) of such section) after the date of such individual's selection.

"(b)(1) An individual may receive assistance under the Education Debt Reduction Program only to assist the individual in paying amounts (including principal and interest) owed by the individual under a loan referred to in section 7662(a)(2) of this title.

"(2) An individual may receive assistance under the Education Debt Reduction Program for a year if—

"(A) the individual serves for the full year in a position referred to in subsection (a); and

"(B) maintains an acceptable level of performance during such service.

"(3) The total amount of assistance received by an individual under the Education Debt Reduction Program may not exceed $12,000 (adjusted in accordance with section 7631 of this title).".

(2) The table of sections at the beginning of such chapter is amended by adding at the end thereof the following:

"SUBCHAPTER VI—EDUCATION DEBT REDUCTION PROGRAM

"7661. Authority for program.
"7662. Eligibility; application.
"7663. Preference for assistance.
"7664. Amount of assistance.".

(b) CONFORMING AMENDMENTS.—Section 7631 of title 38, United States Code, is amended—

(1) in subsection (a), by striking out "and the maximum Selected Reserve member stipend amount" and inserting in lieu thereof "the maximum Selected Reserve stipend amount, and the education debt reduction amount and limitation"; and

(2) in subsection (b)—

(A) by redesignating paragraph (4) as paragraph (5); and

(B) by inserting after paragraph (3) the following new paragraph (4):

"(4) The term 'education debt reduction amount and limitation' means the maximum

amount of assistance, and the limitation applicable to such assistance, for a person receiving assistance under subchapter VI of this chapter, as specified in section 7663 of this title and as previously adjusted (if at all) in accordance with this subsection.".

(c) REGULATIONS.—The Secretary of Veterans Affairs shall prescribe regulations necessary to carry out the Education Debt Reduction Program established under subchapter VI of chapter 76 of title 38, United States Code (as added by subsection (a)). The Secretary shall prescribe such regulations not later than 90 days after the date of the enactment of this Act.

(d) REPORT.—Not later than one year after the date of the enactment of this Act, the Secretary shall submit to Congress a report on the effectiveness of the Education Debt Reduction Program and the Department of Veterans Affairs Health Professional Scholarship Program established under subchapter II of chapter 76 of title 38, United States Code, in assisting the Secretary in the recruitment and retention of qualified healthcare professionals for positions in the Veterans Health Administration.

(e) AUTHORIZATION OF APPROPRIATIONS.—(1) There is authorized to be appropriated for the Department of Veterans Affairs $10,000,000 for each of fiscal years 1994 through 1998 to carry out the Education Debt Reduction Program.

(2) No funds may be used to provide assistance under the program unless expressly provided for in an appropriation Act.

(f) EXEMPTION FROM LIMITATION.—Section 523(b) of the Veterans Health Care Act of 1992 (Public Law 102-585; 38 U.S.C. 7601 note) shall not apply to the Education Debt Reduction Program.●

By Mr. GORTON (for himself, Mr. NUNN, Mr. PACKWOOD, Mr. BREAUX, Mr. HATFIELD, Mr. JOHNSTON, Mr. SHELBY, Mr. BURNS, Mr. HEFLIN, Mr. THURMOND, Mr. HOLLINGS, Mr. CRAIG, Mr. LOTT, Mr. COCHRAN, Mr. SMITH, and Mr. LUGAR):

S. 1123. A bill to amend the Internal Revenue Code of 1986 to modify certain provisions relating to the treatment of forestry activities.

REFORESTATION TAX ACT OF 1993

Mr. GORTON. Mr. President, today, with Senators NUNN, PACKWOOD, and a substantial number of other Members of this body, I am introducing the Reforestation Tax Act of 1993, legislation that is designed to expand and promote the intelligent management of our private forest land. Identical legislation has already been introduced into the House of Representatives by Congressman RON WYDEN of Oregon.

The President's Forest Conference held on April 2 of this year focused the Nation's attention on the plight of the timber industry. In the Pacific Northwest, concern for the spotted owl resulted in significant restrictions on the amount of public forest land available for timber production.

Out of the original 10 million-plus acres of Washington State forests owned by the Federal Government, almost 80 percent has been permanently set aside for parks, wilderness, or recreation areas, or for uses other than timber production. Over the last decade, sales of timber have shrunk from 5 billion board feet to less than 1 billion board feet per year. The timber industry in my own State has been brought to a near halt.

Despite this timber supply crisis, America still demands the products of our forest industry. Every sector of society uses pulp and paper, lumber, and construction materials—and we must ensure that we will be able to meet the demand for these forest products in the future.

Regardless of the outcome of the Forest Conference, reforestation and the use of proper forest management practices will continue to be an essential part of meeting the future demand for forest products. Our current tax laws, however, make that goal difficult to achieve.

The legislation I am introducing today with my distinguished colleagues will make four changes in the current tax law so that reforestation on private land is encouraged, not punished.

First, this bill will partially eliminate the tax on inflationary gains. This tax places a significant burden on timber growers and discourages capital investment. Realizing that both investment in, and management of, timber is a long-term, risky undertaking, this legislation reduces the gain on private timber sales by 3 percent for each year the timber is owned, up to a maximum of 50 percent.

While this provision will not completely offset the negative effects of inflation, it is a step in the right direction for timber growers who are being unfairly penalized. It is essential for long-term investment in timber and for ensuring a stable supply of timber products.

Second, this bill doubles the reforestation tax credit from the level set back in 1980, which has eroded over time. The new level is set at $20,000 and is indexed for future inflation.

Third, the bill applies this same treatment to the amortization of reforestation expenses. It replaces the current-law 7-year amortization for up to $10,000 of reforestation expenses with a 5-year amortization period of up to $20,000, and indexes that amount for future inflation.

Finally, the bill changes the passive loss rules which have historically discouraged sound management practices on private forest lands. In 1986, Congress enacted new passive loss rules to discourage investments in tax shelters. The law limited the deductibility of business losses for taxpayers who do not materially participate in a business. The IRS set up several tests to determine who then qualified as a material participant. Unfortunately, typical small timber growers do not qualify under the current rules.

But timber growing is not a tax shelter. The change in the passive loss rules contained in this bill will help private timber growers to be rightly characterized as material participants. This change will have a profound and positive effect on thousands of small business persons. The language contained in this bill is also the same language that was included in H.R. 11, the urban aid bill last year, which was vetoed by President Bush for wholly unrelated reasons.

The reforestation and appropriate management of private lands are crucial goals. To promote investment in these activities, this legislation will make changes in the current tax laws, which punish private reforestation. It is a step in the right direction for our timber growers, and for our environment.

Mr. President, this legislation is supported by private foresters, environmentalists and conservationists alike. Each of these groups see this bill as a way to improve our environment while at the same time, our economy.

Mr. President, I ask unanimous consent that the text of the legislation, along with a list of 32 organizations who support the Reforestation Tax Act, be printed in the RECORD.

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

S. 1123

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 "Reforestation Tax Act of 1993".

SEC. 2. PARTIAL INFLATION ADJUSTMENT FOR TIMBER.

(a) IN GENERAL.—Part I of subchapter P of chapter 1 of the Internal Revenue Code of 1986 (relating to treatment of capital gains) is amended by adding at the end the following new section:

"SEC. 1202. PARTIAL INFLATION ADJUSTMENT FOR TIMBER.

"(a) IN GENERAL.—At the election of any taxpayer who has qualified timber gain for any taxable year, there shall be allowed as a deduction from gross income an amount equal to the qualified percentage of such gain.

"(b) QUALIFIED TIMBER GAIN.—For purposes of this section, the term 'qualified timber gain' means the lesser of—

"(1) the net capital gain for the taxable year, or

"(2) the net capital gain for the taxable year determined by taking into account only gains and losses from timber.

"(c) QUALIFIED PERCENTAGE.—For purposes of this section, the term 'qualified percentage' means the percentage (not exceeding 50 percent) determined by multiplying—

"(1) 3 percent, by

"(2) the number of years in the holding period of the taxpayer with respect to the timber.

"(d) ESTATES AND TRUSTS.—In the case of an estate or trust, the deduction under subsection (a) shall be computed by excluding the portion (if any) of the gains for the taxable year from sales or exchanges of capital assets which, under sections 652 and 662 (relating to inclusions of amounts in gross income of beneficiaries of trusts), is includible

by the income beneficiaries as gain derived from the sale or exchange of capital assets."

(b) COORDINATION WITH EXISTING LIMITATIONS.—

(1) Subsection (h) of section 1 of such Code (relating to maximum capital gains rate) is amended by inserting after "net capital gain" each place it appears the following: "(other than qualified timber gain with respect to which an election is made under section 1202)".

(2) Subsection (a) of section 1201 of such Code (relating to alternative tax for corporations) is amended by inserting after "net capital gain" each place it appears the following: "(other than qualified timber gain with respect to which an election is made under section 1202)".

(c) ALLOWANCE OF DEDUCTION IN COMPUTING ADJUSTED GROSS INCOME.—Subsection (a) of section 62 of such Code (relating to definition of adjusted gross income) is amended by adding after paragraph (14) the following new paragraph:

"(15) PARTIAL INFLATION ADJUSTMENT FOR TIMBER.—The deduction allowed by section 1202."

(d) CONFORMING AMENDMENT.—The table of sections for part I of subchapter P of chapter 1 of such Code is amended by adding at the end the following new item:

"Sec. 1202. Partial inflation adjustment for timber."

(e) EFFECTIVE DATE.—The amendments made by this section shall apply to sales or exchanges after December 31, 1992.

SEC. 3. APPLICATION OF PASSIVE LOSS LIMITATIONS TO TIMBER ACTIVITIES.

(a) IN GENERAL.—Treasury regulations sections 1.469-5T(b)(2) (ii) and (iii) shall not apply to any closely held timber activity if the nature of such activity is such that the aggregate hours devoted to management of the activity for any year is generally less than 100 hours.

(b) DEFINITIONS.—For purposes of subsection (a)—

(1) CLOSELY HELD ACTIVITY.—An activity shall be treated as closely held if at least 80 percent of the ownership interests in the activity is held—

(A) by 5 or fewer individuals, or

(B) by individuals who are members of the same family (within the meaning of section 2032A(e)(2) of the Internal Revenue Code of 1986).

An interest in a limited partnership shall in no event be treated as a closely held activity for purposes of this section.

(2) TIMBER ACTIVITY.—The term "timber activity" means the planting, cultivating, caring, cutting, or preparation (other than milling) for market, of trees.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 1992.

SEC. 4. AMORTIZATION OF REFORESTATION EXPENDITURES AND REFORESTATION TAX CREDIT.

(a) INCREASE IN MAXIMUM AMORTIZABLE AMOUNT.—

(1) IN GENERAL.—Paragraph (1) of section 194(b) of the Internal Revenue Code of 1986 (relating to maximum dollar amount) is amended by striking "$10,000 ($5,000" and inserting "$20,000 ($10,000".

(2) INFLATION ADJUSTMENT.—Subsection (b) of section 194 of such Code (relating to limitations) is amended by redesignating paragraphs (2), (3), and (4) as paragraphs (3), (4), and (5), respectively, and by inserting after paragraph (1) the following new paragraph:

"(2) INFLATION ADJUSTMENT.—

"(A) IN GENERAL.—In the case of any taxable year beginning in a calendar year after 1993, each dollar amount contained in paragraph (1) shall be increased by an amount equal to—

"(i) such dollar amount, multiplied by

"(ii) the cost-of living adjustment under section 1(f)(3) for the calendar year in which the taxable year begins, determined by substituting 'calendar year 1992' for 'calendar year 1989' in subparagraph (B) of such section.

"(B) ROUNDING.—If any increase determined under subparagraph (A) is not a multiple of $50, such amount shall be rounded to the next lowest multiple of $50."

(3) APPLICABILITY TO REFORESTATION CREDIT.—Paragraph (1) of section 48(b) of such Code (relating to reforestation credit) is amended by striking "section 194(b)(1)" and inserting "paragraphs (1) and (2) of section 194(b)".

(b) DECREASE IN AMORTIZATION PERIOD.—

(1) IN GENERAL.—Section 194(a) of such Code is amended by striking "84 months" and inserting "60 months".

(2) CONFORMING AMENDMENT.—Section 194(a) of such Code is amended by striking "84-month period" and inserting "60-month period".

(c) AVAILABILITY OF DEDUCTION AND CREDIT TO TRUSTS.—Subsection (b) of section 194 of such Code (as amended by subsection (a)(2) of this section) is amended—

(1) by striking paragraph (4),

(2) in paragraph (5)—

(A) by inserting "AND TRUSTS" after "ESTATES", and

(B) by inserting "and trusts" after "estates", and

(3) by redesignating paragraph (5) as paragraph (4).

(d) EFFECTIVE DATE.—

(1) AMORTIZATION PROVISIONS.—Except as provided in paragraph (2), the amendments made by this section shall apply to additions to capital account made after December 31, 1992.

(2) TAX CREDIT PROVISIONS.—In the case of the reforestation credit under section 48(b) of the Internal Revenue Code of 1986, the amendments made by this section shall apply to property acquired after December 31, 1992.

LIST OF COSPONSORING ORGANIZATIONS FOR RTA

American Forest and Paper Association.
Forest Industries Council on Taxation.
Forest Farmers Association.
Southern Forest Products Association.
Southeastern Lumber Manufacturers Association.
Maine Forest Products Council.
Small Woodland Owners Association of Maine.
Arkansas Forestry Association.
Southern State Foresters.
Georgia Forestry Association.
Louisiana Forestry Association.
North Carolina Forestry Association.
South Carolina Forestry Association.
Mississippi Forestry Association.
Texas Forestry Association.
Virginia Forestry Association.
American Pulpwood Association.
National Association of State Foresters.
Hardwood Manufacturing Association.
National Hardwood Lumber Association.
Hardwood Research Council.
Hardwood Forest Foundation.
Alabama Forestry Commission.
Stewards of Family Farms, Ranches and Forests.
The Wilderness Society.
The National Woodland Owners Association.
The Oregon Small Woodlands Association.
The Washington Farm Forestry Association.
1,000 Friends of Oregon.
The Idaho Forest Owners Association.
The Forest Landowners of California.
The National Resources Defense Council.
Total: 32.

• Mr. PACKWOOD. Mr. President, I am pleased to join my distinguished colleague, Senator GORTON, in introducing a comprehensive proposal, the Reforestation Tax Act of 1993, to encourage investment in and sound management of privately owned forest land. Identical legislation was introduced in the House of Representatives by my colleague from Oregon, Congressman RON WYDEN.

Mr. President, the bill we are introducing today is similar to the Reforestation Tax Act of 1991, which Congressman WYDEN and I introduced in November 1991. Like its predecessor, this bill aims at enhancing a great natural resource, America's forests. Our forests provide wildlife habitat, maintain watershed, and are used for a wide variety of recreational activities, such as hiking, camping, fishing, and hunting.

Our forests also serve as the foundation of a multi-billion-dollar forest products industry. From lumber and construction materials to pulp and paper, timber provides a wide range of products that are essential to modern living,

The challenge for the future is to ensure we have enough forests to meet our wildlife habitat and watershed needs as well as sustain a reliable supply of timber for forest products. Harvest levels in many forest areas are undergoing large reductions in order to save endangered species, like the spotted owl. To fill this gap in our Nation's timber supply, we need to encourage private foresters to invest in and properly maintain their stock of trees.

Private forestry is a long-term, high-risk venture. Trees can take anywhere from 25 to 75 years to grow to maturity, depending on the type of tree and regional weather and soil conditions. The key to success is good management which is costly. And fire and disease can wipe out acres of trees at any time during the long growing period.

Our legislation will boost private investment in forests and aid in the cost of maintaining these forests. This will be accomplished by four measures:

Partially eliminates tax on inflationary gains: The gain from the sale of private timber would be reduced by 3 percent for each year the timber is owned, up to a maximum reduction of 50 percent of the gain. This will probably protect long-term investors in forest land from being taxed on inflationary gains.

Doubles the reforestation tax credit: The current law reforestation tax credit has been eroded by inflation because

it has not been increased since it was enacted in 1980. The bill doubles the reforestation expenditures eligible for the credit (from $10,000 to $20,000) and indexes this amount for inflation in the future.

Amortization of reforestation expenses: Similarly, the current law special 7-year amortization for up to $10,000 of reforestation expenses has not kept up with inflation since it was enacted in 1980. The bill increases this amount to $20,000, indexes it for future inflation, and reduces the amortization period to 5 years.

Passive loss rules: Proposed Treasury regulations discourage private foresters from employing sound forest management practices. The bill revises the regulations by providing that private foresters, like most other business entrepreneurs, can prove that they are materially participating in the forestry business.

This legislation is a key to the preservation and expansion of investment in this vital natural resource. It has been endorsed by the following conservation, environmental, and forestry organizations:

The National Woodland Owners Association.

The Oregon Small Woodlands Association.

The Washington Farm Forestry Association.

The Forest Farmers Association.

1,000 Friends of Oregon.

The Idaho Forest Owners Association.

The Forest Landowners of California.

The Natural Resources Defense Council.

The Izaak Walton League of America.

I urge my colleagues to join us in this effort to encourage long-term investment in private forest land and cosponsor this important legislation.●

By Mr. D'AMATO (for himself, Mr. BOND, Mr. SHELBY, Mr. BENNETT, Mr. DOMENICI, and Mr. MACK):

S. 1124. A bill to enhance credit availability by streamlining Federal regulations applicable to financial institutions, and for other purposes; to the Committee on Banking, Housing, and Urban Affairs.

DEPOSITORY INSTITUTIONS REGULATORY IMPROVEMENTS ACT OF 1993

● Mr. D'AMATO. Mr. President, today, I, along with Senators BOND, SHELBY, BENNETT, DOMENICI, and MACK, am introducing legislation that will directly enhance the availability of credit to business. It will accomplish this goal in two ways. First, it will give the banking regulators additional flexibility to remove unnecessary and costly regulatory burdens from depository institutions. Second, it will provide statutory protection to banks and other lenders from unintended liability when they make loans secured by property later found to be contaminated. Both of these problems—regulatory burden and lender liability—have unnecessarily constricted credit in our economy. This legislation provides relief on both fronts.

Title I of the bill provides a balanced approach to the regulatory burden issue. It gives the bank regulators discretion to modify those regulations and reporting requirements that are found to be duplicative, obsolete, or otherwise no longer necessary for safety and soundness, yet which impose considerable cost on our financial institutions. For each dollar spent complying with these unnecessary regulations, financial institutions could have lent between $12 and $15 to businesses and individuals seeking credit.

This title also directs the banking agencies to consider regulatory burdens and costs and their impact on credit availability when promulgating regulations and standards. It provides enhanced ability for banks to accept deposits from State and local governmental entities. It gives the regulators additional flexibility in scheduling examinations and requires more coordination when multiple examinations are necessary. Finally, it requires several studies that should lead to additional improvements and streamlining of our regulatory system.

These provisions were carefully drawn to avoid interfering with the agencies' responsibilities to ensure the safe and sound operation of our Nation's financial institutions, yet provide meaningful relief from unnecessary or antiquated constraints imposed by layer upon layers of regulations.

Title II of the bill deals with the lender liability issue. Under some court decisions, banks and other lenders have been held liable for the cleanup costs of contaminated property held as security for a loan. This liability has been imposed regardless of whether the bank actually caused the contamination, or took steps to determine whether there was contamination prior to making the loan. As a result, many lenders won't make a loan to borrowers who use potential contaminants in their businesses, such as gas stations, dry cleaners, photo processing laboratories, and similar businesses. Credit has also been denied to homeowners and others living in areas of suspected pollution.

This same problem confronts the FDIC, RTC, and other Federal banking agencies. When these agencies close down a failed bank or savings and loan, they take over the failed institution's assets. If these assets include property acquired by the bank or savings and loan in a foreclosure proceeding, the liability for contamination may pass to the Federal banking agency, despite the fact that the agency had absolutely nothing to do with creating the pollution.

Mr. President, this legislation is not new. In 1991, Senator Garn introduced similar legislation that passed the Senate as part of the Federal Deposit Insurance Corporation Improvement Act, S. 543. Last year, the Senate approved an amendment to the government-sponsored enterprise bill, that contained a modified version of this proposal. Unfortunately, due to time constraints and jurisdictional disputes in the other body, these provisions were not included in the final legislation.

For purposes of further Senate consideration of this issue, I am including in title II of my bill the text of the lender liability provisions that passed the Senate in 1992 as part of the GSE bill. I hope that this will result in speedy consideration of this issue by the Banking Committee, including any further modifications in the language that might be necessary, and eventually enactment by the Congress.

Title III of this bill contains several technical and conforming amendments to the banking and housing laws that have been suggested by the Federal Deposit Insurance Corporation and Senate legislative counsel. This title is primarily of a housekeeping nature and does not make substantive changes in the law.

Mr. President, the issues raised by this bill need to be addressed and addressed soon. I am looking forward to speedy committee action and floor consideration, so that we can get credit flowing to business and our economy on the move again. Finally, I would ask unanimous consent to insert in the RECORD at this point a more detailed section-by-section analysis of my bill.

S. 1124

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 "Depository Institutions Regulatory Improvements Act of 1993".

(b) TABLE OF CONTENTS.—The table of contents for this Act is as follows:

Sec. 1. Short title; table of contents.
Sec. 2. Incorporated definitions.

TITLE I—REGULATORY IMPROVEMENTS

Subtitle A—Reduction of Regulatory Burdens

Sec. 101. Regulation of real estate lending.
Sec. 102. Real estate appraisal amendment.
Sec. 103. Public deposits.
Sec. 104. Transition periods for new regulations.
Sec. 105. Annual examinations.
Sec. 106. Coordinated examinations.
Sec. 107. Reduction of reports of condition burdens.
Sec. 108. Branch closures.
Sec. 109. Bank Secrecy Act.
Sec. 110. Minimizing regulatory burdens.
Sec. 111. Repeal of outdated statutory provision.
Sec. 112. Elimination of duplicative disclosures for home equity loans.
Sec. 113. Unauthorized electronic fund transfers.
Sec. 114. Homeownership debt counseling notification.
Sec. 115. Clarification of disclosure requirements.

Sec. 116. Exemption of business loans.
Sec. 117. Effective date for inter-affiliate transactions.
Subtitle B—Studies and Reports
Sec. 151. Report on capital standards and their impact on the economy.
Sec. 152. Sterile reserves studies.
Sec. 153. Paperwork reduction review.
Sec. 154. Regulatory review of capital compliance burden.
Sec. 155. Streamlined lending process for consumer benefit.
TITLE II—ENHANCED CREDIT AVAILABILITY AND DEPOSIT INSURANCE PROTECTION
Sec. 201. Enhanced credit availability and deposit insurance protection.
TITLE III—TECHNICAL AND CONFORMING AMENDMENTS
Sec. 301. Transferred deposits.
Sec. 302. Technical amendment.
Sec. 303. Certified statements.
Sec. 304. Cross reference correction.
Sec. 305. Court costs; bonds; filing fees.
Sec. 306. Deletion of obsolete provision.
Sec. 307. Federal Reserve Act amendment.
Sec. 308. Annual report of Appraisal Subcommittee.
Sec. 309. Insurance of bridge banks.
Sec. 310. Additional technical amendments to the Federal banking and housing laws.

SEC. 2. INCORPORATED DEFINITIONS.

Unless otherwise specifically provided in title I of this Act, for purposes of title I of this Act—

(1) the terms "appropriate Federal banking agency", "Federal banking agencies", and "insured depository institution" have the same meanings as in section 3 of the Federal Deposit Insurance Act; and

(2) the term "insured credit union" has the same meaning as in section 101 of the Federal Credit Union Act.

TITLE I—REGULATORY IMPROVEMENTS

Subtitle A—Reduction of Regulatory Burdens

SEC. 101. REGULATION OF REAL ESTATE LENDING.

Section 18(o) of the Federal Deposit Insurance Act (12 U.S.C. 1828(o)) is amended—

(1) by redesignating paragraph (4) as paragraph (5); and

(2) by inserting after paragraph (3) the following new paragraph:

"(4) CONSIDERATION OF PARTICULAR IMPACT.—In prescribing standards under paragraph (1), each appropriate Federal banking agency shall—

"(A) consider the impact that such standards have on the availability of credit for small business, residential, and agricultural purposes, and on low- and moderate-income communities; and

"(B) to the extent possible, consistent with safety and soundness principles, seek to minimize the effect that such standards have in reducing the availability of credit for such purposes and in such areas.".

SEC. 102. REAL ESTATE APPRAISAL AMENDMENT.

Section 1122 of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 (12 U.S.C. 3351) is amended—

(1) by redesignating subsections (b) through (e) as subsections (c) through (f), respectively;

(2) by inserting after subsection (a) the following new subsection:

"(b) RECIPROCITY.—The Appraisal Subcommittee shall encourage the States to develop reciprocity agreements so as to readily authorize appraisers that are licensed or certified in one State (and that are in good standing with their State appraiser certifying or licensing regulatory body) to perform appraisals in other States."; and

(3) in subsection (a)—

(A) by redesignating paragraphs (1) through (3) as subparagraphs (A) through (C);

(B) by striking "A State" and inserting the following:

"(1) IN GENERAL.—A State"; and

(C) by adding at the end the following new paragraph:

"(2) FEES FOR TEMPORARY PRACTICE.—A State appraiser certifying or licensing regulatory body shall not impose excessive fees or burdensome requirements for temporary practice under this subsection, as determined by the Appraisal Subcommittee.".

SEC. 103. PUBLIC DEPOSITS.

Section 13(e) of the Federal Deposit Insurance Act (12 U.S.C. 1823(e)) is amended—

(1) by redesignating paragraphs (1) through (4) as subparagraphs (A) through (D), respectively;

(2) by striking "No agreement" and inserting the following:

"(1) IN GENERAL.—No agreement"; and

(3) by adding at the end the following new paragraph:

"(2) EXCEPTION.—Agreements to provide for the collateralization of or security for deposits made by Federal, State, or local governmental entities shall not be deemed invalid under paragraph (1) solely because the agreements were not made contemporaneously with the acceptance of the deposit.".

SEC. 104. TRANSITION PERIODS FOR NEW REGULATIONS.

In determining the effective date for regulations that impose additional reporting, disclosure, or other requirements on insured depository institutions, each Federal banking agency shall consider—

(1) the administrative burden that will be placed on the depository institution;

(2) the ability of depository institutions of different sizes to meet the requirements imposed by the new regulations, giving particular consideration to the more limited resources of smaller depository institutions; and

(3) the time needed by the depository institutions to generate new computer forms or systems, set up new internal systems, and hire or train personnel to comply with the new regulation.

SEC. 105. ANNUAL EXAMINATIONS.

Section 10(d) of the Federal Deposit Insurance Act (12 U.S.C. 1820(d)) is amended—

(1) by striking paragraphs (3) and (4) and inserting the following:

"(3) STATE EXAMINATIONS ACCEPTABLE.—The examinations required by paragraph (1) may be satisfied by an examination of the insured depository institution conducted by the State during the 12-month period, if the appropriate Federal banking agency determines that the State examination carries out the purposes of this subsection.

"(4) 2-YEAR RULE FOR CERTAIN SMALL INSTITUTIONS.—

"(A) IN GENERAL.—Paragraphs (1), (2), and (3) shall apply with '24-month' substituted for '12-month' if—

"(i) the insured depository institution has total assets of less than $250,000,000;

"(ii) the institution is well capitalized, as defined in section 38;

"(iii) when the institution was most recently examined, it was found to be well managed, and its composite condition was found to be outstanding;

"(iv) the insured depository institution is not currently subject to a formal enforcement proceeding or order by the Corporation or the appropriate Federal banking agency; and

"(v) no person acquired control of the institution during the 12-month period in which a full-scope, onsite examination would be required, but for this paragraph.

"(B) ADJUSTMENT REQUIRED.—The dollar amount referred to in subparagraph (A)(i) shall be adjusted annually after December 31, 1993, by the annual percentage increase in the Consumer Price Index for Urban Wage Earners and Clerical Workers published by the Bureau of Labor Statistics."; and

(2) by adding at the end the following new paragraph:

"(6) CERTAIN INSTITUTIONS WITHIN DEPOSITORY INSTITUTION HOLDING COMPANIES.—At the discretion of the appropriate Federal banking agency, an insured depository institution controlled by a depository institution holding company shall be exempt from the requirements of this subsection if—

"(A) the agency is satisfied that adequate internal controls and examination procedures exist within the holding company structure; or

"(B) the insured depository institutions controlled by the holding company which represent a substantial majority of the total assets of all of the insured depository institution assets controlled by that holding company have been examined pursuant to the requirements of this subsection.".

SEC. 106. COORDINATED EXAMINATIONS.

(a) COORDINATED FEDERAL AND STATE EXAMINATIONS.—Section 10(d) of the Federal Deposit Insurance Act (12 U.S.C. 1820(d)) is amended by adding at the end the following new paragraph:

"(7) COORDINATED EXAMINATIONS.—To minimize the disruptive effects of examinations on the operations of depository institutions, each appropriate Federal banking agency shall, to the extent practicable—

"(A) coordinate all examinations to be conducted by that agency at an insured depository institution; and

"(B) work with other appropriate Federal banking agencies and appropriate State bank supervisors to coordinate examinations.".

(b) TECHNICAL AND CONFORMING AMENDMENT.—Section 3(r) of the Federal Deposit Insurance Act (12 U.S.C. 1813(r)) is amended to read as follows:

"(r) STATE BANK SUPERVISOR.—The term 'State bank supervisor' means any officer, agency, or other entity of any State that has primary regulatory authority over State banks or State savings associations in such State.".

SEC. 107. REDUCTION OF REPORTS OF CONDITION BURDENS.

(a) REGULATORY REVIEW OF CALL REPORT BURDENS.—

(1) IN GENERAL.—Not later than 180 days after the date of enactment of this Act, the Federal Financial Institutions Examination Council shall review the regulatory burden and costs incurred by insured depository institutions and insured credit unions in preparing reports of condition.

(2) FACTORS TO BE CONSIDERED.—In conducting its review, each appropriate Federal banking agency shall consider all relevant factors that it deems necessary to correctly determine the extent of the burden and costs, including—

(A) the dollar cost to insured depository institutions and insured credit unions in preparing such reports;

(B) the time and resources expended to meet regulatory directives;

(C) the frequency with which the agency has modified the type of information required to be reported in such reports and the

costs and burdens associated with complying with such modifications; and

(D) the extent to which such costs and burdens, viewed within the overall context of the total regulatory costs incurred by the institution, impact upon the availability of credit.

(3) CORRECTIVE MEASURES.—After conducting its review under paragraph (1), each appropriate Federal banking agency shall, consistent with safety and soundness principles, revise its call report requirements to remove any unnecessary burdens and costs.

(b) REPEAL OF PUBLICATION REQUIREMENTS.—

(1) NATIONAL BANKS.—Section 5211 of the Revised Statutes (12 U.S.C. 161) is amended—

(A) in the fifth sentence of subsection (a), by striking "; and the statement of resources and liabilities" and all that follows through "required by the Comptroller"; and

(B) in subsection (c), by striking the fourth sentence.

(2) STATE NON-MEMBER INSURED BANKS.—Section 7(a)(1) of the Federal Deposit Insurance Act (12 U.S.C. 1817(a)(1)) is amended by striking the fourth sentence.

(3) FEDERAL RESERVE BANKS.—The last sentence of the sixth undesignated paragraph of section 9 of the Federal Reserve Act (12 U.S.C. 324) is amended by striking "and shall be published" and all that follows through "may prescribe".

(c) CHANGE IN FORM OF REPORT OF CONDITION.—

(1) NATIONAL BANKS.—Section 5211(a) of the Revised Statutes (12 U.S.C. 161(a)) is amended by adding at the end the following: "In determining the effective date for regulations issued under this subsection, the Comptroller of the Currency shall consider the administrative burden that will be placed on the association, the ability of associations of different sizes to meet the requirements of the new regulations, giving particular consideration to the more limited resources of smaller associations, and the time required for the association to generate new computer forms or systems, set up new internal systems, and hire or train personnel to comply with the new regulations.".

(2) STATE NON-MEMBER INSURED BANKS.—Section 7(a) of the Federal Deposit Insurance Act (12 U.S.C. 1817(a)) is amended by adding at the end the following new paragraph:

"(11) CHANGE IN FORM OF REPORT OF CONDITION.—In determining the effective date for regulations issued under this subsection, the Board of Directors shall consider—

"(A) the administrative burden that will be placed on the insured depository institution;

"(B) the ability of depository institutions of different sizes to meet the requirements of the new regulations, giving particular consideration to the more limited resources of smaller depository institutions; and

"(C) the time required for the depository institution to generate new computer forms or systems, set up new internal systems, and hire or train personnel to comply with the new regulations.".

(3) STATE MEMBER BANKS.—The sixth undesignated paragraph of section 9 of the Federal Reserve Act (12 U.S.C. 324) is amended by adding at the end the following: "In determining the effective date for regulations issued under this subsection, the Board of Governors of the Federal Reserve System shall consider the administrative burden that will be placed on the bank, the ability of banks of different sizes to meet the requirements of the new regulations, giving particular consideration to the more limited resources of smaller banks, and the time required for the bank to generate new computer forms or systems, set up new internal systems, and hire or train personnel to comply with the new regulations.".

(4) SAVINGS ASSOCIATIONS.—Section 5(v) of the Home Owners' Loan Act (12 U.S.C. 1464(v)) is amended by adding at the end the following new paragraph:

"(9) CHANGES IN FORM OF REPORT OF CONDITION.—In determining the effective date for regulations issued under this subsection, the Director shall consider—

"(A) the administrative burden that will be placed on the savings association;

"(B) the ability of savings associations of different sizes to meet the requirements of the new regulations, giving particular consideration to the more limited resources of smaller savings associations; and

"(C) the time required for the savings association to generate new computer forms or systems, set up new internal systems, and hire or train personnel to comply with the new regulations.".

SEC. 108. BRANCH CLOSURES.

(a) DEFINITION OF "BRANCH".—Section 42 of the Federal Deposit Insurance Act (12 U.S.C. 1831r-1) is amended by adding at the end the following new subsection:

"(d) DEFINITIONS.—For purposes of this section, the term 'branch' does not include—

"(1) an automated teller machine;

"(2) a branch acquired through merger, consolidation, purchase, assumption, or similar method, if such branch is located in a local market area currently served by another branch of the acquiring institution;

"(3) a branch that is closed and reopened in another location within the same local market area that would continue to provide banking services to substantially all of the customers served by the branch that is closed; or

"(4) a branch that is closed in connection with—

"(A) the sale of an insured depository institution in default, for which the Corporation or the Resolution Trust Corporation has been appointed as receiver;

"(B) an emergency acquisition under—

"(i) section 11(n); or

"(ii) subsections (f) or (k) of section 13; or

"(C) any assistance provided by the Corporation under section 13(c).".

(b) EFFECTIVE DATE.—The amendments made by this section shall have the same effective date as section 42 of the Federal Deposit Insurance Act.

SEC. 109. BANK SECRECY ACT.

(a) STAFF COMMENTARIES.—Chapter 53 of title 31, United States Code, is amended by adding at the end the following new section:

"SEC. 5329. STAFF COMMENTARIES.

"The Secretary of the Treasury shall review all regulations promulgated under this subchapter on an annual basis and seek comment from the public pursuant to this review. The Secretary shall publish, on an annual basis, all written rulings interpreting this subchapter, as well as a staff commentary to the regulations issued under this subchapter.".

(b) EXEMPTION PROCESS.—Section 5318(a)(5) of title 31, United States Code, is amended—

(1) by inserting "or exception" after "an appropriate exemption"; and

(2) by inserting the following before the first period: "after receiving comments from the entities covered by this subchapter. The Secretary shall take into account the effect that changes to the exemption or exception process will have on the cost and efficiency of the reporting process".

(c) INFLATION ADJUSTMENTS ON CTR AMOUNTS.—Section 5313(a) of title 31, United States Code, is amended by adding at the end the following: "The Secretary shall review the reporting requirements of this subsection not later than September 1 of each year to determine if the reporting amount prescribed by the Secretary should be adjusted to account for inflation, the cost effectiveness of the requirement, or the usefulness of the requirement for law enforcement purposes. The Secretary shall submit a written report to the Congress in each year during which a change is made, disclosing how the reporting threshold decision was reached. The report shall include an analysis of how the change will affect domestic financial institutions.".

SEC. 110. MINIMIZING REGULATORY BURDENS.

Section 7(a) of the Federal Deposit Insurance Act (12 U.S.C. 1817(a)) is amended by adding at the end the following new paragraph:

"(12) MINIMIZING REGULATORY BURDENS.—In prescribing reporting and other requirements pursuant to this subsection, the Federal banking agencies shall minimize the regulatory burden imposed upon insured depository institutions, consistent with safety and soundness principles.".

SEC. 111. REPEAL OF OUTDATED STATUTORY PROVISION.

Section 5204 of the Revised Statutes (12 U.S.C. 56) is amended—

(1) in the second sentence, by striking "deducting therefrom its losses and bad debts" and inserting "subject to other provisions of law"; and

(2) by striking the third sentence.

SEC. 112. ELIMINATION OF DUPLICATIVE DISCLOSURES FOR HOME EQUITY LOANS.

Section 4(a) of the Real Estate Settlement Procedures Act (12 U.S.C. 2603(a)) is amended by adding at the end the following: "Disclosures made under section 127A(a) of the Truth in Lending Act may be used in lieu of the standard real estate settlement form otherwise required under this section in the case of federally related mortgage loans secured by a subordinate lien on residential property.".

SEC. 113. UNAUTHORIZED ELECTRONIC FUND TRANSFERS.

Section 909(a)(1) of Electronic Fund Transfer Act (15 U.S.C. 1693g(a)(1)) is amended to read as follows:

"(1) $50, or in cases where the cardholder has substantially contributed to the unauthorized use by writing a personal identification or other security code on the card, $500; or".

SEC. 114. HOMEOWNERSHIP DEBT COUNSELING NOTIFICATION.

Section 106(c)(5)(B) of the Housing and Urban Development Act of 1968 (12 U.S.C. 1701x(c)(5)(B)) is amended—

(1) by redesignating clauses (i) and (ii) as subclauses (I) and (II), respectively;

(2) by striking "The notification" and inserting the following:

"(i) IN GENERAL.—The notification"; and

(3) by adding at the end the following:

"(ii) ONCE YEARLY REQUIREMENT FOR CREDITORS.—Creditors shall not be required to provide the notification required under subparagraph (A) more than once annually.".

SEC. 115. CLARIFICATION OF DISCLOSURE REQUIREMENTS.

Section 6(a) of the Real Estate Settlement Procedures Act of 1974 (12 U.S.C. 2605(a)) is amended—

(1) in paragraph (1)(B)—

(A) by redesignating clauses (i) and (ii) as subclauses (I) and (II), respectively;

(B) by striking "and" at the end of subclause (II), as so redesignated, and inserting "or";

(C) by striking "for each" and inserting the following: "at the option of the person making the federally related mortgage loan—

"(i) for each"; and

(D) by adding at the end the following new clause:

"(ii) a statement that the person making the loan has previously assigned, sold, or transferred the servicing of federally related mortgage loans; and"; and

(2) in paragraph (2), by adding at the end the following: "The Secretary shall permit the person originating the loan, at the option of such person, to provide a statement that the servicing may be assigned, sold, or transferred during the 12-month period beginning upon origination in lieu of the percentage estimates otherwise required to be disclosed under this paragraph.".

SEC. 116. EXEMPTION OF BUSINESS LOANS.

The Real Estate Settlement Procedures Act of 1974 (12 U.S.C. 2601 et seq.) is amended by inserting after section 6 the following new section:

"SEC. 7. EXEMPTED TRANSACTIONS.

"This title does not apply to credit transactions involving extensions of credit—

"(1) primarily for business, commercial, or agricultural purposes; or

"(2) to government or governmental agencies or instrumentalities.".

SEC. 117. EFFECTIVE DATE FOR INTER-AFFILIATE TRANSACTIONS.

Section 11(a)(2) of the Home Owners' Loan Act (12 U.S.C. 1468(a)(2)) is amended by adding at the end the following new subparagraphs:

"(C) TRANSITION RULE FOR WELL CAPITALIZED SAVINGS ASSOCIATIONS.—

"(i) IN GENERAL.—A savings association that is well capitalized (as defined in section 38 of the Federal Deposit Insurance Act), as determined without including goodwill in calculating core capital, shall be treated as a bank for purposes of section 23A(d)(1) and section 23B of the Federal Reserve Act.

"(ii) LIABILITY OF COMMONLY CONTROLLED DEPOSITORY INSTITUTIONS.—Any savings association that engages under clause (i) in a transaction that would not otherwise be permissible under this subsection, and any affiliated insured bank that is commonly controlled (as defined in section 5(e)(9) of the Federal Deposit Insurance Act), shall be subject to subsection (e) of section 5 of the Federal Deposit Insurance Act as if paragraph (6) of that subsection did not apply.".

Subtitle B—Studies and Reports

SEC. 151. REPORT ON CAPITAL STANDARDS AND THEIR IMPACT ON THE ECONOMY.

(a) IN GENERAL.—Not later than 180 days after the date of enactment of this Act, the Secretary of the Treasury, after consultation with the Federal banking agencies, shall report to the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on Banking, Finance and Urban Affairs of the House of Representatives on the effect of the implementation of risk based capital standards on—

(1) the safety and soundness of insured depository institutions; and

(2) the availability of credit, particularly to consumers and small business concerns.

(b) RECOMMENDATIONS.—The report required by subsection (a) shall contain any recommendations that the Secretary of the Treasury considers relevant.

SEC. 152. STERILE RESERVES STUDIES.

(a) FEDERAL RESERVE STUDY.—Not later than 180 days after the date of enactment of this Act, the Board of Governors of the Federal Reserve System, in consultation with the Chairperson of the Federal Deposit Insurance Corporation, shall conduct a study and report to Congress on—

(1) the necessity, for monetary policy purposes, of continuing to require insured depository institutions to maintain sterile reserves;

(2) the appropriateness of paying a market rate of interest to insured depository institutions on sterile reserves or, in the alternative, providing payment of this interest into the appropriate deposit insurance fund;

(3) the monetary impact that the failure to pay interest on sterile reserves has had on insured depository institutions, including an estimate of the total dollar amount of interest and potential income lost by insured depository institutions; and

(4) the impact that failure to pay interest on sterile reserves has had on the ability of the banking industry to compete with nonbanking providers of financial services and with foreign banks.

(b) BUDGETARY IMPACT STUDY.—Not later than 180 days after the date of enactment of this Act, the Director of the Office of Management and Budget and the Congressional Budget Office, in consultation with the Committees on the Budget of the Senate and the House of Representatives, shall jointly conduct a study and report to the Congress on the budgetary impact of—

(1) paying a market rate of interest to insured depository institutions on sterile reserves; and

(2) paying such interest into the respective deposit insurance funds.

SEC. 153. PAPERWORK REDUCTION REVIEW.

Each appropriate Federal banking agency, in consultation with insured depository institutions and other interested parties, shall—

(1) not later than 180 days after the date of enactment of this Act, conduct a review of the extent to which current regulations require insured depository institutions to produce unnecessary internal written policies; and

(2) take prompt steps to eliminate such requirements, where appropriate.

SEC. 154. REGULATORY REVIEW OF CAPITAL COMPLIANCE BURDEN.

Not later than 180 days after the date of enactment of this Act, the Federal Financial Institutions Examination Council, in consultation with insured depository institutions and other interested parties, shall—

(1) review the extent to which current compliance requirements associated with risk-based capital rules have an unnecessarily costly and burdensome effect on community banks; and

(2) where appropriate, reduce such costs and burdens.

SEC. 155. STREAMLINED LENDING PROCESS FOR CONSUMER BENEFIT.

(a) FEDERAL RESERVE STUDY.—Not later than 12 months after the date of enactment of this Act, the Board of Governors of the Federal Reserve System (hereafter in this section referred to as the "Board"), in consultation with the Secretary of Housing and Urban Development, shall conduct a study and report to the Congress on ways to streamline the credit-granting process.

(b) FOCUS.—In carrying out subsection (a), the Board shall—

(1) identify ways to streamline the home mortgage, small business, and consumer lending processes to—

(A) reduce consumer inconvenience, cost, and time delays; and

(B) minimize cost and burdens on insured depository institutions and credit unions;

(2) take such regulatory action as appropriate, consistent with safety and soundness principles, to meet the objectives of paragraph (1); and

(3) provide to the Congress legislative recommendations on changes necessary to carry out this section.

(c) COMMENT.—In carrying out this section, the Board shall solicit comments from other Federal banking agencies, consumer groups, insured depository institutions, credit unions, and other interested parties.

TITLE II—ENHANCED CREDIT AVAILABILITY AND DEPOSIT INSURANCE PROTECTION

SEC. 201. ENHANCED CREDIT AVAILABILITY AND DEPOSIT INSURANCE PROTECTION.

(a) CERCLA AMENDMENT.—The Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9601 et seq.) is amended by inserting after section 126 the following new section:

"SEC. 127. INSURED DEPOSITORY INSTITUTION AND OTHER LENDER LIABILITY.

"(a) LIABILITY LIMITATIONS.—

"(1) IN GENERAL.—The liability of an insured depository institution or other lender under this Act or subtitle I of the Solid Waste Disposal Act for the release or threatened release of petroleum or a hazardous substance at, from, or in connection with property—

"(A) acquired through foreclosure;

"(B) held, directly or indirectly, in a fiduciary capacity;

"(C) held by a lessor pursuant to the terms of an extension of credit; or

"(D) subject to financial control or financial oversight pursuant to the terms of an extension of credit,

shall be limited to the actual benefit conferred on such institution or lender by a removal, remedial, or other response action undertaken by another party.

"(2) SAFE HARBOR.—An insured depository institution or other lender shall not be liable under this Act or subtitle I of the Solid Waste Disposal Act and shall not be deemed to have participated in management, as described in section 101(20)(A) of this Act or section 9003(h)(9) of the Solid Waste Disposal Act, based solely on the fact that the institution or lender—

"(A) holds a security interest or abandons or releases its security interest in the property before foreclosure;

"(B) has the unexercised capacity to influence operations at or on property in which it has a security interest;

"(C) includes in the terms of an extension of credit (or in the contract relating thereto), covenants, warranties, or other terms and conditions that relate to compliance with environmental laws;

"(D) monitors or enforces the terms and conditions of the extension of credit;

"(E) monitors or undertakes one or more inspections of the property;

"(F) requires cleanup of the property prior to, during, or upon the expiration of the term of the extension of credit;

"(G) provides financial or other advice or counseling in an effort to mitigate, prevent, or cure default or diminution in the value of the property;

"(H) restructures, renegotiates, or otherwise agrees to alter the terms and conditions of the extension of credit;

"(I) exercises whatever other remedies that may be available under applicable law for the breach of any term or condition of the extension of credit; or

"(J) declines to take any of the actions described in this paragraph.

"(b) ACTUAL BENEFIT.—For purposes of this section, the actual benefit conferred on an institution or lender by a removal, remedial, or other response action shall be equal to the net gain, if any, realized by such institution or lender due to such action. For purposes of this subsection, the 'net gain' shall not exceed the amount realized by the institution or lender on the sale of property.

"(c) EXCLUSION.—Notwithstanding subsection (a), but subject to the provisions of section 107(d), a depository institution or lender that causes or significantly and materially contributes to the release of petroleum or a hazardous substance that forms the basis for liability described in subsection (a), may be liable for removal, remedial, or other response action pertaining to that release.

"(d) ENVIRONMENTAL ASSESSMENTS.—

"(1) DEPOSITORY INSTITUTIONS.—The Federal Deposit Insurance Corporation, in consultation with the Administrator of the Environmental Protection Agency, shall promulgate regulations to implement this section. Such regulations shall include requirements for insured depository institutions to develop and implement adequate procedures to evaluate actual and potential environmental risks that may arise from or at property prior to making an extension of credit secured by such property. The regulations may provide for different types of environmental assessments as may be appropriate under the circumstances, in order to account for the levels of risk that may be posed by different classes of collateral. Failure to comply with the environmental assessment regulations promulgated under this subsection shall be deemed to be a violation of a regulation promulgated under the Federal Deposit Insurance Act.

"(2) LENDERS.—The Federal Deposit Insurance Corporation, in consultation with the Administrator of the Environmental Protection Agency, shall promulgate regulations that are substantially similar to those promulgated under paragraph (1) to assure that lenders develop and implement procedures to evaluate actual and potential environmental risks that may arise from or at property prior to making an extension of credit secured by such property. The regulations may provide for exclusions or different types of environmental assessments in order to take into account the level of risk that may be posed by particular classes of collateral.

"(3) FINAL REGULATIONS.—Final regulations required to be promulgated pursuant to paragraphs (1) and (2) shall be issued not later than 180 days after the date of enactment of this section.

"(e) DEFINITIONS.—For purposes of this section, the following definitions shall apply:

"(1) PROPERTY ACQUIRED THROUGH FORECLOSURE.—The term 'property acquired through foreclosure' or 'acquires property through foreclosure' means property acquired, or the act of acquiring property, from a nonaffiliated party by an insured depository institution or other lender—

"(A) through purchase at sales under judgment or decree, power of sales, nonjudicial foreclosure sales, or from a trustee, deed in lieu of foreclosure, or similar conveyance, or through repossession, if such property was security for an extension of credit previously contracted;

"(B) through conveyance pursuant to an extension of credit previously contracted, including the termination of a lease agreement; or

"(C) through any other formal or informal manner by which the insured depository institution or other lender temporarily acquires, for subsequent disposition, possession of collateral in order to protect its interest. Property is not acquired through foreclosure if the insured depository institution or lender does not seek to sell or otherwise divest such property at the earliest practical, commercially reasonable time, taking into account market conditions and legal and regulatory requirements.

"(2) LENDER.—The term 'lender' means—

"(A) a person (other than an insured depository institution) that—

"(i) makes a bona fide extension of credit to a nonaffiliated party; and

"(ii) substantially and materially complies with the environmental assessment requirements imposed under subsection (d), after final regulations under that subsection become effective;

and the successors and assigns of such person;

"(B) the Federal National Mortgage Association, the Federal Home Loan Mortgage Corporation, the Federal Agricultural Mortgage Corporation, or other entity that in a bona fide manner is engaged in the business of buying or selling loans or interests therein, if such Association, Corporation, or entity requires institutions from which it purchases loans (or other obligations) to comply substantially and materially with the requirements of subsection (d), after final regulations under that subsection become effective; and

"(C) any person regularly engaged in the business of insuring or guaranteeing against a default in the repayment of an extension of credit, or acting as a surety with respect to an extension of credit, to nonaffiliated parties.

"(3) FIDUCIARY CAPACITY.—The term 'fiduciary capacity' means acting for the benefit of a nonaffiliated person as a bona fide—

"(A) trustee;

"(B) executor;

"(C) administrator;

"(D) custodian;

"(E) guardian of estates;

"(F) receiver;

"(G) conservator;

"(H) committee of estates of lunatics; or

"(I) any similar capacity.

"(4) EXTENSION OF CREDIT.—The term 'extension of credit' includes a lease finance transaction—

"(A) in which the lessor does not initially select the leased property and does not during the lease term control the daily operations or maintenance of the property; or

"(B) which conforms with regulations issued by the appropriate Federal banking agency (as defined in section 3 of the Federal Deposit Insurance Act) or the appropriate State banking regulatory authority.

"(5) INSURED DEPOSITORY INSTITUTION.—The term 'insured depository institution' has the same meaning as in section 3(c) of the Federal Deposit Insurance Act, and shall also include—

"(A) a federally insured credit union;

"(B) a bank or association chartered under the Farm Credit Act of 1971; and

"(C) a leasing or trust company that is an affiliate of an insured depository institution (as such term is defined in this paragraph).

"(6) RELEASE.—The term 'release' has the same meaning as in section 101(22), and also includes the threatened release, use, storage, disposal, treatment, generation, or transportation of a hazardous substance.

"(7) HAZARDOUS SUBSTANCE.—The term 'hazardous substance' has the same meaning as in section 101(14).

"(8) SECURITY INTEREST.—The term 'security interest' includes rights under a mortgage, deed of trust, assignment, judgment lien, pledge, security agreement, factoring agreement, lease, or any other right accruing to a person to secure the repayment of money, the performance of a duty, or some other obligation.

"(f) SAVINGS CLAUSE.—Nothing in this section shall affect the rights or immunities or other defenses that are available under this Act or other applicable law to any party subject to the provisions of this section. Nothing in this section shall be construed to create any liability for any party. Nothing in this section shall create a private right of action against a depository institution or lender or against a Federal banking or lending agency.

"(g) EFFECTIVE DATE.—This section shall become effective upon the date of its enactment.".

(b) FEDERAL DEPOSIT INSURANCE ACT AMENDMENT.—The Federal Deposit Insurance Act (12 U.S.C. 1811 et seq.) is amended by adding at the end the following new section:

"SEC. 44. FEDERAL BANKING AND LENDING AGENCY LIABILITY.

"(a) GOVERNMENTAL ENTITIES.—

"(1) BANKING AND LENDING AGENCIES.—Except as provided in paragraph (2), a Federal banking or lending agency shall not be liable under any law imposing strict liability for the release or threatened release of petroleum or a hazardous substance at or from property (including any right or interest therein) acquired—

"(A) in connection with the exercise of receivership or conservatorship authority, or the liquidation or winding up of the affairs of an insured depository institution, including any of its subsidiaries;

"(B) in connection with the provision of loans, discounts, advances, guarantees, insurance or other financial assistance; or

"(C) in connection with property received in any civil or criminal proceeding, or administrative enforcement action, whether by settlement or order.

"(2) APPLICATION OF STATE LAW.—Nothing in this section shall be construed as preempting, affecting, applying to, or modifying any State law, or any rights, actions, cause of action, or obligations under State law, except that liability under State law shall not exceed the value of the agency's interest in the asset giving rise to such liability. Nothing in this section shall be construed to prevent a Federal banking or lending agency from agreeing with a State to transfer property to such State in lieu of any liability that might otherwise be imposed under State law.

"(3) LIMITATION.—Notwithstanding paragraph (1), and subject to section 107(d) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, a Federal banking or lending agency that causes or significantly and materially contributes to the release of petroleum or a hazardous substance that forms the basis for liability described in paragraph (1), may be liable for removal, remedial, or other response action pertaining to that release.

"(4) SUBSEQUENT PURCHASER.—The immunity provided by paragraph (1) shall extend to the first subsequent purchaser of property described in such paragraph from a Federal banking or lending agency, unless such purchaser—

"(A) would otherwise be liable or potentially liable for all or part of the costs of the removal, remedial, or other response action due to a prior relationship with the property;

"(B) is or was affiliated with or related to a party described in subparagraph (A);

"(C) fails to agree to take reasonable steps necessary to remedy the release or threatened release in a manner consistent with the purposes of applicable environmental laws; or

"(D) causes or materially and significantly contributes to any additional release or threatened release on the property.

"(5) FEDERAL OR STATE ACTION.—Notwithstanding paragraph (4), if a Federal agency or State environmental agency is required to take remedial action due to the failure of a subsequent purchaser to carry out, in good faith, the agreement described in paragraph (4)(C), such subsequent purchaser shall reimburse the Federal or State environmental agency for the costs of such remedial action. However, any such reimbursement shall not exceed the full fair market value of the property following completion of the remedial action.

"(b) LIEN EXEMPTION.—Notwithstanding any other provision of law, any property held by a subsequent purchaser referred to in subsection (a)(4) or held by a Federal banking or lending agency shall not be subject to any lien for costs or damages associated with the release or threatened release of petroleum or a hazardous substance known to exist at the time of the transfer.

"(c) EXEMPTION FROM COVENANTS TO REMEDIATE.—A Federal banking or lending agency shall be exempt from any law requiring such agency to grant covenants warranting that a removal, remedial, or other response action has been, or will in the future be, taken with respect to property acquired in the manner described in subsection (a)(1).

"(d) DEFINITIONS.—For purposes of this section, the following definitions shall apply:

"(1) FEDERAL BANKING OR LENDING AGENCY.—The term 'Federal banking or lending agency' means the Corporation, the Resolution Trust Corporation, the Board of Governors of the Federal Reserve System, a Federal Reserve Bank, a Federal Home Loan Bank, the Office of the Comptroller of the Currency, the Office of Thrift Supervision, the National Credit Union Administration Board, the Farm Credit Administration, the Farm Credit System Insurance Corporation, the Farm Credit System Assistance Board, the Farmers Home Administration, the Rural Electrification Administration, and the Small Business Administration, in any of their capacities, and their agents.

"(2) HAZARDOUS SUBSTANCE.—The term 'hazardous substance' has the same meaning as in section 101(14) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980.

"(3) RELEASE.—The term 'release' has the same meaning as in section 101(22) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, and also includes the threatened release, use, storage, disposal, treatment, generation, or transportation of a hazardous substance.

"(e) SAVINGS CLAUSE.—Nothing in this section shall affect the rights or immunities or other defenses that are available under this Act or other applicable law to any party subject to the provisions of this section. Nothing in this section shall be construed to create any liability for any party. Nothing in this section shall create a private right of action against a depository institution or lender or against a Federal banking or lending agency.".

TITLE III—TECHNICAL AND CONFORMING AMENDMENTS

SEC. 301. TRANSFERRED DEPOSITS.

Section 3(n) of the Federal Deposit Insurance Act (12 U.S.C. 1813(n)) is amended by striking "and assumed" and inserting "or assumed".

SEC. 302. TECHNICAL AMENDMENT.

Section 3(q)(2)(E) of the Federal Deposit Insurance Act (12 U.S.C. 1813(q)(2)(E)) is amended by striking "Depository" and inserting "Financial".

SEC. 303. CERTIFIED STATEMENTS.

Section 7(a)(3) of the Federal Deposit Insurance Act (12 U.S.C. 1817(a)(3)) is amended by striking the third sentence and inserting the following new sentence: "Two dates shall be selected within the semiannual period of January to June inclusive, and two dates shall be selected within the semiannual period of July to December inclusive.".

SEC. 304. CROSS REFERENCE CORRECTION.

Section 8(o) of the Federal Deposit Insurance Act (12 U.S.C. 1818(o)) is amended in the second sentence by striking "subsection (b)" and inserting "subsection (d)".

SEC. 305. COURT COSTS; BONDS; FILING FEES.

Section 9(b)(4) of the Federal Deposit Insurance Act (12 U.S.C. 1819(b)(4)) is amended to read as follows:

"(4) BONDS OR FEES.—The Corporation shall not be required to—

"(A) post any bond or security to—

"(i) initiate or respond to any action for a temporary restraining order or an injunction; or

"(ii) pursue any appeal;

"(B) pay any filing fees in United States district courts, bankruptcy courts, or courts of appeal; or

"(C) pay any fees for service of process by the United States Marshal.".

SEC. 306. DELETION OF OBSOLETE PROVISION.

Section 18(g)(1) of the Federal Deposit Insurance Act (12 U.S.C. 1828(g)(1)) is amended by striking out everything beginning with "During the period commencing on October 15, 1968," through the period at the end.

SEC. 307. FEDERAL RESERVE ACT AMENDMENT.

Section 2 of the Federal Reserve Act (12 U.S.C. 222) is amended in the sixth sentence of the first paragraph by inserting ", after receiving approval from the Board of Directors of the Federal Deposit Insurance Corporation pursuant to section 5(a) of the Federal Deposit Insurance Act," before "thereupon".

SEC. 308. ANNUAL REPORT OF APPRAISAL SUBCOMMITTEE.

Section 1103(a)(4) of the Federal Financial Institutions Examination Council Act of 1978 (12 U.S.C. 3332(a)(4)) is amended by striking "January" and inserting "March".

SEC. 309. INSURANCE OF BRIDGE BANKS.

Section 5(a)(3) of the Federal Deposit Insurance Act (12 U.S.C. 1815(a)(3)) is amended—

(1) by amending the heading to read as follows: "APPLICATION AND APPROVAL NOT REQUIRED IN CERTAIN CASES.—"; and

(2) by inserting "any bridge bank or" before "any depository institution".

SEC. 310. ADDITIONAL TECHNICAL AMENDMENTS TO THE FEDERAL BANKING AND HOUSING LAWS.

(a) FEDERAL DEPOSIT INSURANCE ACT AMENDMENTS.—The Federal Deposit Insurance Act (12 U.S.C. 1811 et seq.) is amended—

(1) in section 3—

(A) in subsection (i)(1), by striking "(11)(h)" and inserting "(11)(m)"; and

(B) in subsection (*l*)(4), by striking "bank's" and inserting "a bank's";

(2) in section 5(b)(5), by striking the semicolon at the end and inserting a comma;

(3) in section 5(e)(4), by redesignating clauses (i) and (ii) as subparagraphs (A) and (B);

(4) in section 7(a)(3), by striking "Chairman of the" before "Director of the Office of Thrift Supervision";

(5) in section 7(j)(2)(A), in the third sentence—

(A) by striking "this section (j)(2)" and inserting "the preceding 2 sentences"; and

(B) by striking "this subsection (j)(2)" and inserting "the preceding 2 sentences";

(6) in section 7(j)(7)(A), by striking "monoplize" and inserting "monopolize";

(7) in section 7(*l*)(7), by striking "the ratio of the value of" and inserting "the ratio of";

(8) in section 7(m)(5)(A) by striking "savings association institution" and inserting "institution";

(9) in section 7(m)(7), by inserting "the" before "Federal";

(10) in section 8(a)(3), by striking "subparagraph (B)" and inserting "paragraph (2)(B)";

(11) in section 8(a)(7)—

(A) by inserting a comma after "Board of Directors"; and

(B) by striking "the period the period" and inserting "the period";

(12) in section 8(b)(4), by striking "subparagraph (3) of this subsection" and inserting "paragraph (3)";

(13) in section 8(b)(6)(F), by inserting "appropriate Federal" before "banking agency";

(14) in section 8(c)(2), by striking "injuction" and inserting "injunction";

(15) in section 8(g)(2), by striking "depository institution" each place it appears and inserting "bank";

(16) in section 8(o), by striking "board of directors" each place it appears and inserting "Board of Directors";

(17) in section 8(p), by striking "banking" each place it appears and inserting "depository";

(18) in section 8(r)(2), by striking "therof" and inserting "thereof";

(19) in section 10(b)(1), by striking "claim" and inserting "claims";

(20) in section 10(b)(2)(B), by inserting "and" at the end;

(21) in section 11(d)(2)(B)(iii), by striking "is" and inserting "are";

(22) in section 11(d)(8)(B)(ii), by inserting "provide" before "a statement";

(23) in section 11(d)(14)(B), by striking "statute of limitation" and inserting "statute of limitations";

(24) in section 11(d)(16)(B)(iv), by striking "dispositions" and inserting "disposition";

(25) in section 11(e)(8)(D)(v)(I), by inserting a closing parenthesis after "1934";

(26) in section 11(e)(12)(B), by striking "directors or officers" and inserting "director's or officer's";

(27) in section 11(f)(3)(A), by striking "TO" in the heading and inserting "WITH";

(28) in section 11(i)(3)(A), by striking "other claimant or category or claimants" and inserting "other claimant or category of claimants";

(29) in section 11(n)(4)(E)(i), by inserting "and" at the end;

(30) in section 11(n)(12)(A), by striking "subparagraphs" and inserting "subparagraph";

(31) in the second sentence of section 11(q)(1), by striking "decided" and inserting "held";

(32) in section 13(c)(1)(B), by striking "a in default insured bank" and inserting "an insured bank in default";

(33) in section 13(c)(2)(A)—

(A) by striking "another" and inserting "an";

(B) by striking "with an insured institution" and inserting "with another insured depository institution"; and

(C) by striking "by an insured institution" and inserting "by another insured depository institution";

(34) in section 13(f)(2)(B)(i), by striking "the in default insured bank" and inserting "the insured bank in default";

(35) in section 13(f)(2)(B)(iii), by striking "of of" and inserting "of";

(36) in section 13(f)(3), by striking "CLOSING" in the heading and inserting "DEFAULT";

(37) in section 13(f)(6)(A), by striking "bank that has in default" and inserting "bank that is in default";

(38) in section 13(f)(6)(B)(i), by striking the semicolon at the end and inserting a period;

(39) in section 13(f)(7)—

(A) in subparagraph (A), by striking "or" at the end; and

(B) in subparagraph (B), by striking the period at the end and inserting "; or";

(40) in section 13(f)(12)(A), by striking "is less than" and inserting "are less than";

(41) in section 15(c)(1), by striking "OBLIGATIONS LIABILITIES" in the heading and inserting "OBLIGATIONS, GUARANTEES, AND LIABILITIES";

(42) in section 18(b), by striking "if such bank" and inserting "if such insured depository institution";

(43) in section 18(c)(1)(B), by inserting "or" at the end;

(44) in section 18(c)(4), by striking "other two banking agencies" each place it appears and inserting "other Federal banking agencies";

(45) in section 18(c)(6), by striking "other two banking agencies" and inserting "other banking agencies";

(46) in section 18(c)(9), by striking "with the following information:" and inserting "with—";

(47) in section 18(f)—

(A) by striking "such bank" and inserting "such insured depository institution"; and

(B) by striking "the bank" and inserting "the insured depository institution";

(48) in section 18(k)(4)(A)(ii)(II), by striking "or" at the end;

(49) in section 20(a)(3), by inserting "or" at the end;

(50) in section 21(c), by striking "the bank" and inserting "the insured depository institution";

(51) in section 21(d)(2), by striking "the bank" and inserting "the insured depository institution";

(52) in section 21(e), by striking "the bank" and inserting "the insured depository institution";

(53) in section 25(a), by striking "the bank" each place it appears and inserting "the depository institution, insured branch, or bank";

(54) in section 28(c)(2)(A)(i) by striking ", or" and inserting "; or";

(55) in section 28(d)(4)(C), by striking "subparagraphs" and inserting "subparagraph";

(56) in section 28(e)(4), "any other" and inserting "and any other";

(57) in section 30(e)(1)(A), by striking "venders" and inserting "vendors";

(58) in section 31(b)(1), by striking "Board of Directors" and inserting "board of directors";

(59) in section 33(c)(1), by striking the comma at the end and inserting a semicolon;

(60) in section 34(a)(1)(A)(iii), by striking "and" and inserting "or";

(61) in section 34(a)(2), by inserting the period at the end;

(62) in section 38(f)(6), by striking "Commisssion" and inserting "Commission";

(63) in section 40(c)(4)(A), by striking "subsections (p)(12)(B) and (C)" and inserting "subparagraphs (B) and (C) of subsection (p)(12)"; and

(64) in section 40(d)(8)(A), by striking "meeting" and inserting "meeting the".

(b) FEDERAL HOME LOAN BANK ACT.—Section 21A of the Federal Home Loan Bank Act (12 U.S.C. 1441a) is amended—

(1) in subsection (a), by inserting in the heading "THRIFT DEPOSITOR PROTECTION" before "OVERSIGHT BOARD";

(2) in subsection (a)(6)(C), by inserting a period at the end;

(3) in subsection (a)(11), by striking "United States District Court" and inserting "United States district court";

(4) in subsection (b)(11)(B)(iii), by striking the comma after "chapter 5";

(5) in subsection (b)(11)(E)(iv)(II), by striking "knowledgable" and inserting "knowledgeable";

(6) in subsection (b)(11)(G), by inserting "ADVISORY PERSONNEL.—" before "The Corporation shall";

SECTION-BY-SECTION ANALYSIS

TITLE I—REDUCTION OF REGULATORY BURDEN

Sec. 101.—Regulation of Real Estate Lending

The Federal regulators are required to promulgate uniform regulations prescribing standards for loans secured by real estate. This amendment provides that, to the extent possible, and consistent with safety and soundness, the regulators should minimize the impact of such regulations on the availability of credit for small business, for residential and agricultural purposes, and on low- and moderate-income communities.

Sec. 102.—Real Estate Appraisal Amendment

Current law requires that real estate serving as collateral for federally-related loans that are above certain de minimus levels, must be appraised by a State licensed or State certified appraiser. This amendment states that the Federal Appraisal Subcommittee of the Federal Financial Institutions Examination Council (FFIEC) should encourage the States to develop reciprocity agreements so that appraisers that are licensed or certified by one State may perform appraisals in other States. The amendment also provides that a State agency may not impose excessive fees on "out-of-State" appraisers.

Sec. 103.—Public Deposits

Section 13(e) of the Federal Deposit Insurance Act permits the FDIC to disavow certain agreements unless the agreement is in writing, is approved by the board of directors of the bank, was executed contemporaneously with the acquisition of the asset, and has been an official record of the institution. This provision has caused concern among local governmental entities that seek to collateralize government deposits in excess of $100,000. These entities are concerned that since the collateral pledged by the bank is often changed during life of the deposit, the "contemporaneous" requirement is not satisfied, and therefore the FDIC could refuse to honor the collateralization agreement if the bank fails.

This amendment provides that with respect to deposits made by public entities, a collateralization agreement shall not be deemed invalid simply because the agreement is not made contemporaneously with acceptance of the deposit.

Sec. 104.—Transition Period for New Regulations

This section provides that in determining the effective date of new regulations, the Federal banking agencies shall consider the administrative burden that will be placed on depository institutions, the ability of institutions of different sizes to meet new regulatory requirements, and the time needed by depository institutions to generate new computer forms or systems, set up internal systems, and hire or train personnel.

Sec. 105.—Annual Examinations

(a) *Annual Examinations Requirement:* Current law requires the Federal regulatory agencies to conduct onsite examinations every 12 months, except that institutions that have total assets of $100 million or less, that are well capitalized, that have a Camel rating of 1, and that have not undergone a change of control within one year of its last examination, may be examined every 18 months.

This amendment permits the regulatory agencies to examine institutions with total assets of $250 million or less every 24 months, provided the institution is well capitalized, has a Camel rating of 1, and has not undergone a change of control during the one year period following its last exam. The institution must also not be under a formal enforcement order to qualify for this exception. The $250 million dollar cut off will adjusted annually for inflation.

(b) *State Examinations Acceptable:* Current law provides that the Federal regulators may accept State examinations in lieu of Federal examinations in alternative years. This amendment provides that the Federal regulators may accept State examinations without the "alternative year" limitation.

(c) *Depository Institutions Within Holding Companies:* The bill adds a new provision that would give the Federal agencies the discretion to exempt a depository institution from the annual examination requirement if: (i) the institution is controlled by a holding company; (ii) the holding company has adequate internal controls and examination procedures; and (iii) depository institutions representing a substantial majority of the total assets of all insured institutions controlled by that holding company have been examined by Federal bank regulatory agencies.

Sec. 106.—Coordinated Examinations

This section provides that each Federal banking agency shall, to the extent practicable, avoid duplicating all examinations and work with other Federal and State bank supervisors to coordinate examinations.

Sec. 107.—Reduction of Call Report Burdens

(a) *Unnecessary Burdens and Costs:* The bill mandates that the Federal Financial Institutions Examination Council is to review the regulatory burden and costs associated with the preparation of call reports, including the extent to which such costs impact upon credit availability. After conducting its review, each agency is to revise its call report requirements to remove any unnecessary burdens and costs.

(b) *Repeal of Obsolete Provisions:* This section repeals provisions of current law that require bank call reports to be published in newspapers of local circulation. These reports are publicly available to interested parties upon request.

(c) *Change in Form of Call Report:* The bill provides that each of the Federal bank regulators shall consider the administrative burden that will be placed on insured institutions when determining the effective date of new regulations making changes in the call report requirements.

Sec. 108.—Branch Closures

Current law requires insured depository institutions to submit a notice to its Federal regulator at least 90 days prior to closing any branch. It must also post a notice in the lobby of the branch to be closed at least 30 days prior to closure and include the notice in an account statement or in a separate mailing to customers of that branch.

This section provides that, for purposes of these provisions, a branch does not include an ATM machine, or a branch acquired through merger if the branch is located in a local market currently served by another branch of the acquiring institution. Further, the amendment provides that a branch closing does not include a branch that is relocated in the same market area. Finally, a branch that is closed in connection with an emergency acquisition or Government resolution of a failing institution would be exempt.

Sec. 109.—Bank Secrecy Act

(a) *Staff Commentaries:* This section requires the Secretary of the Treasury to review Bank Secrecy Act regulations on an annual basis and seek public comment. The Treasury would be required to publish all written interpretive rulings and staff commentaries.

(b) *Exception Process:* Current law authorizes the Secretary to promulgate exemptions from foreign currency transaction reports. The amendment provides that the Secretary may promulgate exemptions or exceptions after receiving comments from the entities covered, and that he will take into account the effect that changes to the exemption or exception process will have on the cost and efficiency of the reporting process.

(c) *Inflation Adjustment for CTR Amounts:* The bill provides that the Secretary shall review reporting requirements for monetary transactions each year to determine if the trigger amount should be adjusted for inflation, and submit a written report to Congress each year a change is made.

Sec. 110.—Minimizing Regulatory Burden

The bill provides that in prescribing reporting requirements the FDIC shall minimize the regulatory burden imposed upon insured depository institutions, consistent with safety and soundness.

Sec. 111.—Repeal of Outdated Statutory Provision

This section eliminates an out-dated requirement in existing law that mandates that national banks calculate bad debt according to a specific prescription. This statutory prescription has been superseded by current regulatory requirements concerning loan loss allowances and classification of loans.

Sec. 112.—Elimination of Duplicate Disclosures for Home Equity Loans

This section provides that disclosures required under Truth-in-Lending may be used in lieu of disclosures under the Real Estate Settlement Procedures Act with respect to second mortgage loans.

Sec. 113.—Unauthorized Electronic Fund Transfers

Current law limits consumer liability for unauthorized electronic fund transfers to $50. This amendment raised the liability limit to $500, but only if the consumer substantially contributed to the unauthorized use by writing on the card his or her personal identification or other security code.

Sec. 114.—Homeownership Debt Counseling Notification

This section provides that creditors shall not be required to provide notification of the availability of homeownership debt counseling more than once annually.

Sec. 115.—Clarify Disclosure Requirements

Current law requires the maker of a home mortgage loan to disclose to all applicants the percentage of loans in which servicing has been assigned, sold, or transferred to another party, for the past 3 years.

This amendment would permit the maker to state that he or she has previously assigned, sold or transferred servicing rights instead of listing the percentages of prior loans for which servicing has been transferred.

Sec. 116.—Exemption of Business and Government Loans From RESPA

This amendment provides an exemption from RESPA for credit transactions that are primarily for business, commercial or agricultural purposes, or to government agencies or instrumentalities.

Sec. 117.—Effective Date for Inter-Affiliate Transactions

Under current law, transactions between a bank and affiliated companies are subject to certain restrictions. However these restrictions do not apply to transactions among banks that are owned by the same holding company. These restrictions also apply to transactions between a thrift institution and affiliated companies, except that the exception for transactions between the thrift and affiliated depository institutions does not go into effect until January 1, 1995. Under this amendment, the exception would become immediately available for well capitalized thrift institutions. Further, if a well capitalized thrift makes use of this exception, it and affiliated banks would become subject to cross liability provisions between banks and thrifts that otherwise would not be effective until August 9, 1994.

Subtitle B—Studies and Reports

Sec. 151.—Report on Capital Standards

This section directs the Secretary of the Treasury, after consultation with the Federal banking agencies, to report to Congress on how implementing the risk based capital standards has effected the safety and soundness of insured institutions and the availability of credit to consumers and small businesses.

Sec. 152.—Sterile Reserves Study

This section directs the Federal Reserve Board, in consultation with the FDIC, to conduct a study on paying interest on sterile reserves. It also directs the OMB and the CBO to conduct a joint study of this issue.

Sec. 153.—Paperwork Reduction Review

Each Federal banking agency, in consultation with insured depository institutions and other interested parties, is to conduct a review of the extent to which current regulations require insured institutions to produce unnecessary internal written policies and take steps to eliminate such requirements where appropriate.

Sec. 154.—Regulatory Review of Capital Compliance Burden

The FFIEC is to review the extent to which current compliance requirements with risk based capital rules have an unnecessarily costly and burdensome effect on community banks and where appropriate reduce such costs and burdens.

Sec. 155.—Streamlined Lending Process for Consumer Benefit

The Federal Reserve Board, in consultation with the Secretary of HUD, is to conduct a study and report to the Congress, on ways to streamline the credit-granting process; to reduce consumer inconvenience, cost and time delays; and to minimize cost and burdens on insured institutions and credit unions. The Federal Reserve is to take such regulatory action, as appropriate, to meet these objectives, and to provide to the Congress legislative recommendations.

TITLE II—ENHANCED CREDIT AVAILABILITY AND DEPOSIT INSURANCE PROTECTION

This title contains the lender liability provisions that passed the Senate last year as part of the Government Sponsored Enterprises Act.

Sec. 201.—Enhanced Credit Availability and Deposit Insurance Protection

This section adds a new section 127 to the Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA or Superfund Act), as follows:

Sec. 127(a)(1). Liability Limitation.—This paragraph limits the liability of depository institutions and other lenders under CERCLA and subtitle I of the Solid Waste Disposal Act. The limitation covers liability relating to: (i) property acquired through foreclosure; (ii) property held in a fiduciary capacity; (iii) property leased to another pursuant to a lease agreement that is functionally equivalent to an extension of credit; or (iv) property that is otherwise subject to the financial control or oversight of the institution pursuant to the terms of an extension of credit. Liability is limited to the "actual benefit" conferred on a lender by a cleanup action undertaken by another party.

Sec. 127(a)(2). Safe Harbor.—This paragraph delineates certain "safe harbors." Depository institutions and other lenders are protected from liability that might otherwise be alleged on the basis of having engaged in one or more of the activities described in these safe harbors. The failure to engage in any of the activities described as a safe harbor does not affect protection otherwise afforded by the section.

The safe harbors are: (i) holding a security interest or abandoning or relinquishing a security interest prior to foreclosure; (ii) having the unexercised capacity to influence operations at or on property in which the party has a security interest; (iii) including in the extension of credit terms or conditions relating to the borrower's compliance with environmental laws; (iv) monitoring or enforcing the terms and conditions of the extension of credit; (v) monitoring or undertaking one or more inspections of the property; (vi) requiring the borrower to cleanup the property prior to or during, or upon expiration of the term of the extension of credit; (vii) providing financial or other advice or counseling in an effort to mitigate, prevent or cure default or diminution in the value of the property; (viii) restructuring, renegotiating or otherwise altering the terms and conditions of the extension of credit; (x) exercising other remedies at law or in equity that might be available for the borrower's breach of any term or condition of the extension of credit.

Sec. 127(b). Actual Benefit.—The "actual benefit" conferred on an institution or lender is equal to the net gain, if any, realized by such party as a result of the required corrective action. In no case may the actual benefit exceed the amount realized by the institution or lender on the sale of the property. A reduction in actual or potential liability is not considered to be an actual benefit realized. Rather, the "actual benefit" realized is the net increased market value of the property, realized by the institution or lender upon its sale or other disposition, and attributable to the action of others in conducting

a legally mandated removal, remedial, response or corrective action taken in accordance with Federal law.

Sec. 127(c). Exclusion.—A depository institution or other lender that causes or significantly and materially contributes to a release that forms the basis for liability under CERLA or Title I of the Solid Waste Disposal Act may be liable for cleanup costs pertaining to that release.

Sec. 127(d). Environmental Assessments.—The FDIC, in consultation with the EPA, is directed to promulgate regulations requiring depository institutions and other lenders to develop procedures to evaluate actual and potential environmental risks that may arise from property prior to making an extension of credit secured by such property. The regulations may provide for different types of environmental assessments as may be appropriate under the circumstances.

Sec. 128(e). Definitions.—This subsection contains the following definitions:

(1) Property Acquired Through Foreclosure.—"Property acquired through foreclosure" is defined as property acquired from a nonaffiliated party through foreclosure, termination of a lease agreement, or equivalent means. However, it does not include property that the depository institution or lender does not seek to sell or otherwise divest at the earliest practical, commercially reasonable time, after taking into account market conditions and legal requirements.

(2) Lender.—A "lender" is defined as a person (including a corporation) that is not a depository institution, that makes a bona fide extension of credit to a nonaffiliated party, and that substantially and materially complies with environmental assessment regulations promulgated under this legislation (section 127(d)). It includes assigns and successors.

A "lender" also includes the Federal National Mortgage Corporation, the Federal Home Loan Mortgage Corporation, the Federal Agricultural Mortgage Corporation, and any other entity that is engaged in the business of buying or selling loans or interests therein, provided the entity requires institutions from which it purchases such mortgages to comply with environmental assessment regulations mandated by section 127(d).

Finally, a "lender" includes any company regularly engaged in the business of insuring or guaranteeing against a default in the repayment of an extension of credit, or acting as a surety with respect to an extension of credit, to nonaffiliated parties.

(3) Fiduciary Capacity.—The term "fiduciary capacity" means acting for the benefit of a nonaffiliated person as a bona fide trustee, executor, administrator, custodian, receiver, conservator, or in a similar capacity.

(4) Extension of Credit.—An "extension of credit" includes a lease finance transaction in which the lessor does not initially select the leased property and does not during the lease term control the daily operations or maintenance of the property. It also includes a lease finance transaction that conforms with regulations issued by the appropriate Federal banking agency or State bank regulatory authority.

(5) Insured Depository Institution.—An "insured depository institution" includes FDIC insured banks and thrifts, federally insured credit unions, Farm credit banks and credit associations, and a leasing or trust company that is an affiliate of an insured depository institution.

(6) Release.—A "release" is defined to include the threatened release, use, storage, disposal, treatment, generation, or transportation of a hazardous substance.

(7) Hazardous Substance.—A "hazardous substance" is defined as in CERCLA.

(8) Security Interest.—A "security interest" includes rights under a mortgage, deed of trust, assignment, judgment lien, pledge, security agreement, factoring agreement, lease, or any other right accruing to a person to secure the repayment of money, the performance of a duty, or some other obligation.

Sec. 127(f). Savings Clause.—This subsection makes it clear that defenses available under CERCLA, the Solid Waste Disposal Act, or other applicable law are not affected by this legislation. Nothing in this legislation shall be construed to create any liability for any party, or create a private right of action against a depository institution or lender, or against a Federal banking or lending agency.

Sec. 201(b).—Federal Deposit Insurance Act Amendments

This section adds a new section 44 to the Federal Deposit Insurance Act to provide limitations on liability for Federal banking and lending agencies:

Sec. 44(a)(1). Governmental Entities.—A Federal banking or lending agency shall not be liable under any law imposing strict liability for the release or threatened release of petroleum or a hazardous substance at or from property, or any right or interest in property, acquired in connection with the exercise of receivership or conservatorship authority; in connection with the provision of loans, guarantees, insurance or other financial assistance; or in connection with property received in any civil or criminal proceeding.

Sec. 44(a)(2). Application of State Law.—This legislation does not preempt any State law, or any right or action under State law, except that liability under State law cannot exceed the value of the agency's interest in the asset giving rise to the liability. Further, this legislation does not prevent a Federal banking or lending agency from agreeing with a State to transfer property to a State in lieu of any liability that might otherwise be imposed under State law.

Sec. 44(a)(3). Limitation.—A Federal banking or lending agency that causes or significantly and materially contributes to the release of petroleum or a hazardous substance that forms the basis for liability under a law described in paragraph 44(a)(1) may be liable for a removal, remedial, or other response action pertaining to that release.

Sec. 44(a)(4). Subsequent Purchaser.—The first subsequent purchaser of property from a Federal banking or lending agency is also granted protection against liability so long as this purchaser would not otherwise be liable or potentially liable for the cleanup, is not related or affiliated with a responsible or potentially responsible party, and agrees to take reasonable steps to remedy the contamination. The subsequent purchaser may not cause or materially and significantly contribute any additional release on the property.

Sec. 44(a)(5). Federal or State Action.—If a Federal or State agency is required to take remedial action due to the failure of a subsequent purchaser to carry out his or her agreement to remediate, the purchaser is required to reimburse the Federal or State agency for the cost of the remedial action, up to the full fair market value of the property.

Sec. 44(b). Lien Exemption.—This subsection provides an exemption for statutory lien provisions for subsequent purchasers that comply with the requirements of this legislation.

Sec. 44(c). Exemption from Covenants to Remediate.—This subsection provides that a Federal banking or lending agency shall be exempt from any law requiring such agency to grant covenants warranting that a removal, remedial, or other response action has been, or will in the future be, taken.

Sec. 44(d). Definitions.—This subsection contains the following definitions:

(1) Federal Banking or Lending Agency.—A "Federal banking or lending agency" is defined to mean the FDIC, the RTC, the Federal Reserve Board, a Federal Reserve Bank, a Federal Home Loan Bank, the OCC, the OTS, and NCUA Board, the Farm Credit Administration, the Farm Credit System Insurance Corporation, the Farm Credit System Assistance Board, the Farmers Home Administration, the Rural Electrification Administration, and the Small Business Administration.

(2) Hazardous Substance.—The term "hazardous substance" is defined to have the same meaning as in CERCLA.

(3) Release.—The word "release" has the same meaning as in CERCLA except that it also includes the threatened release, use, storage, disposal, treatment, generation, or transportation of a hazardous substance.

Sec. 44(e). Savings Clause.—This subsection provides that this legislation shall not affect the rights or immunities or other defenses that are available under the FDI Act or other applicable law. Nothing in this legislation creates any liability for any party. Nothing in this legislation creates a private right of action against a depository institution or lender or against a Federal banking or lending agency.

TITLE III—TECHNICAL AND CONFORMING AMENDMENTS TO THE BANKING LAWS

Sec. 301.—Transferred Deposits

Current law defines a "transferred deposit" as a deposit in a new bank or other insured depository institution made available to a depositor by the FDIC as payment of the insured deposit in a closed bank, and assumed by such new bank or depository institution. In certain resolutions, the FDIC uses another bank as a paying agent, but that bank does not assume liability for the deposit. This amendment clarifies that a transferred deposit does not have to be assumed by the transferee institution.

Sec. 302.—Technical Amendment

This amendment corrects an improper cross reference in section 3(q)(2)(E) of the Federal Deposit Insurance Act. This section of the FDI Act currently refers to the "Depository Institutions Supervisory Act." The correct name is the "Financial Institutions Supervisory Act."

Sec. 303.—Certified Statements

Currently, FDIC assessments are based on the data that institutions present in the semi-annual certified statements. These statements are often revised necessitating a rebate or increased payment as appropriate. The FDIC however, would prefer to use the data from the call report filed one quarter prior to the date of the semi-annual report as the basis for assessments, which would eliminate the need to adjust the assessment amounts. This amendment deletes the requirement to base assessments on certified statements filed in July and January of each year.

Sec. 304.—Cross Reference

This section corrects a cross reference in section 8(o) of the Federal Deposit Insurance Act.

Sec. 305.—Court Costs; Bonds; Filing Fees

This section provides that the FDIC is not required to post any bond or security to initiate or respond to any action for a temporary restraining order or an injunction, or to pursue any appeal, to pay any filing fees in U.S. courts, or to pay any fees for service of process by the United States Marshall.

Sec. 306.—Obsolete Provision

This amendment strikes from the law provisions that expired in 1968.

Sec. 307.—Federal Deposit Insurance

Under FDICIA, every bank, including national banks, must apply to the FDIC for insurance. This amendment makes a conforming change to section 2 of the Federal Reserve Act. This section states that national banks shall automatically become insured after becoming a member of the Federal Reserve System.

Sec. 308.—Annual Report of the Appraisal Subcommittee

The Appraisal Subcommittee of the FFIEC is required to submit an annual report every January 31. This amendment changes the date of such report on March 31.

Sec. 309.—Insurance of Bridge Banks

This amendment clarifies that a bridge bank does not have to apply to the FDIC for approval of deposit insurance.

Sec. 310.—Corrections to the Federal Deposit Insurance Act

This section corrects various minor drafting errors in the FDI Act and other banking and housing laws, but does not make substantive changes in that Act.•

By Mr. DODD (for himself, Mrs. KASSEBAUM, Mr. KENNEDY, Mr. JEFFORDS, and Mr. PELL):

S. 1125. A bill to help local school systems achieve Goal Six of the National Education Goals, which provides that by the year 2000, every school in America will be free of drugs and violence and will offer a disciplined environment conducive to learning, by ensuring that all schools are safe and free of violence; to the Committee on Labor and Human Resources.

SAFE SCHOOLS ACT OF 1993

Mr. DODD. Mr. President, I rise today to introduce a piece of legislation that has been proposed by President Clinton to stem and, hopefully, end the epidemic of violence in our Nation's public schools. The "Safe Schools Act of 1993" would provide funds to local school districts to help achieve one of our six national education goals which were identified in the "Goals 2000" legislation. Goal No. 6 is to eliminate drugs and violence in our elementary and secondary schools, so that by the year 2000, every school child in this country would be able to get an education without the fear of violence.

Under this proposal, school districts would have the flexibility to design their own programs; they will not be designed by Washington. They would have the ability to choose from a menu that includes planning and implementing comprehensive school safety strategies, collaborating with community programs and agencies in developing and implementing violence-prevention activities such as conflict resolution and peer mediation; also, where necessary, making physical changes to ensure school safety—regretfully, I say, Mr. President, such things as metal detectors have become all too necessary in many of our schools. To ensure a comprehensive approach, we put a cap of 30 percent on the total dollars to go for those kinds of physical improvements.

We are more interested in the conflict resolution and mediation efforts to try to reduce and prevent the violence that is occurring.

This bill, which I am introducing this afternoon, is historic for two reasons. First, this would create the first Federal program ever—regretfully, ever—to direct funds to local school districts specifically to increase the safety of our children in the school environment. But second, Mr. President, and most important, this legislation signals the commitment of the Clinton administration to tackle the enormously difficult problem of youth violence.

The presence of Education Secretary Riley, Attorney General Reno, and drug czar Lee Brown in the President's Cabinet, should ensure all Americans that this issue will be discussed at the highest levels of Government in a thoughtful and provocative way. By their recent words and deeds, these individuals have demonstrated their determination to make our children, and more important, their safety, a priority of this administration.

Mr. President, I welcome their commitment and pledge. This is one U.S. Senator who will work to create a partnership between Congress and the executive branch to make certain that we develop a comprehensive, thoughtful strategy to help curb this horrible epidemic.

Specifically, Mr. President, under the legislation being proposed today, a school district in our country facing high rates of violent crime involving children could apply for a grant from the Education Department to assist them in combatting violence. The Secretary of Education would also be able to reserve up to 5 percent of each year's appropriation for national leadership initiatives such as public awareness campaigns and program evaluations.

Mr. President, I have come to the floor of the U.S. Senate this afternoon, as I have come several times in the last few months to speak out about violence and our Nation's children. But the rising tide of violence continues unabated. Schools are a primary focus of this violence. One in five students—one in five, Mr. President—carries a weapon to school on a regular basis. One in six high school seniors has been threatened with a weapon at school, and nearly 3 million crimes occur on or near school campuses every year. That is one every 6 seconds.

Furthermore, Mr. President, every single day in this country, somewhere between 100,000 and 150,000 students bring a gun to school. Between 100,000 and 150,000 guns every day are brought by children to our elementary and secondary schools—most of them bring them not to perpetrate some violence, but to protect themselves because of the fear of aggression.

Mr. President, these statistics, as terrible as they are, lose their impact after a while. We say them and I think we become numb to their real meaning; just as we have become, in many ways, oblivious to the blood and gore that is a daily diet on our televisions from the early morning right through prime time.

As our esteemed senior colleague from New York, Senator MOYNIHAN, has pointed out, we keep "defining deviancy down"—to quote him—until the truly appalling, inhumane, the unthinkable, eventually become routine, and therefore acceptable conditions under which we all live.

So, Mr. President, we adjust—or we think we adjust. We buy more sophisticated antitheft devices for our cars. Everybody is now buying "The Club." It is advertised daily on television. We buy new security devices for our homes. We move further out into the suburbs, hoping to escape, somehow.

My fellow colleagues and you, I and others in this country know there is no escape from a culture where aggression and violence continue to escalate. There seems to be an acceptance of such degrading conditions as homelessness, poverty, drugs, and crime, and, worse, a sense that as long as it stays out of my immediate neighborhood, as long as it stays somewhere else, as long as it is not my peers, not my children, I do not need to get involved, because it is not going to touch me.

I cannot think of any more foolish or ignorant idea. If you believe somehow that we are going to be able to contain the violence in the bowels of our cities, and believe that it is not already spilling over into our rural and suburban neighborhoods, you have been living on a distant planet, because exactly that is what is happening. It is encroaching and crossing those lines.

A recent Harris poll found one in five Americans know a child who has been shot by another child. It is time I think we spoke up and at least began to try to do something about this. How is a child ever to learn, ever to learn, if he or she is frightened to go to school?

In the case of one little elementary school in my State, the Munoz Marin School in Bridgeport, CT, you have to be bused if you live a block-and-a-half away from that school, because of fear of violence to those children. They have to be bused a block-and-a-half away in downtown Bridgeport, CT. I

might add that the school is a new, modern school, not a rundown 50-year-old building. But yet there is such fear of violence in that neighborhood that those children have to be bused a block-and-a-half to go to school.

I am not going to suggest that this bill will solve these problems. But we will help the districts that are strapped financially and do not have the resources. it is hard enough to buy pencils, paper, and erasers.

I have mentioned to colleagues before that I have a sister who teaches in the largest inner-city school in my State. Just a few weeks ago I asked her what she did over the weekend, in a casual conversation with a sibling. She said she went out and bought pencils, paper, and toilet paper.

I said, "How much?"

She said, "Ninety dollars worth."

I asked, "What for?"

She said, "For my classrooms."

A public school teacher out buying toilet paper, pencils and paper for students out of her own pocket money, out of her own salary because these districts are so strapped that they do not have the resources.

So this bill may at least begin to make a difference, because these kids will never learn if they are frightened for their own safety when they go to school every day. if they are frightened they will never learn.

A little over a year ago, little Cesar Sandoval, a kindergartner, in New Haven, CT, was riding on a school bus when a stray bullet struck him in the skull. Cesar's parents, I might add, Mr. President, had come to the United States from Guatemala. We have heard a lot about Guatemala recently. It is a country that has had a significant amount of violence over the years. A lot of human rights abuses occurred in Guatemala.

This child's family came to the United States, because they wanted a better life. They wanted to be safer. They wanted a decent income and good schools. Mr. Sandoval works as a dish washer for $200 a week. His wife works as well. They are struggling, trying to educate the family, make a better life in America and their 5-year-old, Cesar, on his way to school is struck in the head by a stray bullet.

Thank God he is going to live. but it has been a trauma and a tragedy for that family. The mother told reporters she left Guatemala because there was no food, no jobs, no safety, and the schools were not any good. They come to my State, come to the United States, and this is what happens to her child.

So the violence continues to rage. In a 1-week period this year, two children from a Bridgeport elementary school were murdered. All across the country, in small towns and large cities, it continues. In January, in the small town of Portland, CT, a man hijacked a school van, shot and critically wounded a 13-year-old before he was stopped by police. Within days of this on the other side of the country, in Portland, OR, one student stabbed another in the back of the head during an argument in a school hallway.

So, as we listen to these stories, it is easy I suppose to become overwhelmed by the enormity of the problem. But just because we do not have all the answers there is no excuse not to begin to try to take some action. This administration's bill gives us, I think, a wonderful beginning, for the two most important institutions in a child's life are family and school. We must do all we can to support families and to help them rear their children well. We must invest obviously in our schools.

Under this legislation, Mr. President, school districts will receive up to $3 million per year for up to 2 years. To receive funds for a second year, the school would have to develop a comprehensive long-term plan for preventing violence and making schools safe. The proposal calls for an authorization of $75 million in fiscal year 1994. This money will provide thousands of schools with access to preventative strategies.

Hundreds of research studies have shown we can teach cooperation to children. Such training results in students with greater commitment, helpfulness, and concern for each other, regardless of differences in ability, ethnicity, gender, or social class. Students taught to cooperate develop the capacity for empathy and compassion, feel better about themselves and have positive attitudes toward their peers and toward the schools which they go to.

Most important, cooperative strategies such as conflict resolution and peer mediation can overcome the hostility and alienation so prevalent in children living in difficult or dangerous circumstances. Quite simply, teaching these skills fosters constructive human relationships.

So, Mr. President, it is now up to us. We have been given a chance. The President has offered an idea. The issue is whether or not we will take him up on it and proceed with this legislation. We have a choice on whether we want our schools to promote aggression or mediation, conflict or cooperation, self-indulgence or compassion, bigotry, or tolerance.

Mr. President, I am confident that if my colleagues take a look at this legislation I am sure they will all want to support it.

I note, Mr. President, I offer this bill on behalf of the President, but am introducing for myself, Senator KASSEBAUM, Senator KENNEDY, Senator JEFFORDS, and Senator PELL. We look forward to moving this critical piece of legislation forward quickly and making our schools a safe place for our children.

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. 1125

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, that this Act may be cited as the "Safe Schools Act of 1993".

SAFE SCHOOLS PROGRAM AUTHORIZED

SEC. 2. (a) With funds appropriated under subsection (b)(1), the Secretary shall make competitive grants to eligible local educational agencies to carry out projects designed to achieve Goal Six of the National Education Goals by helping to ensure that all schools are safe and free of violence.

(b)(1) There are authorized to be appropriated to carry out this Act $75,000,000 for fiscal year 1994, $100,000,000 for fiscal year 1995, and such sums as may be necessary for fiscal year 1996 and each of the two succeeding fiscal years.

(2) The Secretary is authorized each fiscal year to reserve no more than five percent of the amount appropriated under subsection (b)(1) to carry out national leadership activities described in section 6.

ELIGIBLE APPLICANTS

SEC. 3. (a) To be eligible to receive a grant under this Act, a local educational agency shall demonstrate in its application under section 4(a) that it—

(1) receives assistance under section 1006 of the Elementary and Secondary Education Act of 1965 (hereinafter referred to as the "ESEA") or meets the criteria of clauses (i) and (ii) of section 1006(a)(1)(A);

(2) serves an area in which there is a high rate of—

(A) homicides committed by persons between the ages 5 to 18, inclusive;

(B) referrals of youth to juvenile court;

(C) youth under the supervision of the courts;

(D) expulsions and suspensions of students from school;

(E) referrals of youth, for disciplinary reasons, to alternative schools; or

(F) victimization of youth by violence, crime, or other forms of abuse; and

(3) has serious school crime, violence, and discipline problems, as indicated by other appropriate data.

(b) For the purpose of this Act—

(1) "the term local educational agency" has the same meaning given in section 1471(12) of the ESEA;

(2) the term "Secretary" means the Secretary of Education.

APPLICATIONS AND PLANS

SEC. 4. (a) In order to receive a grant under this Act, an eligible local educational agency shall submit to the Secretary an application that includes—

(1) an assessment of the current violence and crime problems in the schools to be served by the grant and in the community to be served by the applicant;

(2) an assurance that the applicant has written policies regarding school safety, student discipline, and the appropriate handling of violent or disruptive acts;

(3) a description of the schools and communities to be served by the grant, the activities and projects to be carried out with grant funds, and how these activities and projects will help to reduce the current violence and crime problems in the schools and communities served;

(4) if the local educational agency receives funds under Goals 2000: Educate America Act, an explanation of how activities assisted under this Act will be coordinated with and support its systemic education improvement plan prepared under that Act;

(5) the applicant's plan to establish school-level advisory committees, which include faculty, parents, staff, and students, for each school to be served by the grant and a description of how each committee will assist in assessing that school's violence and discipline problems as well as in designing appropriate programs, policies, and practices to combat those problems;

(6) the applicant's plan for collecting baseline and future data, by individual schools, to monitor violence and discipline problems and to measure its progress in achieving the purpose of this Act;

(7) an assurance that grant funds under this Act will be used to supplement and not to supplant State and local funds that would, in the absence of funds under this Act, be made available by the applicant for the purposes of the grant;

(8) an assurance that the applicant will cooperate with, and provide assistance to, the Secretary in gathering statistics and other data the Secretary determines are necessary to determine the effectiveness of projects and activities under this Act or the extent of school violence and discipline problems throughout the Nation; and

(9) such other information as the Secretary may require.

(b) In order to receive funds under this Act for the second year of a project, a grantee shall submit to the Secretary its comprehensive, long-term, school safety plan for combating and preventing school violence and discipline problems. Such plan must contain—

(1) a description of how the grantee will coordinate its school crime and violence prevention efforts with education, law-enforcement, judicial, health, social service, and other appropriate agencies and organizations serving the community; and

(2) if the grantee receives funds under the Goals 2000: Educate America Act, an explanation of how the grantee's comprehensive plan under this subsection is consistent with and supports its systemic education improvement plan prepared under that Act, if such explanation differs from that provided in the grantee's application.

GRANTS AND USE OF FUNDS

SEC. 5. (a) Grants under this Act may not exceed—

(1) two years in duration; and

(2) $3 million for each year.

(b)(1) A local educational agency may use funds awarded under section 2(a) for one or more of the following activities—

(A) identifying and assessing school violence and discipline problems, including coordinating needs assessment activities with education, law-enforcement, judicial, health, social service, and other appropriate agencies and organizations;

(B) conducting school safety reviews or violence prevention reviews of programs, policies, practices, and facilities to determine what changes are needed to reduce or prevent violence and promote safety and discipline;

(C) planning for comprehensive, long-term strategies for combating and preventing school violence and discipline problems through the involvement and coordination of school programs with other education, law-enforcement, judicial, health, social service, and other appropriate agencies and organizations;

(D) community education programs involving parents, businesses, local government, the media, and other appropriate entities about the local educational agency's plan to promote school safety and reduce and prevent school violence and discipline problems and the need for community support;

(E) coordination of school-based activities designed to promote school safety and reduce or prevent school violence and discipline problems with related efforts of education, law-enforcement, judicial, health, social service, and other appropriate agencies and organizations;

(F) developing and implementing violence prevention activities, including—

(i) conflict resolution and social skills development for students, teachers, aides, other school personnel, and parents;

(ii) disciplinary alternatives to expulsion and suspension of students who exhibit violent or anti-social behavior;

(iii) student-led activities such as peer mediation, peer counseling, and student courts; or

(iv) alternative after-school programs that provide safe havens for students, which may include cultural, recreational, and educational and instructional activities;

(G) educating students and parents about the dangers of guns and other weapons and the consequences of their use;

(H) developing and implementing innovative curricula to prevent violence in schools and training staff how to stop disruptive or violent behavior if it occurs;

(I) supporting "safe zones of passage" for students between home and school through such measures as Drug- and Weapon-Free School Zones, enhanced law enforcement, and neighborhood patrols;

(J) counseling programs for victims and witnesses of school violence and crime;

(K) minor remodeling to promote security and reduce the risk of violence, such as removing lockers, installing better lights, and upgrading locks;

(L) acquiring and installing metal detectors and hiring security personnel;

(M) reimbursing law enforcement authorities for their personnel who participate in school violence prevention activities;

(N) evaluating its project under this Act;

(O) the cost of administering its project under this act; and

(P) other activities that meet the purposes of this Act.

(2) A local educational agency may use no more than—

(A) a total of 33 percent of its grant for activities described in paragraphs (1)(K), (L), and (M); and

(B) 5 percent of its grant for activities described in paragraph (1)(O).

(3) A local educational agency may not use funds under this Act for construction.

NATIONAL LEADERSHIP

SEC. 6. To carry out the purpose of this Act, the Secretary is authorized to use funds reserved under section 2(b)(2) to conduct national leadership activities such as research, program development and evaluation, data collection, public awareness activities, training and technical assistance, and peer review of applications under this Act. The Secretary may carry out such activities directly, through interagency agreements, or through grants, contracts, or cooperative agreements.

EFFECTIVE DATE

SEC. 7. This Act shall take effect upon enactment.

SECTION-BY-SECTION ANALYSIS

Section 2. Section 2(a) of the bill would authorize the Secretary of Education ("the Secretary") to make competitive grants to eligible local educational agencies (LEAs) to carry out projects designed to achieve Goal Six of the National Education Goals by helping to ensure that schools are safe and free of violence. (Goal Six states that by the year 2000, every school in America will be free of drugs and violence and will offer a disciplined environment conducive to learning.) Section 2(b) of the bill would authorize to be appropriated $75 million for fiscal year 1994, $100,000,000 for fiscal year 1995, and such sums as may be necessary for fiscal year 1996 and the two succeeding fiscal years, to carry out the Act. Section 2(b) would also authorize the Secretary to reserve no more than five percent of the amount appropriated for each fiscal year to carry out National leadership activities described in section 6.

Section 3. Section 3 of the bill describes those LEAs that would be eligible to receive a grant under the Act. Such LEAs must demonstrate in their application that they: (1) receive assistance under section 1006 of the Elementary and Secondary Education Act of 1965 (concentration grants) or satisfy the eligibility criteria for such assistance in section 1006(a)(1)(A); (2) serve an area in which there is a high rate of homicides committed by persons between the ages 5 to 18 (inclusive), referrals of youth to juvenile court, youth under the supervision of the courts, expulsions and suspensions of students from school, referrals of youth (for disciplinary reasons) to alternative schools, or victimization of youth by violence, crime, or other forms of abuse; and (3) have serious school crime, violence, and discipline problems, as indicated by other appropriate data.

Section 4. Section 4(a) of the bill would require eligible LEAs that desire to receive a grant to submit to the Secretary an application that includes: (1) an assessment of the current violence and crime problems in the schools to be served by the grant and in the community to be served by the applicant; (2) an assurance that the applicant has written policies regarding school safety, student discipline, and the appropriate handling of violent or disruptive acts; (3) a description of the schools and communities to be served by the grant, the activities and projects to be carried out with grant funds, and how these activities and projects will help to reduce the current violence and crime problems in the schools and communities served; (4) if the LEA receives funds under the Goals 2000: Educate America Act, an explanation of how activities assisted under the Safe Schools Act of 1993 are coordinated with and support the LEA's improvement plan prepared under the Educate America Act; (5) the applicant's plan to establish school-level advisory committees, including faculty, parents, staff, and students, for each school to be served by the grant and a description of how each committee will assist in assessing that school's violence and discipline problems as well as in designing appropriate programs, policies, and practices to combat these problems; (6) the applicant's plan for collecting baseline and future data, by individual schools, to monitor violence and discipline problems and to measure its progress in achieving the purpose of this Act; (7) an assurance that grant funds will be used to supplement and not to supplant State and local funds that would, in the absence of funds under the Act, be made available by the applicant for the purposes of the grant; (8) an assurance that the applicant will cooperate with, and provide assistance to, the Secretary in gathering statistics and other data the Secretary determines are necessary to determine the

effectiveness of projects and activities under this Act of the extent of school violence and discipline problems throughout the Nation; and (9) other information the Secretary may require.

Section 4(b) of the bill would require that in order for a grantee to receive funds under the Act for a second year, a grantee must submit to the Secretary its comprehensive, long-term, school safety plan for combating and preventing school violence and discipline problems. The plan must contain a description of how the grantee will coordinate its efforts with education, law-enforcement, judicial, health, social service, and other appropriate agencies and organizations serving the community and, if the grantee receives funds under the Goals 2000: Educate America Act, the plan must also explain how the grantee's comprehensive plan under this Act is consistent with and supports its systemic education improvement plan prepared under that Act, if such explanation differs from that provided in the grantee's application.

Section 5. Section 5(a) of the bill would limit grants under this Act to two years in duration and to no more than $3 million for each year. Section 5(b) of the bill would list the purposes for which LEAs could use their grant funds. These purposes include: identifying and assessing school violence and discipline problems (including coordinating needs assessment activities with education, law-enforcement, judicial, health, social service, and other appropriate agencies and organizations); conducting school safety reviews or violence prevention reviews of programs, policies, practices, and facilities to determine what changes are needed to reduce or prevent violence and promote safety and discipline; planning for comprehensive, long-term strategies for combating and preventing school violence and discipline problems through the involvement and cooperation of school programs with other education, law-enforcement, judicial, health, social service, and other appropriate agencies and organizations; community education programs involving parents, businesses, local government, the media, and other appropriate entities about the LEA's plan to promote school safety and reduce and prevent school violence and discipline problems and about the need for community support; coordination of school-based activities designed to promote school safety and reduce or prevent school violence and discipline problems with related efforts of education, law-enforcement, judicial, health, social service, and other appropriate agencies and organizations; developing and implementing violence prevention activities; educating students and parents about the dangers of guns and other weapons as well as the consequences of their use; developing and implementing innovative curricula to prevent violence in schools and training staff how to stop disruptive or violent behavior if it occurs; supporting "safe zones of passage" for students between home and school through such measures as Drug- and Weapon-Free School Zones, enhanced law enforcement, and neighborhood patrols; counseling programs for victims and witnesses of school violence and crime; minor remodeling to promote security and reduce the risk of violence, such as removing lockers, installing better lights, and upgrading locks; acquiring and installing metal detectors and hiring security personnel; reimbursing law enforcement authorities for their personnel who participate in school violence prevention activities; project evaluation and administration; and other activities that meet the purpose of the Act. An LEA could not use more than a total of 33 percent of its grant for minor remodeling, to acquire and install metal detectors and hire security personnel, and to reimburse law enforcement authorities for their personnel who participate in school violence prevention activities. In addition an LEA could not use more than 5 percent of its grant for administrative costs. Further, no grant funds could be used for construction.

Section 6. Section 6 of the Act would authorize the Secretary to use funds reserved under section 2(b)(2) to carry out the purpose of the Act by supporting national leadership activities such as research, problem development and evaluation, data collection, public awareness activities, training and technical assistance, and peer review of applications under this Act. The Secretary would be authorized to carry our such activities directly, though interagency agreements, or through grants, contracts, or cooperative. agreements.

Section 7. Section 7 of the Act provides that the bill would be effective on enactment.

• Mr. PELL. Mr. President, I am pleased to join my colleagues as an original cosponsor of the Clinton administration's Safe Schools Act of 1993. It is important legislation to provide students with the world-class education they need and deserve.

Over 3 million crimes occur at or near schools each year; approximately one every 6 seconds. Even in my own State of Rhode Island school violence has become a problem of increasing proportion and concern among citizens. Too often it results in an environment in which teachers cannot teach, and students cannot learn.

In 1989 when then-Governor Clinton, President Bush, and the Nation's Governors developed the sixth national education goal—that by the year 2000, all schools be safe and drug-free—they were right on the mark. Developing a school's capacity to establish an orderly environment for education may provide some of the highest returns in improving educational outcomes and reducing the achievement gap among students of different backgrounds and income.

The Safe Schools Act provides funds first to keep students from harms way and second, to foster an ethic of discipline in students so that they will not be harmful to others. The initiative supports a balance of both reduction and prevention as part of comprehensive, long-term, community-wide strategies developed at the local level. And it acknowledges the important role of community-based health and social organizations in making all schools safe and drug-free.

The Safe Schools Act merits our strong support and swift enactment.•

By Mr. HOLLINGS (for himself, Mr. KERRY, and Mr. SARBANES):

S. 1126. A bill to improve the conservation and management of interjurisdictional fisheries along the Atlantic coast by providing for greater cooperation among the States in implementing conservation and management programs, and for other purposes; to the Committee on Commerce, Science, and Transportation.

ATLANTIC COASTAL FISHERIES COOPERATIVE MANAGEMENT ACT

• Mr. HOLLINGS. Mr. President, I am pleased today to introduce the Atlantic Coastal Fisheries Cooperative Management Act. The goal of the bill is straightforward—to conserve Atlantic coastal fisheries by strengthening Federal-State partnerships. To achieve that goal, however, we must deal with a complex issue, the effective management of interjurisdictional fisheries.

Several marine fish species, including striped bass, weakfish, bluefish, lobster, and red drum, move along the Atlantic coast and traverse the waters of numerous States. Many are prized catches for both sport and commercial fishermen. In addition, these fish often are found close to shore, making them accessible to casual anglers and weekend boaters. Also, such species are vulnerable to marine pollution and the destruction of coastal habitat. As a result of overfishing and environmental threats, the populations of several Atlantic coastal fishery resources, such as striped bass and weakfish, have suffered serious declines.

Because no single governmental entity has exclusive management authority for widely distributed Atlantic coastal fishery resources, the harvesting of such resources is frequently subject to disparate, inconsistent, and intermittent State and Federal regulation. The Interjurisdictional Fisheries Act of 1986 called for the States to develop cooperative fishery management plans through interstate commissions like the Atlantic States Marine Fisheries Commission (Commission). However, there currently is no effective mechanism to enforce such plans. As a result, the failure by some Atlantic States to implement existing plans has reduced the effectiveness of conservation efforts and discouraged other States from coming into full compliance.

In 1984, this situation led Congress to enact legislation to protect and rebuild one depleted fishery resource, Atlantic striped bass. Under the Atlantic Striped Bass Conservation Act, an interstate plan developed by the Commission set strict guidelines for State regulation of striped bass harvests in coastal waters. State regulatory and enforcement programs then became subject to an annual review by the Commission to determine whether they met those plan guidelines. States that fail to comply face a Federal moratorium on striped bass fishing in their coastal waters. Today, as a result of those tough measures, striped bass stocks appear to be recovering. The abundance of mature fish is on the increase, and fishermen all along the Atlantic coast can enjoy the opportunity

to catch, and sometimes take home, a good-sized striper.

Now, the time has come to apply the lessons learned from striped bass to the management of other Atlantic coastal fisheries. The bill I am introducing today will provide Federal and State managers with the tools needed to accomplish that goal. It proposes that the Secretary of Commerce, in cooperation with the Secretary of the Interior, develop and implement a program to support the Commission's interstate fishery management efforts. In addition, the Secretary of Commerce would be authorized to impose necessary restrictions on fishing in Federal waters.

More specifically, the bill calls for the Commission to prepare and adopt interstate fishery management plans for Atlantic coastal fishery resources. Each plan would identify State requirements for compliance and establish a timetable for implementation. The Commission would monitor State efforts and notify the Secretaries of Commerce and the Interior when a State is out of compliance. Within 30 days of receiving the Commission's notification, the Secretary of Commerce is to conduct a review and make a finding: First, as to whether the State in question has failed to carry out its responsibilities under the plan; and second, if so, that the failure threatens the conservation and management of the fishery involved. Upon making an affirmative finding, the Secretary of Commerce would be authorized to declare a federally enforced moratorium for the fishery involved within the waters of that State. The moratorium would be lifted when the State comes into compliance with the applicable plan.

The bill authorizes Federal assistance to support the Commission and the States in carrying out their respective responsibilities. It provides for appropriations of $3 million for fiscal year 1994, $5 million for fiscal year 1995, and $7 million for fiscal year 1996. In addition, the legislation amends the Interjurisdictional Fisheries Act to authorize funding for the interstate fisheries commissions through fiscal year 1995. Finally, the bill extends indefinitely the provisions of the Atlantic Striped Bass Conservation Act.

The Atlantic Coastal Fisheries Cooperative Management Act builds upon the framework and cooperative infrastructure already established among the Atlantic Coastal States, the Commission and the Federal Government. The legislation would strengthen the management of coastal fishery resources, contributing to their conservation and sustainable use and to the interests of fishermen and the Nation as a whole.

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

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

S. 1126

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 "Atlantic Coastal Fisheries Cooperative Management Act".

SEC. 2. FINDINGS AND PURPOSE.

(a) FINDINGS.—The Congress finds the following:

(1) Coastal fishery resources that migrate, or are widely distributed, across the jurisdictional boundaries of two or more of the Atlantic States and of the Federal Government are of substantial commercial and recreational importance and economic benefit to the Atlantic coastal region and the Nation.

(2) Increased fishing pressure, environmental pollution, and the loss and alteration of habitat have reduced severely certain Atlantic coastal fishery resources.

(3) Because no single governmental entity has exclusive management authority for Atlantic coastal fishery resources, harvesting of such resources is frequently subject to disparate, inconsistent, and intermittent State and Federal regulation that has been detrimental to the conservation and sustainable use of such resources and to the interests of fishermen and the Nation as a whole.

(4) The responsibility for managing Atlantic coastal fisheries rests with the States, which carry out a cooperative program of fishery oversight and management through the Atlantic States Marine Fisheries Commission. It is the responsibility of the Federal Government to support such cooperative interstate management of coastal fishery resources.

(5) The failure by one or more Atlantic States to fully implement a coastal fishery management plan can adversely affect the status of Atlantic coastal fisheries, and can discourage other States from fully implementing coastal fishery management plans.

(6) it is in the national interest to provide for more effective Atlantic State fishery resource conservation and management.

(b) PURPOSE.—The purpose of this Act is to support and encourage the development, implementation, and enforcement of effective interstate conservation and management of Atlantic coastal fishery resources.

SEC. 3. DEFINITIONS.

In this Act, the following definitions apply:

(1) The term "coastal fishery management plan" means a plan for managing a coastal fishery resource, or an amendment to such plan, prepared and adopted by the Commission, that—

(A) contains information regarding the status of the resource and related fisheries;

(B) specifies conservation and management actions to be taken by the States; and

(C) recommends actions to be taken by the Secretary in the exclusive economic zone to conserve and manage the fishery.

(2) The term "coastal fishery resource" means any fishery, any species of fish, or any stock of fish that moves among, or is broadly distributed across, waters under the jurisdiction of two or more States or waters under the jurisdiction of one or more States and the exclusive economic zone.

(3) The term "Commission" means the Atlantic States Marine Fisheries Commission established under the interstate compact consented to and approved by the Congress in Public Laws 77–539 and 81–721.

(4) The term "Councils" means Regional Fishery Management Councils established under section 302 of the Magnuson Fishery Conservation and Management Act (16 U.S.C. 1852).

(5) The term "exclusive economic zone" means the exclusive economic zone of the United States established by Proclamation Number 5030, dated March 10, 1993. For the purposes of this Act, the inner boundary of that zone is a line coterminous with the seaward boundary of each of the coastal States, and the outer boundary of that zone is a line drawn in such a manner that each point on it is 200 nautical miles from the baseline from which the territorial sea is measured.

(6) The term "fish" means finfish, mollusks, crustaceans, and all other forms of marine animal life other than marine mammals and birds.

(7) The term "fishery" means—

(A) One or more stocks of fish that can be treated as a unit for purposes of conservation and management and that are identified on the basis of geographical, scientific, technical, commercial, recreational, or economic characteristics; or

(B) any fishing for such stocks.

(8) The term "fishing" means—

(A) The catching, taking, or harvesting of fish;

(B) the attempted catching, taking, or harvesting of fish;

(C) any other activity that can be reasonably expected to result in the catching, taking, or harvesting of fish; or

(D) any operations at sea in support of, or in preparation for, any activity described in subparagraphs (A) through (C).

Such term does not include any scientific research activity.

(9) The term "implement and enforce" means to enact and implement laws or regulations as required to conform with the provisions of a coastal fishery management plan and to assure compliance of coastal fishery management plan and to assure compliance with such laws or regulations by persons participating in a fishery that is subject to such plan.

(10) The term "person" means any individual (whether or not a citizen or national of the United States), any corporation, partnership, association, or other entity (whether or not organized or existing under the laws of any State), and any Federal, State, local, or foreign government or any entity of any such government.

(11) The term "Secretaries" means the Secretary of Commerce and the Secretary of the Interior.

(12) The term "Secretary" means the Secretary of Commerce.

(13) The term "State" means Maine, New Hampshire, Massachusetts, Rhode Island, Connecticut, New York, New Jersey, Pennsylvania, Delaware, Maryland, Virginia, North Carolina, South Carolina, Georgia, Florida, the District of Columbia, or the Potomac River Fisheries Commission.

SEC. 4. STATE-FEDERAL COOPERATION IN ATLANTIC COASTAL FISHERY MANAGEMENT.

(A) FEDERAL SUPPORT FOR STATE COASTAL FISHERIES PROGRAMS.—The Secretary in cooperation with the Secretary of the Interior shall develop and implement a program to support the interstate fishery management efforts of the Commission. The program shall include activities to support and enhance State cooperation in collection, management, and analysis of fishery data; law enforcement; habitat conservation; fishery research, including biological and socioeconomic research; and fishery management planning.

(b) FEDERAL REGULATION IN EXCLUSIVE ECONOMIC ZONE.—(1) In the absence of an approved and implemented fishery management plan under the Magnuson Fishery Conservation and Management Act (16 U.S.C. 1801 et seq.), and after consultation with the appropriate Councils, the Secretary may implement regulations to govern fishing in the exclusive economic zone that are—

(A) necessary to support the effective implementation of a coastal fishery management plan; and

(B) consistent with the national standards set forth in section 301 of the Magnuson Fishery Conservation and Management Act (16 U.S.C. 1851).

The regulations may include measures recommended by the Commission to the Secretary that are necessary to support the provisions of the coastal fishery management plan. Regulations issued by the Secretary to implement an approved fishery management plan prepared by the appropriate Councils or the Secretary under the Magnuson Fishery Conservation and Management Act (16 U.S.C. 1801 et seq.) shall supersede any conflicting regulations issued by the Secretary under this subsection.

(2) The provisions of sections 307, 308, 309, 310, and 311 of the Magnuson Fishery Conservation and Management Act (16 U.S.C. 1857, 1858, 1859, 1860, and 1861) regarding prohibited acts, civil penalties, criminal offenses, civil forfeitures, and enforcement shall apply with respect to regulations issued under this subsection as if such regulations were issued under the Magnuson Fishery Conservation and Management Act (16 U.S.C. 1801 et seq.).

SEC. 5. STATE IMPLEMENTATION OF COASTAL FISHERY MANAGEMENT PLANS.

(a) COASTAL FISHERY MANAGEMENT PLANS.—The Commission shall prepare and adopt coastal fishery management plans to provide for the conservation and management of coastal fishery resources. In preparing a coastal fishery management plan for a fishery that is located in both State waters and the exclusive economic zone, the Commission shall consult with appropriate Councils to determine areas where such coastal fishery management plan may complement Council fishery management plans. The coastal fishery management plan shall specify the requirements necessary for States to be in compliance with the plan. Upon adoption of a coastal fishery management plan, the Commission shall identify each State that is required to implement and enforce that plan.

(b) STATE IMPLEMENTATION AND ENFORCEMENT.—(1) Each State identified under subsection (a) with respect to a coastal fishery management plan shall implement and enforce the measures of such plan within the time frame established in the plan.

(2) Within 90 days after the date of enactment of this Act, the Commission shall establish a schedule of time frames within which States shall implement and enforce the measures of coastal fishery management plans in existence before such date of enactment. No such time frame shall exceed 12 months after the date on which the schedule is adopted.

(c) COMMISSION MONITORING OF STATE IMPLEMENTATION AND ENFORCEMENT.—The Commission shall, at least annually, review each State's implementation and enforcement of coastal fishery management plans for the purpose of determining whether such State is effectively implementing and enforcing each such plan. Upon completion of such reviews, the Commission shall report the results of the reviews to the Secretaries.

SEC. 6. STATE NONCOMPLIANCE WITH COASTAL FISHERY MANAGEMENT PLANS.

(a) NONCOMPLIANCE DETERMINATION.—The Commission shall determine that a State is not in compliance with the provisions of a coastal fishery management plan if it finds that the State has not implemented and enforced such plan within the time frames established under the plan or under section 5.

(b) NOTIFICATION.—Upon making any determination under subsection (a), the Commission shall within 10 working days notify the Secretaries of such determination. Such notification shall include the reasons for making the determination and an explicit list of actions that the affected State must take to comply with the coastal fishery management plan. The Commission shall provide a copy of the notification to the affected State.

(c) WITHDRAWAL OF NONCOMPLIANCE DETERMINATION.—After making a determination under subsection (a), the Commission shall continue to monitor State implementation and enforcement. Upon finding that a State has complied with the actions required under subsection (b), the Commission shall immediately withdraw its determination of noncompliance. The Commission shall promptly notify the Secretaries of such withdrawal.

SEC. 7. SECRETARIAL ACTION.

(a) SECRETARIAL REVIEW OF COMMISSION DETERMINATION OF NONCOMPLIANCE.—Within 30 days after receiving a notification from the Commission under section 6(b) and after review of the Commission's determination of noncompliance, the Secretary in consultation with the Secretary of the Interior shall make a finding on—

(1) whether the State in question has failed to carry out its responsibility under section 5; and

(2) if so, whether the measures that the State has failed to implement and enforce are necessary for the conservation and management of the fishery in question.

(b) CONSIDERATION OF COMMENTS.—In making a finding under subsection (a), the Secretary shall solicit and consider the comments of the Commission, the affected State, and the appropriate Councils.

(c) MORATORIUM.—(1) Upon making a finding under subsection (a) that a State has failed to carry out its responsibility under section 5 and that the measures it failed to implement and enforce are necessary for conservation and management, the Secretary shall declare a moratorium on fishing in the fishery in question within the waters of the noncomplying State. The Secretary shall specify the moratorium's effective date, which shall be any date within 6 months after declaration of the moratorium.

(2) If after a moratorium is declared under paragraph (1) the Secretaries are notified by the Commission that the Commission is withdrawing under section 6(c) the determination of noncompliance, the Secretary in consultation with the Secretary of the Interior shall immediately determine whether the State is in compliance with the applicable plan. If so, the moratorium shall be terminated.

(d) IMPLEMENTING REGULATIONS.—The Secretary in consultation with the Secretary of the Interior may issue regulations necessary to implement this section. Such regulations may provide for the possession and use of fish which have been produced in an aquaculture operation, subject to applicable State regulations.

(e) PROHIBITED ACTS DURING MORATORIUM.—During the time in which a moratorium under this section is in effect, it is unlawful for any person to—

(1) violate the terms of the moratorium or of any implementing regulation issued under subsection (d);

(2) engage in fishing for any species of fish to which the moratorium applies for any species of fish to which the moratorium applies within the waters of the State subject to the moratorium;

(3) land, attempt to land, or possess fish that are caught, taken, or harvested in violation of the moratorium or of any implementing regulation issued under subsection (d);

(4) fail to return to the water immediately, with a minimum of injury, any fish to which the moratorium applies that are taken incidental to fishing for species other than those to which the moratorium applies;

(5) possess within the State subject to the moratorium, including the waters of that State, any fish to which the moratorium applies;

(6) refuse to permit any officer authorized to enforce the provisions of this Act to board a fishing vessel subject to such person's control for purposes of conducting any search or inspection in connection with the enforcement of this Act;

(7) forcibly assault, resist, oppose, impede, intimidate, or interfere with any such authorized officer in the conduct of any search or inspection under this Act;

(8) resist a lawful arrest for any act prohibited by this section;

(9) ship, transport, offer for sale, sell, purchase, import, or have custody, control, or possession of, any fish taken or retained in violation of this Act; or

(10) interfere with, delay, or prevent, by any means, the apprehension or arrest of another person, knowing that such other person has committed any act prohibited by this section.

(f) CIVIL AND CRIMINAL PENALTIES.—(1) Any person who commits any act that is unlawful under subsection (e) shall be liable to the United States for a civil penalty as provided by section 308 of the Magnuson Fishery Conservation and Management Act (16 U.S.C. 1858).

(2) Any person who commits an act prohibited by paragraphs (6), (7), (8), or (10) of subsection (e) is guilty of an offense punishable as provided by section 309(a)(1) and (b) of the Magnuson Fishery Conservation and Management Act (16 U.S.C. 1859(a)(1) and (b)).

(g) CIVIL FORFEITURES.—(1) Any vessel (including its gear, equipment, appurtenances, stores, and cargo) used, and any fish (or the fair market value thereof) taken or retained, in any manner, in connection with, or as the result of, the commission of any act that is unlawful under subsection (e), shall be subject to forfeiture to the United States as provided in section 310 of the Magnuson Fishery Conservation and Management Act (16 U.S.C. 1860).

(2) Any fish seized pursuant to this Act may be disposed of pursuant to the order of a court of competent jurisdiction or, if perishable, in a manner prescribed in regulation.

(h) ENFORCEMENT.—A person authorized by the Secretary, the Secretary of the department in which the Coast Guard is operating, or the Secretary of the Interior may take any action to enforce a moratorium declared under subsection (c) of this section that an officer authorized by the Secretary under section 311(b) of the Magnuson Fishery Conservation and Management Act (16 U.S.C. 1861(b)) may take to enforce that Act. The Secretaries may, by agreement, on a reimbursable basis or otherwise, utilize the personnel, services, equipment (including aircraft and vessels), and facilities of any other

Federal department or agency and of any agency of a State in carrying out that enforcement.

SEC. 8. FINANCIAL ASSISTANCE.

The Secretaries may provide financial assistance to the Commission and to the States to carry out their respective responsibilities under this Act, including—

(1) the preparation, implementation, and enforcement of coastal fishery management plans; and

(2) State activities that are specifically required within such plans.

SEC. 9. AUTHORIZATION OF APPROPRIATIONS.

To carry out the provisions of this Act, there are authorized to be appropriated $3,000,000 for fiscal year 1994, $5,000,000 for fiscal year 1995, and $7,000,000 for fiscal year 1996.

SEC. 10. ATLANTIC STRIPED BASS CONSERVATION ACT.

Section 9 of the Atlantic Striped Bass Conservation Act (16 U.S.C. 1851 note) is repealed.

SEC. 11. INTERJURISDICTIONAL FISHERIES ACT OF 1986.

Section 308(c) of the Interjurisdictional Fisheries Act of 1986 (16 U.S.C. 4107(c)) is amended by inserting ", and $600,000 for each of the fiscal years 1994 and 1995," immediately after "and 1993".●

● Mr. KERRY. Mr. President, as the vice chairman of the Senate's National Ocean Policy Study, I am pleased to cosponsor legislation introduced today by the distinguished chairman of the Commerce Committee and chairman of the National Ocean Policy Study, Senator HOLLINGS. The Atlantic Coastal Fisheries Cooperative Management Act of 1993 creates a partnership between the States and the Federal Government to improve the conservation and management of our valuable nearshore fisheries along the Atlantic coast.

Management of coastal fisheries that migrate through two or more jurisdictions has always presented a difficult coordination problem. In recognition of the need to manage fish stocks over their full range, the Atlantic States Marine Fisheries Commission was established to develop interstate plans and to coordinate state management efforts for interjurisdictional coastal fisheries. The interstate plans provide guidelines for State fishing regulations. Unfortunately, however, there are no enforcement mechanisms to encourage accountability and compliance among all the jurisdictions along the migratory range of these fisheries.

A system of coordinated management, with enforcement mechanisms and appropriate resources, would allow the Atlantic States Marine Fisheries Commission, in consultation with the regional fisheries management councils, to develop effective fishery management plans for interjurisdictional fisheries. Upon adoption, the States would implement the plans. The provisions of the bill give the States access to the resources of the Federal Government to enforce Commission rules, encourage the implementation of conservation measures, and provide financial assistance to facilitate these efforts.

This measure is necessary due to the increased fishing pressure, the environmental pollution, and the loss and alteration of habitat that have reduced significantly certain Atlantic coastal fishery resources. The legislation provides enforcement mechanisms and resources to develop and implement plans which encompass the entire migratory range of a fishery, addressing current incompatible and inconsistent State and Federal regulations. The goal is to achieve sustainable fisheries in which all jurisdictions involved do their fair share in conservation and management up and down the Atlantic Coast.

There is no dispute that many of the Atlantic Coast stocks, and the commercial and recreational fisheries that rely upon them, are in trouble and face a gloomy future. This legislation allows for fishery management plans which have already been written by the Atlantic States Marine Fisheries Commission but have not been fully implemented by the States to be fully implemented and enforced, based upon the model put in place by the Striped Bass Act of 1984. The Striped Bass Act is so successful because it achieves accountability by authorizing the Secretary of Commerce to impose a moratorium on fishing striped bass in any State that does not implement the management plan. Accountability is the key to success in managing our interjurisdictional fisheries. For this reason, I cannot overemphasize how important the legislation before us is in achieving sustainable fisheries.

For too long a disproportionate share of the conservation burden has been carried by States like Massachusetts, with the stocks continuing to decline, and we in good conscience cannot allow this situation to continue. Massachusetts has always strived to be proactive in its fisheries management, many times taking action unilaterally to try and address fisheries management problems that were clearly interjurisdictional in nature. The result is that many of those efforts are dissipated by others not taking complementary action. A migratory range-wide plan in which all parties along that range—States and Federal Government alike—join together to take concerted action to ensure the sustainability of the fisheries is long overdue and is essential if we are to have any hope for rebuilding many of these stocks.

The benefits of coordinated action and shared responsibility for these stocks will be felt by all, but especially in our small coastal communities which have relied on the seas' resources for their livelihood and recreation. These communities have suffered due to poor fisheries management practices, lack of a coordinated effort which encompasses the entire migratory range of the fisheries, and an inability to enforce management plans. It is time for all of us to put aside our individual interests and pull together to rebuild our fisheries, renew our coastal communities, and restore confidence in our ability to wisely manage our living resources. The bill we are introducing will take us a long way in that direction.

Again, I compliment the distinguished chairman of the Commerce Committee and his staff for their work in producing this bill, and for their leadership on this issue. I look forward to working closely with Senator HOLLINGS and the other cosponsors to achieve passage of this important legislation.●

By Mr. MCCONNELL:

S. 1127. A bill to establish a rural community service program, and for other purposes; to the Committee on Labor and Human Resources.

RURAL COMMUNITY SERVICE PROGRAM

● Mr. MCCONNELL. Mr. President, I rise today to introduce legislation which will establish a Rural Community Service Program under title XI of the Higher Education Act, Public Law 102–325. I offer this bill on behalf of rural communities in my State, and all rural areas across America.

While an Urban Community Service Program is already authorized under this act, a similar program does not exist for rural areas. The urban program allows big city colleges and universities to use their skills and talents to address urban problems such as limited access to health care, unemployment, and crime.

Mr. President, these problems are about as unique to our inner cities as advertisements are to Sunday newspapers. While limited access to health care, unemployment, and crime are equally indigenous to the hills and hollows of Appalachia, colleges and universities in rural communities are not provided with a similar opportunity to solve their troubles as are their counterparts in sprawling metropolises.

A recent article in the Lexington Herald-Leader highlights some alarming trends that have occurred in rural areas over the past decade. For brevity's sake, I will summarize the article and its findings. First, young rural workers currently earn less money than their city counterparts. Rural incomes were highest in 1973 when workers earned only 78 percent of the average urban income; by 1987 the gap between mean income of rural and urban workers doubled.

Second, populations in rural counties drastically decreased during the 1980's. It is estimated that between 1980 and 1988, 500,000 people per year left rural counties. College educated residents were five times more likely to leave than those with high school diplomas.

Finally, rural Americans became poorer. By 1990, the rate of poverty in rural counties was 16.3 percent, 22 percent higher than for cities. Areas that

depended upon employment from the coal, agriculture, oil, and timber industries were hardest hit by unemployment. Over the past decade, coal mining jobs decreased by 47 percent, and oil and gas employment is today half of what it was in 1980.

The bill I am offering provides incentives for rural colleges and universities to work with private and civic organizations to solve pressing problems in their communities. I have outlined some of the particular rural issues these institutions might address, including: work force preparation; rural poverty and education; health care access and prevention; problems faced by elderly and disabled individuals in rural settings; and rural development and farming.

Subject to the availability of appropriations, matching grants will be given to eligible institutions for a period of no more than 5 years. In addition, the Secretary of Education is directed to award grants in a manner that achieves equitable geographic distribution.

Because of the similarities between the Urban Community Service Program and its rural counterpart that I propose, it might be helpful to list some of the projects awarded under the fiscal year 1992 urban program:

California State University, the University and the City—Serving the Needs of Our Mutual Community: This is a project that addresses the immediate needs of urban communities in Los Angeles and San Francisco, including underperforming schools, minority business development, and conflict resolution. It is a statewide collaborative effort led by CSU/LA, and involves a network of Government agencies and private industries.

University of Louisville, Housing and Neighborhood Development Strategies [HANDS]: This project specifically targets the Russell neighborhood and the LaSalle housing project in an effort to alleviate poverty and develop self-sufficiency through a combination of programs emphasizing education, job and leadership training, and homeownership counseling. The program involves nonprofit community organizations.

Southern Connecticut State University, Neighborhood Youthbridge: This project is an intensive effort by seven post-secondary schools, in collaboration with neighborhood-based organizations, to decrease school dropout rates, and improve low achievement levels.

Mr. President, I want to share with my colleagues a letter I recently received from Dr. Deborah Floyd, president of Prestonsburg Community College [PCC], in support of a rural community service program. Dr. Floyd wrote to me:

I currently serve as a board member to the Community Colleges of Appalachia, a consortium of community colleges from 13 states across the Appalachian region of the United States. In my opinion, the proposed * * * bill has the potential to positively affect the entire region of Appalachia and beyond by empowering rural Americans with knowledge, skills, attitudes, and financial assistance to make their dreams and goals for a better, healthy, and prosperous life a reality * * *.

In closing, let me thank Dr. Floyd and Ms. Page Estes, PCC's director of planning and development, for their invaluable insights and assistance in the drafting of this bill. I strongly urge my colleagues to lend their support to the establishment of a Rural Community Service Program.

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. 1127

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. RURAL COMMUNITY SERVICE.

Title XI of the of the Higher Education Act of 1965 (20 U.S.C. 1136 et seq.) is amended by adding at the end the following new part:

"PART C—RURAL COMMUNITY SERVICE

"SEC. 1171. FINDINGS; PURPOSE.

"(a) FINDINGS.—The Congress finds that—

"(1) the Nation's rural centers are facing increasingly pressing problems and needs in the areas of economic development, community infrastructure and service, social policy, public health, housing, crime, education, environmental concerns, planning and work force preparation;

"(2) there are, in the Nation's rural institutions, people with underutilized skills, knowledge, and experience who are capable of providing a vast range of services towards the amelioration of the problems described in paragraph (1);

"(3) the skills, knowledge, and experience in these rural institutions, if applied in a systematic and sustained manner, can make a significant contribution to the solution of such problems; and

"(4) the application of such skills, knowledge, and experience is hindered by the limited funds available to redirect attention to solutions to such rural problems.

"(b) PURPOSE.—It is the purpose of this part to provide incentives to rural academic institutions to enable such institutions to work with private and civic organizations to devise and implement solutions to pressing and severe problems in their communities.

"SEC. 1172. PROGRAM.

"The Secretary is authorized to carry out a program of providing assistance to eligible institutions to enable such institutions to carry out the authorized activities described in section 1174 in accordance with the provisions of this part.

"SEC. 1173. APPLICATIONS FOR RURAL COMMUNITY SERVICE GRANTS.

"(a) APPLICATION.—

"(1) IN GENERAL.—Each eligible institution desiring a grant under this part shall submit to the Secretary an application at such time, in such form, and containing or accompanied by such information and assurances, as the Secretary may require by regulation.

"(2) CONTENTS.—Each application submitted pursuant to paragraph (1) shall—

"(A) describe the activities and services for which assistance is sought; and

"(B) contain assurances that the eligible institution will enter into a consortium to carry out the provisions of this part that includes, in addition to the eligible institution, one or more of the following entities:

"(i) A community college.

"(ii) A rural local educational agency.

"(iii) A local government.

"(iv) A business or other employer.

"(v) A nonprofit institution.

"(3) WAIVER.—The Secretary may waive the consortium requirements described in paragraph (2) for any applicant who can demonstrate to the satisfaction of the Secretary that the applicant has devised an integrated and coordinated plan which meets the purpose of this part.

"(b) PRIORITY IN SELECTION OF APPLICATIONS.—The Secretary shall give priority to applications that propose to conduct joint projects supported by other local, State, and Federal programs.

"(c) SELECTION PROCEDURES.—The Secretary, by regulation, shall develop a formal procedure for the submission of applications under this part and shall publish in the Federal Register an announcement of that procedure and the availability of funds under this part.

"SEC. 1174. AUTHORIZED ACTIVITIES.

"Grant funds made available under this part shall be used to support planning, applied research, training, resource exchanges or technology transfers, the delivery of services, or other activities the purpose of which is to design and implement programs to assist rural communities to meet and address their pressing and severe problems, such as any of the following:

"(1) Work force preparation.

"(2) Rural poverty and the alleviation of such poverty.

"(3) Health care, including health care delivery and access as well as health education, prevention and wellness.

"(4) Underperforming school systems and students.

"(5) Problems faced by the elderly and individuals with disabilities in rural settings.

"(6) Problems faced by families and children.

"(7) Campus and community crime prevention, including enhanced security and safety awareness measures as well as coordinated programs addressing the root causes of crime.

"(8) Rural housing.

"(9) Rural infrastructure.

"(10) Economic development.

"(11) Rural farming and environmental concerns.

"(12) Other problem areas which participants in the consortium described in section 1173(a)(2)(B) concur are of high priority in rural areas.

"(13)(A) Problems faced by individuals with disabilities and economically disadvantaged individuals regarding accessibility to institutions of higher education and other public and private community facilities.

"(B) Amelioration of existing attitudinal barriers that prevent full inclusion of individuals with disabilities in their community.

"SEC. 1175. PEER REVIEW.

"The Secretary shall designate a peer review panel to review applications submitted under this part and make recommendations for funding to the Secretary. In selecting the peer review panel, the Secretary may consult with other appropriate Cabinet-level Federal officials and with non-Federal organizations, to ensure that the panel will be geographically balanced and be composed of representatives from public and private institutions of higher education, labor, business, and State and local government, who have expertise in rural community service or in education.

"SEC. 1176. DISBURSEMENT OF FUNDS.

"(a) MULTIYEAR AVAILABILITY.—Subject to the availability of appropriations, grants under this part may be made on a multiyear basis, except that no institution, individually or as a participant in a consortium, may receive a grant for more than 5 years.

"(b) EQUITABLE GEOGRAPHIC DISTRIBUTION.—The Secretary shall award grants under this part in a manner that achieves equitable geographic distribution of such grants.

"(c) MATCHING REQUIREMENT.—An applicant under this part and the local governments associated with its application shall contribute to the conduct of the program supported by the grant an amount from non-Federal funds equal to at least one-fourth of the amount grant, which contribution may be in cash or in kind, fairly evaluated.

"SEC. 1177. DESIGNATION OF RURAL GRANT INSTITUTIONS.

"The Secretary shall publish a list of eligible institutions under this part and shall designate such institutions of higher education as 'Rural Grant Institutions'. The Secretary shall establish a national network of Rural Grant Institutions so that the results of individual projects achieved in 1 rural area can be generalized, disseminated, replicated and applied throughout the Nation.

"SEC. 1178. DEFINITIONS.

"As used in this part:

"(1) RURAL AREA.—The term 'rural area' means any area that is—

"(A) outside an urbanized area, as such term is defined by the Bureau of the Census; and

"(B) outside any place that—

"(i) is incorporated or Bureau of the Census designated; and

"(ii) has a population of 75,000 or more.

"(2) ELIGIBLE INSTITUTION.—The term 'eligible institution' means an institution of higher education, or a consortium of such institutions any one of which meets all the requirements of this paragraph, which—

"(A) is located in a rural area;

"(B) draws a substantial portion of its undergraduate students from the rural area in which such institution is located, or from contiguous areas;

"(C) carries out programs to make post-secondary educational opportunities more accessible to residents of such rural areas, or contiguous areas;

"(D) has the present capacity to provide resources responsive to the needs and priorities of such rural areas and contiguous areas;

"(E) offers a range of professional, technical, or graduate programs sufficient to sustain the capacity of such institution to provide such resources; and

"(F) has demonstrated and sustained a sense of responsibility to such rural area and contiguous areas and the people of such areas.

"SEC. 1179. AUTHORIZATION OF APPROPRIATIONS; FUNDING RULE.

"(a) IN GENERAL.—There are authorized to be appropriated such sums as may be necessary in each fiscal year to carry out the provisions of this part.

"(b) FUNDING RULE.—If in any fiscal year the amount appropriated pursuant to the authority of subsection (a) is less than 50 percent of the funds appropriated to carry out part A in such year, then the Secretary shall make available in such year from funds appropriated to carry out part A an amount equal to the difference between 50 percent of the funds appropriated to carry out part A and the amount appropriated pursuant to the authority of subsection (a).".•

By Mr. AKAKA (for himself, Mr. DASCHLE, Mr DECONCINI, Mr. INOUYE, and Mr. SHELBY):

S. 1128. A bill to amend title 38, United States Code, to permit the burial in cemeteries of the National Cemetery System of certain deceased reservists; to the Committee on Veterans' Affairs.

RELATING TO THE BURIAL OF DECEASED RESERVISTS

• Mr. AKAKA. Mr. President, in behalf of myself and Senators DASCHLE, DECONCINI, INOUYE, and SHELBY, I am today introducing legislation to extend eligibility for burial in national cemeteries to career members of the Reserve and Guard who have served at least 20 years and are eligible for retirement pay.

Representative Claude Harris and I introduced legislation in the last Congress that would have provided reservists with a headstone/gravemarker and burial flag as well as eligibility for interment in the national cemetery system. While Congress ultimately enacted the provisions relating to headstones, gravemarkers, and burial flags as part of Public Law 102-547, the provision relating to burial eligibility was not enacted. That is why I am reintroducing this provision in the bill I am offering today. Similar legislation was recently introduced in the House by Representative HENRY BONILLA.

Mr. President, an estimated 235,000 reservists gallantly served in the Persian Gulf war. Their outstanding performance alongside active duty soldiers amply fulfilled the aim of our total force policy. The desert conflict foreshadowed the inevitable trend in this post-cold-war era toward greater reliance on the Reserve component, particularly during an era of fiscal austerity.

The growing importance of the Guard and Reserve has thrown a spotlight on an injustice done toward career reservists, the backbone of the Ready Reserve, the men and women who devote at least 20 years of their lives to the defense of this Nation.

Under current law, any honorably discharged active duty member of the armed services who serves at least 24 months of continuous active duty service is eligible for veterans status. If they meet certain criteria, he or she becomes eligible for a range of veterans benefits and services offered through the Department of Veterans Affairs [VA], from pensions to home loans to health care to burial in national cemeteries.

Unfortunately, most members of the Guard and Reserve, in spite of years of service, have never had the opportunity to meet the 2-year continuous duty requirement, even though they may have served much more time than that in the aggregate. Part of the problem is that reservists are not on the same playing field when it comes to counting active duty service.

For example, an active duty soldier accrues active duty service time beginning with basic training. He or she also receives credit for time served while attending schools that are required for his or her military specialty. Reservists, on the other hand, cannot count short periods of active duty or all periods of active duty for training purposes toward the 24-month requirement for veterans benefits, even though such periods are counted toward retirement pay. It is clear that such a policy ignores the fact that today's Guard and Reserve train to the same standards as their counterparts, and are increasingly taking missions for the active military. In effect, today's reservists are continuous members of the total force, but are not fully recognized for their contributions.

While there may be legitimate reasons for imposing the 24-month active duty requirement for the purposes of eligibility for many veterans benefits, this certainly should not apply to burial in a national cemetery, particularly for those reservists who devote at least two decades to the Nation's defense as citizen soldiers, and who have each accrued, in the aggregate, enough active duty service to qualify for retirement pay. Indeed the average reservist will have more than 4½ years of active duty time during an enlistment of 20 or more years.

Mr. President, VA has opposed this legislation on two grounds: first, that there is limited space at national cemeteries; second, that it will cost too much.

Regarding the availability of burial plots, there are 226,000 sites available at the 59 open cemeteries, out of a total of 114 national facilities, with a potential of 1.72 million sites if undeveloped land is developed. In addition, there are 40 State veterans cemeteries which currently conform to VA eligibility rules, which our bill would open to career reservists. VA's interment rate is about 70,000 per year. Whether you believe the Congressional Budget Office [CBO] figure, 828, or the 6th Quadrennial Review of Military Compensation figure, 365, concerning the estimated number of additional burials that would result from our legislation, the increase would represent less than 1 percent of VA's current interment rate.

Using the most conservative estimates developed by CBO last year, the total annual cost of the burial benefit would amount only to $400,000—a figure so low that CBO does not score it for budget purposes. Surely, Mr. President, we can afford to pay this small price to honor the memory of those who devoted at least 20 years of their lives in defense of our freedoms.

Thank you, Mr. President. I invite my colleagues to cosponsor this measure.●

● Mr. DECONCINI. Mr. President, I was honored to work with my good friend and colleague from Hawaii, Senator AKAKA, in the 102d Congress to enact landmark legislation to provide Government headstones, markers, and burial flags for career members of the Guard and Reserve. Today, Senators AKAKA, INOUYE, DASCHLE, SHELBY, and I are introducing new legislation to extend the eligibility for burial in national cemeteries to these same career members of the Guard and Reserve.

As our budget for defense is being cut, the number of men and women on active duty has significantly decreased. Consequently, there are more people serving on reserve. Our reserve forces have essentially become the backbone of our defense. Knowing that thousands of individuals are waiting in the wings to serve their country is a security that must not be overlooked. The intention of this bill is to recognize the dedication the American reservists contribute. In honor of their commitment we would like to provide the opportunity for reservists of 20 years or more to be eligible for burial in a national cemetery.

While there are numerous demands for the scarce resources available this year, priority ought to be given to the well-deserving members of our National Reserve. They supply us with loyal protection, and in return we should offer them our national cemeteries for burial.

Mr. President, I commend my distinguished friend from Hawaii, Senator AKAKA, for his leadership on this issue. I pledge to assist him in any way that I can. It's simply the right thing to do. I urge all my colleagues to support this effort.●

By Mr. PELL (by request):

S. 1129. A bill to amend the Foreign Assistance Act of 1961 to authorize the transfer of $20,000,000 in addition to U.S. War Reserve Stockpiles for Allies in Thailand to support the implementation of a bilateral agreement with Thailand; to the Committee on Foreign Relations.

SUPPORT OF BILATERAL AGREEMENT WITH THAILAND

● Mr. PELL. Mr. President, by request, I introduce for appropriate reference a bill to amend the Foreign Assistance Act of 1961 to authorize the transfer of $20 million in addition to United States war reserve stockpiles for Allies in Thailand to support the implementation of a bilateral agreement with Thailand.

This 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 at this point, together with the sectional analysis and the letter from the Assistant Secretary of State for Legislative Affairs, which was received on June 10, 1993.

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

S. 1129

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 514(b)(2) of the Foreign Assistance Act of 1961 (22 U.S.C. 2321h), as amended by section 569 of the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1993 (Public Law 102-391, October 6, 1992; 106 Stat. 1681), is amended by striking out "of which amount not less than $200,000,000 shall be available for stockpiles in Israel, and up to $189,000,000 may be made available for stockpiles in the Republic of Korea" and inserting in lieu thereof "of which amount not less than $200,000,000 shall be available for stockpiles in Israel, and up to $169,000,000 and $20,000,000 may be available for stockpiles in the Republic of Korea and Thailand, respectively".

SECTIONAL ANALYSIS

The War Reserve Stockpiles for Allies (WRSA) program enables the United States to preposition stocks in critical areas that support U.S. strategy of forward presence and enhances our own and host nation military readiness. The Thai WRSA program also supports U.S. access to staging facilities in Thailand, which is particularly important in the wake of the loss of Philippine bases.

The U.S.-Thai Memorandum of Agreement, signed in January 1987, obligated each party to contribute $10 million a year for five years subject to availability of appropriated funds and other legislative requirements. The Thais have met their obligations; we remain $20 million short due to lack of authorization related to the 1991 coup. All coup-related restrictions, however, were lifted by a Presidential Determination in September 1992 after the Thais held elections and seated a new government.

The stocks have already been allocated and do not impact U.S. requirements. The funding for transportation has already been set aside. Until moved to Thailand, however, the U.S. must pay for storage, security and maintenance. These stocks, primarily large caliber munitions, will be transported to Thailand as part of LOGEX-36. This will permit realistic training in and evaluation of resupply and logistics interoperability capabilities that would be invaluable in case of a contingency in the area. Without the stocks, it would be a substantially less useful headquarters exercise.

Stockpiled items remain U.S. Government property and enhance U.S. and host country defense readiness. They are available to host country forces only with U.S. authorization and on a reimbursable basis, to respond to military emergencies. The host government assumes the cost of storage, maintenance, and security, thereby saving U.S. forces significant O&M expenses. The United States control physical access to actual storage facilities.

Hon. ALBERT GORE,
President of the Senate.

DEAR MR. PRESIDENT: Enclosed is a draft of legislation "To amend the Foreign Assistance Act of 1961 to authorize the transfer of $20,000,000 in additions to U.S. War Reserve Stockpiles for Allies in Thailand to support the implementation of a bilateral agreement with Thailand."

PURPOSE OF LEGISLATION

This legislation would authorize the transfer during FY 1993 of $20 million of additions to War Reserve Stockpiles for Allies in Thailand to continue to implement our portion of the 1987 U.S.-Thailand War Reserve Stockpile Memorandum of Agreement and to ensure successful completion of the upcoming August 1993 U.S. Thailand joint logistics exercise LOGEX-36.

The War Reserve Stockpiles for Allies program enables the United States to preposition defense stocks in critical areas that support the U.S. strategy of forward presence and enhances our own and host nation military readiness. The Thailand War Reserve Stockpiles for Allies program also supports U.S. access to staging facilities in Thailand, which is particularly important in the wake of the loss of Philippine bases.

The U.S. Thailand Memorandum of Agreement, signed in January 1987, obligated each party subject to availability of funds, to contribute $10 million a year for five years. The Thais have met their obligations; we remain $20 million short due to lack of authorization related to the 1991 coup. All coup-related restrictions, however, were lifted by a Presidential determination in September 1992 after the Thais held elections and seated a new civilian government.

The stocks have already been allocated and do not impact any other U.S. requirements. Until moved to Thailand, however, the U.S. must pay for storage, security and maintenance. These stocks, primarily large caliber munitions, will be transported to Thailand as part of LOGEX-36. This will permit realistic training in and evaluation of resupply and logistics interoperability capabilities that would be invaluable in case of a contingency in the area. Without the stocks, it would be a substantially less useful headquarters exercise.

Stockpiled items remain U.S. Government property and enhance U.S. and host country defense readiness. They are available to host country forces only with U.S. authorization and on a reimbursable basis, to respond to military emergencies. The host government assumes the cost of storage, maintenance, and security, thereby saving U.S. forces significant O&M expenses. The United States controls physical access to actual storage facilities.

The Office of Management and Budget advises that, from the standpoint of the Administration's program, there is no objection to the presentation of the proposal for the consideration of the Congress.

Sincerely,

WENDY R. SHERMAN,
Assistant Secretary, Legislative Affairs.●

By Mr. PRYOR (for himself, Mr. STEVENS, Mr. GLENN, Mr. AKAKA, Ms. MIKULSKI, and Mr. DOMENICI):

S. 1130. A bill to provide for continuing authorization of Federal employee leave transfer and leave bank programs, and for other purposes; to the Committee on Governmental Affairs.

FEDERAL EMPLOYEES LEAVE SHARING ACT

• Mr. PRYOR. Mr. President, today, I am very pleased to introduce a bill which will reauthorize the Federal Employees Leave Sharing Act of 1988. Leave sharing allows Federal employees to transfer annual leave to coworkers facing personal or family medical emergencies through the voluntary leave transfer and voluntary leave bank program. Thanks to the generosity of Federal employees, over 23,000 employees facing unpaid absences from work received donations of annual leave in 1991 and 1992.

The Office of Personnel Management [OPM] recently sent Congress a report on the 5-year experimental program and recommended that the program be made permanent. OPM reached this conclusion after surveying 65 Federal agencies participating in the voluntary leave transfer program and 6 agencies participating in the voluntary leave bank program. Both employees and agencies alike give the program high marks.

Besides making the program permanent, my bill makes a few technical changes in the law which the Office of Personnel Management recommended to improve the operation of the voluntary leave transfer and leave bank programs. First, the definition of "medical emergency" would be amended to exclude advanced leave from the phrase "unavailability of paid leave." Second, the 40 hour annual and sick leave "set aside" accounts would be eliminated. Third, agencies would be permitted to operate a leave transfer program, a leave bank program. or both. Fourth, the restriction prohibiting the interagency transfers of leave among agencies covered by the leave transfer and leave bank programs would be eliminated.

Before the Federal leave sharing experiment, Federal employees coping with a personal or family medical emergency were forced to take leave without pay or quit their jobs. However, leave sharing has allowed Federal employees to be absent from work to care for a sick child or an ailing parent, while maintaining their family income.

I want to commend Federal employees for making the experimental leave sharing program work. The program is due to expire on October 31, 1993. Therefore, I urge my colleagues to support the permanent reauthorization of the leave sharing program and some minor changes to the program.•

• Mr. STEVENS. Mr. President, I am pleased to cosponsor this bill along with Senator PRYOR. I am sure each of us or someone very close to us has experienced the trauma associated with a personal emergency. The burden is even greater when we do not have sufficient monetary resources to carry us through the difficult period. More than 23,000 Federal employees during 1991 and 1992 maintained some income thanks to leave sharing during a period of temporary disability or family medical crisis. Moreover, Mr. President, leave sharing not only helps employees who are experiencing difficulties, it also helps their fellow employees by providing a way for them to get involved by demonstrating their compassion and generosity.

Leave sharing also accomplishes something very important for the Government: It enables Federal agencies to retain employees who would otherwise have to leave Federal service because of illness or extended care of ill family members. These employees would have to be replaced at a substantial cost. In short, the leave sharing program demonstrates a flexibility that can make employees more productive and shows the public and taxpayers that the Government can be innovative and cost-effective.

Mr. President, I look forward to the passage of this bill. I am proud to cosponsor the permanent reauthorization of a program which has proven itself to be a true success story in the Federal Government.•

By Mr. PRYOR (for himself and Mr. STEVENS):

S. 1131. A bill to extend the method of computing the average subscription charges under section 8906(a) of title 5, United States Code, relating to Federal employee health benefits programs; to the Committee on Governmental Affairs.

LEGISLATION RELATING TO FEDERAL EMPLOYEE HEALTH BENEFITS PROGRAMS

• Mr. PRYOR. Mr. President, today, I am introducing a bill which temporarily extends through contract year 1998 the proxy premium formula for determining the Federal Government's share of premiums under the Federal Employees Health Benefits Program [FEHBP].

Under the FEHBP, the Government and the enrollees share premium costs. The Government's share is set by law at 60 percent of the average of six specific large plans. When one of the Big Six, Aetna's Governmentwide indemnity plan, withdrew from the program in 1989, Congress created a temporary formula to maintain the Government premium contribution at its existing level for contract years 1990 and 1991. Congress later extended this formula through contract year 1993. By creating a proxy premium for the missing Aetna plan and increasing that by the average increase in the other five plans each year, the Government share for plan premiums has been stabilized.

The administration's fiscal year 1994 budget assumed that the proxy plan authority would expire at the end of 1993 and FEHBP premiums would be based on the average of the remaining Big Five plans. As a result, enrollee premiums would increase by about $25 per month. However, the baseline assumptions used by the Congressional Budget Office assumed the proxy plan would be continued for the next 5 years.

When H.R. 2264, the Omnibus Budget Reconciliation Act of 1993, passed the House on May 27, it included an extension of the proxy premium law through contract year 1998. However, the timing of the Office of Personnel Management's [OPM] negotiation of rate and benefit changes for FEHBP for the 1994 contract year is such that relying solely on enactment of the House reconciliation provision may force OPM to delay time sensitive negotiations which are scheduled for completion by August 13, 1993. Therefore, I am introducing this bill to extend the temporary formula and ask that the Congress act expeditiously on this measure. I want to stress that this bill is budget neutral and simply maintains the status quo while the President and the Congress consider the broader issues of how FEHBP will fit into comprehensive health care reform.•

By Mr. RIEGLE:

S. 1132. A bill to provide for fair trade in motor vehicle parts, action under trade remedy laws for certain unfair trade practices, and for other purposes; to the Committee on Finance.

FAIR TRADE IN MOTOR VEHICLE PARTS ACT OF 1993

• Mr. RIEGLE. Mr. President, today, I rise to introduce legislation to provide for fair trade in the motor vehicles parts industry. The Fair Trade in Motor Vehicle Parts Act in 1993 is result oriented legislation which will deal effectively with the growing U.S. deficit in the motor vehicles parts industry due to unfair trade practices.

The cumulative U.S. trade deficit since 1980 is over $1.1 trillion. Our cumulative trade deficit with Japan alone was $511 billion at the end of 1992. Our cumulative trade deficit with Taiwan was $128 billion. And our cumulative deficit with Korea was $49 billion. Moreover, these deficits are not improving. For example, in 1992 the United States trade deficit with Japan was $49 billion, up 14 percent from 1991.

A large part of the U.S. trade deficit is in the motor vehicle parts industry. In 1992, the United States trade deficit with Japan in the auto parts sector was $9.8 billion—almost $10 billion in just one sector. The auto parts deficit alone accounted for 20 percent of our total trade deficit with Japan last year. Further, the United States trade deficit in the auto parts sector with Japan has been steadily increasing, and there are no indications that this trend is going to subside. Between 1985 and 1986, the United States trade deficit with Japan in the auto parts sector increased 95 percent, and between 1986 and 1987 the deficit increased another 31 percent. Our auto parts deficit continued nonstop throughout the 1980's and into the

1990's. As a result, our cumulative trade deficit with Japan in the auto parts sector since 1985 is over $64 billion.

U.S. auto parts and accessory producers are among the most competitive in the world. The productivity and quality of the U.S. auto parts industry is unsurpassed. Yet due to the policies and practices of Japan, United States auto parts manufacturers were virtually excluded from the Japanese market. As a result, the United States continues to see a large, and growing, trade deficit in this area.

Trade deficits are not merely economic statistics. They represent how much wealth our foreign competitors are draining from the U.S. economy. These trade deficits translate into lost jobs as our trading partners displace U.S. products at home and for export.

Most countries experience a mixture of trade deficits and trade surpluses periodically, especially if their trading regimes are relatively open. However, a country that designs its policies to maintain large trade surpluses with its trading partners is indicative of something entirely different. Persistent trade surpluses of the magnitude evident in United States-Japanese auto parts trade are indicative of formal and informal policies which effectively protect the home market from foreign competition. As a result of these unfair trade practices, bilateral trade does not operate on a level or fair playing field.

Moreover, the same trade practices which exclude U.S. auto parts overseas, are often emulated by the foreign country's subsidiaries located in the United States. This is particularly true with Japan's auto and auto parts subsidiaries located in the United States. Not only are American auto parts manufacturers losing out in Japan because of their unfair trade practices, they are losing out in their own home markets as Japan's auto subsidiaries establish artificial barriers to United States auto parts manufacturers.

These trade practices adversely affect the U.S. auto parts industry and threaten the long-term economic viability of that sector. Moreover, they impede economic growth and job creation in the U.S. auto parts industry. The previous administration was content to merely study the issue while tens of thousands of auto parts workers were unemployed. This is not acceptable. We must not allow the unfair trade practices in the auto parts sector to continue. My legislation is the first step to effectively eliminate the unfair trade practices of our trading partners in this sector.

The Fair Trade in Motor Vehicle Parts of 1993 mandates section 301 actions against countries whose policies effectively limit U.S. motor vehicle parts manufacturers' access to their market. This bill targets countries with which the United States has a large and persistent trade deficit in the auto parts sector as a result of unfair trade practices. Specifically, a country with which the United States has a trade deficit in the auto parts sector of $5 billion or more in each of the preceding 3 years would be subject to action under this bill. Although this bill doesn't target any specific country, at this time only one country meets this criteria—and that country is Japan.

Additionally, under this bill, a country's distribution system that restricts access to their market would be considered an unfair trade practice. The trade restricting aspects of the Japanese keiretsu system are well documented. Not only is Japan's market closed to United States auto parts manufacturers as a result of the keiretsu system, but the system has been effectively exported to the United States through Japan's auto subsidiaries located in the United States.

The bill requires the U.S. Trade Representative to undertake negotiations to eliminate the policies and practices of the foreign country that limit access to their market for U.S. auto parts manufacturers. The negotiations must provide for sales in the foreign country's market which would exist if the unfair trade practices did not exist. In addition, the bill requires the elimination of those policies, including aspects of the country's distribution system, which limit access to the foreign market for U.S. auto parts manufacturers.

My bill also extends for 5 years the existing Fair Trade in Auto Parts Act which is set to expire at the end of 1993. The Fair Trade in Auto Parts Act tries to increase sales of United States-made auto parts to Japan through various initiatives. Additionally, my bill requires the Commerce Secretary to initiate an antidumping investigation for motor vehicle parts imports from countries which the United States has a motor vehicle parts deficit of $5 billion.

The Fair Trade in Motor Vehicle Parts Act of 1993 will give the United States Government the trade tools needed to gain meaningful access to our trading partners' auto parts market; effectively eliminate unfair trade practices in auto parts, such as a country's closed distribution system; and, work toward increasing sales of United States-made auto parts in Japan.

I ask unanimous consent that this bill be printed in the RECORD.

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

S. 1132

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE; DEFINITIONS.

(a) SHORT TITLE.—This Act may be cited as the "Fair Trade in Motor Vehicle Parts Act of 1993".

(b) DEFINITIONS.—For purposes of this Act—

(1) MOTOR VEHICLE AND MOTOR VEHICLE PARTS.—

(A) The term "motor vehicle" means any article of a kind described in heading 8703 or 8704 of the Harmonized Tariff Schedule of the United States.

(B) The term "motor vehicle parts" means articles of a kind described in the following provisions of the Harmonized Tariff Schedule of the United States if suitable for use in the manufacture or repair of motor vehicles:

(i) Subheadings 8407.31.00 through 8407.34.20 (relating to spark-ignition reciprocating or rotary internal combustion piston engines).

(ii) Subheading 8408.20 (relating to the compression-ignition internal combustion engines).

(iii) Subheading 8409 (relating to parts suitable for use solely or principally with engines described in clauses (i) and (ii)).

(iv) Subheading 8483 (relating to transmission shafts and related parts).

(v) Subheadings 8706.00.10 and 8706.00.15 (relating to chassis fitted with engines).

(vi) Heading 8707 (relating to motor vehicle bodies).

(vii) Heading 8708 (relating to bumpers, brakes and servo brakes, gear boxes, drive axles, nondriving axles, road wheels, suspension shock absorbers, radiators, mufflers and exhaust pipes, clutches, steering wheels, steering columns, steering boxes, and other parts and accessories of motor vehicles).

The Secretary shall by regulation include as motor vehicle parts such other articles (described by classification under such Harmonized Tariff Schedule) that the Secretary considers appropriate to carry out this Act.

(2) UNITED STATES MOTOR VEHICLE PARTS MANUFACTURER.—The term "United States motor vehicle parts manufacturer" means a manufacturer of motor vehicle parts that—

(A) has one or more motor vehicle parts manufacturing facilities located within the United States, and

(B)(i) is not owned or controlled by a natural person who is a citizen of a deficit foreign country; and

(ii) is not owned or controlled by a corporation or other legal entity, wherever located, which is owned or controlled by—

(I) natural persons who are citizens of a deficit foreign country, or

(II) another corporation or other legal entity that is owned or controlled by natural persons who are citizens of a deficit foreign country.

(3) UNITED STATES MOTOR VEHICLE PARTS.—The term "United States motor vehicle parts" means motor vehicle parts produced by United States motor vehicle parts manufacturers in the United States.

(4) DEFICIT FOREIGN COUNTRY.—The term "deficit foreign country" means any country with which the United States merchandise trade balance with respect to motor vehicle parts was in deficit in an amount of $5,000,000,000 or more for each of the 3 most recent calendar years for which data are available.

(5) SECRETARY.—The term "Secretary" means the Secretary of Commerce.

(6) TRADE REPRESENTATIVE.—The term "Trade Representative" means the United States Trade Representative.

TITLE I—TRADE REMEDY ACTIONS

SEC. 101. "301" ACTION WITH RESPECT TO BARRIERS TO MARKET ACCESS OF UNITED STATES-MADE MOTOR VEHICLE PARTS.

(a) IN GENERAL.—On the 45th day after the date of the enactment of this Act, any act,

policy, or practice of a deficit foreign country that adversely affects the access to such country's market of motor vehicle parts produced by United States motor vehicle parts manufacturers (including, but not limited to, any act, policy, or practice utilized in such country's motor vehicle distribution system) shall, for purposes of title III of the Trade Act of 1974, be considered as an act, policy, or practice of a foreign country that is unjustifiable and burdens or restricts United States commerce. The Trade Representative shall immediately proceed to determine, in accordance with section 304(a)(1)(B) of such Act, what action to take under section 301(a) of such Act to obtain the elimination of such act, policy, or practice.

(b) NEGOTIATION AGENDA.—If the Trade Representative decides to take action referred to in section 301(c)(1)(C) of the Trade Act of 1974 with respect to an act, policy, or practice referred to in subsection (a), the agenda for negotiations shall include—

(1) guarantees for sales in the deficit foreign country's market of motor vehicle parts produced in the United States by United States motor vehicle parts manufacturers in an aggregate amount equal to the percentage of such market that would be held by motor vehicle parts produced by United States motor vehicle parts manufacturers if the unfair act, policy, or practice did not exist;

(2) the elimination or modification of the aspects of the deficit foreign country's motor vehicle distribution system (and any other act, policy, or practice) that act as a barrier to the access to the foreign country's market of motor vehicle parts produced in the United States by United States motor vehicle parts manufacturers; and

(3) the establishment of procedures for the exchange of information between the appropriate agencies of the United States and the deficit foreign country's government that will permit an accurate assessment of bilateral trade in motor vehicle parts, particularly with respect to the purchase of motor vehicle parts produced in the United States by United States motor vehicle parts manufacturers for use by foreign sources in the foreign country's market.

(c) ADDITIONAL ESTIMATES AND CONSEQUENTIAL EFFECT.—

(1) ESTIMATE.—If the Trade Representative decides to take action under section 301(c)(1)(C) of the Trade Act of 1974, the Trade Representative shall promptly estimate, on the basis of the best information available—

(A) the percentage share of the deficit foreign country's market for motor vehicle parts that is currently accounted for by motor vehicle parts produced in the United States by United States motor vehicle parts manufacturers;

(B) the percentage share of the deficit foreign country's market for motor vehicle parts which would be accounted for by United States motor vehicle parts if an act, policy, or practice referred to in subsection (a) did not exist; and

(C) the dollar value of the difference between the percentage shares estimated under subparagraphs (A) and (B).

(2) SUBSEQUENT ACTION.—If the negotiations referred to in subsection (b) are unsuccessful, any action subsequently taken under section 301 of the Trade Act of 1974 in response to the deficit foreign country's acts, policies, or practices shall be substantially equivalent to the dollar value estimated under paragraph (1)(C).

SEC. 102. ANTIDUMPING INVESTIGATION REGARDING MOTOR VEHICLE PARTS OF DEFICIT FOREIGN COUNTRIES.

Not later than 60 days after the date of the enactment of this Act, the Secretary shall commence an investigation under section 732(a) of the Tariff Act of 1930 to determine if imports of motor vehicle parts into the United States that are products of any deficit foreign country, or sales (or the likelihood of sales) of such parts for importation into the United States, constitute grounds for the imposition of antidumping duties under section 731 of such Act.

TITLE II—EXTENSION AND MODIFICATION OF FAIR TRADE IN AUTO PARTS ACT

SEC. 201. EXTENSION AND MODIFICATION OF FAIR TRADE IN AUTO PARTS ACT.

(a) IN GENERAL.—Section 2125 of the Fair Trade in Auto Parts Act of 1988 (15 U.S.C. 4704) is amended by striking "'December 31, 1993'' and inserting "December 31, 1998".

(b) FUNCTIONS OF SECRETARY OF COMMERCE.—Section 2123(b) of the Fair Trade in Auto Parts Act of 1988 (15 U.S.C. 4702(b)) is amended by striking "and" at the end of paragraph (6), by striking the period at the end of paragraph (7) and inserting "; and", and by adding at the end the following new paragraph:

"(8) coordinate—

"(A) United States policy regarding auto parts and the market for auto parts; and

"(B) the sharing of data and market information among the relevant departments and agencies of the United States Government, including the Department of the Treasury, the Department of Justice, the Department of Commerce, and the Office of the United States Trade Representative.".

(c) DEFINITIONS.—Section 2122 of the Fair Trade in Auto Parts Act of 1988 (15 U.S.C. 4701 note) is amended—

(1) by striking "For purposes of" and inserting "(a) JAPANESE MARKETS.—For purposes of";

(2) by adding at the end the following new subsection:

"(b) OTHER DEFINITIONS.—For purposes of this part:

"(1) The term 'auto parts and accessories' has the meaning given the term 'motor vehicle parts' in section 1(b)(1)(B) of the Fair Trade in Motor Vehicle Parts Act of 1993.

"(2) The term 'United States auto parts manufacturer' means a manufacturer of auto parts that—

"(A) has one or more auto parts manufacturing facilities located within the United States, and

"(B)(i) is not owned or controlled by a natural person who is a citizen of Japan; and

"(ii) is not owned or controlled by a corporation or other legal entity, wherever located, which is owned or controlled by—

"(I) natural persons who are citizens of Japan, or

"(II) another corporation or other legal entity that is owned or controlled by natural persons who are citizens of Japan.

"(3) The terms 'United States-made auto parts and accessories' and 'United States-made auto parts' have the meaning given the term 'United States motor vehicle parts' in section 1(b)(3) of the Fair Trade in Motor Vehicle Parts Act of 1993."; and

(3) by striking "DEFINITION" in the heading and inserting "DEFINITIONS".•

By Mr. BRADLEY (for himself, Mr. BIDEN, Mr. HATCH, Mrs. BOXER, Mr. BYRAN, Mrs. FEINSTEIN, Mr. HOLLINGS, Mr. KERREY, Ms. MIKULSKI, Ms. MOSELEY-BRAUN, Mr. REID, Mr. ROBB, Mr. ROCKEFELLER, Mr. SIMON, Mr. WELLSTONE, Mrs. MURRAY, and Mr. CAMPBELL):

S. 1133. A bill to amend the Public Health Service Act to provide for the establishment of a residential support service program for special high-risk populations of pregnant women and their children, and for other purposes; to the Committee on Labor and Human Resources.

RESIDENTIAL EARLY INTERVENTION PROGRAM FOR PREGNANT WOMEN AND CHILDREN

• Mr. BRADLEY. Mr. President, I rise to introduce, with a bipartisan coalition of my colleagues, the eighth of the bills that I announced earlier this year as my urban community-building initiative. Fifteen-Month Houses are intended to build a foundation for the next generation of urban residents. In one caring environment, mothers who need special help because they are very young, very poor, have a history of substance abuse, or need shelter from a troubled home or relationship, will find medical care, counseling, parenting training, vocational training, and a place to live and begin their lives as mothers. Their children will begin life with an all-important year of health care, nutrition, and cognitive simulation.

No one is more vulnerable than children to the pressures of the city. And for a young mother whose home and work life are insecure, combined with the daily urban pressures of economic desperation, drugs as a commonplace of life, crime and guns—it is all the more difficult to provide that steady hand a child needs. That's why I think Fifteen-Month Houses make sense.

A few people have already stepped in to build communities that set children on a sound course through life by caring for them in the most important 15 months of life: The culmination of pregnancy and the first year after birth. In Los Angeles, Bea Stolzer and an organization called New Economics for Women put together everything they could find, including low-income tax credits, local housing development credits, CRA credits, and welfare system funds to build Casa Loma, a residence of 110 single parent families and senior citizens, with child care space, family services, and vocational programs. In New York, the Bronx Parent Association has developed a 12–18 month residential program—La Casita—to serve pregnant women and women with young children. It provides initial evaluation of enrollees for psych-social needs and substance abuse problems, counseling, on-site medical services, job training, parenting classes, on-site day care, and a 1-year followup.

From these home-grown initiatives, I developed the idea of Fifteen-Month Houses, and today I am introducing a

bill authorizing $250 million to establish residential early intervention programs for at-risk pregnant women through the first year of life. The program must provide the mother with health and substance abuse screening or treatment, and education in parenting. For the child, the program must include cognitive stimulation as well as immunizations and other care.

Grants under this program will be made competitively, based on the recommendations of a peer review panel, to federally funded and nonprofit housing programs, as well as successful drug or domestic violence programs that can provide adequate housing on their own. Pregnant women who are substance abusers, homeless, in unstable domestic situations, or at high-risk for other health problems or problems in pregnancy would be eligible for housing through the first year of their child's life.

The Robert Wood Johnson Foundation recently completed a study showing that if children are provided not just healthy care during the first year of life, but also systematic cognitive stimulation, behavior problems drop to almost none, IQ is notably higher, the kids progress more quickly in school, and the burden on the school to remedy problems from early in life is correspondingly reduced. Fifteen-Month Houses will be intended to provide that safe and stimulating year to the most vulnerable children.

I ask unanimous consent that the text of the bill be printed in full at this point.

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

S. 1133

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. FINDINGS AND PURPOSE.

(a) FINDINGS.—Congress finds that—

(1) there has been substantial work done to identify infants and children—

(A) who are born to young single mothers, substance abusing women, homeless women, women who are economically and educationally disadvantaged, and women in unstable domestic situations; and

(B) born, in many instances, to women who are involved, or at risk of becoming involved, with the foster care or child justice system;

(2) numerous nonresidential programs have been established to improve infant and child outcomes for children born to poor, young, and generally single mothers, and many of these programs have been successful; and

(3) residential programs have been demonstrated to be very effective for, and are critically important to, special populations of high-risk and disadvantaged pregnant women, including—

(A) those who are addicted or at-risk for substance abuse;

(B) those who are homeless;

(C) those in unstable domestic situations; and

(D) women with other high-risk characteristics, such as previous or current involvement with the foster care or child justice system.

(b) PURPOSE.—It is the purpose of this Act to establish residential programs for special populations of high-risk and disadvantaged pregnant women and their children that will provide comprehensive support services to protect and enhance the first year of life of the children of such women and provide the mothers of such children with an opportunity for a proper maternal beginning. Such programs will target the women described in subsection (a)(3) and provide a more intensive array of the many services that are part of nonresidential programs, together with vocational, home management, and transitional housing assistance.

SEC. 2. RESIDENTIAL PROGRAMS FOR PREGNANT WOMEN AND CHILDREN.

Part B of the Public Health Service Act (42 U.S.C. 243 et seq.) is amended by adding at the end thereof the following new section:

"SEC. 320A. RESIDENTIAL PROGRAMS FOR PREGNANT WOMEN AND CHILDREN.

"(a) ESTABLISHMENT.—The Secretary shall establish a program under which grants shall be awarded to eligible entities to enable such entities to establish residential programs for special populations of high-risk and disadvantaged pregnant women and their children to provide the services described in subsection (d) to such women.

"(b) ELIGIBLE ENTITIES.—To be eligible to receive a grant under subsection (a), an entity shall be a—

"(1) nonprofit transitional, homeless shelter or a permanent housing program;

"(2) federally funded public housing organization;

"(3) housing organization that serves tenants living in housing assisted under section 8 of the United States Housing Act of 1937 (42 U.S.C. 1437f); and

"(4) community-based drug treatment center, domestic violence shelter, or other health center; or

"(5) any other entity determined appropriate by the Secretary.

"(c) APPLICATION.—To be eligible to receive a grant under subsection (a), an eligible entity shall prepare and submit to the Secretary an application at such time, in such manner, and containing such information as the Secretary may require, including—

"(1) a description of the manner in which the services required under subsection (d) will be provided using amounts made available under the grant;

"(2) information sufficient to demonstrate that the applicant will assure the provision of the full array of services described in subsection (d);

"(3) information sufficient to demonstrate that the applicant has access to a suitable housing facility, as described in subsection (f);

"(4) a description of the applicants plan for assuring housing for all program participants and their children after such participants complete the program;

"(5) information sufficient to demonstrate that the applicant has linkages with public and other community agencies that can assist in locating and facilitating appropriate housing;

"(6) information demonstrating that the applicant has established a relationship with child welfare agencies and child protective services that will enable the applicant, where appropriate, to—

"(A) provide advocacy on behalf of substance abusers and the children of substance abusers in child protective services cases;

"(B) provide services to help prevent the unnecessary placement of children in substitute care; and

"(C) promote reunification of families or permanent plans for the placement of the child; and

"(7) any other information determined appropriate by the Secretary.

"(d) SERVICES.—A residential program established under this section shall provide the following comprehensive services (which should be provided in the language and cultural context appropriate for the mother and her family):

"(1) MEDICAL SERVICES.—Medical services which shall include—

"(A) assessment and screening to determine the medical needs of the mother and her family;

"(B) referrals and linkages to—

"(i) appropriate prenatal, obstetric and pediatric medical service providers in the community or referral to other providers as needed;

"(ii) community health clinics; and

"(iii) other public health service and community-based providers that would be likely to provide similar services;

"(C) on-site provision of or referral to appropriate community-based agencies for addiction and substance abuse education, counseling, treatment, and referral (to outpatient counseling upon discharge) services as needed; and

"(D) psychological services for mothers and children, as needed.

"(2) PARENTING, JOB COUNSELING, AND OTHER SERVICES.—Other services which shall include—

"(A) assessment and screening to determine parenting, job counseling, and social service needs of the mother and her family;

"(B) parenting skills counseling and education, specifically focusing on techniques to stimulate cognitive development in infants;

"(C) access to schools for children and mothers where appropriate;

"(D) day care for children when their mothers are attending other programs, as needed;

"(E) job counseling and referral to existing job training programs;

"(F) structured re-entry counseling and other related activities, including follow-up services;

"(G) referrals and linkages to other needed services;

"(H) transitional housing assistance, as needed;

"(I) transportation services with respect to an educational institution or a job training site, as needed; and

"(J) case management throughout the duration of the program, including assistance with applications for assistance under titles IV and XIX of the Social Security Act, the Food Stamp Act of 1977, after care programs, and other service programs described in this section.

"(e) ELIGIBLE WOMEN.—

"(1) IN GENERAL.—To be eligible to receive services provided under a residential program established under this section, an individual shall be a pregnant woman who is a member of a special population of disadvantaged pregnant women, including—

"(A) women who are addicted or at-risk for substance abuse;

"(B) women who are homeless;

"(C) women who are in unstable domestic situations; and

"(D) women who are referred to the program due to other high-risk characteristics.

"(2) ADMITTANCE INTO PROGRAM.—Women shall be admitted into a residential program

under this section upon a determination of eligibility and may remain in such program until their infant reaches 1 year of age. All children of eligible pregnant women shall be admitted into the program and shall be permitted to remain in the program so long as their mother also remains in the program.

"(f) SUITABLE HOUSING FACILITIES.—

"(1) IN GENERAL.—In meeting the requirement of subsection (c)(3), an entity receiving a grant under this section shall secure access to and the use of an appropriate facility, as determined by the Secretary, for the housing of pregnant women and their children in a home-like setting.

"(2) LIMITATION.—Amounts made available under a grant awarded under this section may not be used for the rehabilitation, construction, purchase, or leasing of property. Such amounts may be used for residential support services, including furniture, supplies, security, maintenance, utilities, and administrative services.

"(g) PEER REVIEW.—The Secretary shall provide for the establishment of a peer review panel to perform the initial review of applications submitted for assistance under this section and to make recommendations to the Secretary with respect to such applications.

"(h) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section, $250,000,000 for each of the fiscal years 1994 through 1996.".●

By Mr. SMITH:

S.J. Res. 104. A joint resolution designating September 17, 1993, as "National POW/MIA Recognition Day" and authorizing the display of the National League of Families POW/MIA flag; to the Committee on the Judiciary.

POW/MIA RECOGNITION DAY

● Mr. SMITH. Mr. President, I rise today to introduce a Senate joint resolution to designate September 17, 1993, as "National POW/MIA Recognition Day." This resolution has been introduced and passed by the Congress every year in recent memory to call attention to our brave American POW's and MIA's for whom no accounting has been received. At a recent news conference, the President of the United States stated that he was not satisfied that we know all that we need to know about our missing men, and he stated that his policies on this matter would be heavily influenced by the families of the people whose lives were lost or whose lives remain in question.

Mr. President, I am confident the Congress also wants to stand behind the families of our missing men as we continue our efforts to account for their loved ones. It is, therefore, fitting for the Congress and the President to continue the tradition of setting aside a day each year to remember our POW's and MIA's from all wars. I want to thank my colleague in the House, Representative BEN GILMAN, for introducing a House joint resolution today to correspond to this resolution.

Mr. President, I look forward to working with the Senate leadership to pass this resolution in time for the annual meeting of our POW/MIA families here in the Nation's Capital in mid-July 1993.

At this time, Mr. President, I ask unanimous consent that the text of the joint resolution be printed following their remarks.

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

S.J. RES. 104

Whereas the United States has fought in many wars and thousands of Americans who served in those wars were captured by the enemy or listed as missing in action;

Whereas many American prisoners of war were subjected to brutal and inhumane treatment by their enemy captors in violation of international codes and customs for the treatment of prisoners of war, and many such prisoners of war died from such treatment;

Whereas many of these Americans are still listed as missing and unaccounted for, and the uncertainty surrounding their fates has caused their families to suffer tragic and continuing hardships;

Whereas, in Public Law 101-355, the Federal Government officially recognized and designated the National League of Families POW/MIA flag as the symbol of the Nation's concern and commitment to accounting as fully as possible for Americans still prisoner, missing in action, or unaccounted for in Southeast Asia; and

Whereas the sacrifices of Americans still missing and unaccounted for from all our Nation's wars and their families are deserving of national recognition and support for continued priority efforts to determine the fate of those missing Americans: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. DESIGNATION OF NATIONAL POW/MIA RECOGNITION DAY.

September 17, 1993, is designated as "National POW/MIA Recognition Day", and the President is authorized and requested to issue a proclamation calling on the people of the United States to observe the day with appropriate ceremonies and activities.

SEC. 2. REQUIREMENT TO DISPLAY NATIONAL LEAGUE OF FAMILIES POW/MIA FLAG.

(a) IN GENERAL.—The POW/MIA flag shall be displayed—

(1) at all national cemeteries and the National Vietnam Veterans Memorial on May 31, 1993 (Memorial Day), September 17, 1993 (National POW/MIA Recognition Day), and November 11, 1993 (Veterans Day); and

(2) on, or on the grounds of, the buildings specified in subsection (b) on September 17, 1993;

as the symbol of our Nation's concern and commitment to accounting as fully as possible for Americans still prisoner, missing, and unaccounted for, thus ending the uncertainty for their families and the Nation.

(b) BUILDINGS.—The buildings specified in this subsection are—

(1) the White House; and

(2) the buildings containing the primary offices of—

(A) the Secretary of State;

(B) the Secretary of Defense;

(C) the Secretary of Veterans Affairs; and

(D) the Director of the Selective Service System.

(c) POW/MIA FLAG.—As used in this section, the term "POW/MIA flag" means the National League of Families POW/MIA flag recognized officially and designated by section 2 of Public Law 101-355.●

ADDITIONAL COSPONSORS

S. 27

At the request of Mr. SARBANES, the name of the Senator from New Jersey [Mr. BRADLEY] was added as a cosponsor of S. 27, a bill to authorize the Alpha Phi Alpha Fraternity to establish a memorial to Martin Luther King, Jr., in the District of Columbia.

S. 340

At the request of Mr. HEFLIN, the name of the Senator from Washington [Mrs. MURRAY] was added as a cosponsor of S. 340, a bill to amend the Federal Food, Drug, and Cosmetic Act to clarify the application of the Act with respect to alternate uses of new animal drugs and new drugs intended for human use, and for other purposes.

S. 348

At the request of Mr. CHAFEE, the name of the Senator from North Carolina [Mr. FAIRCLOTH] was added as a cosponsor of S. 348, a bill to amend the Internal Revenue Code of 1986 to permanently extend qualified mortgage bonds.

At the request of Mr. RIEGLE, the name of the Senator from Illinois [Ms. MOSELEY-BRAUN] was added as a cosponsor of S. 348, supra.

S. 455

At the request of Mr. HATFIELD, the names of the Senator from North Dakota [Mr. DORGAN] and the Senator from Nevada [Mr. BRYAN] were added as cosponsors of S. 455, a bill to amend title 31, United States Code, to increase Federal payments to units of general local government for entitlement lands, and for other purposes.

S. 667

At the request of Mr. BRYAN, 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. 716

At the request of Mr. BOND, the name of the Senator from Indiana [Mr. COATS] was added as a cosponsor of S. 716, a bill to require that all Federal lithographic printing be performed using ink made from vegetable oil, and for other purposes.

S. 717

At the request of Mr. PRYOR, the name of the Senator from Michigan [Mr. RIEGLE] was added as a cosponsor of S. 717, a bill to amend the Egg Research and Consumer Information Act to modify the provisions governing the rate of assessment, to expand the exemption of egg producers from such Act, and for other purposes.

S. 732

At the request of Mr. KENNEDY, the name of the Senator from Colorado [Mr. CAMPBELL] was added as a cosponsor of S. 732, a bill to provide for the immunization of all children in the

United States against vaccine-preventable diseases, and for other purposes.

S. 733

At the request of Mr. RIEGLE, the name of the Senator from Colorado [Mr. CAMPBELL] was added as a cosponsor of S. 733, a bill to provide for the immunization of all children in the United States against vaccine-preventable diseases, and for other purposes.

S. 881

At the request of Mr. DODD, the name of the Senator from Vermont [Mr. LEAHY] was added as a cosponsor of S. 881, a bill to amend the Elementary and Secondary Education Act of 1965 to reauthorize and make certain technical corrections in the Civic Education Program, and for other purposes.

S. 947

At the request of Mr. PRESSLER, the name of the Senator from Indiana [Mr. COATS] was added as a cosponsor of S. 947, a bill to amend the Internal Revenue Code of 1986 to limit the tax rate for certain small businesses, and for other purposes.

S. 985

At the request of Mr. INOUYE, the names of the Senator from Vermont [Mr. JEFFORDS] and the Senator from South Carolina [Mr. THURMOND] were added as cosponsors 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. 994

At the request of Mr. PRYOR, the name of the Senator from Florida [Mr. GRAHAM] was added as a cosponsor of S. 994, a bill to authorize the establishment of a fresh cut flowers and fresh cut greens promotion and consumer information program for the benefit of the floricultural industry and other persons, and for other purposes.

S. 1030

At the request of Mr. ROCKEFELLER, the name of the Senator from Maryland [Ms. MIKULSKI] was added as a cosponsor of S. 1030, a bill to amend chapter 17 of title 38, United States Code, to improve the Department of Veterans Affairs program of sexual trauma counseling for veterans and to improve certain Department of Veterans Affairs programs for women veterans.

S. 1044

At the request of Mr. DOLE, the name of the Senator from North Carolina [Mr. HELMS] was added as a cosponsor of S. 1044, a bill terminating the United States arms embargo of the Government of Bosnia-Herzegovina.

S. 1080

At the request of Mr. LAUTENBERG, the name of the Senator from Indiana [Mr. LUGAR] was added as a cosponsor of S. 1080, a bill to suspend until January 1, 1996, the duty on ioxilan, and to extend until January 1, 1996, the existing suspensions of duty on iohexol, iopamidol, and ioxaglic acid.

SENATE JOINT RESOLUTION 79

At the request of Mr. LAUTENBERG, the names of the Senator from South Dakota [Mr. PRESSLER] and the Senator from Ohio [Mr. METZENBAUM] were added as cosponsors of Senate Joint Resolution 79, a joint resolution to designate June 19, 1993, as "National Baseball Day."

SENATE CONCURRENT RESOLUTION 27

At the request of Mr. LEAHY, the names of the Senator from Ohio [Mr. GLENN], the Senator from Rhode Island [Mr. CHAFEE], and the Senator from Tennessee [Mr. SASSER] were added as cosponsors of Senate Concurrent Resolution 27, a concurrent resolution to express the sense of Congress that funding should be provided to begin a phase-in toward full funding of the special supplemental food program for women, infants, and children [WIC] and of Head Start programs and to expand the Job Corps program, and for other purposes.

SENATE CONCURRENT RESOLUTION 30

At the request of Mr. BROWN, the names of the Senator from Alaska [Mr. STEVENS], the Senator from Hawaii [Mr. INOUYE], the Senator from Vermont [Mr. LEAHY], the Senator from Mississippi [Mr. COCHRAN], and the Senator from Arizona [Mr. DECONCINI] were added as cosponsors of Senate Concurrent Resolution 30, a concurrent resolution congratulating the Anti-Defamation League on the celebration of its 80th anniversary.

AMENDMENT NO. 465

At the request of Mr. NICKLES the name of the Senator from Montana [Mr. BURNS] was added as a cosponsor of amendment No. 465 proposed to S. 3, a bill entitled the "Congressional Spending Limit and Election Reform Act of 1993."

SENATE CONCURRENT RESOLUTION 31—CONCERNING THE EMANCIPATION OF THE IRANIAN BAHA'I COMMUNITY

Mr. DODD (for himself, Mr. PELL, Mr. MCCAIN, Mrs. KASSEBAUM, Mr. KENNEDY, Mr. ROCKEFELLER, Mr. D'AMATO, Mr. MATTHEWS, Mr. DECONCINI, Mr. DORGAN, Mr. SARBANES, Mr. LEVIN, Mr. DOLE, Mr. CAMPBELL, Mrs. FEINSTEIN, Mr. MOYNIHAN, Mr. PRESSLER, Mr. INOUYE, Mr. WOFFORD, Mr. CRAIG, Mr. LUGAR, Mr. SIMON, Mr. HATFIELD, Mr. MITCHELL, Mr. HATCH, Mr. HEFLIN, Mr. GRAHAM, Mr. ROBB, Mr. GLENN, Mr. KERRY, Mr. DURENBERGER, Mr. DASCHLE, Mrs. BOXER, and Mr. SASSER) submitted the following concurrent resolution; which was referred to the Committee on Foreign Relations:

S. CON. RES. 31

Whereas in 1982, 1984, 1988, 1990, and 1992, the Congress, by concurrent resolution, declared that it holds the Government of Iran responsible for upholding the rights of all its nationals, including members of the Baha'i Faith, Iran's largest religious minority;

Whereas in such resolutions and in numerous other appeals, the Congress condemned the Government of Iran's religious persecution of the Baha'i community, including the execution of more than 200 Baha'is, the imprisonment of additional thousands, and other repressive and discriminatory actions against Baha'is based solely upon their religious beliefs;

Whereas in 1992, the Government of Iran summarily executed a leading member of the Baha'i community, arrested and imprisoned several other Baha'is, condemned two Baha'i prisoners to death on account of their religion, and confiscated individual Baha'is' homes and personal properties in several cities;

Whereas the Government of Iran continues to deny the Baha'i community the right to organize, to elect its leaders, to hold community property for worship or assembly, to operate religious schools and to conduct other normal religious community activities; and

Whereas on February 22, 1993, the United Nations Commission on Human Rights published a formerly confidential Iranian government document constituting a blueprint for the destruction of the Baha'i community, which document reveals that these repressive actions are the result of a deliberate policy designed and approved by the highest officials of the Government of Iran: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That the Congress—

(1) continues to hold the Government of Iran responsible for upholding the rights of all its nationals, including members of the Baha'i community, in a manner consistent with Iran's obligations under the Universal Declaration of Human Rights and other international agreements guaranteeing the civil and political rights of its citizens;

(2) condemns the repressive anti-Baha'i policy adopted by the Government of Iran, as set forth in a confidential official document which explicitly states that Baha'is shall be denied access to education and employment, and that the government's policy is to deal with Baha'is "in such a way that their progress and development are blocked";

(3) expresses concern that individual Baha'is continue to suffer from severely repressive and discriminatory government actions, solely on account of their religion; and that the Baha'i community continues to be denied legal recognition and the basic rights to organize, elect its leaders, educate its youth, and conduct the normal activities of a law-abiding religious community;

(4) urges the Government of Iran to extend to the Baha'i community the rights guaranteed by the Universal Declaration of Human Rights and the international covenants on human rights, including the freedom of thought, conscience, and religion, and equal protection of the law; and

(5) calls upon the President to continue—

(A) to emphasize that the United States regards the human rights practices of the Government of Iran, particularly its treatment of the Baha'i community and other religious minorities, as a significant factor in the development of the United States Government's relations with the Government of Iran;

(B) to urge the Government of Iran to emancipate the Baha'i community by granting those rights guaranteed by the Universal Declaration of Human Rights and the international covenants on human rights; and

(C) to encourage other governments to continue to appeal to the Government of Iran, and to cooperate with other governments

and international organizations, including the United Nations and its agencies, in efforts to protect the religious rights of the Baha'is and other minorities through joint appeals to the Government of Iran and through other appropriate actions.

SEC. 2. The Secretary of the Senate shall transmit a copy of this concurrent resolution to the President.

Mr. DODD. Mr. President, I rise today to submit a concurrent resolution calling on Iran to improve its treatment of the Baha'i community. I am pleased to be joined in this effort by 34 of my Senate colleagues.

Mr. President, over the past 14 years, the more than 300,000 Baha'is of that country have been the targets of widespread and systematic persecution, harassment, and discrimination. More than 200 Baha'is have been executed and thousands of others have been arbitrarily imprisoned, robbed of their belongings, and refused employment or educational opportunities.

In fact, Mr. President, this week marks the 10th anniversary of one of the most brutal series of executions the Baha'i community has experienced since the Iranian Revolution in 1979. Ten years ago yesterday, on June 16, 1983, six men were executed in the Iranian city of Shiraz. Just 2 days later, on June 18, 10 women were hanged, including three teenage girls whose crime was teaching Baha'i children's classes.

Iran's treatment of the Baha'is has been repeatedly condemned by the State Department and the United Nations, as well as the United States Congress and other parliaments around the world. Both President Clinton and Vice President GORE have taken the opportunity in the last several months to personally single out the Iranian regime for its treatment of the Baha'i community. In addition, a large number of newspaper editorials have condemned Iran's actions as well. I ask unanimous consent that a collection of these editorials plus a copy of the statements by the President and the Vice President appear in the CONGRESSIONAL RECORD following my remarks.

Mr. President, Iran's true intentions toward the Baha'i community were made clear this past February when the United Nations released a previously confidential Iranian Government directive spelling out the manner in which Baha'is are to be treated. The document, a high-level communication prepared by Iran's Supreme Revolutionary Council 2 years ago and approved by President Rafsanjani and Supreme Leader Ali Khamenei, comprises an effective blueprint for the destruction of the Baha'i community as a religious or cultural entity. For example, regarding the Baha'is, the document states:

The Government's dealings with them must be in such a way that their progress and development are blocked.

They can be enrolled in schools provided they have not identified themselves as Baha'is * * * They must be expelled from universities * * * once it becomes known they are Baha'is.

A plan must be devised to confront and destroy their cultural roots outside the country.

Deny them employment if they identify themselves as Baha'is.

Mr. President, Congress has addressed the plight of the Bahi'i community of Iran on five different occasions since 1982. Legislation in the 102d Congress, Senate Congressional Resolution 43, acquired 47 Senate cosponsors and was adopted unanimously. These efforts have clearly had some impact. For example, there has been only one recorded execution of a Baha'i since late 1988, although two Baha'is are currently under death sentence.

Both as the recently disclosed blueprint makes clear, Mr. President, the Government of Iran clearly has a long way to go. Accordingly, the purpose of this resolution is to ensure that the message is not forgotten by the leadership of the Iranian regime. I urge the Senate to adopt this legislation and I ask unanimous consent that the text of this resolution appear in full in the CONGRESSIONAL RECORD.

THE WHITE HOUSE,
OFFICE OF THE PRESS SECRETARY,
Washington, DC, April 22, 1993.

REMARKS BY THE PRESIDENT AT DEDICATION OF THE UNITED STATES HOLOCAUST MEMORIAL MUSEUM

Now, with the demise of communism and the rise of democracy out of the ashes of former communist states, with the end of the Cold War we must not only rejoice in so much that is good in the world, but recognize that not all in this new world is good. We learn again and again that the world has yet to run its course of animosity and violence.

Ethnic cleansing in the former Yugoslavia is but the most brutal and blatant and ever-present manifestation of what we see also with the oppression of the Kurds in Iraq, the abusive treatment of the Baha'i in Iran, the endless race-based violence in South Africa. And in many other places we are reminded again and again how fragile are the safeguards of civilization.

WHITE HOUSE,
OFFICE OF THE VICE PRESIDENT,
Washington, DC, March 4, 1993.

VICE PRESIDENT CRITICIZES IRAN'S MISTREATMENT OF BAHA'IS, PRAISES WORK OF UN HUMAN RIGHTS COMMISSION

WASHINGTON.—Reaffirming his support of the oppressed Iranian Baha'is, Vice President Al Gore today (3/4) expressed concern over Tehran's human rights violations outlined in a recently released United Nations report.

"I have long been interested in the plight of Iran's Baha'i community, so the news that they continue to suffer systematic repression because of their religious beliefs is very troubling," the Vice President said. "The Administration is deeply concerned by Tehran's violations of the fundamental human rights of the Iranian people." * * *

In the Senate, Gore was a strong supporter of resolutions to highlight the systematic human rights abuses committed against the Baha'i.

[From the New York Times, Feb. 21, 1993]

IRAN'S NUREMBERG LAWS

Iran's clerical rulers have approved a secret blueprint for the persecution of the Bahai faith that is appalling evidence of growing intolerance. The sweeping code is reminiscent of the sinister Nuremberg Laws imposed by the Nazis in 1935, which shredded citizenship rights of German Jews.

Some 200 Bahais have been executed and thousands imprisoned since the reign of the ayatollahs began in 1979. But the assault on 300,000 Bahais seemed to abate after an outcry abroad.

Now comes revelation of a code, prepared by the Supreme Revolutionary Cultural Council on Feb. 25, 1991, that denies employment and school enrollment to any Iranians who identify themselves as Bahais. The code calls for the expulsion of known Bahais from universities, for punishment of "their political [espionage] activities" and for blocking growth of the Bahai religion and destroying its "cultural roots outside the country." These orders were signed by Iran's spiritual leader, Ali Khamenei, who wrote that they "seemed sufficient."

And so Iran's clerical dictators now sanction a witch hunt against a religion they despise as a heretical offshoot of Islam. The sole offense of these believers is their beliefs; their crime is to exist. Iran has yet to offer any evidence of spying or any other lawless acts committed by Bahais. And it scarcely attests to the mullahs' confidence in the appeal of their own faith that they feel it necessary to extirpate a tiny dissenting minority.

A copy of the code was obtained by the U.N. special envoy to Iran, Reynaldo Galindo Pohl, who described it in January to the U.N. Human Rights Commission. It is of some solace that this code was kept secret, an implicit tribute to the norms of tolerance that Iran flouts. In 1935, Hitler boasted to all the world that Jews would be stripped of their jobs and their university positions. It is a modest measure of moral progress that Iran's indefensible code was marked "confidential."

[From the Washington Post, Mar. 3, 1993]

ASK THE BAHAIS

Perhaps nowhere has the United Nations been more attentive to human rights violations and practically nowhere has it found a more dismal record than Iran. Its latest report, issued by its veteran Iran human rights envoy, the Guatemalan lawyer Reynaldo Galindo Pohl, exposes a grievous official campaign against the Bahai religious minority, a group regarded as blasphemous by Iran's fundamentalist Islamic leadership. Since its beginning 14 years ago, Iran's revolutionary government has executed hundreds of Bahais, imprisoned thousands and otherwise crushed the community. An official document obtained in Iran last year by Mr. Pohl takes the campaign a cold step further.

Superficially, the document, generated by Iran's ruling revolutionary council, has a tone of moderation. It says Bahais "will not be arrested, imprisoned or penalized without reason" and will be permitted "a modest livelihood as is available to the general population." But the document then goes on to commit the government to block "their progress and development" as a community and to deny individuals education, employment and "any position of influence" "if they identify themselves as Bahais."

Iran seems to be reacting to the strong criticism of its treatment of Bahais that has

come from earlier censure in the international arena. Hence this attempt to deal with "the Bahai question" with an appearance of fairness and legality. In matters of substance, however, Iran continues and now systematizes a pattern of profound discrimination against one group in the population. It is a group that has been sustained at home by its own faith and by the support available from many Muslim fellow citizens. Not even in the invaded U.S. embassy's shredded—and reconstructed—files could Iranian authorities find evidence to support their claims of Bahai "espionage" and political disloyalty.

The government of Iran, long self-isolated, now seeks a return to the comforts of the international economy. Some in the West see in Tehran an ascendancy of "moderates." Ask the Bahais.

[From The Chicago Tribune, Mar. 6, 1993]

A BLUEPRINT FOR RELIGIOUS OPPRESSION

It belongs on the same bookshelf as, say, "Mein Kampf." Though a lot shorter and much more limited in scope than that repugnant tome by Adolf Hitler, it nevertheless partakes of the Nazi period's heinous intolerance.

The document in question is an Iranian government plan for repressing adherents of the Baha'i faith, with an eye toward destroying the 300,000-strong Baha'i community in Iran.

Issued two years ago, the chilling blueprint originated in the Supreme Revolutionary Cultural Council, Iran's topmost religious body, and was approved by the president and Ayatollah Ali Khamenei, the supreme leader. It came to light recently after a United Nations investigator looked into human rights in Iran.

The key tenet of Tehran's policy is bluntly described:

"The government's treatment of [Baha'is] shall be such that their progress and development shall be blocked."

Toward that end, Iranian citizens who own up to being among the Baha'i faithful are to be fired from their jobs, lose pensions, denied higher education and prevented from attaining any "positions of influence."

That Baha'is have been targeted for abuse in Iran is no revelation, of course. A couple hundred have been executed in the years since an Islamic regime took control in 1979.

Many others have been imprisoned, harassed and otherwise persecuted for no reason other than that the ruling mullahs regard them as "unprotected infidels."

Their co-religionists throughout the world, numbering about 5 million, seek to protect Baha'is in Iran, the nation's largest religious minority, by generating widespread outrage over the government's treatment of them. And in Washington, members of Congress' Human Rights Caucus hope to spotlight the issue.

For these worthy purposes, far-flung champions of the persecuted Baha'is could hardly have been handed a better tool than the Tehran government's plan—"a genocidal document," in the words of an expert—which confirms yet again the Iranian leaders' place in any pantheon of tyrants.

[From the Atlanta Journal, Feb. 27, 1993]

DON'T BUY IRAN'S CLAIM IT'S REFORMING

Iran would like the rest of the world to believe that the supposed moderate face it displays for outsiders is indicative of the policies that prevail in Tehran and that the country's notorious radicals are mere nuisances that President Hashemi Rafsanjani and his ilk are obliged to tolerate but by no means obey.

On the evidence in two crucial human rights questions, Iran's pose is about as phony as a warranty for a flying carpet.

Take the case of author Salman Rushdie, condemned to death for blasphemy in absentia four years ago on the command of the since-deceased Ayatollah Rubollah Khomeini. Deplorably, the Rushdie assassination order was reaffirmed this month by Khomeini's nominal spiritual successor, Ayatollah Ali Khamenei.

Try as it may, the Tehran regime can't shake off its own onus of the Rushdie matter. Improbably, it says it can't nullify the order, though Muslim scholars outside Iran insist it could if it was serious. Even harder to believe, the oppressive Iranian regime claims it has no authority over the "religious foundation" that is offering a bounty for Mr. Rushdie's head.

On another grave matter, documentation was revealed this week that proves that Iran's suppression of its Baha'i minority is a codified, systematic government policy, not only preached by its mullahs but signed on to by none other than President Rafsanjani.

A 2-year-old Iranian position paper, revealed in a report by a United Nations human-rights monitor, says the Baha'i faithful should be subjected to police harassment, excluded from schools, denied employment, denied essential official papers and cut off from Baha'i support from outside Iran. The document had been kept secret, by the way, because Tehran knew knowledgeable outsiders already were outraged at its cruel treatment of the Baha'is.

For Iran now to approach the United States seeking trade, technology and credits and feigning generally good deportment is a sham. Its attempt to silence a world-class writer and to wipe out a community of believers are no aberrations, the kind of exceptions Washington might tut-tut over but, in the end, overlook.

These are the Iranian leaders as they really are, and until they change, the civilized world has no business doing business with them.

[From the Columbus Dispatch, Apr. 5, 1993]

IRAN'S SHAME—REGIME MUST END PERSECUTION OF BAHAIS

Accused of terrorism abroad and oppression at home, Iran stands in the dock of the world judgment.

There was no mistaking U.S. Secretary of State Warren Christopher's message in testimony the other day before a congressional committee. Iran is an "international outlaw," he said.

"Iran is one of the principal sources of support for terrorist groups around the world," Christopher charged. Iran's Foreign Ministry dismisses the allegation as unfounded.

Terrorism as a cold-blooded political strategy is of deep concern to leaders in many countries, these days.

But Christopher could have added another dimension to his sharp critique of the policymakers in Tehran if he had focused as well on the government's calculated, smothering oppression of the minority Bahais, whose faith is considered heresy in the land of its origin.

Bahais say they number about 300,000 in Iran and about 5 million worldwide.

A few weeks ago the U.N. Human Rights Commission released copies of what it said is an internal Iranian government memorandum outlining recommended policy on "the Bahai question."

An English translation circulated by the Bahai faithful in the United States makes these chilling points:

The government's dealings with them (the Bahais in Iran) must be in such a way that their progress is blocked.

They can be enrolled in schools, provided they have not identified themselves as Bahais.

They must be expelled from universities, either in the admission process or during the course of their studies, once it becomes known that they are Bahais.

They must be denied employment if they identify themselves as Bahais.

A plan must be devised to confront and destroy their cultural roots outside the country.

It amounts to "a blueprint for the destruction of the Bahai community in Iran," in the view of Bahais in the United States.

The government in Tehran reportedly has executed more than 200 Bahais since seizing power in 1979.

What kind of people would do that and then adopt as official policy a plan to kick the rest of the acknowledged Bahais out of school and take away their jobs?

the government of President Hashemi Rafsanjand should be put on notice by governments everywhere that the systematic oppression of a religious minority is a major obstacle to improved diplomatic and economic relations.

FLOOR STATEMENT OF SENATOR CLAIBORNE PELL—THE EMANCIPATION OF THE IRANIAN BAHA'I COMMUNITY

Mr. President, I am pleased to join my colleagues, Senators Dodd, Lieberman, McCain, Kassebaum and others, in introducing legislation concerning the Baha'i community in Iran.

The situation of the Baha'is in Iran is one of the world's tragic, untold stories. With new atrocities in Bosnia, Liberia, Somalia, and countless other nations appearing in the headlines everyday, it is perhaps easy to overlook what is happening to the Baha'i community in Iran. But the Baha'is, the largest non-Muslim religious minority in Iran, have suffered tremendous persecution under the current Iranian regime. The fact that their cause receives little attention in no way diminishes the scope of the difficulties they have faced.

The Baha'is, who seek only the freedom to practice their faith, have been subjected to many forms of oppression, including harassment, imprisonment, loss of jobs, confiscation of property, and, tragically, summary execution. Their case becomes even more compelling in light of irrefutable proof of a concerted effort by the government of Iran to deny them their fundamental human rights. This year, the Baha'is obtained an official Iranian document that outlines a strategy toward "the Baha'i question." That document, among other things, says that "the government's dealings with them must be in such a way that their progress and development are blocked." The document goes on in chilling detail to describe how the government will undercut the educational and social status of any acknowledged adherent of the Baha'i faith, concluding with the passage that "a plan must be devised to confront and destroy their cultural roots outside the country."

Mr. President, there is no conceivable justification for Iran's persecution of the Baha'is. I, along with a number of colleagues in the Senate, have been calling attention to this situation for years; this is in fact the

sixth resolution that has been introduced on the Baha'i question. It is evident that Congressional attention has had a positive effect. Following the adoption of previous resolutions, the Iranian regime has moderated its treatment of the Bahai's for certain periods of time. It appears the regime is not completely impervious to international pressure, but it is essential to apply that pressure constantly. I therefore urge that my colleagues support this resolution.

FLOOR STATEMENT OF SENATOR LIEBERMAN

Mr. President, I regret that it is necessary to introduce yet another congressional resolution of concern for the persecution of the Baha'i minority of Iran. But it is important to remind the Iranian government that the Senate and the American people continue to feel strongly about Iran's repressive policies and actions directed against a peaceful, law-abiding religious community.

As we introduce this resolution, we might recall that this week marks the tenth anniversary of a particularly brutal episode in the persecution of Iranian Baha'is.

Ten years ago this week, in Iran, a total of sixteen innocent Baha'is were executed solely on account of their religion.

Six Baha'is, all men, were executed in Shiraz on June 16, 1983. And two days later, on June 18, ten Baha'i women—including three teenaged girls—were hanged in Shiraz. The teenagers were charged with teaching Baha'i childrens' classes.

These brutal murders shocked the world and stirred protests in many countries.

Thanks in part to continuing international protest and pressure, including a series of resolutions adopted since 1982 by the U.S. Congress, the Islamic regime has moderated its treatment of Baha'is. While economic and social discrimination creates severe hardship for members of the community, no executions of Baha'is were recorded from late 1988 until March 1992, when a leading member of the Baha'i community was summarily executed.

Then, in February of this year, we received profoundly distressing news about the Baha'i community of Iran.

A secret Iranian Government document which recently came to light provides chilling evidence of Iran's calculated plan to destroy this peaceful religious community.

This disturbing news came to my attention in a report from an old friend and my former neighbor in Connecticut, Firuz Kazemzadeh, who is one of the elected members of the governing council of the American Baha'i community. Dr. Kazemzadeh recently retired after more than 30 years on the faculty of Yale University, where he was a distinguished professor of history.

He has testified many times before congressional committees concerned with Iran's human rights abuses, and he is widely recognized for his insights into the situation in Iran and the plight of this persecuted religious community—the largest religious minority group in Iran.

The secret Iranian document is brief, but its meaning is clear. It is a deliberate plan, written and approved by the highest level officials of the Iranian government, to destroy the Baha'is.

The Iranian blueprint is labeled "confidential," but it was revealed in a recent United Nations report.

No matter that the Baha'is are natives of Iran. No matter that they are a law-abiding community, in keeping with their religious beliefs which require them to obey the civil law of whatever country in which they reside.

The official Iranian plan states that the Iranian Government's dealings with the Baha'is "must be in such a way that their progress and development are blocked."

The plan goes on to describe in detail the ways in which Baha'is are to be blocked. They must be expelled from schools or universities "once it becomes known that they are Baha'is. They are to be denied employment "if they identify themselves as Baha'is," and they should be denied "any position of influence, such as in the educational sector."

Moreover, the plan states, "to the extent that it does not encourage them to be Baha'is, it is the" for Baha'is to have ration booklets, passports, burial certificates, and work permits.

In one particularly ominous provision, the secret blueprint calls for a plan "to confront and destroy their cultural roots outside the country." According to Dr. Kazemzadeh, this refers to Iran's actions to counteract efforts in support of Iranian Baha'is by the American Baha'i community, as well as the German, Canadian and Brazilian Baha'is.

As a recent editorial in the New York Times points out, "it is of some solace that this code was kept secret, an implicit tribute to the norms of tolerance that Iran flouts."

And we might take heart from the fact that the secret blueprint does not call for the outright physical annihilation of the Baha'is—although it clearly leaves open the possibility for additional arrests and executions.

More than 200 Baha'is have been executed and thousands imprisoned on account of their religion, since the Islamic regime took power in 1979.

Arrests and executions are not the only way to destroy a vulnerable minority group, however. The detailed instructions contained in Iran's secret blueprint may call for less violent and less dramatic actions, but they are just as sure a prescription for the destruction of a peaceful, law-abiding community.

Since 1982, Congress has adopted five concurrent resolutions of support for the religious rights of Bahai's. I was an active cosponsor of the most recent appeal, the Bahai community emancipation resolution, adopted in July 1992.

We must renew our efforts to signal our support for the Bahai's, and to emphasize that the Senate condemns Iran's continuing persecution of this peaceful religious minority. And we must make clear to the President and the American public which values religious liberty, that Iran's religious persecution of Bahai's is an important factor to be considered in the development of any relationships between our Government and the Government of Iran.

SENATE RESOLUTION 119—RELATIVE TO THE WOMEN'S TRACK TEAM OF LOUISIANA STATE UNIVERSITY

Mr. JOHNSTON (for himself and Mr. BREAUX) submitted the following resolution; which was considered and agreed to:

S. RES. 119

Whereas the Women's Track Team of Louisiana State University has completed another outstanding season in which they have swept all four major championships;

Whereas the Lady Tiger Track Team of L.S.U. has, for the past seven years, dominated their sport to a degree rarely seen in the history of collegiate athletics;

Whereas the L.S.U. Lady Tigers have swept the Indoor and Outdoor Southeastern Conference and NCAA Championships in four of the last seven years;

Whereas the L.S.U. Lady Tigers have won the NCAA Outdoor Championship for seven straight years;

Whereas the twelve members of the 1993 L.S.U. Lady Tigers combined to win twenty All-American awards;

Whereas Women's Track Coach Pat Henry has done an outstanding job of leading the Lady Tigers for the past six seasons; and

Whereas the L.S.U. Lady Tigers won the 1993 Indoor and Outdoor Track Championships: Now, therefore, be it *Resolved*, That the Senate commends the Lady Tigers of Louisiana State University for winning the 1993 National Collegiate Athletic Association Indoor and Outdoor Championships, and for their tremendous achievements over the past seven years.

SENATE RESOLUTION 120—RELATIVE TO THE LOUISIANA STATE UNIVERSITY TIGERS

Mr. JOHNSTON (for himself and Mr. BREAUX) submitted the following resolution; which was considered and agreed to:

S. RES. 120

Whereas the baseball team of Louisiana State University has completed another outstanding season.

Whereas L.S.U. coach Skip Bertman, two-time National Coach of the Year, has led the Tigers to 483 victories and only 182 losses in his nine years at the helm.

Whereas the L.S.U. Tiger baseball team has won four consecutive Southeastern Conference Championships.

Whereas the L.S.U. Tigers have reached the College World Series in six of the last eight years, winning twice;

Whereas the 1993 L.S.U. Tiger baseball team compiled a record of 53–17–1 for their fifth consecutive 50-win season; and

Whereas the L.S.U. Tigers won the 1993 NCAA College World Series: Now, therefore, be it

Resolved, That the Senate commends the Fighting Tigers of Louisiana State University for having won the 1993 National Collegiate Athletic Association Baseball College World Series.

SENATE RESOLUTION 121—RELATIVE TO CESAR CHAVEZ

Mr. REID (for himself, Mr. KENNEDY, Mr. BINGAMAN, Mr. SIMON, and Mr. BRADLEY) submitted the following resolution; which was considered and agreed to:

S. RES. 121

Whereas Cesar Chavez inspired America with his fight to improve the lives of migrant farmworkers;

Whereas Cesar Chavez dedicated his life to serving the economically disadvantaged and politically disenfranchised;

Whereas Cesar Chavez's struggle to organize migrant farmworkers was accomplished with a commitment to non-violence;

Whereas Cesar Chavez, as president and founder of the United Farm Workers Union, brought a better life to thousands of laborers;

Whereas Cesar Chavez's life's work brought dignity and respect to all Mexican-Americans and other minority workers;

Whereas Cesar Chavez's efforts made possible the first collective bargaining Act for continental United States farmworkers;

Whereas Cesar Chavez drew attention to the dangers caused by agricultural pesticides to both farmworkers and consumers; and

Whereas Cesar Chavez has forever changed America for the better: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the Senate of the United States honors the work and life of Cesar Chavez as one of the greatest leaders of human and civil rights advancement the United States has known.

SENATE RESOLUTION 122—RELATIVE TO TELEVISION VISION

Mrs. KASSEBAUM (for herself and Mr. DOLE) submitted the following resolution; which was referred to the Committee on Commerce, Science, and Transportation:

S. RES. 122

Whereas 3 different Surgeons General, the Attorney General's Task Force on Family Violence, the American Medical Association, the American Psychiatric Association, the American Academy of Pediatrics, and other authorities have all found that viewing televised violence is harmful to children;

Whereas Americans watch enormous amounts of television, and many children will watch television for twice as many hours (22,000 hours) as they attend school;

Whereas many children watch violent television programs without adult supervision or guidance;

Whereas watching aggressive behavior causes children to become more aggressive, and behavioral scientists have isolated this effect from other factors;

Whereas, in one study, scientists found that childhood television viewing patterns are a better predictor of later adult aggression and criminal behavior than social class, parental behavior, child rearing practices, intelligence, and other variables;

Whereas many studies of entire societies, conducted on small and large scales, show that violence and homicide rates increase dramatically after the introduction of television into a community;

Whereas more than 20 years of research has led to a consensus that watching televised violence increases children's aggressiveness and desensitizes them to the effects and implications of violence, and the solidity of the agreement among respected scientists that televised violence is harmful nullifies arguments to the contrary by the television industry; and

Whereas many other countries, including Canada, Great Britain, South Africa, Belgium, Finland, Australia, New Zealand, and France have taken action to combat the problem of television violence: Now, therefore, be it

Resolved, That each of the 4 major television broadcast networks and their affiliates, independent television stations, the Public Broadcasting System, cable programmers, and cable operators should—

(1) not telecast programming containing dramatized violence;

(2) superimpose explicit, on-screen viewer advisories or displays throughout programming containing dramatized or documentary violence;

(3) provide explicit audio and on-screen textual viewer advisories immediately prior to transmittal of programming containing dramatized or documentary violence;

(4) not transmit programming promotions or advertisements that contain dramatized or documentary violence;

(5) develop a standard scheme for classifying television programming on the basis of the amount and type of dramatized violence it contains; and

(6) educate and inform viewers about the harmful effects of exposure to television violence.

SEC. 2. For the purposes of this resolution—

(1) the term "violence"—

(A) means the use or threatened use of physical force against another or against one's self; and

(B) does not include idle threats, verbal abuse, and gestures without credible violent consequences;

(2) the term "dramatized violence" means the dramatized portrayal of killings, rapes, maimings, beatings, stranglings, stabbings, shootings, or any other acts of violence that, when viewed by the average person, would be considered excessive or inappropriate for minors.

Mrs. KASSEBAUM. Mr. President, there is a growing awareness that a link does exist between violence shown on television and the movies and violent crime committed in our homes and communities.

The glorification of violence that continues to dominate some of the most popular movies and television programs indicates a tragic level of acceptance which I believe each and every one of us must address. The answer doesn't lie in Washington, nor in censorship. It lies in our homes and communities where we must care enough to know what movies and television programs our children are watching.

On behalf of Senator DOLE and myself I'm sending to the desk a sense-of-the-Senate resolution with respect to the broadcasting of video programming containing violence. More importantly, the Kansas congressional delegation is lending efforts to the petition drive undertaken by the Kansas Parent-Leader Association, the Kansas Medical Society, the Hispanic Chamber of Commerce of Greater Kansas City, the Kansas Sheriffs Association, the NAACP, the Kansas Association of Chiefs of Police, and the Kansas Association of Elementary School Principals. It will be our hope that thousands of petitions will be signed in Kansas and around the country. These petitions will then be sent the first of August to a gathering of leaders in the entertainment industry. This may seem a small effort, but the effort could be dramatic.

AMENDMENTS SUBMITTED

CONGRESSIONAL CAMPAIGN SPENDING LIMIT AND ELECTION REFORM ACT

NICKLES AND BURNS AMENDMENT NO. 465

Mr. NICKLES (for himself and Mr. BURNS) proposed an amendment No. 465 to amendment No. 366 (in the nature of a substitute) to the bill (S. 3) the Congressional Spending Limit and Election Reform Act of 1993, as follows:

In section 503(a) of the Federal Election Campaign Act of 1971, as added by section 101(a) of the amendment, strike paragraph (1) and redesignate paragraphs (2), (3), and (4) as paragraphs (1), (2), and (3), respectively.

In section 503(b) of the Federal Election Campaign Act of 1971, as added by section 101(a) of the amendment, strike "For purposes of subsection (a)(3)" and insert "For purposes of subsection (a)(2)".

In section 503(d) of the Federal Election Campaign Act of 1971, as added by section 101(a) of the amendment, strike "payments under subsection (a)(3)" and insert "payments under subsection (a)(2)".

In section 503(e) of the Federal Election Campaign Act of 1971, as added by section 101(a) of the amendment, strike "Payments received by a candidate under subsection (a)(3)" and insert "Payments received by a candidate under subsection (a)(2)".

Section 131(a) of the substitute amendment is deemed to read as follows:

(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".

SUPPLEMENTAL APPROPRIATIONS ACT OF 1993

BYRD AMENDMENT NO. 475

Mr. BYRD proposed an amendment No. 475 to the bill (H.R. 2118) making supplemental appropriations for the fiscal year attending September 30, 1993, and for other purposes, as follows:

On page 28 line 25, strike "$4,342,000" and insert "$415,000".

SEC. 802. Notwithstanding any other provision of law, the Comptroller General of the United States shall conduct an investigation into the alleged politicization of executive branch investigative agencies with respect to the White House travel office and shall submit the findings from such investigation to the Congress by no later than September 30, 1993.

On page 34, insert the following after line 24:

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

COMMUNITY PLANNING AND DEVELOPMENT

HOME INVESTMENT PARTNERSHIP PROGRAM

For additional amounts for the HOME Investment Partnerships program, as authorized under title II of the Cranston-Gonzalez

National Affordable Housing Act, as amended, subject to the terms provided under this head in the Dire Emergency Supplemental Appropriations Act, 1992, Public Law 102-368, $75,000,000, to remain available until expended: *Provided*, That up to $50,000,000 of the amounts required to fund the foregoing amount shall be derived by transfer from the Homeownership and Opportunity for People Everywhere (HOPE Grants) account and the remaining amounts shall be transferred from the Flexible Subsidy Fund, notwithstanding section 236(f)(3) of the National Housing Act and section 201(j) of the Housing and Community Development Amendments of 1978, as amended.

On page 36, insert the following after line 19:

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

HOUSING PROGRAMS

FEDERAL HOUSING ADMINISTRATION

FHA—GENERAL INSURANCE AND SPECIAL RISK INSURANCE PROGRAM ACCOUNT

For an additional amount for the cost of guaranteed loans authorized by sections 238 and 519 of the National Housing Act, as amended (12 U.S.C. 1715z-3(b) and 1735c(f), up to $38,000,000: *Provided*, That notwithstanding section 236(f)(3) of such Act and section 201(j) of the Housing and Community Development Amendments of 1978, as amended, amounts required to fund the foregoing amount shall be derived by transfer from the Flexible Subsidy Fund during fiscal year 1993: *Provided further*, That prior to obligation of any funds from this transfer, such sums as may be necessary shall be rescinded from such Fund so that no amount so transferred shall increase Departmental budget outlays or budget authority.

During fiscal year 1993 additional commitments to insure loans under this head shall not exceed a total principal, any part of which is to be guaranteed, of an additional $1,000,000,000.

On page 37, insert the following after line 23:

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

COMMUNITY PLANNING AND DEVELOPMENT

COMMUNITY DEVELOPMENT GRANTS

Of the $4,000,000,000 appropriated under this head in the Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 1993, $37,500,000 shall be available for authorized community development activities for use only in areas impacted by Hurricane Andrew, Hurricane Iniki or Typhoon Omar: *Provided*, That notwithstanding any provision of law the foregoing $37,500,000 shall be derived from certain set-asides established for fiscal year 1993 under section 107 of the Housing and Community Development Act of 1974, including $6,000,000 for section 107(a)(1)(C), $9,000,000 for section 107(a)(1)(F), $15,000,000 for section 107(a)(1)(H) and $7,500,000 for section 107(a)(1)(I): *Provided further*, That an additional $7,500,000 shall be available also for use in areas impacted by the above named disasters to be derived from amounts made available under this head in fiscal year 1993 in accordance with section 119(o) of such Act: *Provided further*, That the Secretary may waive entirely, or in any part, any requirement set forth in title I of such Act, except a requirement relating to fair housing and nondiscrimination, the environment, and labor standards, if the Secretary finds that such waiver will further the purposes of the use of the amounts made available to the impacted areas.

At the appropriate place insert:

DEPARTMENT OF AGRICULTURE

AGRICULTURAL NATURAL DISASTER ASSISTANCE

From amounts made available to the Farmers Home Administration in Public Law 102-368, the Secretary of Agriculture may transfer from the following accounts up to the specified maximum amounts as follows: Agricultural Credit Insurance Fund Program Account, $28,000,000; Rural Water and Waste Disposal Grants, $20,000,000; Emergency Community Water Assistance Grants, $5,000,000; and Rural Development Insurance Fund Program Account, $10,000,000. Such funds shall be available through the end of FY 1994 for:

(a) a program designed to reduce the interest rate on Business and Industry guaranteed loans, whereby with respect to loans guaranteed by the Secretary under which the rate of interest charged by any legally organized lending institution (hereinafter "lender") does not exceed by more than 100 basis points the prime rate as defined by the Secretary, the Secretary may enter into a contract with any such lender under which the lender will receive payments in such amounts as will during the term of such contract reduce the interest rate paid by a borrower by one percentage point: *Provided*, That the borrower would otherwise be unable to make payments on such loan when due;

(b) permanent replacement of temporary migrant housing and rental assistance under "Rural Housing for Domestic Farm Labor";

(c) utilization of section 9 of the Cooperative Forestry Assistance Act of 1978 (16 U.S.C. 2105), without any requirement for state cost-sharing on matching funds;

(d) cost share assistance in accordance with title IV of the Agricultural Credit Act of 1978 (16 U.S.C. 2201-2205) for nurserymen for the rehabilitation of fencing destroyed or damaged by Hurricane Andrew:

Provided further, That such amounts so transferred shall be available only in areas affected by Hurricane Andrew, Hurricane Iniki, and Typhoon Omar: *Provided further*, That the entire amount transferred is hereby designated by Congress as an emergency requirement pursuant to section 251(b)(2)(D)(i) of the Balanced Budget and Emergency Deficit Control Act of 1985.

At the appropriate place insert the following:

SECTION . AMENDMENT.

Section 1(a) of the Act entitled "An Act to authorize the Architect of the Capitol to acquire certain property", approved August 3, 1992, is amended to read as follows:

"(a) ACQUISITION OF PROPERTY.—(1) The Architect of the Capitol, under the direction of the Senate Committee on Rules and Administration, may acquire, on behalf of the United States Government, by purchase, condemnation, transfer or otherwise, as an addition to the United States Capitol Grounds, such real property in the District of Columbia as may be necessary to carry out the provisions of this Act. Real property acquired for purposes of this Act, may, in the discretion of the Architect of the Capitol, extend to the outer face of the curbs of such property so acquired, including alleys or parts of alleys and streets within the lot lines and curblines surrounding such real property, together with any or all improvements thereon.

"(2) Subject to the approval by the Committee on Appropriations of the Senate, an amount necessary to enable the Architect of the Capitol to carry out the provisions of paragraph (1) of this subsection may be transferred from any appropriation under the heading 'SENATE' and the subheading 'SALARIES, OFFICERS AND EMPLOYEES', and 'OFFICE OF THE SERGEANT AT ARMS AND DOORKEEPER', and the subheadings 'CONTINGENT EXPENSES OF THE SENATE' and 'SERGEANT AT ARMS AND DOORKEEPER OF THE SENATE' to the account appropriated under the heading 'ARCHITECT OF THE CAPITOL' and the subheadings 'CAPITOL BUILDINGS AND GROUNDS' and 'SENATE OFFICE BUILDINGS'.".

JOHNSTON AMENDMENT NO. 476

Mr. JOHNSTON proposed an amendment No. 476 to the bill (H.R. 2118), supra, as follows:

On page 40, after line 16, insert the following:

CHAPTER X

DEPARTMENT OF DEFENSE—CIVIL

DEPARTMENT OF THE ARMY

CORPS OF ENGINEERS—CIVIL

ADMINISTRATIVE PROVISION

Using funds heretofore appropriated under "Construction, General", the Secretary of the Army, acting through the Chief of Engineers, is directed to augment, reprogram, transfer or apply such additional sums as necessary to continue construction and cover anticipated contract earnings on any project which received an appropriation or allowance within the appropriation in fiscal year 1993 in order to avoid terminating any contracts and to avoid schedule delays.

BYRD (AND OTHERS) AMENDMENT NO. 477

Mr. BYRD (for himself, Mr. LAUTENBERG, Mr. SASSER, Mr. HATFIELD, Mr. INOUYE, Mr. STEVENS, Mr. BROWN, Mr. EXON, Mr. KOHL, Mr. GRASSLEY, Mr. FEINGOLD, Mr. GREGG, Mr. BUMPERS, Mr. WOFFORD, Mr. BRADLEY, Mr. WELLSTONE, Mr. LEVIN, and Mr. LEAHY) proposed an amendment No. 477 to the bill (H.R. 2118), supra; as follows:

On page 13, following line 16, add the following:

(RESCISSION)

SEC. . Of the funds available to the Department of Defense, amounts are rescinded from appropriations as follows:

Military Personnel, Army, $112,014,000;

Military Personnel, Marine Corps, $47,200,000;

Military Personnel, Air Force, $127,100,000;

Reserve Personnel, Army, $486,000;

Reserve Personnel, Air Force, $300,000;

National Guard Personnel; Air Force, $400,000;

Operation and Maintenance, Army $6,408,000;

Operation and Maintenance, Defense Agencies, $35,000,000;

Aircraft Procurement, Army, 1993/1995, $3,000,000;

Procurement of Ammunition, Army, 1993/1995, $19,000,000;

Other Procurement, Army 1993/1995, $21,900,000;

Aircraft Procurement, Navy, 1993/1995, $64,800,000;

Weapons Procurement, Navy, 1993/1995, $8,000,000;

Other Procurement, Navy, 1993/1995, $81,450,000;

Missile Procurement, Air Force, 1993/1995, $45,300,000;

Other Procurement, Air Force, 1993/1995, $150,000,000;

Procurement, Defense Agencies, 1993/1995, $22,200,000;

National Guard and Reserve Equipment, Defense, 1993/1995, $257,950,000;

Research, Development, Test and Evaluation, Army, 1993/1994, $6,200,000;

Research, Development, Test and Evaluation, Navy, 1993/1994, $36,200,000;

Research, Development, Test and Evaluation, Air Force, 1993/1994, $115,092,000;

Research Development, Test and Evaluation, Defense Agencies, 1993/1994, $90,000,000."

INOUYE AMENDMENT NO. 478

Mr. INOUYE proposed an amendment No. 478 to the bill (H.R. 2118), supra, as follows:

On page 12, after line 25, insert:

ENVIRONMENTAL RESTORATION, DEFENSE

Under the heading "Environmental Restoration, Defense" in the Department of Defense Appropriations Act, 1993 (Public Law 102-396), the third, fourth, and fifth provisos are repealed.

BUMPERS (AND OTHERS) AMENDMENT NO. 479

Mr. BUMPERS (for himself, Mr. LIEBERMAN, Mr. KOHL, Mr. LAUTENBERG, Mr. WELLSTONE, Mr. KERRY, Mr. WARNER, Mr. BAUCUS, Mr. SASSER, Mr. LEVIN, Mr. KENNEDY, Mr. LEAHY, Mr. COVERDELL Mr. MURKOWSKI, Mr. CHAFEE, and Mr. BOND) proposed an amendment No. 479 to the bill H.R. 2118, supra, as follows:

On page 11, line 17, strike "expended." and insert the following: "expended.

SMALL BUSINESS ADMINISTRATION

BUSINESS LOANS PROGRAM ACCOUNT

For an additional amount for "Business loans program account," for the cost of section 7(a) guaranteed loans (15 U.S.C. 636(a)), $175,000,000, to remain available until expended, of which $15,000,000 shall be derived from funds provided under this heading in Public Law 102-395 for the Small Business Investment Company Program.

DISASTER LOANS PROGRAM ACCOUNT

(RESCISSION)

Of unobligated balances available under this heading, $80,657,000 are rescinded.

SALARIES AND EXPENSES

(RESCISSION)

Of the funds made available under this heading in Public Law 102-395, $2,000,000 are rescinded.

SECURITIES AND EXCHANGE COMMISSION

SALARIES AND EXPENSES

(RESCISSION)

Of the funds made available under this heading in Public Law 102-395, from offsetting collections to be earned by the Securities and Exchange Commission in FY 93 $11,700,000 are rescinded.

BOARD FOR INTERNATIONAL BROADCASTING

ISRAEL RELAY STATION

(RESCISSION)

From obligated and unobligated balances available under this heading, $180,000,000 are rescinded.

DEPARTMENT OF COMMERCE

ECONOMIC DEVELOPMENT ADMINISTRATION

ECONOMIC DEVELOPMENT REVOLVING FUND

(RESCISSION)

In addition to sums rescinded elsewhere in this Act, of the unobligated balances in the Economic Development Revolving Fund, $16,000,000 are rescinded.

DEPARTMENT OF ENERGY

(RESCISSION)

From unobligated balances available under this heading which were appropriated to the Western Area Power Administration in Public Law 102-377, $40,000,000 is rescinded.

BUMPERS-COCHRAN AMENDMENT NO. 480

Mr. HATFIELD (for Mr. BUMPERS and Mr. COCHRAN) proposed an amendment No. 480 to the bill H.R. 2118, supra; as follows:

On page 3, line 19, strike "$8,576,000" and insert "$9,587,000".

On page 5, between lines 10 and 11, insert:

Of the amounts provided under this heading for the cost of direct farm ownership loans in Public Law 102-341, $2,317,000 are rescinded.

On page 3, between lines 15 and 16, insert:

SOIL CONSERVATION SERVICE

WATERSHED AND FLOOD PREVENTION OPERATIONS

For an additional amount for the emergency watershed protection program, $3,328,000.

HATFIELD AMENDMENT NO. 481

Mr. HATFIELD proposed an amendment to the amendment No. 475 proposed by Mr. BYRD to the bill H.R. 2118, supra; as follows:

At the end of amendment No. 475 insert the following.

(b) FACILITIES.—The first sentence of subsection (d) of section 1 of such Act is amended—

(1) by inserting "(1)" immediately after "to make expenditures for"; and

(2) by inserting immediately before the period at the end thereof a semicolon and the following: "and (2) for the construction on such real property of any facilities thereon as authorized under subsection (f)".

DECONCINI AMENDMENT NO. 482

Mr. DECONCINI proposed an amendment No. 482 to the bill (H.R. 2118), supra, as follows:

On page 28, line 16, strike "$7,350,000" and insert in lieu thereof, "$11,277,000".

NUNN (AND COVERDELL) AMENDMENT NO. 483

Mr. NUNN (for himself and Mr. COVERDELL) proposed an amendment No. 483 to the bill (H.R. 2118), supra, as follows:

At the appropriate place in the bill, insert the following:

SEC. . TECHNICAL AMENDMENT.

Title III of the Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 1993, is amended in the paragraph under the subheading "STATE REVOLVING FUNDS/CONSTRUCTION GRANTS" under the heading "ENVIRONMENTAL PROTECTION AGENCY" by striking "necessary work to remove and reroute the existing sewer lines at" and inserting "improvements related to the sewer system that services".

DECONCINI AMENDMENT NO. 484

Mr. DECONCINI proposed an amendment No. 484 to the bill (H.R. 2118), supra, as follows:

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

DECONCINI AMENDMENT NO. 485

Mr. DECONCINI proposed an amendment No. 485 to the bill (H.R. 2118), supra, as follows:

At the appropriate place in the bill, under General Provisions, insert the following General Provision:

SEC. . Of the funds appropriated for "Department of State, International Narcotics Control" in the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1993 (Public Law 102-391), $9,800,000 shall be made available immediately only for aircraft manufacturer-certified upgrades of no fewer than eight existing UH-1 helicopters for use in international narcotics control operations in Latin America.

Provided, That none of the funds appropriated in this section shall be used to support the transfer or use of these helicopters in Guatemala.

NOTICE OF HEARING

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. JOHNSTON. Mr. President, I would like to announce for the public that a hearing has been scheduled before the Full Committee on Energy and Natural Resources.

The hearing will take place Thursday, July 1, 1993, at 9:30 a.m. in room 366 of the Senate Dirksen Office Building in Washington, DC.

The purpose of the hearing is to receive testimony from Dr. Tara O'Toole, nominee to be Assistant Secretary of Energy for Environment, Safety and Health and Robert Nordhaus, nominee to be General Counsel for the Department of Energy.

For further information, please contact Rebecca Murphy at (202) 224-7562.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON ARMED SERVICES

Mr. FORD. Mr. President, I ask unanimous consent that the Committee on Armed Services be authorized to meet on Thursday, June 17, 1993, at 9:30 a.m., in open session, to receive testimony on Department of Defense plans for maintaining combat readiness and the potential impact of budget reductions in fiscal year 1994 in review of the Defense authorization request for fiscal year 1994 and future years defense program.

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

COMMITTEE ON FINANCE

Mr. FORD. Mr. President, I ask unanimous consent that the Committee on Finance be permitted to meet today at 10 a.m. to mark up its response to the

reconciliation instructions contained in the budget resolution.

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

COMMITTEE ON FOREIGN RELATIONS

Mr. FORD. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be authorized to meet during the session of the Senate on Thursday, June 17, 1993, at 2 p.m. to hold hearings on Treaty Doc. 103-1, the Start II Treaty.

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

SELECT COMMITTEE ON INTELLIGENCE

Mr. FORD. Mr. President, I ask unanimous consent the Select Committee on Intelligence be authorized to meet during the session of the Senate on Thursday, June 17, 1993, at 2:30 p.m. to hold a closed hearing on intelligence matters.

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

ETHICS STUDY COMMISSION

Mr. FORD. Mr. President, I ask unanimous consent the Ethics Study Commission be authorized to meet during the session of the Senate on Thursday, June 17, 1993, at 2 p.m. to resume its hearings on reforming the process the Senate uses to investigate and decide alleged ethical misconduct by Senators, in room 253, of the Russell Senate Office Building.

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

SUBCOMMITTEE ON SECURITIES

Mr. FORD. Mr. President, I ask unanimous consent that the Subcommittee on Securities of the Committee on Banking, Housing, and Urban Affairs be authorized to meet during the session of the Senate, Thursday, June 17, 1993, at 9:30 a.m. to hold a hearing on private securities litigation.

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

SUBCOMMITTEE ON PUBLIC LANDS, NATIONAL PARKS AND FORESTS

Mr. FORD. Mr. President, I ask unanimous consent that the Subcommittee on Public Lands, National Parks and Forests of the Committee on Energy and Natural Resources be authorized to meet during the session of the Senate, 2 p.m., June 17, 1993.

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

SUBCOMMITTEE ON DEFENSE TECHNOLOGY, ACQUISITION, AND INDUSTRIAL BASE

Mr. FORD. Mr. President, I ask unanimous consent that the Subcommittee on Defense Technology, Acquisition, and Industrial Base of the Senate Armed Services Committee be authorized to meet on Thursday, June 17, 1993, at 2:30 p.m. in open session to receive testimony from Government and industry witnesses regarding manufacturing technology 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 SUPERFUND, RECYCLING AND SOLID WASTE MANAGEMENT

Mr. FORD. Mr. President, I ask unanimous consent that the Subcommittee on Superfund, Recycling and Solid Waste Management, Committee on Environment and Public Works, be authorized to meet during the session of the Senate on Thursday, June 17, beginning at 10 a.m., to conduct a hearing on S. 773, the Voluntary Environmental Cleanup and Economic Redevelopment Act of 1993.

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

SUBCOMMITTEE ON TERRORISM, NARCOTICS AND INTERNATIONAL OPERATIONS

Mr. FORD. Mr. President, I ask unanimous consent that the Subcommittee on Terrorism, Narcotics and International Operations of the Committee on Foreign Relations, be authorized to meet during the session of the Senate on Thursday, June 17, 1993, at 10 a.m. to continue hearings on the fiscal year 1994 Foreign Relations Authorization Act: International Broadcasting and Public Diplomacy.

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

ADDITIONAL STATEMENTS

TRIBUTE TO A DEDICATED ENVIRONMENTALIST, JANE NOGAKI

• Mr. LAUTENBERG. Mr. President, I rise today to acknowledge a dedicated environmental advocate from the Garden State, Jane Nogaki.

After 8 years as chairperson of the New Jersey Environmental Federation, Jane Nogaki is stepping aside to allow a new leader to take charge. Those of us who know of Jane's extraordinary dedication to environmental protection know that the word "retirement" will never apply to Jane. She will continue to be a strong voice in the fight to protect New Jersey's environment.

Jane began her advocacy career as a resident of a small south Jersey town who was concerned about pesticide spraying in her community. This prompted her to organize a statewide campaign to reduce pesticide use in New Jersey.

As the founding chairperson of the New Jersey Environmental Federation, Jane became a statewide and national leader on many environmental campaigns including Superfund, Clean Water, and the Right to Know Coalition.

Mr. President, I ask my colleagues to join me in recognizing this extraordinary woman, who has devoted herself to making New Jersey a cleaner, safer place to live. Her commitment and achievements are worthy of our praise and admiration.•

THE SMELL OF HATE

• Mr. LEAHY. Mr. President, those of us who were privileged to attend the dedication ceremonies for the U.S. Holocaust Memorial Museum on the Washington Mall will not soon forget the words of the survivors, or the stark black and white images of the victims who suffered or perished during one of the darkest periods in world history.

Allen Gartner of Rutland is a very close friend of mine—tireless in his support for the nation of Israel and the Jewish people. He wrote to me after his daughter, Jennie, had visited the museum, enclosing a poem she had written describing the experience.

She asked her father to edit the poem and he wrote: How could I?

I think you will understand how he felt—for no words of mine can improve upon the poignant utterance of this 13-year-old Vermont girl, after viewing exhibits at the Holocaust Memorial Museum.

I ask that The Smell of Hate by Jennie Gartner be printed in the RECORD so that others may read it and be as proud of this young Vermonter as her father and I are today.

The poem follows:

THE SMELL OF HATE

(By Jennie Gartner)

1928, the danger started.
As he would rise,
he would take followers
Lots of followers.
People, with nothing to believe in.
Lost, in their own country.
No one to believe in.
So, they chose the largest of evils.
"The people," he would say, "are filled with racial impurities.
Let us cleanse them."
As he would say,
There is only one people to blame for our troubles.
Let us burn them.
And so it began.

To rid the country of its troubles,
We must rid ourselves of these swine.
Let us murder them. All of them.
Homosexuals, gypsies, crippled, and one.
One religion.
Sought out for who they were,
And what they did wrong.
Nothing.
But that's not what he would say.
They were loaded into boxcars.
For animals.
But that's what they were, correct?
No.

Traveled. by day, by night.
In boxcars. For animals. For swine.
No food. Air. Water. Dignity.
They arrived. Families. Towns.
Children, babies. Men, women.
Most were killed. Gassed.
Then burned.
Burned dead or alive.
Piles. Piles of ashes.
Made to dig their own graves.
Shot. Mass graves.
Buried alive. Dead or alive.
No one cares how you kill filth,
Just as long as it's gone.
Dead. But the smell, it lingers.

And some outsiders did not know.
Know what was going on.
And some did. And did not care.
Still more knew,
And did not do anything

Some found out after.
They saw the graves. The ashes.
The souls that were dead,
Before they were killed.
They cried. I'm glad. They should cry.
The feeling, the sight of it all,
Should tear their souls apart.
It should make them sick.
And it did. It still does.
For the smell of hate, it lingers.

REMARKS OF LEONARD ZAKIM OF ANTI-DEFAMATION LEAGUE

• Mr. KERRY. Mr. President, I was pleased that the Supreme Court recently ruled that hate crimes, indeed, can receive more severe punishment than other kinds of crime. As we look around the world, we see the tragic consequences of allowing this sort of violence to flourish. In our country, we must expose and condemn all forms of bigotry and prejudice, especially those which manifest themselves in physical violence.

Recently and tragically, a hate crime was committed by three young men in Everett, MA. My friend, Leonard Zakim, of the Anti-Defamation League of B'nai B'rith of Boston spoke at the rededication ceremony of a Jewish cemetery that had been desecrated in this outburst of anti-Semitic violence. People teach people to hate, and Mr. Zakim stresses the importance of breaking this cycle of ignorance through education. His words are frank, determined, and sobering. We are obligated to read them, remember past tragedies, and reflect on what we have seen and learned so we may work together for a better future, free of hate and prejudice.

I ask that the text of the speech given by Mr.. Zakim be printed in the RECORD at this point.

The speech follows:

REMARKS OF LENNY ZAKIM OF ANTI-DEFAMATION LEAGUE, EVERETT CEMETERY REDEDICATION, APRIL 25, 1993

The honor and integrity of those buried here, the meaning of their lives, and the love of them by their families was not diminished and could not be diminished by the perpetrators of this desecration—their honor, their memory, and their legacies cannot be tainted or bruised by these criminals.

What has been diminished by these acts one of the perpetrators now insultingly calls a dumb prank, is our communal sense of dignity, respect for those alive and dead, and our minimal code of civility.

In this week of remembrance when Jewish nerves were already exposed and vulnerable, these acts of hate ripped at our hearts—but unlike too many times in the past, the tears we shed for the pain we felt was not ours alone. We are not alone.

Since the incident, the ADL and this community, led by its sensitive mayor, have been deluged with calls of support from Jews and non-Jews, blacks and whites. Today as we stand surrounded by political, religious, and community leaders who took on this anti-Semitic attack as against them too—the wounds inflicted are closer to being healed because of their support.

No community, amidst this anguish, could have been better served than we have been, particularly by the all-out response of the police department and District Attorney Tome Reilly.

Reilly's on the scene involvement and consultation coupled with the crisp outspoken condemnation of these attacks by Attorney General Harshbarger, made clear the priority these incidents would receive. The compassion of cardinal law and the friendship of the mass council of churches matters.

It makes a difference when you don't stand alone, but as much as their support helps heal the wounds, it will take yet more.

Attorney inspired apologies by the perpetrators 1 day after the price and penalty of their acts became clear do not heal wounds. Criminal defense 101 instructs if you're caught and likely to go to jail, admit, apologize, and beg forgiveness.

In the solemnity of this place, I am hesitant to express the disgust I feel. Last night on the news, a neighbor of one of the defendants said, "Stop harassing them." Now they're the victims.

"I was drunk," he said, "I didn't know what I was doing; it started as a prank and went overboard." Prank? 100 tombstones? Swastikas and graffiti? Attack on a Korean store, an Hispanic home? Prank? Joke?

Let me be clear, the town of Everett is not to blame for this, but it is responsible to take programs like a World of Difference into the schools so others learn this is wrong. Not just because it's against the law. The message that we will be intolerant of intolerance must go out not only in a crisis. Anti-Semitism does not consist only of cemetery desecrations, swastikas, and Auschwitz. There is much between that requires your efforts.

Today as we gather to show respect and to rededicate ourselves to go beyond condemning the hate of the past and mobilize all our resources to fight it today, we at the ADL urge you not to give up hope or faith.

That these three punks, and the haters they are allied with, could claim the loss of our faith as a result of their crimes would be a crime against the living and the future.

A Catholic woman interviewed here yesterday said, "It's a sin. We've got to respect each other." Friends, it is up to us to go on.

We do not want sympathy or pity from anyone. We stand here after this insanity, upright and strong—proud of who we are and what we stand for—and proud and grateful that in this hour of need we do not stand alone.

As Heschel said, we must go on.•

VERMONT'S OWN DYNAMIC DUO

• Mr. LEAHY. Mr. President, it is my pleasure today to introduce Vermont's own dynamic duo—Mary Alice McKenzie and William Sorrell—to the U.S. Senate through the pages of their hometown newspaper, the Burlington Free Press.

Mary is president of the John McKenzie Packing Co. in Burlington and chairwoman of Associated Industries of Vermont.

Bill is the right arm of Gov. Howard Dean—serving our Governor as secretary of the administration. Bill also served as Chittenden County State's attorney—an elected post that I held for 8 years before coming to the Senate.

Bill and Mary come from distinguished Vermont families that have a very rich political and business history in our State and are special friends of mine and my family.

I ask that an article that appeared in the June 8, 1993, edition of the Burlington Free Press be printed in the RECORD so that more Americans can learn about this wonderful family.

The article follows:

[From the Burlington Free Press, June 8, 1993]

MOVERS AND SHAKERS BY DAY . . . MOM AND DAD BY NIGHT

(By Betsy Liley)

The day Tommy Sorrell was born four years ago is one his parents are likely to long remember.

It was the day his grandfather, John McKenzie, was buried, cementing his mother's move to the top of the family meat company, a Burlington institution.

Later, his father's office would wind up prosecuting a family friend for drunken driving on the evening after ferrying pallbearers to the McKenzie funeral.

The child's parents come from storied Burlington families and are now in key government and business positions that at times put them on opposite sides of state issues.

Mary Alice McKenzie is president of John McKenzie Packing Co. and newly elected chairwoman of the Associated Industries of Vermont. William H. Sorrell is the former Chittenden County state's attorney and leads the Administration Agency for Gov. Howard Dean.

"There's nothing bad you can say about them," said Thomas Crowley, a former Chittenden District state senator and now an independent lobbyist. Crowley, a distant cousin of the McKenzie family, had been drinking the morning of the McKenzie funeral before he was scheduled to bring pallbearers to the service.

Crowley jokes he was enlisted for the job partly because he owns a large car, but he is serious when he says the prosecution by Sorrell's office helped set him on the road to what will soon be four years of sobriety.

Crowley's view of the couple is shared by Dale Rouchleau, a Montpelier lobbyist, lawyer for the family meat business and friend. "In Vermont, the cream rises to the top. And that's what happened here."

McKenzie is best-known for her appearances in the company's television commercials that prompted her christening as Vermont's Queen of Ham. Sorrell's legal colleague, William Gray, said, "It's the Victor Kiam syndrome."

And Sorrell's no stranger to most Vermonters, after frequent media appearances as a state's attorney willing to take on long-unsolved cases.

Concidence—obviously no stranger to the Sorrell-McKenzie marriage—will probably strike with greater regularity in the next two years.

Last week, McKenzie, 35 was elected the first female head of Associated Industries of Vermont, the group that represents the interests of almost 600 manufacturers. Her two-year tenure will chart a course for the group by selecting a new full-time staff leader. McKenzie sits on four other boards and is a member of the Governor's Council of Economic Advisers.

Sorrell, 46, is Gov. Howard Dean's chief financial adviser. His job as administration secretary requires not only managing the state's $1.4 billion budget and his agency, but being a state-wide jack-of-all-trades and trouble-shooter.

Their government posts have created conflict in the McKenzie-Sorrell home. Both are described by friends and family as focused, tough, vivacious, bright, strong-minded people who aren't afraid to disagree with each other. "There are some quiet moments after we've discussed things," admitted Sorrell.

They were pitted against each other in a 1993 legislative battle over reducing the sales tax on fuel paid by manufacturers. AIV and McKenzie were pushing to eliminate the tax. Sorrell and the administration disagreed, fearing that the change could hurt state revenues.

In discussing it in separate interviews, each spent most of the time explaining the other's position.

"He has said, 'That's your perspective as a manufacturer. You don't understand. There are so many other constituencies that I have to worry about,'" McKenzie said.

"Mary Alice believes very strongly not only in her company but in what the role of government is and is not," Sorrell said.

Their friends and colleagues marvel at the influence and stress shared in one household with two children and a dog named Ham.

"They're fast-tracking. They're paralleling," said Burlington business man Ernie Pomerleau, coining a word to describe the pair's relationship and professional progress. He sits on the Vermont Federal Bank board with McKenzie and grew up with Sorrell. "That dynamic brought them together and sustains them."

Their paths are so similar—although a decade apart—its a wonder the two did not know each sooner.

The children of long-established, Irish Catholic, Burlington families, the pair grew up in the same church—the Cathedral of the Immaculate Conception—and in the same circles. Both families were Democrats, in a time when Republicans ruled Vermont.

He is the son of a veteran Burlington police officer. His mom, Esther, held a state Senate seat and helped start many young Democrats on their careers, including Crowley and Dean.

Both went to Rice Memorial High School.

He went to Notre Dame University in South Bend, Ind. She went to the Notre Dame women's college, St. Mary's. While he was in college, Sorrell spent a couple of summers working at McKenzie meats for her father.

Both went to law school and became prosecutors, he in Burlington and she in Chicago.

They met when she was still in law school, during a summer she spent clerking at his firm. They kept in touch while she finished her legal degree and in the two years she was a prosecutor. When she came home in 1984, they started dating.

Their children are daughter Mackie, 5, and son, Tom, 4. (No, those are not the children in the television commercial. But many other family members have appeared.)

Their future roles are unclear. Sorrell is a likely candidate for the judiciary, having been mentioned a contender for the empty U.S. Attorney's Office. McKenzie isn't thinking about anything other than the success of her small business.

The key to balancing their busy lives with their young family is family, said everyone familiar with their life.

One key is McKenzie's mother, Phyllis, who lives next door to the McKenzie-Sorrell household on a quiet cul-de-sac off North Prospect Street. She picks up, feeds and babysits the kids and generally is the elastic in the duo's busy life.

"They have birthday parties for the kids. All the family comes. They bring their kids. His sisters come," said McKenzie's aunt, Janice Dubie of Essex Junction. "Their family is like that. And our family is like that.

"That's what life is about." Dubie said.●

THE NOMINATION OF LEE BROWN

● Mr. D'AMATO. Mr. President, I rise to discuss the nomination process as it relates to Lee Brown. The Senate has confirmed his nomination, but I am still troubled by questions that persist about Mr. Brown's performance as police commissioner during the Korean boycott and the riots in Crown Heights. Serious questions linger about whether Mr. Brown fulfilled his duties as the city's chief law enforcement officer. The Korean and Jewish communities are concerned, their questions remain unanswered, their doubts about Mr. Brown's ability to lead have not been erased.

I want to make a statement today on behalf of those who wanted to speak out and could not be heard. The Jewish and Korean communities of New York should have been allowed to raise their valid concerns in a public forum as this nomination was being reviewed and considered. Their voices should have been heard and the issues they raise should have been examined thoroughly by this body.

The President wants Mr. Brown to serve as his drug czar, a critical leadership position, at a critical time. It is imperative that we have a strong and courageous leader to effectively carry out the Nation's drug policies.

Mr. Brown can demonstrate his leadership qualities by making the important first step toward opening a new dialog with the Korean and Jewish communities, in an attempt to build a better working relationship with those communities.

I urge him to do so immediately.●

TRIBUTE TO DR. WILLIAM L. ROPER

● Mr. HARKIN. Mr. President, today I rise to pay tribute to one of this Nation's finest public health leaders, Dr. William L. Roper, Director of the Centers for Disease Control and Prevention. Dr. Roper will be leaving his post as Director on June 30, 1993.

Dr. Roper was trained as a pediatrician and later as a public health professional. Prior to serving as Director of the Centers for Disease Control and Prevention, Dr. Roper served on the Domestic Policy Council at the White House and as Administrator of the Health Care Financing Administration. Because Dr. Roper served as a local health officer, he has a special understanding of public health care systems and public health needs.

As chairman of the Senate Appropriations Subcommittee on Labor, Health and Human Services, Education, and Related Agencies, I have come to know and respect Bill Roper's commitment to public health. It has been my privilege to work with Bill Roper to make prevention the first line of defense in the fight against disease. Bill Roper has always been a leader. Nowhere has that leadership been more apparent than in his efforts to reshape health care policy, both as Administrator of the Health Care Financing Administration and as Director of the Centers for Disease Control and Prevention. Truly, Bill Roper has made the CDC the Nation's prevention agency. There has been no more able spokesman than Bill Roper in making the case for preventive health services.

Bill Roper has served this Nation with distinction during a period of time when we as a nation were wrestling with some very complex health problems, such as HIV infection, measles outbreaks, and more recently, what has come to be known as the mystery illness, on the Navajo reservation.

We have been fortunate to have a person of Bill's competence and integrity as Director of the Centers for Disease Control and Prevention. In the years that I have worked with Bill Roper, I can truly say that he has never played politics with the health and safety of the American people—his politics have always been the politics of putting people first.

So, Dr. Roper, on behalf of my colleagues, I say, well done. We wish you the very best.●

THE VIRTUES OF ICE CREAM

● Mr. D'AMATO. Mr. President, I rise today to extol the virtues of ice cream, scrumptious concoction which has found its way into the hearts of fans across the globe. From Jamaican rum raisin to Chinese green tea to Georgia peach; from Hawaiian coffee to New York super fudge chunk, there is an ice cream flavor to please every palate, tempt every taste bud, and sooth every stomach.

To celebrate this unique eating experience, next month, July, is National Ice Cream Month, dedicated to American's love of ice cream. As an appropriate reflection of this national devotion, the United States leads the world in per capita production of ice cream and related products.

In 1992, American workers produced a record 1.49 billion gallons of these frozen desserts, which comes out to over 23 quarts per person. Being an enthusiastic ice cream loving State, New York's contribution to this number was a whopping 65 million gallons.

The enjoyment of ice cream spreads to all nations, ages, genders, and even crosses political party lines. As it has been said many times, to be happy, you must take the time out to enjoy the small things in life. This afternoon to celebrate the 11th annual Capitol Hill

ice cream party, I would like to introduce a bipartisan personal stimulus package—eat more ice cream.•

THE CLINTON TAX PLAN IS BAD FOR SMALL BUSINESS

• Mr. GORTON. Mr. President, over the past few months, I have been listening to the people of Washington State express their concerns and fears about the Clinton tax plan. I have heard them loud and clear.

The people of Washington State are angry about all the tax increases and the lack of any meaningful or significant spending cuts. They know this is another tired, old tax and spend plan.

They are right.

This proposal is the single largest tax increase in this Nation's history and will saddle the average American taxpayer with devastatingly high taxes.

Mr. President, of all the burdensome and destructive new taxes contained in this measure—of which there are many—some of the most onerous are the ones that will pummel America's small businesses into bankruptcy.

It is no secret that small businesses are the engine of job growth in our economy. While jobs have been lost in larger companies, small businesses have been the number one job creator in the United States. We need to encourage and assist their growth and prosperity, not punish them.

This fact, however, seems to be lost on some because the Clinton tax plan does not foster small business growth. It punishes job creation and inhibits business expansion.

The tax hikes in the Clinton plan will be a major hit to our small businesses. Although Clinton has said he will make the rich pay their fair share and raises the individual rate from 31 to 36 percent, a full 80 percent of businesses pay taxes as individuals. Therefore, when President Clinton says he will raise taxes only on the rich, insert "small business" every time you hear him.

I have talked to such businessowners in the State of Washington. Subchapter S corporations, partnerships, and sole proprietorships are all extremely worried by this proposal. Some have said massive new taxes will curtail their expansion plans. Some have even said that these new taxes will actually push them out of business.

Moreover, when you add in all the Clinton taxes, these small business' marginal rates skyrocket up to almost 45 percent. This takes money out of the hands of businesses which could use it to create new jobs and just hands it over to Government bureaucrats.

Even worse, small businesses face additional taxes which will constrain their growth: The extension of the gas tax, a restriction on meal deductions, and the new 4.3-cent transportation fuels tax currently being considered behind closed doors by the Finance Committee Democrats.

All this adds up to a disaster for the small businesses of Washington State and the Nation. While this tax plan professes to wage war on the so-called rich, it will actually end up killing those businesses which add net new growth to our economy.

It simply defies logic that the Clinton plan includes massive tax increases raised on the backs of small businesses, yet at the same time this administration is virtually pleading with small businesses to create new jobs. It just doesn't work.

I repeat my call for the President to scrap this whole plan. Only when the President sends to Congress a package that will create jobs and foster economic growth while at the same time cutting the deficit by cutting spending will his plan win the approval of the American people, small business owners, and the Senate. I stand ready to work with him to achieve that goal.•

THE 1993 SUMMER SOL PROGRAM

• Mr. DECONCINI. Mr. President, our society is in a high-technology age that often seems to undermine the cultural character of this country. The television and video age has been criticized for apparently destroying a young person's ability to think and visualize. Modern music has also been accused of breaking down the morals of society and causing antisocial behavior. The age of computers has bred a student who wants information quickly and gets bored in the absence of mental stimulation. Whether or not these accusations contain any truth, the bottom line is that students today find themselves in a society that presents many challenges. In light of this situation, a new and unique program in my state of Arizona has been developed to integrate the universal appeal of music, art, and video into the curriculum to help our young people express themselves while providing them with the tools to meet the challenges of the 21st century.

The 1993 Summer Sol Program is an innovative project that aims to empower young people to effect positive social change and cultural awareness by utilizing music, art, and video in an educational setting. Over a 6-week period this summer, more than 100 students will be given a positive outlet for their energy through the creation, organization, and performance of an original music production that will serve as a showcase to the community for the voice of youth.

The nightly agenda will be comprised of a multifaceted approach to education giving all students an opportunity to contribute to the final goal—the music production. The curriculum will include music, lyric and script writing, dance and theatrical workshops, technical production training, creative stage and costume design, graphic and graffiti art, video production, marketing, and challenging discussions and workshops dealing with social and cultural issues. Along with learning of specific skills, the emphasis on culture will instill pride in and knowledge of each of the student's own cultural history as well as respect and appreciation of the backgrounds of others.

The Summer Sol Program has outlined seven main objectives: First, to demonstrate the individual and potential and develop teamwork skills of youth by giving students the responsibility for the creation, organization, and performance of an original musical production.

Second, to utilize music, art, and video technology as an educational tool to communicate cultural history, explore contemporary social issues, and be a means of individual expression.

Third, to emphasize African-American, Mexican-American, and Native-American history, developing self-worth, knowledge, and appreciation of the students' own cultural backgrounds and those of others.

Fourth, to enhance self-empowerment through the acquisition of insight and hands-on experience in a wide range of areas and professional fields.

Fifth, to involve diverse members of the community in the daily curriculum and as continued resources for the students in the future.

Sixth, to create an environment that emphasizes teamwork in order to more effectively solve problems and find solutions to the challenges students face.

Seventh, to provide an exciting and alternative evening activity for the high school age youth of Tucson.

Student participation will be based on selection and recommendations from the staffs of local high schools, local youth services agencies, and the juvenile court system. The cultural diversity of the students and their various backgrounds will create an environment in which students can learn from each other and break down barriers, stereotypes, and misconceptions that can often separate ethnic groups. All young people today are potentially at risk. However, with positive support and guidance all students can realize their potential.

The staff of the Summer Sol Program is comprised of young, culturally diverse volunteers who provide expertise in a wide range of fields. These young people have a commitment to service and education.

The future of our Nation lies in the way that we develop our human resources. Our country clearly needs an educational system that encourages participation by students of all cultures and backgrounds. Education must provide a student not only with the inspiration, but also with the tools to navigate the future in positive direction. Because of the fragile world economy and domestic social strife, we

must prepare young people to meet these challenges. It is a challenge and an opportunity we cannot afford to squander.

Mr. President, I recently held a series of public hearings and meetings in Arizona on the issue of youth violence. This was an incredibly educational and rewarding experience for me personally. The most insightful and compelling testimony came from the young participants. These young people made a number of particularly relevant points, including the fact that society as a whole does not understand the younger generation and the problems that they face today. They also believe that there is no recognition or appreciation of cultural diversity and, most importantly, there are no suitable alternatives to the gang lifestyle.

Mr. President, the Summer Sol Program provides a meaningful response to each of these issues. It allows young people to develop the means to express themselves to a society they believe does not understand them. This program provides a very productive and creative response to the issue of youth violence which is so tragically prevalent in our society today.

Mr. President, I ask that my colleagues join me in expressing this body's appreciation and support for the Summer Sol Program.●

TRIBUTE TO WILLIAM R. FOSTER, D.V.M., FRIEND TO ANIMALS AND KENTUCKY ALIKE

● Mr. MCCONNELL. Mr. President, I rise today to pay tribute to a special citizen of the Commonwealth of Kentucky. Dr. William R. Foster has been lucky enough to spend his adult life pursuing an occupation he loves. Happily, since 1989 Kentucky has been fortunate enough to have him pursue his trade as director of the Louisville Zoological Gardens.

Bill Foster first discovered his fascination with animals while a high school senior in Jacksonville, FL. There he worked in a veterinary clinic and participated in landmark animal research, assisting his early mentor Dr. Louis Obi. Encouraged by his new passion, he attended the University of South Florida and later received his doctor of veterinary medicine from the Tuskegee Institute in 1976.

At Tuskegee he was 1 of only 11 white students in his class. This afforded him an opportunity to learn as much about life as his studies. Mr. President, as his friends and acquaintances will attest, Bill Foster knows how to work and get along with people better than most. He readily attributes his educational experience in helping him nourish this wonderful character trait.

Bill Foster is the perfect person for his job. A former full-time veterinarian, Dr. Foster has a greater understanding of what makes a zoo work than most. Colleagues describe him as perfect for the job, and indeed, Mr. President, Bill Foster is armed with the perfect mix of animal, people, and budgetary skills needed to run a modern zoo. The self described workaholic combines diplomatic skills, a sense of humor, and fundraising ability in his effort to further enhance the zoo.

Mr. President, it is his goal to carry the Louisville Zoo to the next level of success. Dr. Foster hopes to make the zoo more self sustaining as well as adding new and exciting exhibits. In accomplishing this, he proposes to eliminate traditional cages and erect natural barriers separating the animals and visitors.

I ask my colleagues to join me in honoring this outstanding citizen of the Commonwealth. In addition, Mr. President I ask that an article from the March 15, 1993, edition of Business First be printed at this point.

The article follows:

ZOO DIRECTOR HITS IT OFF WITH ANIMALS AND PEOPLE

(By John Bowman)

When Bill Foster was a child growing up in tiny Lexington Park, Md., he would often wander off into the woods.

"I was always bringing home snakes and turtles and lizards and crabs," recalls Foster. "I was always dirty."

These days, Foster is rarely dirty. Instead, the 42-year-old director of the Louisville Zoo usually finds himself dressed in a business suit—the better to call on company chief executive officers and directors of non-profit foundations, pitching the ambitious $75 million master plan that will eventually double the size of the zoo.

Not that Foster has lost any of his love for wildlife; he remains a licensed veterinarian and harbors thoughts of a return to some kind of field work on exotic animals "when I get old."

For now, though, acquaintances say Foster's zeal is focused on the growth and future of the Louisville Zoo.

"His enthusiasm is immense, so he's a natural salesperson," says Louisville consultant Joe Corradino, who doubles as chairman of the Zoo Foundation, the board which oversees the zoo's activities.

"He's perfect for the job," adds Scott Bennett, a doctor of veterinary medicine who helped Foster engineer the famous 1984 experiment in which a Kentucky quarterhorse mare served as surrogate mother for a fertilized zebra embryo. "He's one of the most respected veterinarians in the country with the zoo work."

Enthusiasm and knowledge of animals can only carry a person so far, though, even in the world of zoology. Those who know Foster well say he's armed with the perfect mix of animal, people and budgetary skills needed to run a modern zoo.

Foster is one of only 11 former zoo veterinarians who now serve as directors at North America's 166 zoos. Another is Lee Simmons, who was one of the first vets to make the jump at the Omaha Zoo in 1970. Simmons has known Foster since the two met at an industry convention in the late 1970s.

Foster has undoubted qualifications in the field of exotic animals, according to Simmons. Yet what made Foster stand out among his peers, Simmons said, is that "he's got really great people skills."

Bennett says those skills are best observed in Foster's dealings with the politicians and business types who oversee the zoo's operations.

"He's got the patience and diplomatic skills" needed to wade through zoo politics, Bennett notes, "He's just got a good way about him with people."

Nevertheless, patience and diplomacy do not stand in the way of Foster's well-developed sense of humor.

"He's a terrible practical joker," says Marian, his wife of 10 years.

Once when a veterinarian friend visited from Baltimore, Foster went to Standiford Field to pick him up. On his way to the gate, Foster ran into another friend—a police officer.

A plot was born.

When the visitor—a Canadian native—arrived, Foster informed him the police were looking for him asked him what he'd done wrong.

Son, the policeman approached Foster's friend and demanded to see his green card.

For a while, the visitor was sweating bullets, Marian says.

No wonder Bennett talks about Foster's "gregarious" personality.

Still, Simmons says, Foster doesn't run roughshod over folks in a roomful of people.

"Bill's very enthusiastic and intense. He's a gunner, but a very polite and well-controlled gunner."

Foster's interest in animals came naturally, but it's possible to trace the development of the other skills that now serve him so well.

His father was a civilian employee of the military, a job that kept the family on the move. Bill's high school years were spent, in succession, in Michigan, New York, Virginia and Florida.

Bored with school during his senior year, Foster walked into a Jacksonville veterinary clinic and landed a job cleaning up the kennel bays from 4 p.m. to 11 p.m. every other day.

"I had never seen veterinarians as professional people," recalls Foster. "it intrigued me."

Things got even more interesting when Dr. Louis Obi, a Jacksonville physician, began testing anti-rejection drugs at the clinic.

It was the late 1960s, when heart-transplant experiments in South Africa were being frustrated by tissue-rejection problems. Obi received funding for research in which small bits of tissue were taken from one animal and transplanted into another.

The work coincided with Foster's schedule, and Obi asked him to assist the research by getting the dogs ready.

The doctor "recognized something in me," says Foster. "He challenged me to go to college."

Foster had been thinking about college, but his heart wasn't set on it. His college entrance exam test scores were "OK, but not great."

But it was 1968. The Vietnam War was hot and heavy. High school graduates basically faced two choices—student deferment or military service. With a nudge from Obi, Foster chose enrollment at the University of South Florida, in Tampa.

He selected a pre-med curriculum, eventually majoring in zoology. Obi remained interested in his education and would occasionally check on his progress.

During his senior year in college, Foster's study included field work in a program aimed at saving the endangered brown pelican.

He applied to veterinarian schools at Auburn University and Tuskegee Institute, also in southern Alabama.

Auburn turned him down after a five-minute interview, citing his stated desire to become a wildlife field veterinarian as an "unrealistic goal." (Little wonder—only two such positions existed in the whole country at the time.)

He was accepted into Tuskegee Institute, however, in part because of his background of assisting Obi's cardiovascular experiments.

Foster recalls being "very excited" upon receiving his acceptance letter. His enthusiasm was not dampered when he later discovered, by reading a college catalogue, that Tuskegee was a predominately black school.

"I had no hesitation whatever," he recalls.

Actually, Foster—and 11 others in his class of 45 students—were among the first whites to attend Tuskegee, which was ahead of Auburn and many other schools in efforts to integrate its campus.

Not surprisingly, Foster says, he learned far more than just veterinary medicine during his stay at Tuskegee.

Most of his professors were African Americans who had worked their way up the educational ladder during the 1940s and 50s. They were particularly sharp, recalls Foster—not only in academic matters but in dealing with both people and money.

That knowledge was often imparted to students during field work at subsistence-level farms in the area.

Foster remembers one case in which a cow was bitten by a rattlesnake. The cow was vital to the economic well-being of the farm. But the family could not afford the prescribed treatment—an amputation that normally would have required transporting the animal to a hospital.

The professor—a Dr. Blackwell, by name—showed the students how to perform the procedure in the field. That lowered the cost, though it was still beyond the family's means.

Payment was then negotiated: Hot soup all around and a pie for each student worker.

The family kept its dignity. And the students "learned more than just veterinary medicine" from such situations, Foster notes.

After graduation in 1976, Foster landed a job at a Tampa veterinary clinic that was to seal his already-budding love affair with exotic animals.

He didn't even know until after his hiring that the clinic, run by Dr. Earl Schobert, had a contract to tend to "non-domestic" animals at nearby Busch Gardens. The facility also did work for Ringling Brothers—Barnum & Bailey Circus, Disney World and Sea World.

"I was in my heyday," says Foster—though he might not have known it at the time.

He worked seven days a week. He knew when it was Sunday because that was the day Schobert would buy him breakfast.

He was basically "an indentured servant," Foster recalls with a smile.

But the work was exciting. In a way, it was groundbreaking.

"There were no textbooks on non-domestic animals" at the time; the first one was written in 1978, Foster says.

And the hours didn't bother him. "I was a workaholic then, and I still am," he admits.

The job eventually led Foster to Louisville.

Schobert was an acquaintance of Bob Bean, then director of the Louisville Zoo. Bean was seeking to hire a full-time veterinarian—a first for the zoo.

Foster attended a convention of the American Association of Zoo and Wildlife Veterinarians in St. Louis—the first time he'd made it to the annual meeting. On his way home, he drove through Louisville, interviewed for the zoo job, and landed it.

At the time, he became the 42nd full-time zoo veterinarian in the United States; today, the country has 130.

The move to Louisville also meant a raise—from $12,000 a year to $17,000.

He met Marian at a Halloween party in 1981. She was Little Bo Peep. He was a clown. They were married in April 1983.

Marian says her experience with animals when she first met Foster consisted mainly of having cats and dogs as pets when she was a child.

That soon changed. On their third date, she assisted him—somewhat reluctantly—with a Cesarean delivery of a goat. Naturally, such occurrences have not left her unchanged.

"I've really grown to appreciate and respect wildlife a great deal" since then, she says.

It's good thing. For vacations, the couple mix in visits to see his parents in Florida with treks to places like Kenya.

Next month, their 10th wedding anniversary will be spent in Botswana.

One of Foster's priorities upon his arrival in Louisville was to build a base of consulting surgeons, general practitioners and veterinarians to assist with animal care at the zoo.

The response from the community has been great. The list contains 200 names.

One of the earliest giving assistance was Bennett, who helped repair the broken leg of an antelope.

At the time, Bennett was doing pioneer work in the field of embryo transplants in standardbred horses. He allowed Foster to sit in on a procedure.

"What do you think about doing it with zebras?" asked Foster, out of the blue.

Thus, the experiment which captured the attention of the nation was born. And on April 18, 1984, so was the first zebra with a quarterhorse as a surrogate mom.

The event helped seal Foster's reputation in the industry.

Two years later, he was growing restless, looking for a new challenge. He applied for veterinarian jobs at several larger zoos. With a newborn baby, he and Marian seriously considered relocating—both thinking "it's now or never."

Then in 1988, Bean left on extended vacation—and retired.

Foster was made acting director, a situation that lingered for more than a year.

During that time, Corradino emerged as chairman of the Zoo Foundation. Impressed with Foster's experience, enthusiasm and willingness to learn, Corradino convinced the board to call off a planned nationwide search for a new director.

Foster was hired in June 1989. At the time, he and the Foundation were challenged by mayor Jerry Abramson to make the zoo more self-sufficient. That, says Foster, is one of the goals of the master plan.

When it opened in 1969, the zoo generated just 37 percent of its annual budget, with the rest coming from the city. Today, the zoo generates 68 percent of its funding; the 5-year business plan calls for that figure to rise to 85 percent by 1998.

The master plan also would make the zoo a more entertaining and educational place for visitors. The plan calls for replacing most visible barriers between people and animals with water and botanical elements. The result would be a more natural habitat for animals and a more thrilling experience for visitors.

The change can't happen without money. So, in little more than a year, $12.5 million has been raised from area corporations and foundations. That's enough to break ground soon on the first of several eye-popping new exhibits; the plan is to open at least one such element in each of the next five years.

Marian says Foster thoroughly enjoys his new fund-raising duties—because he likes nothing more than talking about the zoo.

Corradino says any doubts linked to Foster's lack of experience as a fund-raiser have been put to rest. Foster played the lead role in landing a $1 million donation from the Jeffersonville-based Paul Ogle Foundation—only the second grant that group has made on the south side of the Ohio River in its 12-year-existence.

"The proof is in the pudding," says Corradino.

Unfortunately, his duties as director forced Foster to sell the farm near Jeffersontown where he once raised llamas, swans and a variety of other animals.

Foster maintains his strong commitment to his family, thought—which includes daughters Gwendolyn, 7, and Celeste, 5.

"He's a neat father" who respects the girls' space and independence, says Marian, who has her own career with Physicians Inc., a group of 1,200 area doctors that participate in health maintenance organizations.

Foster often takes the girls for Saturday trips and is usually home from work by 6 p.m. weekdays.

He manages that, says Marian, by getting up by 5 a.m. to do paperwork before fixing breakfast for the girls.

"Each day he gets up truly excited about whatever it is he has to do," she adds.●

COL. WILLIAM M. RIDER; "LOGISTICS HERO OF DESERT STORM"

● Mr. HOLLINGS. Mr. President, when Col. William M. Rider retires from the U.S. Air Force next month, our armed services will bid farewell to a true logistics wizard, a man whose innovations were a critical factor in America's success in the Persian Gulf war.

America's intervention in the gulf will long be remembred for three things: the dazzling performance of our smart weapons, the tactical brilliance of the allies' 100-hour ground assault, and the herculean logistical challenge of transporting and supplying our forces in the Persian Gulf. This latter effort will be studied for decades as a model of creative innovation and adaptation. On that score, there is no question that Colonel Rider deserves a very large measure of credit.

From the outset of Desert Shield in August 1990, Colonel Rider was at the forefront in orchestrating the largest logistics buildup spanning the greatest distance since World War II. He started with a handful of prepositioned sites and no bases in the gulf, and proceeded to oversee the deployment of 1,229 U.S. Air Force aircraft at 25 bases, supporting more than 55,000 Air Force personnel in the area. Later, during Desert

Storm, Colonel Rider refocused his energies on supplying massive amounts of spare parts, 138.6 million pounds of ordnance, and 824 million gallons of fuel to sustain air combat operations.

Through it all, this superb officer constantly improvised and innovated to meet the monumental challenges put before him. At the close of hostilities, Lt. Gen. Charles A. Horner, Central Command's Air Force commander, aptly hailed Colonel Rider as the "Logistics hero of Desert Storm.

Mr. President, Colonel Rider's exemplary performance during the gulf war is typical of this man's long and distinguished military career. For three decades, he served our Nation with dedication and distinction. I salute him for a job well done.●

FACES OF THE HEALTH CARE CRISIS—THE RISK OF WORKING BUT HAVING NO HEALTH INSURANCE

● Mr. RIEGLE. Mr. President, I rise today in my continuing effort to put a face on the health care crisis in our country. I want to tell the story of an uninsured working woman who has experienced firsthand the fear and anxiety of needing surgery but not having health insurance to cover the cost. Sally Johanson, from New Era, MI, delayed having emergency surgery because she did not have $10,000 to pay for the surgery on her own.

Sally is 49 years old and works full-time at a plastics manufacturer in Muskegon. The company is new to the area and employs approximately 50 people. Sally's employer does not offer health insurance to its employees. Sally does not make enough money to afford the high cost of an individual health insurance policy. As a result, Sally is one of the 557,000 working people in Michigan who does not have health insurance.

Six months ago, Sally was told by three different doctors that she needed an emergency hysterectomy to remove fibroid tumors in her uterus and a cyst on her ovary. Sally's uterus was five times larger than normal because of the tumors. The surgery was needed to remove the tumors as well as to determine whether they were cancerous and whether further treatment was needed.

Sally put off the needed surgery for 5 months because she did not have health insurance to cover the cost, nor did she have the financial resources to pay for the surgery on her own. She did not qualify for Medicaid assistance because her income was too high. As a result, she was forced to risk her health, and even her life, because she did not have health insurance.

On May 17, Sally finally had the hysterectomy at a cost of over $10,000 for hospital and doctor fees. Because of the critical nature of her illness, Sally's doctor volunteered his surgical services free of charge and arranged to have the anesthesiologist volunteer his services as well. In addition, Hackley Hospital in Muskegon agreed to waive the cost of Sally's surgery as part of the cost of charity care absorbed by the hospital.

Hospitals often have to absorb the expense when people who have no insurance need medical care, but the growing need for charity care is placing a substantial burden on hospitals. While Sally was fortunate that Hackley Hospital and her physician were willing to pick up her medical expenses, many people in Sally's situation are unable to obtain charity care and are faced with large medical bills that they cannot possibly afford.

Sally's situation illustrates what a growing number of people are facing in this country. They have low-paying jobs that do not offer health insurance, yet make too much money to qualify for Medicaid. They cannot afford the high cost of private health insurance and find themselves in very difficult situations when they need medical care.

Everyone in the country deserves the security that health care coverage brings. People like Sally, who work hard just to make ends meet, should not have to fear that an unforeseen illness or injury will threaten their financial security. Health care should not be a luxury available to some and not others.

I will continue to do all that I can to extend health insurance coverage to all Americans and to slow down the skyrocketing health care costs by reforming our health care system.●

UNANIMOUS-CONSENT AGREEMENT

Mr. FORD. Madam President, as if in executive session, I ask unanimous consent that nominations to the office of inspector general, excepting the Office of Inspector General for the Central Intelligence Agency, be referred to the 103d Congress in each case to the committee having substantive jurisdiction over the department, agency, or entity, and if and when reported in each case, then to the Committee on Governmental Affairs for not to exceed 20 days.

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

COMMENDING LSU WOMEN'S TRACK TEAM FOR NCAA OUTDOOR TRACK CHAMPIONSHIP—SENATE RESOLUTION 119

COMMENDING LSU BASEBALL TEAM FOR WINNING NCAA COLLEGE WORLD SERIES—SENATE RESOLUTION 120

Mr. FORD. Madam President, I ask unanimous consent that the Senate proceed, en bloc, to the immediate consideration of Senate Resolution 119 and Senate Resolution 120, submitted earlier today by Senators JOHNSTON and BREAUX; that the resolutions be deemed agreed to, the motion to reconsider laid upon the table, and the preambles agreed to, en bloc; further, that any statements relating to these resolutions appear in the RECORD at the appropriate place.

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

So the resolutions (S. Res. 119 and S. Res. 120) were deemed agreed to.

The preambles were agreed to.

The resolutions, with their preambles, are as follows:

S. RES. 119

Whereas the Women's Track Team of Louisiana State University has completed another outstanding season in which they have swept all four major championships;

Whereas the Lady Tiger Track Team of L.S.U. has, for the past seven years, dominated their sport to a degree rarely seen in the history of collegiate athletics;

Whereas the L.S.U. Lady Tigers have swept the Indoor and Outdoor Southeastern Conference and NCAA Championships in four of the last seven years;

Whereas the L.S.U. Lady Tigers have won the NCAA Outdoor Championship for seven straight years;

Whereas the twelve members of the 1993 L.S.U. Lady Tigers combined to win twenty All-American awards;

Whereas Women's Track Coach Pat Henry has done an outstanding job of leading the Lady Tigers for the past six seasons; and

Whereas the L.S.U. Lady Tigers won the 1993 Indoor and Outdoor Track Championships: Now, therefore, be it

Resolved, That the Senate commends the Lady Tigers of Louisiana State University for winning the 1993 National Collegiate Athletic Association Indoor and Outdoor Championships, and for their tremendous achievements over the past seven years.

S. RES. 120

Whereas the baseball team of Louisiana State University has completed another outstanding season.

Whereas L.S.U. coach Skip Bertman, two-time National Coach of the Year, has led the Tigers to 483 victories and only 182 losses in his nine years at the helm.

Whereas the L.S.U. Tiger baseball team has won four consecutive Southeastern Conference Championships.

Whereas the L.S.U. Tigers have reached the College World Series in six of the last eight years, winning twice;

Whereas the 1993 L.S.U. Tiger baseball team compiled a record of 53-17-1 for their fifth consecutive 50-win season; and

Whereas the L.S.U. Tigers won the 1993 NCAA College World Series: Now, therefore, be it

Resolved, That the Senate commends the Fighting Tigers of Louisiana State University for having won the 1993 National Collegiate Athletic Association Baseball College World Series.

HONORING THE LIFE AND WORK OF CESAR CHAVEZ

Mr. FORD. Madam President, I ask unanimous consent that the Senate proceed to the immediate consideration of Senate Resolution 121, a resolution to honor the work and life of

Cesar Chavez, introduced earlier today by Senator REID; that the resolution be deemed agreed to, the motion to reconsider laid upon the table, the preamble agreed to; that any statements relating to this resolution be inserted into the RECORD at the appropriate place.

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

So the resolution (S. Res. 121) was deemed agreed to.

The preamble was agreed to.

The resolution, with its preamble, is as follows:

S. RES. 121

Whereas Cesar Chavez inspired America with his fight to improve the lives of migrant farmworkers;

Whereas Cesar Chavez dedicated his life to serving the economically disadvantaged and politically disenfranchised;

Whereas Cesar Chavez's struggle to organize migrant farmworkers was accomplished with a commitment to nonviolence;

Whereas Cesar Chavez, as president and founder of the United Farm Workers Union, brought a better life to thousands of laborers;

Whereas Cesar Chavez's life's work brought dignity and respect to all Mexican-Americans and other minority workers;

Whereas Cesar Chavez's efforts made possible the first collective bargaining Act for continental United States farmworkers;

Whereas Cesar Chavez drew attention to the dangers caused by agricultural pesticides to both farmworkers and consumers; and

Whereas Cesar Chavez has forever changed America for the better: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the Senate of the United States honors the work and life of Cesar Chavez as one of the greatest leaders of human and civil rights advancement the United States has known.

FOREST RESOURCES CONSERVATION AND SHORTAGE RELIEF AMENDMENTS ACT OF 1993

Mr. FORD. Madam President, I ask unanimous consent that the Senate proceed to the immediate consideration of H.R. 2343, the Forest Resources Conservation and Shortage Relief Amendments Act of 1993, just received from the House; that the bill be deemed read the third time, passed, and the motion to reconsider laid upon the table; further, that any statements relating to the passage of this measure be printed in the RECORD at the appropriate place.

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

So the bill (H.R. 2343) was deemed read the third time, and passed.

MEASURE READ FOR THE FIRST TIME—H.R. 5

Mr. FORD. Madam President, I understand that the Senate has received from the House H.R. 5, the Cesar Chavez Workplace Fairness Act. On behalf of Senator KENNEDY, I ask that the bill be read for the first time.

The PRESIDING OFFICER. The clerk will read the bill for the first time.

The legislative clerk read as follows:

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

Mr. FORD. Madam President, I ask for its second reading.

Mr. COCHRAN. I object.

The PRESIDING OFFICER. Objection is heard.

The bill will be read a second time on the next legislative day.

APPOINTMENT BY THE MAJORITY LEADER

The PRESIDING OFFICER. The Chair, on behalf of the majority leader, pursuant to Public Law 102-166, appoints the Senator from Washington [Mrs. MURRAY] as a member of the Glass Ceiling Commission, vice the Senator from Maryland [Ms. MIKULSKI], resigned.

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

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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

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

ORDERS FOR FRIDAY, JUNE 18, 1993, AND TUESDAY, JUNE 22, 1993

Mr. FORD. Mr. President, on behalf of the majority leader I ask unanimous consent that when the Senate completes its business today, it stand in recess until 9:30 a.m., Friday, June 18; and that on Friday, the Senate meet in pro forma session only; that at the close of the pro forma session, the Senate then stand adjourned until 9 a.m., Tuesday, June 22; that when the Senate reconvenes on Tuesday, June 22, the Journal of proceedings be deemed approved to date; the call of the calendar waived, and no motions or resolutions come over under the rule; that the morning hour be deemed to have expired and the time for the two leaders reserved for their use later in the day; that the Senate then resume consideration of H.R. 2118 at 9 a.m., as under the previous order; that on Tuesday, June 22, the Senate stand in recess from 12:30 p.m. to 2:15 p.m., in order to accommodate the respective party conference luncheons.

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

RECESS UNTIL TOMORROW AT 9:30 A.M.

Mr. FORD. Mr. President, if there is no further business to come before the Senate today, I now ask unanimous consent that the Senate stand in recess as previously ordered.

There being no objection, the Senate, at 9:04 p.m., recessed until Friday, June 18, 1993, at 9:30 a.m.

NOMINATIONS

Executive nominations received by the Senate June 17, 1993:

DEPARTMENT OF STATE

LAURENCE EVERETT POPE II, OF MAINE, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF MINISTER-COUNSELOR, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE REPUBLIC OF CHAD.

HOWARD FRANKLIN JETER, OF SOUTH CAROLINA, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF COUNSELOR, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE REPUBLIC OF BOTSWANA.

DEPARTMENT OF JUSTICE

ZACHARY W. CARTER, OF NEW YORK TO BE U.S. ATTORNEY FOR THE EASTERN DISTRICT OF NEW YORK FOR THE TERM OF 4 YEARS VICE ANDREW J. MALONEY, RESIGNED.

TENNESSEE VALLEY AUTHORITY

JOYNNY H. HAYES, OF TENNESSEE, TO BE A MEMBER OF THE BOARD OF DIRECTORS OF THE TENNESSEE VALLEY AUTHORITY FOR THE REMAINDER OF THE TERM EXPIRING MAY 18, 1996, VICE MARVIN T. RUNYON, RESIGNED.

CRAVEN H. CROWELL, JR., OF TENNESSEE, TO BE A MEMBER OF THE BOARD OF DIRECTORS OF THE TENNESSEE VALLEY AUTHORITY FOR THE TERM EXPIRING MAY 18, 2002, VICE JOHN B. WATERS, TERM EXPIRED.

EXTENSIONS OF REMARKS

REGULATION OF THE CABLE INDUSTRY

HON. MICHAEL G. OXLEY

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 17, 1993

Mr. OXLEY. Mr. Speaker, it is said that when you play with the tail of the tiger, eventually the cat will come back and bite you. Unfortunately, and all too often, Congress passes legislation and moves on without carefully considering the impact of its actions. If Congress looks back at last year's attempt to put the bite on the cable television industry, it may not like what it sees. For that reason, I commend to the attention of my colleagues the following June 15, 1993, Wall Street Journal article by Elizabeth Jensen and Mark Robichaux. Ms. Jensen and Mr. Robichaux's article looks at the aftermath of Congress' decision to reregulate the cable television industry.

Those of us who opposed the cable act warned our peers and the public that rerregulation would result in higher rates and a reduction in the quality of service available to consumers. We predicted quite correctly that reregulation would hamstring the Federal Communications Commission. We were ignored, and a reregulatory bill devoid of any procompetitive provisions was passed over our objections and the objections of then-President Bush.

As the Journal article indicates, the regulatory morass Congress created is troublesome. The Congress's action produced a reality much different than the Congress' intent, and unless Congress now acts more prudently than it did last year, cable consumers will suffer as the quality and value of cable television's product becomes stagnant and ultimately declines.

There is a way out of the regulatory quagmire that has bogged down the FCC, and that path is competition. I encourage my colleagues to support H.R. 1504, a bill I introduced with Congressman RICK BOUCHER to encourage competition in the video services marketplace. By promoting competition rather than regulation, we can reduce the burden borne by the FCC, stimulate the deployment of advanced telecommunications infrastructure, and, most importantly, provide an opportunity for the competitive marketplace to deliver the better, less expensive services our constituents expected when Congress addressed this issue last year.

CABLE TV SYSTEMS, BROADCASTERS TO PLAY HIGH-STAKES GAME THAT PUBLIC MAY LOSE

(By Elizabeth Jensen and Mark Robichaux)

NEW YORK.—Some 1,100 television stations and 11,000 cable systems are about to start a game of poker that could last for oh, several thousand hands. The stakes? Nothing less than the balance of power in the television business.

Driving this matchup of gamble and bluff between broadcasters and cable are some arcane provisions of the new cable law. When the game ends, viewers could see some starting changes on their TV sets: Major broadcast stations could disappear from their cable systems, tiny UHF outlets could gain new slots, and some popular cable channels could get bumped off basic service.

Worse yet, consumers may well end up footing the bill, after the first year, for any cost increases that emerge from the new face-off between cable and broadcast—even though the new cable law was intended to reduce cable bills and cap future rate increases. And thousands of viewers may be left confused and angry over the loss of favorite channels.

The Cable Act of 1992 will let stations, for the first time, demand payment from the local cable systems that carry their signal. Raising the stakes, the new rules let a cable operator summarily drop stations from its lineup—and thereby reduce the stations' audience—if the two sides can't agree on a fair price.

SEEKING PAYMENTS

Three of the biggest station groups in the country, those owned by the NBC, ABC and CBS networks, say they will extract payments of some kind from cable operators. Others are expected to follow suit. But most of the nation's 10 largest cable operators, which cover more than half of all cable homes, have vowed they won't pay. Most other big operators may also refuse; until now, after all, cable was free to retransmit the stations' programming without paying a cent.

The big question is whether cable will really deliver on its threat to dump network stations. NBC, ABC and CBS stations typically get 56% of prime-time viewers in cable homes, and independent stations and public TV outlets push the broadcast share to 76% of viewers. Some polls, moreover, show that more than 60% of subscribers would cancel their cable hookups if the Big Three were dropped.

The first hand of this high-stakes game begins on Thursday. That's the dateline for the nation's 1,152 commercial TV stations to declare whether they will, indeed, demand payments from cable stations by involving the clause known as "retransmission consent." Stations that don't want to gamble must forgo the cable fees in favor of the option known as "must carry," which requires the cable systems to keep them in place, unscathed, and to reserve up to a third of their channel space for commercial broadcasters in their market.

The "must carry" rule is already wreaking havoc on the television landscape. Tiny UHF stations began elbowing their way onto crowded cable systems earlier this month when the first stage of the new law took effect.

METS FANS LOSE

In Dover, N.J., fans of baseball's New York Mets were out of luck if they subscribed to Sammons Communications' cable system. A SportsChannel cable network, which carries Mets games in that market, was dropped to make room for a local Christian station and a Spanish-language station, both of which invoked "must carry" to win a channel slot. Yet the Sammons cable system already carries another Spanish channel, and Hispanics account for less than 10% of the market.

A Viacom Inc. cable system in Marin County, Calif., says it would have to drop arts channel Bravo and C-Span 2, cut the main C-Span's time in half, and shed a popular public station to make room for three lesser stations that have insisted on "must carry." The stations include a small public TV outlet, an Hispanic service and an Asian service. Yet the cable system already carries two other Hispanic and Asian stations—and those two ethnic groups each account for less than 5% of the Marin County citizenry. The cable operator is fighting the switch and has won a temporary restraining order.

Anticipating the "must carry" fallout, some cable channels have begun warning big advertisers that they will probably lose some part of their audience. But advertisers are still unnerved. "How do I buy cable networks without knowing what their coverage is going to be?" asks Jon Mandel, senior vice president at Grey Advertising.

The outlook for broadcast advertising is just as unclear. If Time Warner Inc.'s cable systems drop the CBS station in New York, CBS's audience would be severely reduced in a market that comprises 7.2% of all TV households in the U.S. "We don't like to buy one thing in July and get something else in October," warns Betsy Frank, senior vice president at Saatchi & Saatchi Advertising.

Once TV stations and cable systems begin dickering over the programming fees entailed by "retransmission consent," the changes may be even more startling. Cable and broadcast executives alike talk in terms of chaos.

"This is a train wreck you can see a long way off," says Amos Hostetter, chairman of Continental Cablevision Inc., the third-largest cable operator.

KWWL, the Waterloo, Iowa, NBC affiliate, is carried on 140 separate cable systems, and general manager Jim Waterbury must bargain with each—from the smallest with 20 subscribers to the largest with 40,000—over whether he will charge them for programming or invoke his "must carry" rights. If he bets right, KWWL could get extra cash; if he overdoes it, KWWL could lose a passel of cable viewers. "It's mentally taxing," he says.

By putting a value on broadcast programming, the new law in theory lets broadcasters regain some of the ground they have lost to cable in recent years. Cable systems have always paid fees for cable channels, now paying per-household fees of five cents to 30 cents a month to carry such services as MTV and ESPN. They had always used local TV stations' fare free of charge.

Some broadcasters are looking at non-cash forms of payment, such as free ad time on cable channels. Capital Cities/ABC Inc., General Electric Co.'s NBC, and News Corp.'s Fox Inc. all plan new cable channels and see channel slots as another form of compensation.

Fox has reached a deal with Tele-Communications Inc. to forgo fees in exchange for

space for a Fox cable network. TCI has agreed to pay Fox 25 cents per home anyway for the new channel, a very high fee for a new service.

But other station groups are balking at that approach. The new rules were adopted to strengthen local broadcasters, "not so networks could end up with their own channels," says William Ryan, president of Washington Post Co.'s four-station group.

Among the Big Three networks, CBS seems most intent on seeking cash from cable. "We want value," says Jay Kriegel, a CBS Inc. senior vice president. "And as best we can determine, the cable industry values programming by paying cash." Richard Cotton, general counsel for NBC, says broadcasters simply don't believe cable will drop local TV stations and "cut off its nose to spite its face."

But cable operators insist they will. Glenn Jones, chairman of Jones Intercable, which has 1.5 million subscribers, threatens to begin installing A/B switches so viewers can toggle between cable and over-the-air reception once he pushes local broadcasters out. "It's going to get real intense," Mr. Jones says. "It's going to get even more intense when some stations go off the air."

But an official with the Federal Communications Commission is skeptical about all the public posturing. "It's a little like sumo wrestling," he says. "The wrestlers circle each other around the ring forever. They huff and they puff. They throw powder. But when they lock arms, the match lasts four seconds."

STATEMENT IN CONJUNCTION WITH H.R. 2295, FOREIGN OPERATIONS APPROPRIATION FOR FISCAL YEAR 1994

HON. JIM SLATTERY

OF KANSAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 17, 1993

Mr. SLATTERY. Mr. Speaker, yesterday, we continued to consider the future of America's foreign assistance to the people of the emerging democracies and economies of the former Soviet Union. In Moscow yesterday, 82 percent of the 700 delegates to the Constitutional Conference representing the peoples of 21 Republics, 67 regions, and 11 time zones, voted in the Kremlin for a new Russian Constitution. The proposed new Russian Constitution allows private property, guarantees basic human rights to every Russian citizen, and creates a government with separate executive, legislative, and judicial branches.

Do such historic developments now taking place in Moscow like the creation of a new, apparently more democratic Russian Constitution, affect our discussion today of American foreign assistance? Does Russia's vote to step toward democracy give Americans the green light to turn and walk away, commenting that America's work is done? That America's problems lie at home? I hope that no American would answer "yes." Most have watched TV have marveled at history in motion. There still is much that American foreign assistance can do before the Newly Independent States [NIS] are fully free and democratic participants in global affairs, constant proponents for global peace and stability, and truly active players with sustainable market-based economies in the global marketplace.

Just how important is a democratic, stable Russia for America, its children, its grandchildren, indeed all the world's children? Well, Mr. Speaker, Secretary of State Warren Christopher put it very well, and I quote, when he stated that:

> Nowhere is the fate of human rights, democracy, and free enterprise more important to us than in Russia. An investment today in Russia's democratic future is an essential investment in America's future.

And President Clinton asserted that:

> The emergence of a newly productive and prosperous Russia could add untold billions in growth to the global economy. That would mean new jobs and new investment opportunities for Americans. * * * We are investing today not only in the future of Russia, but in the future of America as well.

But how can America best invest in the peoples and economies of the NIS, best help the 285 million peoples of the NIS create the infrastructure of democracy and develop sustainable market-based economies? How can American taxpayer dollars be leveraged to provide the most technical assistance bang for the taxpayer's buck?

Well, Mr. Speaker, I believe the answer is a public-private sector collaborative partnership, a partnership which offers the best and brightest of America to respond to the truly dramatic events taking place in the NIS, a partnership between the U.S. Government and the private sector offers the best, most effective, efficient, and efficacious response to the NIS's needs for development and democracy.

The administration has supported the concept of a public-private sector approach to foreign assistance. Secretary of State Christopher, during his confirmation hearings said,

> In an era in which economic competition is eclipsing ideological rivalry, it is time for diplomacy that seeks to assure access for U.S. business to expanding global markets. * * * We must organize or foreign policy around the goal of promoting the spread of democracy and markets abroad.

And President Clinton stated:

> American jobs and prosperity are reason enough for us to be working at mastering the essentials of the global economy, but far more is at stake. For this new fabric of commerce will also shape global prosperity or the lack of it and with it the prospects of people around the world for democracy, freedom, and peace. * * * we need to promote the steady expansion of growth in the developing world, not only because it's in our interest but because it will help them as well.

In other words, doing good and doing well.

Mr. Speaker, I couldn't agree with the President and Secretary of State more. Doing good and doing well can and should be a vital component of America's foreign policy into the 21st century. And a public-private sector partnership is the answer. I know of such a public-private sector partnership between the U.S. Government and American agriculture and agribusiness—the Citizens Network Agribusiness Alliance [CNAA].

The CNAA is more than 150 major American agribusinesses, trade associations, farm and commodity organizations, and universities representing the best agriculture infrastructure in the world, and created by the Citizens Network for Foreign Affairs to respond to the historic events taking place in the former Soviet Union. The CNAA represents an unprecedented effort to spark the creative involvement of the American private business sector in support of sustainable international development activities.

The CNAA public-private sector partnership will: Leverage the creativity, technology and capital resources of American enterprise and American agribusiness; highlight the U.S. economic stake in expanding markets for American business and workers through the development of trade and investment linkages that benefit the economies of both the United States and the NIS; support democratization and market reform in the NIS; directly employ American agribusinesses and enterprises in assisting the peoples of the NIS in the development of sustainable democracies and market-based agriculture economies; engage over 150 American agribusiness and farm organizations committed to providing 200 short-term volunteer technical advisors to Russia and Ukraine from 1993 to 1995 through the AID-funded Agribusiness Volunteer Program, and actively involve 30 American agribusinesses working in partnership with AID to provide an estimated $200 million of technical assistance and investment at every level of the food chain from 1993 to 1996 through the AID-funded Food Systems Restructuring Program.

While the enabling legislation for the Farmer-to-Farmer Program specifically calls for the participation of agribusinesses, the CNAA Agribusiness Volunteer Program is the first major attempt to involve investor-owned enterprises in the volunteer technical assistance process.

I would like to take a moment or two now to applaud AID and their NIS task force on their design and implementation of new and innovative foreign assistance initiatives for the NIS like the Agribusiness Volunteer Program and the Food Systems Restructuring Programs. Both programs show that AID realizes that the development challenges in the NIS uniquely their own, demanding uniquely novel approaches. Development programs that worked in other countries will fail in the NIS wasting and squandering American taxpayers' dollars. What is needed, and direly so, is a new approach to technical assistance—a new approach for a new era in development.

The American people will support a public-private sector partnership for development like the CNAA for it truly puts America first. And it responds to the administration's stated foreign policy goals and more: It creates a win-win-win situation. The peoples of the NIS win: Receiving what they want, what they have clearly enunciated they need most—American technology, trade, and long-term investment, assistance which will in turn promote democracy, economic empowerment, and social and political stability. This is vital because Russia is an important actor on the world stage and a stable, peaceful, and democratic Russia can help in the peaceful resolution of regional conflicts.

American agriculture and agribusiness win: Becoming stronger and more competitive in the global economy. American enterprise will establish a long-term presence in the highly lucrative markets of the NIS, not by short-term "hit-and-run" exploitation, but rather by investing American creativity and capital, resources

that only America can boast to nurture the creativity and capital of the peoples of the NIS themselves.

And we Americans are the biggest winners of all, receiving for our highly leveraged taxpayer dollars what I like to call more technical assistance bang for the buck. In the Food Systems Restructuring Program, for every taxpayer dollar, the American agribusinesses and their NIS partners will contribute almost four of their own.

Finally, the CNAA's public-private sector foreign assistance partnership in the NIS will draw our countries, economies, and peoples closer together—encouraging economic growth on both sides of the ocean and creating jobs and economic opportunities for workers in both Topeka and Kiev.

Mr. Speaker, let me conclude on a personal note. Last week I met three farm leaders from the Kansas Farm Bureau who were on their way home from CNAA volunteer assignments to Russia and Ukraine. The volunteers, two men and one woman, had willingly volunteered their time, expertise, and know-how. And their desire to help was so great that one even postponed his wedding date to go on the assignment. Now that's what I call dedication.

The CNAA Volunteers' assignment was very successful: they returned home with long-term agreements to assist in the development of private nongovernmental private-farm organizations in Rostov, Russia, and Kherson, Ukraine. In a statement released from Manhattan, KS, yesterday, Doyle Rahjes, Kansas Farm Bureau President, said,

> We are excited and honored to have an opportunity to provide an international experience for Kansas leaders willing to donate their time to help our sister organizations in these emerging democracies.

As a result of the long-term agreements several dozen farm and ranch leaders from all across Kansas will be fielded under the CNAA agribusiness volunteers to Rostov and Kherson, the first as early as September or October. They will provide American, in this case Kansan, expertise in such areas as organizational development, including agricultural banking, private insurance companies for farmers, educational workshops, and marketing programs. We hope that Russians and Ukrainians will be able to come to Kansas as well in the soon-to-be-funded reverse farmer-to-farmer program.

Doyle Rahjes eloquently described the very special and personal stake Kansans have in the democratic and economic development of Russia and Ukraine, noting that,

> Much of our wheat and other agricultural heritage came to Kansas from Russia and Ukraine more than 100 years ago during the mass migrations of Mennonite and Roman Catholic families. One cannot help but be excited to consider the irony of those descendants helping the immigrants' homeland finally transcend toward a democratic system of government.

Mr. Speaker, what the innovative CNAA Volunteer Program has done—enabled the Kansas Farm Bureau to partner with farm leaders in Rostov and Kherson oblasts to help them create the infrastructure of democracy and develop sustainable free market-based agriculture economics—this initiative can and should be duplicated by other private American organizations in other oblasts. Imagine how fast democracy will grow from the grassroots up, if we could pair up other state farm bureaus with other areas in the NIS. And imagine how American foreign assistance efforts could be multiplied and intensified with minimal cost to the American taxpayer by duplicating this public-private sector partnership strategy in other sectors, including telecommunications, privatization, environment, energy, banking, health, and legal reform.

Mr. Speaker, let me end by repeating that in my opinion a public-private sector collaborative partnership—a partnership that engages the private sector, a partnership that creates economic opportunity for peoples on both sides of the oceans, that positions American enterprise at the forefront of global development and growth, a partnership that helps the peoples of the NIS help themselves, that does both good and well—such a public-private sector partnership is the best foreign assistance response America can make to the NIS at this, transforming moment in history.

ERITREA'S POLITICAL FUTURE

HON. LOUISE McINTOSH SLAUGHTER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 17, 1993

Ms. SLAUGHTER. Mr. Speaker, as the Congresswoman for the 28th Congressional District of New York State, I am proud to share with my colleagues in the House of Representatives some news about an important group in my community. On Saturday, April 24, 1993, Eritreans throughout the United States and Canada joined their brethren in Eritrea and worldwide to cast their vote on a referendum on Eritrea's political future.

In May 1991, the newly formed Provisional Government of Eritrea, meeting in London with delegations from Ethiopia under the auspices of the United States Government, reaffirmed the Eritrean People's Liberation Front's commitment to the holding of a referendum on the future of Eritrea within 2 years.

Before the onset of the London talks, the Eritreans had successfully driven out the Ethiopian Armed Forces from Eritrea. If they had so opted, the Eritreans could have declared independence as soon as they secured control of their country. However, the Eritreans chose to defer independence for 2 more years subject to the outcome of an internationally observed referendum to be held in late April 1993. The Eritreans decided to delay the referendum in order to give their people a choice and, in part, to give the new government in Ethiopia enough time to stabilize.

The Rochester Branch of the Referendum Committee of Eritrea invited me to be an observer of the balloting in Rochester, NY. I am proud to verify that the voting process was fair and impartial during my visit. I know the Members of the House join me in commending those overseeing the Rochester Voting Center.

THE NEED FOR HEALTH CARE REFORM EXAMPLE NO. 9—THE HIGH PRICE OF PRESCRIPTION DRUGS

HON. FORTNEY PETE STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 17, 1993

Mr. STARK. Mr. Speaker, this Nation desperately needs health care reform that ensures affordable health insurance coverage for everyone.

Each day, letters continue to pour into my office with outrageous examples of the high costs people in my district are forced to endure in order to receive health care. A common theme in many of these letters is the high price of prescription drugs and how difficult it is to pay for them.

For example, a constituent of mine from Milpitas, CA, recently wrote to me about the drug Zantac which is taken to treat stomach ulcers. Zantac is usually taken as 150 mg pills, two to three times daily. The price of 60 of these pills at a discount pharmacy in Milpitas is $92.50—which is $1.54 a pill. However, let's say you were vacationing in Ensenada, Mexico, and you accidentally left your pills at home. You could contact your pharmacist in California and have them send the medication to you or you could visit the local Ensenada pharmacist and save yourself $71.50. The price of 60 150 mg Zantac pills in Ensenada is $21—which works out to 35 cents a pill and $1.19 less than what that same pill would cost if you bought it in California.

Mr. Speaker, for too long, pharmaceutical companies have taken advantage of the lack of a coherent Federal policy on prescription drug prices. They have continued to raise their prices at three times the rate of inflation and by doing so, have profited enormously at the expense of the consumer.

If we are ever going to gain control over health care's rising costs, we must find a way to bring prescription drug prices down to a realistic and affordable level. Within H.R. 916, the Prescription Drug Prices Review Board Act of 1993, which I introduced last February, are the tools needed to discourage instances of excessive drug pricing by pharmaceutical companies. Efforts like these must be supported if we are to promote our Nation's physical and financial health.

I urge my colleagues to support a health care package that includes a serious proposal, such as H.R. 916, to effectively restrain prescription drug prices. We in Congress must inject some sanity and fairness into the prescription drug pricing system.

TRIBUTE TO BLANCHE JONES ON HER 100TH BIRTHDAY

HON. SHERROD BROWN

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 17, 1993

Mr. BROWN of Ohio. Mr. Speaker, I would like to take this opportunity to recognize an exceptional woman from my district who will soon be celebrating her 100th birthday.

Blanche Jones was born in England 100 years ago, on July 4, 1893. The 11th of 12 children, Blanche has many fond memories of growing up in Jarow-on-Tyne, England, with her 7 brothers and 4 sisters.

At the age of 16, Blanche came to America and lived in Alliance, OH. Blanche and her husband had one son, Owen Harding Jones. When Owen was 6 years old they moved to a home on Washington Avenue in Elyria. Some time later they moved to the east side of Cleveland.

Blanche thoroughly enjoyed her home and family. For many years she was employed by the Hoover Co. in Canton. Following her retirement she lived in Clearwater, FL, for many years, and then moved to Lorain where she spent nearly 30 years.

When asked what is the secret of longevity, Blanche said: "A good sense of humor helps."

It is an honor to have someone like Blanche living in my district. She has, and continues to be a respected member of the community. Please join me to congratulate Blanche for her many accomplishments, and to wish her a very special celebration of her birthday.

BIDDING FOR BUSINESS

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 17, 1993

Mr. HAMILTON. Mr. Speaker, I would like to insert my Washington Report for Wednesday, June 16, 1993, into the CONGRESSIONAL RECORD:

BIDDING FOR BUSINESS

In 1991 Indiana won a competition among several states to bring a big United Airlines maintenance center to Indianapolis International Airport. The state-of-the-art facility will create an estimated 6,300 jobs and $300 million in annual salaries over the next ten years. This project comes at a price. The State of Indiana, the City of Indianapolis, and Hendricks County agreed to make $300 million in cash commitments to United as well as provide other non-cash benefits.

The United deal is not uncommon. Many states and localities view incentives as an integral part of their economic development strategies. Some see them as an opportunity to hold onto a shrinking number of manufacturing jobs; others as a way to attract new investment from U.S. or foreign companies; and still others as an opportunity to lure businesses from other states and regions. The competition for jobs, especially good paying jobs, is fierce, and public officials believe they must offer inducements to stand a chance against potential rivals in the U.S. and abroad. According to some estimates, they pay out billions of dollars to companies each year to attract new jobs or just hold onto old ones. The question arises whether this is the best use of public resources.

In general, the Federal Government is not involved in decisions by states and localities to offer incentives. The United deal, for example, did not involve federal dollars. Even so, the federal government has an interest in assessing the overall impact of state incentive programs on long-term regional and national growth.

TYPES OF INCENTIVES

Most states offer a wide variety of incentives, including cash grants, loans, land and tax breaks. In the case of the United deal, Indiana offered, among other things, 300 leased acres at Indianapolis International Airport for the maintenance center; financing for the construction of the center; various infrastructure improvements to the site; and training grants.

Incentive programs continue to grow. Indiana currently offers training and infrastructure assistance; localities provide property tax abatements. The legislature is now considering a proposal to provide, under certain conditions, income tax credits to businesses for selected expansion and location projects. In addition, Indiana and other states and localities operate trade offices in foreign business centers to attract investment; some are also opening offices in other states, particularly California, in an effort to lure away disaffected businesses.

Many states and localities have also created so-called enterprise zones to attract private investment to impoverished areas. Some states, such as New Jersey, cut the sales tax on merchandise sold in enterprise zone stores. Others, such as Indiana, give corporate, property and/or inventory tax reductions. Congress is now considering an Administration proposal to establish federal empowerment zones and enterprise communities which would be modeled after the state initiatives. States and localities would nominate poor urban and rural areas for designation, and, if approved by the federal government, these areas would be eligible for certain tax breaks.

POLICY ASSESSMENT

Many states have enjoyed successes with their programs. Kentucky, for example, has brought 5,000 jobs to the state since 1988, including Fidelity Investments of Boston and Heinz Pet Products of Pittsburgh; Toyota decided to locate an assembly plant in Georgetown in 1985.

States have also encountered some problems. First, incentives can be expensive. States must be willing to offer large incentive packages to attract a major corporation. Minnesota gave Northwest Airlines over $800 million in loans and grants for its new maintenance facilities. Second, tax abatements and other inducements cost the states revenues—revenues which often must be made up in state budgets with higher taxes and/or lower spending. This could create resentment among taxpayers and businesses not eligible for the incentives. Third, companies looking to relocate "whipsaw" one state against another to bid up the level of incentives. New York City has had to pay a hefty price to keep businesses from migrating to New Jersey and Connecticut. Fourth, inducements may not stop a company from welching on a deal. GM recently decided to relocate a plant from Ypsilanti, Michigan to Texas even after receiving tax abatements from the town in the 1980s. The township successfully sued in state court to keep the plant open, and the case is now on appeal. Fifth, incentives can divert public resources from other programs that promote long-term economic growth, such as education and infrastructure. One recent study suggests that, dollar-for-dollar, investment in water and sewer systems is a more productive use of public funding.

NEW APPROACHES

States are taking some steps to gain more control over the cost and effectiveness of their incentive programs. Some, like New York and New Jersey, have negotiated nonaggression pacts to stop the bidding war for business investment. Many now require companies to reimburse the government if they shut down or fail to produce as many jobs as promised. Most concentrate inducements in such areas as worker training or infrastructure—which remain in place even if a company leaves. Kentucky links the size of the incentive to wages paid for new workers.

Even with these changes, states are likely to continue to compete vigorously for jobs. State governors have held some discussions about negotiating truces, and various proposals have been floated to curtail the size and scope of inducements. But many states are reluctant to disarm. Midwestern governors would not sign a proposed regional truce in 1988. The pressures to create or hold onto jobs are very strong, and public officials are often willing to take their chances competing against other states and localities.

CONCLUSION

I appreciate the difficult economic challenges facing the states, particularly those in the Midwest. Manufacturing, a key sector of the Indiana and midwestern economies, continues to struggle, and states must work to keep or attract as many good paying manufacturing jobs as possible. Incentive programs can be an important part of that effort. However, I do have concerns about the lengths to which states are going to attract business. I am not suggesting that the federal government should regulate competition among states, but perhaps it can play a mediating role. States might be better served in the long-run if they can agree on general guidelines for "appropriate" incentives, such as job training and infrastructure. This approach might help rein in the costs of incentive packages, and free up more money for other public investments.

A TRIBUTE TO DR. ELAINE C. NINER

HON. JAMES P. MORAN

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 17, 1993

Mr. MORAN. Mr. Speaker, I rise today to pay tribute to an outstanding citizen and educator from northern Virginia, Dr. Elaine C. Niner. Dr. Niner will be retiring from her position as chairman of the Alexandria campus humanities division of Northern Virginia Community College after 24 distinguished years of service to this college and almost a half century in education.

Dr. Niner has dedicated her life to her unwavering belief that education for all people is essential to a civilized society. This belief led her to start her career in Brazil where she first taught and then later contributed to Brazilian educational reforms serving successively as academic dean and president of a college. After two decades in Brazil, Dr. Niner returned to the United States and dedicated herself to what she believed to be the next education frontier—the community college system. At Northern Virginia Community College, she found the opportunity to help make higher education more accessible to the community as a whole.

Dr. Niner was a pioneer in the development and implementation of the programs offered at the Alexandria campus of the Northern Virginia Community College. She helped to expand the fledgling programs into the diverse

educational institution it is now. Because of Dr. Niner's efforts, the humanities division at the Alexandria campus is now considered one of the best in the junior college system in the United States.

Admired and respected by her colleagues and students alike, Dr. Elaine Niner has truly left a permanent impression as a dedicated and competent educational professional. It would be impossible to measure the many lives she has affected and changed. At a time of widespread concern about the efficacy of American education and the quality of teaching in public institutions, considerable encouragement is to be found in community colleges of the caliber of Northern Virginia Community College and in administrators and teachers of the talent and dedication of Dr. Elaine Niner.

INTRODUCTION OF THE PROCUREMENT EFFICIENCY ACT OF 1993

HON. RONALD K. MACHTLEY

OF RHODE ISLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 17, 1993

Mr. MACHTLEY. Mr. Speaker, today I am introducing the Procurement Efficiency Act of 1993, legislation which aims at decreasing the paperwork burden and other Government red tape in the procurement process.

As a member of the Small Business Committee, I am very concerned about the amount of regulatory paperwork businesses are required to process for the Federal Government particularly in the procurement process. Laws related to Government contracting are so outdated that the costs of doing business with the Federal Government outweigh the benefits. It is costly, time-consuming and simply unfair to impose these heavy paperwork requirements on businesses.

The legislation I am introducing today would update procurement laws and facilitate business contracting through the Government. The Procurement Efficiency Act of 1993 would establish an on-line data base for Government procurement which would allow businesses to subscribe to the Congress Business Daily [CBD] through a computer network rather than through the mail. By creating a CBD data base, businesses would be able to get up-to-the-minute information on Government contracting opportunities at the touch of a button.

My legislation would also increase the small purchase threshold from $25,000 to $100,000, exempting Federal contracts below $100,000 from certain contract clauses. By doing so, procurement and overhead costs would be significantly reduced for both the Government and the contracting firms.

Finally, my bill would call for better representation of small businesses in the procurement process by enhancing the role of the Office of Advocacy at the Small Business Administration and giving the SBA a seat on the Cost Accounting Standards board, which is currently responsible for reviewing the costs, administration and settlements of disputes in the Federal procurement process.

With small businesses creating two of every three new jobs, producing 40 percent of our Nation's gross national product and inventing more than half of our country's technological innovations, it is important that entrepreneurs are given opportunities to provide needed services to the U.S. Government without all the red tape. I encourage my colleagues to help small businesses help our country by cosponsoring the procurement Efficiency Act of 1993.

TRIBUTE TO LENA PIETRANTONI ON HER 102D BIRTHDAY

HON. WILLIAM O. LIPINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 17, 1993

Mr. LIPINSKI. Mr. Speaker, it gives me great pleasure to pay tribute to an extraordinary resident of the Third Congressional District of Illinois, Ms. Lena Pietrantoni. On August 8, 1993, Ms. Pietrantoni will turn 102 years old, an accomplishment worthy of special recognition.

Lena Pietrantoni was born in Italy in 1891. In 1913, she migrated to the United States settling in Chicago. She and her husband Joseph have 2 children, 6 grandchildren, and 14 great-grandchildren. Lena has been a resident of Rosary Hill Home in Justice, IL, for several years. Needless to say, her family and friends at the Rosary Hill Home are very proud of her as she celebrates this most special occasion.

Lena Pietrantoni's commitment to her community and family is impressive and deserving of special recognition and honor. I am sure that my colleagues will join me in congratulating Lena for her many years of selfless dedication, loyalty, and priceless contributions to her community. I wish her well on her 102d birthday and hope her life continues to be an adventure full of pleasant memories.

INTERNATIONAL POPULATION STABILIZATION AND REPRODUCTIVE HEALTH ACT INTRODUCED

HON. ANTHONY C. BEILENSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 17, 1993

Mr. BEILENSON. Mr. Speaker, on behalf of myself and Mrs. MORELLA, I am introducing a bill today to address the rapid growth of the world's population in a comprehensive manner. Our bill, which has been introduced in the Senate by Senators BINGAMAN and SIMPSON, would make the goal of population stabilization, along with the improvement in health of women and children, a primary purpose of U.S. foreign policy.

We are introducing this legislation because we believe deeply that the United States must take determined action to address what is without a doubt the most urgent crisis facing humanity: the rapid rate of growth of the human population and its dire consequences for the environment, for food supplies, for over crowding, for immigration pressures, for political stability, and for our own national security.

Last week, according to the Population Reference Bureau, the world's population surpassed the 5.5 billion mark, and it is growing by almost 100 million people every year—by 260,000 every 24 hours.

Future prospects, moreover, are even more staggering. The medium projections of the United Nations show another doubling of global population to more than 10 billion by the year 2040. But, if effective action is not taken within this decade—as today's 3 billion children in the developing world reach their childbearing years—the Earth's population could nearly quadruple to over 19 billion people by the end of the next century.

This rapid growth underlies virtually every environmental, developmental, and national security problem facing the world today.

The impact of overpopulation, combined with unsustainable patterns of consumption, is evident in mounting signs of stress on the world's environment. Under conditions of rapid population growth, renewable resources are being used faster than they can be replaced. Food production, for example, lagged behind population growth in 69 out of 102 developing countries for which data is available for the period of 1978 to 1989. Other environmental consequences of the world's burgeoning population are tropical deforestation, erosion of arable land and watersheds, extinction of plant and animal species, global climate change, and pollution of air, water, and land.

In much of the developing world, high birth rates, caused in part by the lack of access of women to basic reproductive health services and information, are contributing to intractable poverty, malnutrition, widespread unemployment, urban overcrowding, and the rapid spread of disease. Population growth is outstripping the capacity of many nations to make even modest gains in economic development, leading to political instability and negating other U.S. development efforts. In the next 15 years, developing nations will need to create jobs for 700 million new workers, which is more than currently exist in all of the industrialized nations of the world combined.

Overpopulation, however, is not just a problem for lesser developed countries. Rapid population growth in already overcrowded and underdeveloped areas of the world has given rise to an overwhelming pressure to migrate, as workers seek decent, and more hopeful lives for themselves and their families. The world's industrialized nations are all now straining to absorb huge numbers of people, and in the future, as shortages of jobs and living space in urban areas, and resources such as water, agricultural land, and new places to dispose of waste grow even more acute, there will be greater social unrest and instability.

Mr. Speaker, we know what is required to defuse the population explosion: more economic development in the developing world; better education and employment opportunities for women; and universal access to affordable, quality family planning services.

The International Population Stabilization and Reproductive Health Act lays the foundation for focusing U.S. foreign policy on a coordinated strategy that will bring about the widespread availability of contraceptive services and women's and child health programs, as well as educational, economic, social and political opportunities necessary to enhance the status of women.

Our bill sets specific health objectives, program descriptions, and funding targets to guide U.S. population programs, and expands U.S. efforts for the treatment and prevention of AIDS and other sexually transmitted diseases.

This legislation also increases the U.S. commitment to providing for universal access to basic education, with an emphasis on eliminating the gap between female and male literacy levels and school enrollment, and promoting equal opportunities for women. Initiatives to increase infant and child survival, as well as to ensure the health and safety of pregnant women, are included as a critical component to achieving the bill's goals.

In addition, our bill expresses support for the United Nations Forward Looking Strategies for the Advancement of Women, as adopted in 1985 by the United Nations Conference ending the Decade for Women, and for the ratification of the United Nations Convention on the Elimination of All Forms of Discrimination Against Women, which was signed by the United States in 1980.

Over the last three decades, population programs have been remarkably successful. Providing universal access to quality contraceptive services, as well as promoting other initiatives to improve the health and status of women, will prove to be the most cost-effective investment possible in development assistance.

The effects of these efforts are already apparent. In the 1992 State of World Population, published by the United Nations Population Fund, a study examining the linkages between population growth rates and economic development, shows that those countries which took early and effective action to slow population growth in the early 1960s and 1970s did significantly better in the economically difficult years of the 1980s. In fact, the difference in per capita income levels during that decade amounted to fully 2.5 percent per year between countries with faster or slower population growth.

Education and access to contraception will also have a positive effect on both infant and women's mortality rates. Worldwide, the combination of better birth spacing and the elimination of births to adolescents could avoid at least 3 million infant deaths a year, or 20 percent of the estimated 15 million deaths a year to children under 5. Moreover, adequate family planning could reduce the staggering number of deaths from pregnancy-related problems, which the World Health Organization estimates to be the cause of between 20 percent and 45 percent of all deaths among women ages 15 to 49 in the developing world.

Mr. Speaker, our Nation's interest is clear. Slowing population growth is fundamental to everything else we do to improve living conditions abroad and to protect our own national interests. All our efforts to promote peace, security, and the well-being of people around the world will be ineffective unless we successfully address this problem.

We urge our colleagues to join us in supporting this legislation.

SUMMARY ON BEILENSON-MORELLA POPULATION STABILIZATION AND REPRODUCTIVE HEALTH ACT

The "International Population Stabilization and Reproductive Health Act" lays the foundation for focussing U.S. foreign policy on a coordinated strategy that will: Help achieve world population stabilization; encourage global economic development and self-determination; and improve the health and well-being of women and their children.

The Act recognizes that worldwide efforts to stabilize population, alleviate poverty, and protect the environment have been significantly undermined by the lack of attention to women's reproductive health and the role of women in the economic development of their families, their communities, and their countries.

1. POLICY AND PURPOSE

To help stabilize the world's population, improve the health and well-being of families, provide greater self-determination for women, and protect the global environment, the Act states that principal objectives of U.S. foreign policy will be to: Assist in the worldwide effort to ensure universal access to quality family planning services; promote access to quality reproductive health care for women and primary health care for their children; support the global expansion of basic literacy, education, and economic development opportunities for women; and achieve population stabilization as part of a broad strategy to adjust consumption levels and patterns in all countries.

2. U.S. POPULATION ASSISTANCE PROGRAMS

U.S. population assistance will be available to governments; multilateral organizations, including the United Nations and the U.N. Population Fund; and nongovernmental organizations.

Assistance is authorized to support: affordable, culturally sensitive, and voluntary family planning and reproductive health services and educational outreach efforts, particularly those designed, monitored, and evaluated by women and men from the local community; research on new, improved, and lower-cost fertility regulation options and related disease control for women and men, particularly those emphasizing the individual user's perspective and goals; research on programs to provide effective family planning education and evaluation that is culturally sensitive and gender appropriate in meeting the individual user's goals and programs; and efforts to create greater awareness worldwide on reproductive health issues and the consequences of continued world population growth.

Some conditions will be imposed on eligibility for support: the largest share of U.S. population assistance will be made available through nongovernmental organizations; assistance priority will be given to countries that account for a significant portion of the world's population growth; have significant unmet needs in the delivery of family planning services and the treatment of AIDS and other sexually transmitted diseases; or are committed on comprehensive reproductive health care strategies through the funding and expansion of services; programs receiving support cannot deny services based on an individual's ability to pay; and no U.S. funds may be used to coerce any person to accept any method of fertility regulation or undergo contraceptive sterilization or involuntary abortion.

Expenditure targets for population assistance are set as follows: Global Target (total of domestic and international sources) for the year 2000: $11,000,000,000 and U.S. Target for the year 2000: $1,400,000,000.

In addition, new funding authorization levels are set for development and economic assistance programs and maternal and child health programs.

3. ECONOMIC AND SOCIAL DEVELOPMENT ASSISTANCE

U.S. development assistance will be available to help improve educational and economic opportunities for girls and women and improve the health status of women and their children.

Education.—Priority assistance will be available to countries that have adopted Year 2000 goals and strategies aimed at closing the literacy and basic education gaps between the nation's men and women.

Economic Productivity.—Priority assistance will be available to governments and nongovernmental organizations for programs that help women increase their productivity through vocational training and access to new technologies, extension services, credit programs, and child care.

Women's Health.—Priority assistance will also be available for programs that increase the access of girls and women to comprehensive reproductive health care services.

Children's Health.—Priority assistance will be available to nongovernmental programs that are aimed at reducing malnutrition, increasing immunization rates, and reducing the number of childhood deaths resulting from diarrheal diseases and respiratory infections.

The Act establishes the "Safe Motherhood Initiative," which specifically intended to help girls and women gain access to comprehensive reproductive health care, including: prenatal care and high-risk screening; supplemental food programs for pregnant and nursing women; prevention and treatment of sexually-transmitted diseases, including AIDS; and improvements in the practice of midwifery and outreach to traditional birth attendants.

The Act also expresses Congressional support for the United Nations Forward Looking Strategies for the Advancement of Women, as adopted in 1985 by the United Nations Conference ending the Decade for Women, and for the ratification of the United Nations Convention on the Elimination of All Forms of Discrimination Against Women, which was signed by the United States in 1980.

4. REPORTS

Annual Report.—To assess progress toward the Act's objectives and expenditure targets, the President will submit an annual report to the Congress on world progress toward population stabilization and universal reproductive choice. The report will estimate international population assistance by government, donor agencies, and private sector entities; and analyze population trends by country and region.

Expenditure Target Report.—To determine expenditure targets for economic and social development activities, the President will prepare a report which: estimates the resources needed, in total and by entity, to achieve the education, productivity, and health initiatives described above; identifies legal, social, and economic barriers to women's self-determination and to improvements in the economic productivity of women; describes existing initiatives aimed at increasing the women's access to education, credit, and child care and new technologies for development; and assesses the causes of mortality and morbidity among women of childbearing age around the world and identifies the actions and resources needed to reduce such mortality and morbidity.

Report on Discrimination.—Each annual country human rights report will make reference to all significant forms of violence against women, and include information on

patterns within a country of discrimination against women in inheritance laws, property rights, family law, and access to credit, technology, employment, education, and vocational training.

5. AUTHORIZATION OF APPROPRIATIONS

For section 104(g)(1) of the Foreign Assistance Act of 1961: $725 million is authorized for fiscal year 1994; $800 million for FY 1995.

For activities under development and economic assistance: $350 million of the amount reserved for education for FY 1994 and FY 1995 will support efforts to equalize male/female enrollment in primary and secondary schools; $405 million for FY 1994 and $490 million for FY 1995 will be available through the Child Survival Fund for child survival activities, including immunization and vaccines initiatives; and $100 million is authorized for FY 1994 and FY 1995 for the Safe Motherhood Initiative.

In addition, the Act authorizes the "AIDS Prevention and Control Fund" for research, treatment, and prevention of AIDS. For FY 1994, $100 million is authorized for the Fund; $165 million is authorized for FY 1995. Similar funding has been appropriated annually by the Congress since 1986.

FETAL TISSUE RESEARCH; SOME UNAVOIDABLE QUESTIONS

HON. JOHN J. LaFALCE

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 17, 1993

Mr. LAFALCE. Mr. Speaker, too much of the recent debate on fetal tissue research has turned on the question of whether it might work—if it actually might provide long-sought treatments for victims of Alzheimer's, Parkinson's disease, AIDS, or stroke. Without question, there is pressing need to find new treatments to diminish the human suffering caused by these conditions. But the urgency of this search does not excuse us from a responsibility to answer the larger, moral questions posed by fetal tissue research.

With this in mind, Mr. Speaker, I commend to the attention of my colleagues a thought-provoking essay by Douglas Turner that appeared in the June 14 edition of the Buffalo News.

ETHICS ISSUES RAISED IN USE OF FETAL TISSUE

(By Douglas Turner)

WASHINGTON.—With zero fanfare, President Clinton signed legislation last week that could reignite brush fires around the issue of abortion. The bill lifts Presidents Bush's ban on the use of brain parts in medical research—fetal brain tissue derived from abortions.

Proponents of this practice, including the National Abortion Rights Action League, hail the president's move as an enlightened and courageous one intended to promote research into Alzheimer's disease, Parkinson's disease, AIDS and stroke.

A leading researcher from Yale Medical School said the Republicans ban wrongly prompted "the implication * * * that there is something dirty about the work."

President Bush caved in to an irrational, anti-abortion minority, ignored the advice of some of the government's own appointees at the National Institutes of Health, pro-choice advocates say.

Nonetheless, the restoration of this practice raises a number of questions on what President Clinton's real attitudes on abortion are. At the Democratic National Convention last July Gov. Clinton said he was "not pro-abortion, but pro-choice."

Yet anti-abortion forces charge Clinton's action will create incentives for commerce in fetal tissue and establish a premium on abortions performed later and later in the term of pregnancy when fetal tissue is most valuable.

Indeed, the government will spend $14.2 million in the coming year to encourage medical research using fetal tissue.

Beyond the politics of Clinton's decision, fetal tissue research raises nagging philosophical issues about the practice of abortion itself. The core argument of the most prestigious tissue researchers is there is no substitute for "fetal" tissue.

Tissue from the brains of elephants, tigers, lizards, gorillas, ostriches, orangutans, dogs or cats won't work.

No. Doctors insist they absolutely need "fetal" tissue; that is, tissue not from a fetal ape, or fetal kangaroo, but from a fetal human being. There is a singular, unique, unparalleled attribute to "fetal"—that is, human brain tissue.

There is a premium on getting it late, "routinely," according to one leading practitioner of abortions, from abortions performed in weeks 20 through 24 weeks (six months). And research wants the tissue extracted live.

If we accept all these scientific premises, then how can it be on one hand that this live, maturing tissue is uniquely valuable only because it is human and on the other hand deny that the vessel—meaning the child in the womb—from which this tissue is extracted is fully "human," at 24 weeks or 32 weeks (eight months), and entitled to full protection of the law.

Pro-choice advocates maintain that second trimester abortions are unusual, and third trimester abortions are rare.

But read the words of Dr. Martin Haskell, of Dayton, Ohio. He delivered a research paper in Dallas, Texas, last September, at the Risk Management Seminar of the National Abortion Federation.

Its title is "Second Trimester Abortion: From Every Angle."

He described a procedure, in grisly, stage-by-stage detail, for extracting brain tissue from a live fetus. "It can be used successfully in patients 20–26 weeks in pregnancy," he said.

"Dilation and extraction is an alternative method for achieving late second trimester abortions to 26 weeks," he wrote. "It can be used in the third trimester.

"Among its advantages are that it is a quick, surgical outpatient method that can be performed on a scheduled basis under local anesthesia.

"The author is aware of one other surgeon who uses a conceptually similar technique," Dr. Haskell wrote. "* * * He (Dr. James T. McMahon of Los Angeles) performs these procedures up to 32 weeks and more."

There is nothing in Dr. Haskell's scholarly paper that implies that these abortions were performed for the exclusive, or even the primary purpose of extracting human fetal brain tissue, nor do I imply such is the case.

Yet Dr. Haskell does devote a page and a half to the use of sonograms, drugs, ultrasound, surgical instruments and hands to position mother and child in such a way as to protect the skull and its contents until the last minute.

The description of any surgical procedure is unappetizing and sometimes offensive, and almost all of Dr. Haskell's narration will be omitted here, to discourage charges that I am making an appeal to emotion, rather than reason.

So only one reference to details is offered. The procedure ends thusly: "The surgeon removes the scissors and introduces a suction catheter into the (skull) hole and evacuates the skull contents."

The government's Centers for Disease Control does not release information on how many abortions are performed in the third trimester. But it does acknowledge that there are about 16,000 a year performed after week 20.

It is not true that late abortions are being performed less and less as the laws become more lax. No fewer than 10 practitioners offered discussion papers on dealing with second trimester abortions in Dallas last fall.

TRIBUTE TO THE CATHOLIC DAUGHTERS OF THE AMERICAS

HON. MICHAEL G. OXLEY

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 17, 1993

Mr. OXLEY. Mr. Speaker, I would like to take a moment to pay tribute to the Catholic Daughters of the Americas as they enter their 90th year of service. Saturday, June 26, 1993, has been designated by the Catholic Daughters of the Americas as the opening of a year-long celebration in observance of 90 years of social action. The theme for the observance is "A Glorious Heritage—A Challenging Future."

The eucharistic liturgy for the celebration will begin at 11 a.m. at the basilica of the National Shrine of the Immaculate Conception in Washington, DC. Catholic Daughters from all over the United States, Puerto Rico, the Dominican Republic, the Virgin Islands, Guam, and Mexico will be on hand for this special celebration.

Mr. Speaker, I take this opportunity to commend the Catholic Daughters of the Americas for their 90 great years of service to their church and the people of the Americas. I invite my colleagues to join me in recognizing this auspicious occasion and the good works of the Daughters.

PUBLIC-PRIVATE PARTNERSHIPS: THE FUTURE OF FOREIGN AID

HON. DAN GLICKMAN

OF KANSAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 17, 1993

Mr. GLICKMAN. Mr. Speaker, how can the United States help the citizens of Russia, the Ukraine, Kazakhstan, Georgia, and all of the other emerging democracies and emerging economies of the former Soviet Union create the infrastructure of democracy, develop sustainable market-based economies, and become active members in the global economies? The answer is a public-private partnership. The people of the NIS do not want more visiting delegations, more high-paid consultants, or more useless studies to tell them what is wrong with their system. What they want is more American know-how.

I know of such a public-private sector partnership between the U.S. Government, and U.S. agriculture and agribusiness—the Citizens Network Agribusiness Alliance [CNAA]. The CNAA is made up of more than 150 major American agribusinesses, trade associations, farm and commodity organizations, and universities.

The CNAA's mandate is twofold: First, to directly employ American agriculture and agribusiness in assisting the peoples of the NIS develop sustainable democracies and market-based agriculture economies; second, to highlight America's economic stake in expanding markets for American business and workers through the develop of trade and investment linkages that benefit the economies of both the United States and NIS.

The CNAA strives to fulfill this mandate by asking its members to provide 200 short-term volunteer technical advisers to Russia and the Ukraine through the United States Agency for International Development [AID]-funded Agribusiness Volunteer Program. The CNAA also actively involves 30 American agribusinesses, working in partnership with AID, to provide an estimated $200 million of technical assistance and investment at every level of the food delivery chain through the AID-funded Food Systems Restructuring Program. Of this $200 million, $150 million of it will come from private sources. If this is not reinventing government, I do not know what is.

Mr. Speaker, I recently had the pleasure of meeting Edie Dahlsten, Larry Cline, and Dennis Hupe, three farm leaders representing the Kansas Farm Bureau who had just returned from an assignment to Russia and Ukraine under the CNAA Volunteer Program. These Kansans volunteered their time and expertise to travel to Russia and Ukraine to develop a long-term partnership with two nascent farm organizations: one in Rostov, Russia, the other in Kherson, Ukraine. Under the terms of the 5-year relationship, the Kansas Farm Bureau will voluntarily provide American, specifically Kansan, know-how to their Russian and Ukrainian counterparts in such areas as organizational development, insurance, credit and banking, and leadership training.

The CNAA Volunteer Program has enabled the Kansas Farm Bureau to form a one-on-one partnership with the people of Rostov and Kherson. The U.S. government should be doing far more to foster these business-to-business collaborations. A public-private sector partnership is the best foreign assistance policy for America in the post cold war world. It is the best policy for the peoples of the NIS; it is the best policy for United States agriculture and enterprise; and, most importantly, it is best for the American people.

TRIBUTE TO JOYCE C. WATSON

HON. GEORGE W. GEKAS

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 17, 1993

Mr. GEKAS. Mr. Speaker, I rise today to pay tribute to Joyce C. Watson, of Kleinfeltersville, PA, who has been named the winner of the National Student Zinc Essay Contest, which is sponsored by the American Zinc Association and the U.S. Bureau of Mines.

Joyce, age 16, is taught at home by her mother, Laura-Jean Watson, along with her three sisters. Joyce's essay, "Zinc: Does it Have Anything to do With You?", was chosen to be the best among essays submitted from all across the Nation.

I want to congratulate Joyce for receiving this wonderful honor. I know her mother, who is also her teacher, is very proud of her, as is the rest of her family and friends. I have attached her winning essay so it may be included in the RECORD, so all may see her thoughtful and creative composition.

ZINC: DOES IT HAVE ANYTHING TO DO WITH YOU?

"Who wants to know anything about zinc?" complained Chad. "I mean what does zinc have to do with my life? Most likely nothing."

"Alright kid, I've had enough of your complaints."

"Who said that?" questioned Chad as he looked cautiously around his bedroom.

"I did, you little ingrate!"

Chad's jaw dropped open in awe, as he realized the little piece of metal his teacher had given him, was talking!

"Don't gawk," ordered Zinc, "I just happen to be tired of you making all these false accusations about me, so I decided to speak up and show you a thing or two."

"You don't mean to say that you're actually worth something in my life, do you?" asked Chad in disbelief.

"Yes, I do," replied the zinc. "Since you don't seem to believe me, I challenge you to name five things in this room that don't have zinc in them."

"That's easy," replied Chad confidently. "The bed, bookcases, rubber bands, pennies, and myself."

"Bizzz. You're wrong," answered Zinc. "Now, would you like me to tell you how zinc is used in each of the things you mentioned."

"Sure, I'd like to see how you're going to explain this," mused Chad.

"We'll start with the bed," informed Zinc. "The wood on your bed is coated with paint. The paint uses zinc, in the form of zinc oxide, to toughen the dried paint, prevent yellowing, frustrate mold growth, and give white paint its color. (Encyclopaedia Britannica, vol. 19, p. 1150) The bookcase is not only painted, but it has brass knobs and hinges, which also contain zinc.

* * * * *

Here are a couple of examples that show how much to take when you have certain symptoms. Take 25 mg if you are worried about having an enlarged prostate and want to do everything possible to prevent it. You could also take this amount if your night vision is not up to par, surgical lacerations or injuries are taking forever to heal, you have skin problems, and to build up your resistance against diseases. You can take 35 mg if you have an enlarged prostate, skin problems, recovery from surgery is not going well, acne even though you aren't a teenager, poor sense of taste, and white spots on your fingernails. If you think you have other problems that may have resulted from zinc deficiency, talk to your doctor. One example of this might be loss of appetite. In this case, the doctor would treat you with 2 mg of zinc for every kilogram you weigh, every day. (Understanding Vitamins and Minerals, p. 163) Now I suppose you'll want to know what you should eat to increase zinc in your body. Of course, there are vitamins you can take that will give you exactly what you need. Just in case you decide you don't like vitamins too much, you can use the following chart to plan meals or snacks that have zinc in them.

THE BEST FOOD SOURCES OF ZINC

Chicken heart, 3 oz., 6.3 mg.
Beef, lean, 3 oz., 5.3 mg.
Calf's liver, 3 oz., 5.2 mg.
Beef liver, 3 oz., 4.4 mg.
Lamb, lean, 3 oz., 4.3 mg.
Ground beef, lean, 3 oz., 3.8 mg.
Chicken liver, 3 oz., 3.7 mg.
Turkey, dark meat, 3 oz., 3.5 mg.
Pumpkin seeds, ¼ cup, 2.6 mg.

* * * * *

Zinc, in this form, can heal skin problems, protect you from sunburn, give color to paints and printing inks, and help tires lose heat when going through degeneration. ("Zinc the Great Protector") Zinc Sulfate is used in the manufacture of rayon. (Encyclopedia Americana, vol. 29, p. 780) Zinc sulfate is needed in small amounts in plants. (Smith, p. 159) It is needed for the production of chlorophyll and the proper functioning of plant enzymes. (Smith, p. 860) Zinc in a different form is also used as a deer repellent. (Smith, p. 897) A zinc chloride in water solution is used to treat wood. It protects the wood from insects and decay. (World Book, vol. 21, p. 497)

"Wow, zinc really shows up all over doesn't it!" exclaimed Chad.

"Yes, it does," answered zinc proudly.

"I have a question for you," asked Chad thoughtfully.

"Where does all this zinc come from?"

"Well, unfortunately zinc does not like to be lonely and is not found by itself in nature," explained Zinc, "the following are valuable ores of zinc: sphalerite, willemite, smithsonite, and zincite. (Sorrell, p. 68) Zinc has to be mined and is found all over the world. The major producers of zinc ores are Canada, the United States, parts of the old Soviet Union, Australia, Japan, Peru, and Mexico." (Encyclopaedia Britannica, vol. 19, p. 1147)

"I guess zinc really is an important part of my life," admitted Chad, "I'm glad you corrected my mistake."

"You're very welcome," smiled Zinc, "but there are many things which I haven't told you, plus they are learning new things about me every day."

PARENTING TARNISHES GOLDEN YEARS

HON. LOUIS STOKES

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 17, 1993

Mr. STOKES. Mr. Speaker, recently, an article which appeared in the Cleveland Plain Dealer newspaper caught my attention. The article examined a phenomena that is plaguing the inner cities; child-rearing grandparents. Increasingly grandparents nationwide are finding themselves assuming the role of mother to their grandchildren. With minimal support from the government, these individuals stretch their own Social Security benefits to provide not only for themselves, but for their grandchildren also. In the article, the reporter examines the

cruel irony of a system that allows foster families to receive more financial assistance to rear foster children than it provides for grandparents who assume this important role.

One of the outstanding individuals spotlighted in the article is Ms. Willa Roberts, a 69-year-old retired regional transit authority maintenance worker who resides in my congressional district. Ms. Roberts, who is raising her great-grandson, is the chairperson of the Westwood Grandparents Support Club. In her role as chairperson of this organization, this committed woman is spearheading efforts to lobby local, State, and Federal officials to increase government-sponsored aid for child rearing grandparents.

Last year in testimony before the House Select Committee on Aging, experts estimated that American grandparents are raising 3.2 million children. I believe this issue is of monumental significance, and strongly urge my colleagues to take a moment and read the Plain Dealer article.

Mr. Speaker, I rise today on behalf of the 3 million plus children who are directly affected by this unfair policy. We must work together to develop legislative initiatives and programs to support Willa Roberts and the millions of grandparents like her throughout the country. These individuals deserve our support in their efforts to reach out and save a generation of children.

The article follows:

[From the Plain Dealer, June 7, 1993]

PARENTING TARNISHES GOLDEN YEARS

(By Michael A. Hobbs)

At 69 years old, Willa Roberts has had to learn how to be a mother all over again.

Roberts, a retired Regional Transit Authority maintenance worker, is part of a growing legion of American grandparents whose golden-year dreams are clouded by the physically draining, financially straining role of rearing their children's or grandchildren's children.

Roberts has raised her 8-year-old great-grandson, Howard, since his infancy. She said Howard's mother has been in trouble with the law. She took the boy in to save him from what she feared would be loveless foster care.

Roberts' new motherhood role has made her acquire the persistence of a private detective, searching for Howard's 33-year-old mother, who moves often from house to house, to try to get her to contribute to her son's care.

"I have to catch up with her," said Roberts. "When I hear she's staying at different places, I corner her and get her to help out with Howard's clothes and other things he needs that she knows I can't always afford."

Roberts, chairwoman of the Westwood Grandparents Support Club, said her role also had forced her to develop skills as a grass-roots organizer. She said hers and other groups had banded together to take on what they consider an unfair system in the hopes of easing the financial bind created by parenting on a retirement income.

In testimony last year before a U.S. House special committee on aging, experts estimated American grandparents are raising 3.2 million children whose own parents either abandoned them, died, are in prison, or are drug addicted.

"They're stressed out coping with the double dose of their own problems of poor housing, back rent, utility bills, neighborhood crime, and such, and the problems of raising children all over again. Some of them just literally fall through the door, exhausted and crying," said Celeste Terry, who coordinates a group through the Greater Cleveland Welfare Rights Organization.

"We give them a hug, a pat on the back, a cup of tea: and we listen," Terry said. "When they calm down they smile and say it's a relief just to get things off their chest that they've kept bottled up so long.

The 15-member group meets weekly at Minnie's House Women's Drop-In Center, 1424 E. 88th St. where child-rearing grandparents have the opportunity to have at their service a professional masseuse and a Tai Chi Chuan fitness program to help relieve stress.

Both Roberts, whose 20-member organization meets once a month at Westwood Elementary School in Warrensville Heights, and Terry, are helping their groups in lobbying local, state, and federal legislators for more government financial aid for their child-rearing grandparents.

They say the system allows foster families to get more financial assistance to raise children than they do; that it should be easier for grandparents to become legal guardians, foster parents or adoptive parents without costly procedures and that it is unjust that they are denied some benefits if their retirement income exceeds poverty levels.

Roberts recently told a Federation for Community Planning forum on the family that she wanted to enroll her great-grandson in a government-subsidized recreational program this summer, but she earns too much to qualify.

"We don't get financial support like foster parents," Roberts said. "We don't want to send our kids to foster homes. We need help. I can't afford to send Howard to a summer camp. Can you imagine what it's like keeping an 8-year-old locked up in an apartment?"

At Minnie's House, Terry said many child-rearing grandparents fail to even apply for financial help because they may lack the fortitude or physical sturdiness to attempt wading through the often frustrating, time-consuming, cumbersome welfare aid maze.

While the groups help them deal with the system, they mainly serve as forums where grandparents exchange ideas and information on how best to cope with raising kids in the '90s.

Trella Gardner, 49, of Maple Heights, a member of Roberts' group, who is raising three grandkids, said she learned from talks with other group members about the location of 'nearby new' stores that sell inexpensive, but trendy, used clothing with popular brand names demanded by today's youth.

"My kids want everything they see on TV, everything other kids have. I tell them I'm only buying the W.G.C.A. brand name: 'Whatever Grandma Can Afford.'"

With no male father figure in her house, Gardner said, she tries to help her grandchildren overcome the lack of a male role model by having them participate in the Rites of Passage program for children and single moms at Cuyahoga Metropolitan Housing Authority's Riverview Apartments on W. 25th St.

"I didn't know anything about gangs and drugs," Gardner said. "that program has brought me up to date on what to say and do to keep my grandkids from getting caught up in the bad things out there on the street."

The grandparents groups invite speakers from government and non-profit agencies who fill in the gaps of knowledge of group members. Youth gang experts from Rites of Passage and other agencies have addressed Roberts' group, teaching members how to read graffiti and recognize gang colors, and the signs of substance abuse.

Minnie's House donates clothes, food, and RTA bus tickets to clients and takes grandparents and kids on free trips to the Zoo to plays, and on shopping excursions and other events that inner-city kids may be unable to experience.

At the Westwood School, Principal Charles Pattillo said the grandparents club sometimes seems even more active than the PTA, volunteering to staff teacher appreciation lunches and fund-raising bake and pizza sales to buy books and other things for pupils.

"It's a fantastic group," Pattillo said. "More schools should have them."

Gardner was even more specific: "I'm not bragging," she said. "But I think we [child-rearing grandparents) are a very special group of people. We're saving a generation of children with the love and care that only grandmom can give."

It works both ways, Roberts said. She said when she sometimes gets exasperated with Howard for tiring her with mischievous activities, he slides up to her, hugs her, and whispers: "Grandma, I love you."

"That's all the thanks I need," Roberts said. "It gives me a real good, warm feeling inside."

WE NEED U.S. ENGLISH

HON. BILL EMERSON

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 17, 1993

Mr. EMERSON. Mr. Speaker, I was astounded to read a newspaper report from Tucson, AZ reporting that on July 2, the Immigration and Naturalization Service plans to swear in 75 immigrants in Spanish—yes, they will be sworn in as U.S. citizens, not in English, but in Spanish. The judge who will conduct the ceremony is quoted as saying, "Even though the new citizens can speak and understand English, the ceremony is more meaningful to them in Spanish."

Mr. Speaker, when an individual leaves his or her native homeland and comes to America, that individual is taking new steps. The swearing-in ceremony is the beginning of a new life as an American. Taking the oath in English ought to be more meaningful—the new language signals a new day, a new way of life, and a new bond with the other citizens of our country. Americans are a diverse lot; nearly 150 languages are spoken in this country, and English is the common bond for us all. The citizenship ceremony should emphasize the things that unite us, not those which divide us into ethnic and linguistic subgroups.

My colleagues, it is time to pass official English legislation.

HOME OFFICE DEDUCTION

HON. WAYNE ALLARD

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 17, 1993

Mr. ALLARD. Mr. Speaker, millions of Americans work out of their homes. Under present

law, as recently interpreted by the Supreme Court in the *Soliman* case (121 L. Ed. 2d [U.S. 1993]), the tax deduction allowed for a home office is so restrictive that few taxpayers are able to use it.

Because the Court's ruling only further complicated the process of determining who is eligible for a home office deduction I am introducing legislation that will simplify the Court's ruling. Specifically, this legislation will do two things. First, it clarifies the intent of Congress to allow a deduction for taxpayers who use a portion of their homes exclusively for business purposes, regardless of the amount of time or type of work that taxpayer performs in that location. Second, it extends the deduction for storage space for inventory to also extend to product samples.

The home office deduction illustrates the complexity of the current tax laws. A taxpayer who operates his or her own business is required by the laws to maintain voluminous records, yet often fails to qualify for home office deductions for a place to prepare and store such records. Being in business mandates an office keep records even when the majority of time expended in the conduct of business is devoted to calling on customers outside the office. Most people in business also maintain computers, telecommunications equipment, inventory, product samples, or other business related items which take up considerable space that cannot be used for personal purposes. Simply keeping the records of a business to comply with tax laws and regulations is a burden that merits, at least, a deduction for the proportionate cost of providing space to store such records.

Proposed IRS regulation section 1.280A–2(b), issued before the Soliman case was decided, provided that if an outside sales person has no office space except at home and spends a substantial amount of time on paperwork at home, the office could qualify as the sales person's principle place of business. Thereafter, in Notice 93–12, the IRS said that it would have to conform the proposed regulations to the Soliman decision. IRS now takes the position that taxpayers should compare the amount of time spent in the home office to the aggregate amount of time spent in the trade or business. In my view, this is an unfair test. The work performed in the office is an integral and essential part of any trade or business, even where the taxpayer performs other activities outside of the office, such as calling on customers.

I urge my colleagues to cosponsor this legislation.

TRIBUTE TO PILOT CLUB OF HUNTINGTON, WV

HON. NICK J. RAHALL II

OF WEST VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 17, 1993

Mr. RAHALL. Mr. Speaker, today I rise to pay tribute to a remarkable group of women in my district. The Pilot Club of Huntington, WV, has donated $1,000 to sponsor the names of 40 local women for inclusion in the Women in Military Service for America Memorial. The memorial as designed would become a part of the wall currently serving the gateway into Arlington National Cemetery. The heart of this memorial will be a computer register that will contain records of all women veterans who pay a small fee to be honored. It will give us a chance to read about them, to see a picture of them as they appeared during their years of service, and to hear their most memorable stories. Because of this outstanding memorial, deserving women from across America will be honored and revered for serving their country.

Several American wars have seen brave women fight and die for their country. They have served with their brothers, their husbands, and their fathers, and now we will have a place to pay homage to the women as well. These veterans have gone too long without recognition, and the memorial at Arlington will be a place of remembrance and celebration for all who visit. This memorial is too long in coming, and the Pilot Club of Huntington should be seen as a leader to groups everywhere in an effort to hasten the completion of this overdue memorial.

Although renovation of the wall has yet to begin, I urge groups from around the Nation to follow the lead of West Virginia's Pilot Club. Congress allocated money to this project in 1986, and since then the women in charge have strived to contact all former female veterans to offer them a place in this special monument and to obtain additional funds.

We need to band together, like the Pilot Club, to give these veterans the memorial they deserve. Together, we can assure the future generations of America the chance to remember and admire the women who served their country.

HONORING MARY ALICE ANDERS ON HER 25TH ANNUAL VISIT TO OUR NATION'S CAPITAL

HON. C.W. BILL YOUNG

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 17, 1993

Mr. YOUNG of Florida. Mr. Speaker, it is a great pleasure for me to welcome to our Nation's Capital my constituent Mrs. Mary Alice Anders who for the 25th consecutive year has brought to Washington a group of 80 safety patrol members from the Mildred Helms Elementary School in Largo, FL.

Every American student should have the opportunity to visit our Nation's Capital and Mrs. Anders has dedicated herself to ensuring that 80 fifth grade safety patrol members are able to make that trip every year. This is a remarkable feat when you consider all the work that is involved in planning the trip and organizing the chaperons. This all takes place before the students ever begin their journey.

Once on their way, Mrs. Anders ensures their safety on the daylong Amtrak trip to Washington. The students arrived at Union Station at 5:30 this morning. She makes sure that all the students and chaperons get on and off the Metro trains together. She ensures that all the students stay together safely throughout town and during the tours of the Capitol, museums, and monuments.

Mrs. Anders devotes a tremendous amount of her personal time and energy to planning, organizing, and making these annual trips to Washington. She has been rewarded many times over with the praises of the hundreds of students who have come with her on these trips. For many, this was the first and only time they have ever been to our Nation's Capital.

Mr. Speaker, teachers have a tremendous influence on our Nation's children. They dedicate their lives to their students. Every once in a while, however, I meet a special educator—one who goes far beyond the call of duty and as a result has a lasting impact upon her students.

Mrs. Mary Alice Anders is such a teacher. She touches the lives of her fifth grade students at Mildred Helms Elementary School every day. She also puts forth the extra effort to make sure that students from Mildred Helms Elementary have the special opportunity to visit our Nation's Capital every year.

As she leads her 25th annual trip to Washington today and throughout the remainder of this week, I want to call her special devotion to her students to the attention of my colleagues in the House. She is a true symbol of the spirit and dedication of America's teachers.

IN RECOGNITION OF THE 75TH ANNIVERSARY OF THE SAN FRANCISCO ITALIAN ATHLETIC CLUB

HON. NANCY PELOSI

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 17, 1993

Ms. PELOSI. Mr. Speaker, I rise to day to acknowledge the 75ht anniversary of the San Francisco Italian Athletic Club.

In 1917, a group of young Italians seeking a place for people to congregate after working hours banded together and formed a sporting club in the north beach section of San Francisco. This club was known as Circolo Recreativo Italiano Virtus. Shortly afterward, due to popular demand, two more athletic clubs were formed in North Beach Union Sporitiva Italian and Sporting Club Italia.

The Three athletic clubs served as gathering places for San Francisco's Italian-American community. Their purpose was to sponsor many social and political events, encouraging the participation of all throughout the city, Italians and non-Italians alike. The clubs offered guidance for the young and recreational activities for all ages. Club members participated in such sports as fencing, baseball, gymnastics, cycling, basketball, and soccer. The athletic clubs gained fame throughout the Nation by participation in 1919 in the first Statuto running race, which was held annually thereafter and drew thousands of spectators. The race was dominated for many years by Italian members of the three athletic clubs, although many non-Italians also participated.

In 1921, the Sporting Club Italia and the Circolo Recreativo Italiano Virtus clubs merged to form the Italia Virtus Club. Five years later, this club merged with the third club, Union Sportiva Italiana, to form one club,

known as Unione Sportiva Italiana Virtus. The merger was intended to strengthen their alliance, preserve their heritage, and purchase their own building. The club was able to use funds they had raised to construct an impressive building on Stockton Street, completed in 1936, which has become an Italian landmark in San Francisco. However, it was not until 1978 that the club's members came together and voted to christen their organization the San Francisco Italian Athletic Club.

The San Francisco Italian Athletic Club serves as a focal point of North Beach, fulfilling the desires of many generations of young people with dreams of participating in organized athletics. The club's halls are filled with trophies won by its young members, who were made to feel a part of their community by their participation in the athletic and social events sponsored by the club. The club's soccer team in particular has distinguished itself over years, winning city, State, and national championships.

Mr. Speaker, on Saturday, June 19, the San Francisco Italian Athletic Club is celebrating 75 years of pride and success in encouraging athletic and social participation within the San Francisco community. I congratulate its board of directors, its membership, and its past and present leaders for their outstanding work to create community within the city of San Francisco and wish them many more years of prosperity on this very festive occasion.

BEST WISHES TO PAGES ON GRADUATION

HON. ROMANO L. MAZZOLI

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 17, 1993

Mr. MAZZOLI. Mr. Speaker, last Friday was both a happy and sad occasion. It was a happy day because our current class of House pages graduated from Page School and enjoyed the occasion with their friends and families. It was an opportunity for them to reminisce about their experiences on the Hill during this past semester.

However, it was a sad day for all of us who had the honor of commissioning these pages and the privilege of working with them.

I would particularly like to commend Shawn Bailey, a page from my hometown of Louisville, KY. Not only was Shawn diligent in working to assist us in the House, but he maintained excellent grades and was named to the honor roll.

To those not familiar with the page program, it is a program rich with history and tradition yet is as modern as tomorrow. Pages have assisted Members for more years than I can count. But, pages always look to the future and are part of the generation which will lead our Nation and world in the next century.

These young men and women now return to their hometowns to their schooling, and to do for the world what needs to be done. To the best of their ability, they will try to make the world a better place in which for us to live.

I take this moment to recognize the young men and women who have come to assist us in making this House work. I know I speak for many of my colleagues in offering our best wishes for continued good health, continued good fortune, and great success in helping all of us solve the problems which face our Nation. The departing pages are:

PAGE APPOINTMENTS SPRING 1993—FEBRUARY 2, 1993

1. Shawn A. Bailey.
2. Lincoln J. Cheramie.
3. Brent A. Collins.
4. Lien L. Cox.
5. Martin Czyzewski.
6. Laura DeLaTorre.
7. Philip D. Duritza.
8. Liesl M. Eichler.
9. Brooke S. Ellinwood.
10. Christopher J. Fahey.
11. Jonathan W. Foerester.
12. Chad A. Fritz.
13. Lynne B. Gadkowski.
14. Leah Helen Gleason.
15. Trisha R. Gordon.
16. Weldon M. Goree.
17. Majdi Y. Hijazin.
18. Erica F. Jones.
19. Melody J. Kemp.
20. Kimberly N. Knepper.
21. John F. Kohlhepp.
22. Todd A. Litherland.
23. Amy W. Loar.
24. Michael J. Loyco.
25. Erin R. Miller.
26. Christopher L. Moody.
27. Renata L. Murdock.
28. Susan C. Myers.
29. Megan R. O'Carroll.
30. Terence O'Donnell.
31. Gina M. Palmieri.
32. David R. Pass.
33. Rebecca S. Pollack.
34. Marianne C. Prior.
35. Andrea L. Ramsey.
36. Stephanie K. Revels.
37. Timothy J. Riordan.
38. Jessica A. Robinson.
39. Juan J. Rocha.
40. Benjamin L. Sanderson.
41. Natalie M. Sattawhite.
42. Joanna U. Shimberg.
43. Johanna R. Smith.
44. Shannon L. Thomm.
45. Jennifer L. Todd.
46. Richard J. Van Guilder.
47. Brian N. Villanueva.
48. Helen M. Waldron.
49. Phillip S.R. Walker.
50. Naomi C. Wallace.
51. Margaret E. Warner.
52. Amanda K. Zimon.

ELLAWESE B. McLENDON RETIRING—FROM THE JOB, NOT THE PEOPLE

HON. DONALD M. PAYNE

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 17, 1993

Mr. PAYNE of New Jersey. Mr. Speaker, it is my honor to bring to the attention of my colleagues a special event that will be held in my district tomorrow. It is a community reception for Ms. Ellawese B. McLendon. This could not be a more fitting tribute for one who is retiring from the job, not from the people.

Ellawese B. McLendon is associate professor of home economics with Rutgers cooperative extension, Cook College—Rutgers University. She serves as department head for cooperative extension in Union County, NJ. She has been responsible for developing, implementing, and evaluating comprehensive programs in home economics for adults.

Ms. McLendon serves as an adviser to many agencies and organizations which provide family-oriented services to individuals and families. She teaches a variety of classes in family budgeting, stress management, child development, housing, and other subjects. She is widely published.

Ms. McLendon has served on the boards of various community projects and university and national committees. She is a true visionary, working to meet the needs of the community—before they become issues of the day. Her kindred spirit has inspired many to action. She is presently serving on the board of the Teen Moms Program at the Bethlehem Missionary Baptist Church in Roselle, NJ. This is a program of which I am especially proud. It has changed many lives and will continue to do so in many meaningful ways.

Many of my fellow community members and constituents draw a great deal of their strength, comfort, knowledge, and courage from this wonderful woman. Mr. Speaker, her humility should be an example for all. I am sure my colleagues will want to join me as I thank Ms. Ellawese McLendon for her years of dedicated service to our community and wish her well as she retires.

THE RADON AWARENESS AND DISCLOSURE ACT OF 1993

HON. HENRY A. WAXMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 17, 1993

Mr. WAXMAN. Mr. Speaker, I am very pleased to be an original cosponsor of the Radon Awareness and Disclosure Act of 1993.

Radioactive radon gas poses a serious environmental threat to many American families. The Surgeon General says that radon is the second leading cause of lung cancer in the United States, causing thousands of deaths each year.

According to the Environmental Protection Agency, over 5 million homes have dangerous radon levels. High radon levels can be found in homes in every State in the country.

This legislation takes a major step forward in protecting the public from radon. It is an innovative, proconsumer, market-oriented approach to curbing radon exposures.

Americans need accurate information about the health risks of radon. This legislation significantly expands public education efforts. A key provision requires the disclosure of radon risks before real estate transactions—precisely when testing for radon is most likely.

The public also needs access to competent, regulated professionals to identify and remediate radon hazards. This legislation again helps to provide the answer: it requires workers in the radon industry to meet minimum levels of proficiency.

Other important provisions are described in a summary of the legislation, which I will insert in the RECORD.

Two of my colleagues deserve special commendation. Representative MARKEY, who is

the House's leader on radon issues, once again played a vital role in crafting this legislation. So too did Representative SWIFT, the chairman of the Transportation and Hazardous Materials Subcommittee.

I look forward to working with the Members of this body in enacting the Radon Awareness and Disclosure Act this year.

SUMMARY OF H.R. 2448—THE RADON AWARENESS AND DISCLOSURE ACT OF 1993

Radioactive radon gas poses a serious environmental threat to many American families. According to the Surgeon General, radon is the second leading cause of lung cancer in the United States, causing thousands of deaths each year. The Environmental Protection Agency estimates that over 5 million homes have dangerous radon levels.

Despite the severity of the public health threat, the nation lacks a comprehensive strategy for identifying and abating radon hazards. The Radon Awareness and Disclosure Act (RADA) provides such a strategy. Its major provisions are summarized below.

NEW PUBLIC EDUCATION PROGRAMS

RADA emphasizes increased public awareness as a key to reducing radon risks. The bill establishes three important new public education programs:

(1) RADA requires the disclosure of potential radon hazards at real estate transactions, so that buyers and renters can decide whether to seek radon tests.

(2) RADA directs EPA, in collaboration with a new President's Commission on Radon Awareness, to conduct a national education campaign to promote radon testing and mitigation.

(3) RADA establishes a new program to promote awareness of radon risks among the medical community.

REGULATION OF THE RADON INDUSTRY

Families that are concerned about radon need access to reliable radon test kits and qualified professionals to identify and mitigate radon hazards. They also need protection against faulty or ineffective products and services. RADA responds to these needs by mandating that products and services offered to the public for radon measurement or mitigation meet minimum federal proficiency standards.

RADON PREVENTION IN NEW CONSTRUCTION

The best way to protect the public from exposure to environmental risks is through pollution prevention. Radon is no exception. To prevent future radon problems, RADA requires that new buildings in high-risk areas be constructed to prevent radon exposures from occurring in the first place. This small investment at the time of construction will avoid the bigger expense of fixing radon problems later.

OTHER PROVISIONS

Under RADA, EPA must also (1) develop and implement a strategy to find and reduce "exceptionally high" indoor radon levels; (2) collect user fees from radon manufacturers and service providers to cover program costs; and (3) delegate administration and enforcement of radon standards to states that adopt qualifying state programs. In addition, RADA provides for grants to states and local governments seeking to develop or implement radon programs.

VETERANS COMMUNITY HELPING VETERANS IN FREMONT

HON. FORTNEY PETE STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 17, 1993

Mr. STARK. Mr. Speaker, I would like to take a moment to share with my colleagues the grand opening of a veterans employment station in the Niles Veterans Memorial Building in Fremont, CA. Tomorrow morning, June 18, job opportunities and employment services for the thousands of veterans in my district will take a big step forward.

This outreach center was made possible by the Employment Development Department and the Veterans of Foreign Wars, district 14, who have worked hard to meet the current and future employment services needs in southern Alameda County. With the downsizing of the Armed Forces made possible by our victory in the cold war, thousands of proud men and women in uniform, who have served their country with honor, will rejoin the private sector. This station is positioned to be a valuable resource for these veterans in our community.

Young and old veterans will be able to explore retraining opportunities and job search and placement resources to help them use the important skills and experience learned in service to their country. As a veteran of the U.S. Air Force, I know that my experience from those years has served me well in the private sector and public service. Local veterans, who have made the theme of tomorrow's event "Veterans Community Helping Veterans," know this also.

The Fremont veterans community has responded to the challenge presented by military downsizing and the recession plaguing California by offering employment services necessary in today's tough job market. Mr. Speaker, I hope my colleagues will join me in saluting their efforts to help our veterans, to whom we owe so much, make a smooth transition into the civilian job market.

TRIBUTE TO KIMBERLY FLETCHER

HON. BARNEY FRANK

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 17, 1993

Mr. FRANK of Massachusetts. Mr. Speaker, Mansfield High School is a Blue Ribbon School of Excellence, winning such an award from the U.S. Department of Education in 1991. As part of this program, Susan Iovieno, coordinator of visual and performing arts, initiating a mural program within the school. Recently, the Mansfield School Committee honored a student who has distinguished herself by her work in this program and with her art work in general. Kimberly Fletcher received recognition in the scholastic art awards in 1992 and 1993, at the State and national level. She has been very active in mural program not just within the high school, where the 20th mural has just been completed, but in the community at large. She will be painting a mural on the Hangar Building of the Mansfield Airport during this summer.

We too rarely take note of the excellent work that goes on in so many of our schools, on the part of both faculty and students. I am very pleased to join the Mansfield School Committee in honoring Kimberly Fletcher for her talent and her dedication.

SAFE SCHOOLS ACT OF 1993 INTRODUCED

HON. MAJOR R. OWENS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 17, 1993

Mr. OWENS. Mr. Speaker, the bill I am introducing today, the Safe Schools Act of 1993, is dedicated to our children; children who died as a result of violence in their schools, children who go to bed to the sounds of gunfire, children who walk to school afraid that the classmate who carries a pistol or a knife will use it on them, children who have been traumatized by scenes of violence, to all children who grow up in a fear-drenched world, where violence is the norm.

While no area of the country can claim to be completely immune from the epidemic of school violence, without doubt my own district in Brooklyn has been ravaged with more than its share of tragedy. In particular Thomas Jefferson High School in Brooklyn has become a national symbol of urban violence. Over the last 5 years, 40 of Thomas Jefferson's students, many from my district have been killed, including three who were shot to death at the school. I do not pretend that this bill will put an end to the obscenity of such violence, however, The Safe Schools Act of 1993 constitutes a new Federal commitment to address the problem.

Homicide is now the leading cause of death among African-American males aged 15 to 19 years and the second leading cause of death among all teenagers. In a recent study 43 percent of inner-city youth 7–19 said that they had witnessed a homicide. The statistics are horrendous and constitute a national epidemic that until today has not been addressed.

The bill provides a vehicle for the development and implementation of exemplary violence prevention strategies such as programs that teach conflict resolution skills and other programs that work with families and communities.

The Safe Schools Act of 1993 also represents a significant first step in our efforts to reach National Goal Six; that by the year 2000 every school in America will be free of drugs and violence. It provides the resources and authority to commence the ambitious task of finding persuasive avenues for reversing the present trend of violence. I welcome the administration as partners in this effort and look forward to all of us working together to speedily pass this bill as an urgent national priority.

WELCOMING THE DANISH TRAINING SHIP "GEORG STAGE" TO GREENPORT, NY

HON. GEORGE J. HOCHBRUECKNER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 17, 1993

Mr. HOCHBRUECKNER. Mr. Speaker, I rise today to welcome the Danish Training Ship *Georg Stage* to Greenport, NY, on Friday, July 9.

The *Georg Stage* has the distinctions of being the world's smallest full-rigged ship run by the world's oldest sailing training institution, founded in 1882. Greenport, NY, is an appropriate place for the Danish ship to visit, because Greenport is a deepwater port with a proud history in marine trades. Greenport is also the home of the East End Marine Historical Foundation, which has contributed richly to preserving maritime traditions on eastern Long Island.

The *Georg Stage* is a privately owned vessel training young people for service in the Danish Merchant Marine. The ship is run by 11 officers and 60 students, both men and women. The students come not only from Denmark, but also from Greenland, the Faeroe Islands, and Sweden.

When the ship returns to Denmark on September 24, 1993, after stopping at many different ports around the world, the students will be qualified as ship's assistants according to the guidelines established by the Danish Maritime Authority.

As Greenport's Congressman and a Long Islander, I am extremely proud to be the representative of the district that is welcoming the *Georg Stage*. I wish the ship's crew a pleasant stay in Greenport and safe and happy sailing.

RADON AWARENESS AND DISCLOSURE ACT OF 1993 INTRODUCED

HON. EDWARD J. MARKEY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 17, 1993

Mr. MARKEY. Mr. Speaker, I rise to offer the Radon Awareness and Disclosure Act of 1993. I am extremely pleased to be joined by my colleagues, Mr. WAXMAN of California, chairman of the Subcommittee on Health and the Environment, and Mr. SWIFT of Washington, chairman of the Subcommittee on Transportation and Hazardous Materials, in offering this legislation to increase the accuracy of radon testing, increase public awareness of the threat of radon gas, and encourage testing and disclosure of radon hazards in homes.

The Surgeon General has warned that radon is second only to smoking as the leading cause of lung cancer. This translates into thousands of premature deaths each year. Radon is a naturally occurring radioactive gas that is produced when uranium decays. It can enter buildings through cracks or openings in the foundation. It is odorless, colorless, and tasteless—a silent killer. But despite the enormous harm it inflicts on the public's health, it is very easy and inexpensive to test for and just as easy to remedy.

One of the main obstacles in confronting the radon threat is a lack of public awareness of the danger and a lack of understanding of the relative ease of testing and resolving vulnerable situations. The Environmental Protection Agency estimates that nearly 1 in every 15 homes in the United States has elevated radon levels. Despite this, only a small percentage of homes in this country have been tested. Testing for and mitigating exposure to radon is one of our most cost-effective safety strategies—at an estimated $250,000 expenditure for every life it saves; it's comparable to fire detectors and seatbelts.

Today, I am reintroducing legislation that I first introduced in the 101st Congress to confront this serious health issue. Like legislation introduced by Senators MITCHELL, CHAFEE, LAUTENBERG, and others, it tackles the issue of radon head on. First, it protects consumers from fraudulent or inaccurate radon testing by requiring the certification of those involved in radon testing. Second, it authorizes necessary funds to assist State governments in dealing with this problem and creates a model program by the EPA to encourage States to adopt their own radon programs. Third, because nearly 1 in every 15 homes in the United States is estimated to have elevated radon levels, this bill establishes procedures and standards for testing and disclosure of radon in residences. Fourth, it establishes a President's Commission on Radon Awareness.

PERFORMANCE PROGRAM FOR RADON TESTING

The expanded testing provisions of this bill change the EPA proficiency program for radon testing products and services from a voluntary program to a mandatory one and direct the EPA Administrator to implement the quality control assurances recommended by the General Accounting Office. The GAO reported in August 1990 that the voluntary nature of the proficiency program offered by EPA was allowing companies producing faulty or inaccurate testing products or services to continue offering their product to the public.

MODEL PROGRAM AND EXTENSION OF STATE GRANTS

The bill provides for the creation of a model program by the EPA to encourage States to adopt their own radon programs. The bill also extends the indoor radon abatement provision of the Toxic Substances Control Act to assist States in developing radon testing and mitigation programs. The Administrator of the EPA will have the option of passing grants directly to local governments in States that chose not to adopt their own radon programs.

DISCLOSURE OF RADON HAZARDS IN RESIDENCES

Important provisions of the bill establish procedures and standards for testing and disclosure of radon in residences during the time of sale or lease. Before a purchaser or lessee is obligated under any contract, information on radon must be provided and any available radon measurement report must be disclosed. If no radon test has been previously conducted for the premises, a 10-day opportunity is permitted to conduct such a test before being contractually obligated. The bill also directs the Administrator of the EPA to establish standards for the prevention of radon hazards in cases of new construction, particularly in priority areas.

ESTABLISH A PRESIDENTIAL COMMISSION ON RADON AWARENESS

The Presidential Commission created in this bill will draw the best available talent—from the radon industry, consumer groups, the health industry, experts in the field of radiation science, and others to examine public awareness programs. The Commission will also be responsible for developing new ways of raising awareness and encouraging people to take the individual action necessary to protect their families from radon.

Members of Congress have recognized the urgent need to squash this silent killer. Last year, bipartisan legislation was reported out of the Committee on Energy and Commerce favorably by a 23 to 1 vote and subsequently passed both the House and Senate overwhelmingly. Unfortunately, there was not sufficient time for a conference. This year, with the help of Chairmen WAXMAN and SWIFT, I have refined my legislation in order to insure that this issue gets the level of attention it deserves.

Members of Congress have not been the only ones to recognize the pressing need for this legislation. The Consumer Federation of America, the American Lung Association, the American Cancer Society, the American Medical Association, the National Association of Counties, the American Public Health Association, and the National Safety Council are among the many groups who have supported this bill in the past and continue to support national radon legislation.

I thank my colleagues who have cosponsored this legislation in the past. I look forward to working with Chairman DINGELL and Congressman MOORHEAD on this issue. I urge all my colleagues to support the Radon Awareness and Disclosure Act of 1993 so that we may finally reign in the threat of radon.

RADON AWARENESS AND DISCLOSURE ACT—BILL SUMMARY

This legislation addresses the serious health threat of naturally occurring radon gas, and the equally serious lack of action to date in addressing this silent killer. It is designed to increase public awareness of radon's health threat, encourage more testing, and require greater disclosure of radon levels to the public. Provisions of the bill include:

CREATE PERFORMANCE STANDARDS FOR RADON TESTING PRODUCTS AND SERVICES

An important segment of the expanded testing provisions of this bill is the change in the EPA proficiency program for radon testing products and services from a voluntary program to a mandatory one. The General Accounting Office reported in August 1990 that the voluntary nature of the proficiency program was allowing companies producing faulty or inaccurate testing products or services to continue offering their product to the public.

CREATE MODEL PROGRAM AND EXTEND GRANTS TO STATES AND LOCALITIES FOR RADON PROGRAMS

The bill provides for the creation of a model program by the EPA to encourage states to adopt their own radon programs. The bill also extends the indoor radon abatement provision of the Toxic Substances Control Act to assist states in developing radon testing and mitigation programs. The Administrator of the EPA will have the option of passing grants directly to local governments in states that chose not to adopt their own radon programs.

DISCLOSURE OF RADON HAZARDS IN RESIDENCES

Important provisions of the bill establish procedures and standards for testing and disclosure of radon in residences during the time of sale or lease or for any new construction. Before a purchaser or lessee is obligated under any contract, information on radon must be provided and any available radon measurement report must be disclosed. If no radon test has been previously conducted for the premises, a ten day opportunity is permitted to conduct such a test before being contractually obligated. The bill also directs the Administrator of the EPA to establish standards for prevention for new construction, particularly in priority areas.

ESTABLISH A PRESIDENTIAL COMMISSION ON RADON AWARENESS

The Presidential Commission created in this bill will draw the best available talent to develop innovative ways of raising public awareness and encourage people to take the individual action necessary to protect their families from radon.

AIR POLLUTION—CHANGES NEEDED IN EPA'S PROGRAM THAT ASSESSES RADON MEASUREMENT FIRMS

PURPOSE

The Environmental Protection Agency (EPA) estimates that 20,000 lung cancer deaths each year may be attributed to indoor radon. In 1986, to help ensure that homeowners obtain accurate radon measurements, EPA published procedures for taking radon measurements and established the voluntary Radon Measurement Proficiency (RMP) program.

However, in October 1989, GAO reported to the Chairman, House Committee on Science, Space, and Technology that uncertainties exist in the radon measurements homeowners use to make health-based decisions (GAO/RCED-90-25). Because of GAO's findings, the Chairman asked GAO to conduct a follow-up review to determine (1) changes that can be made in the RMP program to better assure homeowners that radon measurements are accurate, and (2) the status of state radon programs that certify, license, or accredit radon measurement companies.

BACKGROUND

Radon, a colorless, odorless gas formed by the decay of radium and uranium, occurs naturally almost everywhere, including in the average U.S. home. Several different devices can be used to measure radon in the home over extended periods of time. Some of the devices, after being exposed to radon, must be analyzed in laboratories to determine the radon levels. Some more costly devices that require skilled operators, such as the continuous radon monitor, can measure radon and provide more immediate results without laboratory analysis. Companies that provide the laboratory analysis or the more costly instruments and a skilled operator are tested through the RMP program.

In establishing the RMP program EPA envisioned that it would be responsible for testing the proficiency of firms, whose participation in the program would be voluntary, and would encourage firms to adopt procedures that would ensure the quality of measurement results. The states, according to EPA officials, would determine any additional regulation of firms, such as mandatory participation in the RMP program and mandatory adoption of quality assurance programs.

RESULTS IN BRIEF

Homeowners do not have adequate assurance that companies have demonstrated a minimum level of competency in measuring radon and that the test results provided to them have some degree of accuracy. This is because the voluntary nature of the RMP program allows firms to market devices that have not been tested or that failed the test. In addition, the RMP program does not require measurement companies to implement quality assurance programs. GAO believes that two changes in the RMP program that would increase homeowners' assurance are (1) requiring measurement firms to pass the RMP program before marketing their devices, and (2) requiring radon measurement firms to demonstrate the existence of adequate quality assurance programs as a condition for participating in the RMP program.

Most states have not developed programs that would help to ensure the reliability, consistency, and quality of radon test data that companies provide homeowners. Also, without federal guidelines, the requirements differ in those states that accredit, license, or certify radon measurement companies, thus providing homeowners with differing levels of assurance.

PRINCIPAL FINDINGS

Firms market devices without meeting RMP requirements

In October 1989 GAO reported cases illustrating why homeowners do not have assurance that radon measurements are accurate and why there is a need for additional controls over measurement companies. For example, in a review of EPA's 1988 testing of radon measurement firms, GAO found that one large measurement company and a few small companies were marketing devices that had not been tested in the RMP program; one device that was being marketed by one of the large companies did not meet the RMP program's requirements; several small companies that failed the 1988 testing were marketing devices; and a few small companies that tested some of their devices in the RMP program had been marketing other devices that had not been tested in the program. In a few of these incidences, it appeared the companies may have been providing homeowners with inaccurate measurements.

Officials from a sample of the radon testing industry support requiring measurement companies to participate in the RMP program. Of the 32 officials GAO interviewed, 27 said participation should be mandatory. Reasons cited for such a requirement included the severity of health effects of radon and the public's need to have assurance that they are dealing with reputable firms.

RMP program does not require measurement companies to have quality Assurance Programs

Although EPA recommends certain quality assurance procedures for radon measurement companies, the agency does not require companies to develop and implement such procedures as a condition for participating in the RMP program. As a result, GAO found that only 12 of 21 interviewed companies that participated in the 1988 testing were calibrating their equipment (an EPA recommended quality assurance procedure). One of the nine companies that did not calibrate its equipment failed the 1988 test with a 100-percent error but had been marketing its equipment for a full year before the test. Also, EPA's first efforts to test radon measurement companies without their knowledge, called double-blind testing, indicate that some firms are having difficulty providing consistent and accurate measurements. For example, GAO found that 7 out of 36, or about 20 percent, of those firms that had demonstrated proficiency in 1988 and were double-blind tested in 1989 failed.

In addition, not requiring measurement companies to implement quality assurance programs as a condition for participating in the RMP program seems inconsistent with EPA's own agencywide quality assurance policy for EPA-sponsored environmental monitoring and measurement efforts. This policy requires every measurement project to have a written and approved quality assurance plan and applies to all EPA program offices, regional offices, laboratories, contractors and grantees.

As in the case of mandatory participation, industry officials who test radon also believe quality assurance should be required as a condition for participating in the RMP program. Thirty-one of the 32 officials GAO interviewed said some quality assurance needs to be required as a condition for participating in the RMP program.

States monitoring of radon measurement companies is limited and inconsistent

It could take years for states to develop programs that help to ensure the reliability, consistency, and quality of radon test data that companies provide to homeowners, according to GAO's nationwide survey of radon coordinators in 50 states and the District of Columbia. In some states, there are no plans to develop such programs. Only nine states have programs that either certify, license, or accredit radon measurement companies, and only five of those have mandatory programs. An additional 20 states may establish a program in the future, while the remaining 22 state coordinators said their states probably would not have a program. Two reasons given for not having a program were lack of funding and lack of legislative authority. In addition, only five of the nine states that have implemented programs have quality assurance requirements for firms measuring radon.

Finally, the nine states that have established programs that accredit, certify, or license radon measurement companies have differing requirements, which provide different levels of assurance to the homeowner. For example, as mentioned above, five states have quality assurance requirements while four do not. Seven states require measurement companies to meet minimum educational requirements for critical personnel. GAO believes that one reason state requirements differ is that EPA has not defined the degree of control it wants states to exercise over radon measurement companies.

RECOMMENDATIONS

In testimony at hearings held by the House Subcommittee on Natural Resources, Agriculture Research, and Environment, Committee on Science, Space, and Technology, on May 16, 1990, GAO recommended that the Congress provide EPA with the authority to require radon measurement companies to successfully pass the RMP program before marketing their devices to the public (GAO/T-RCED-90-54). In addition, GAO recommended that EPA (1) establish minimum quality assurance requirements for the different radon measurement devices, and, as a condition for participating in the RMP program, require measurement firms to demonstrate that they have developed and implemented programs that will meet the requirements and (2) issue specific guidance on the type of program and level of control over radon measurement companies it believes is needed at the state level to provide homeowners with adequate assurance that radon measurements are accurate.

AGENCY COMMENTS

As requested, GAO did not obtain official agency comments on a draft of this report. However, GAO discussed the factual material in the report with EPA officials, who generally agreed that it was accurate, and incorporated their comments where appropriate. In addition, at the May 16, 1990, hearings mentioned above, the Deputy Administrator of EPA testified that EPA was strengthening the RMP program in several ways, one of which is to require participants to implement quality assurance programs. Also, the Deputy Administrator testified that EPA would be designing a model state certification program to assist states in their efforts. EPA did not take a position on requiring firms to pass the RMP program before marketing their instruments.

CONGRESSMAN KILDEE HONORS BENJAMIN SCHWARTZ

HON. DALE E. KILDEE

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 17, 1993

Mr. KILDEE. Mr. Speaker, I rise today before my colleagues in the U.S. House of Representatives to pay tribute to Mr. Benjamin Schwartz, who will be celebrating this 75th birthday at a special dinner with his family on June 23, 1993, in Davison, MI. The true fiber of this country is made up of individuals like Mr. Schwartz, who continues to inspire us all with his goodness, determination and sense of responsibility.

Born and raised in Fort Collins, CO, Benjamin was the youngest of 11 children. Because his family needed him at home, Benjamin left school during the eighth grade to work on the family farm. Upon being drafted into the Army in 1943, Benjamin began an extremely distinguished military career during which he earned the World War II Victory Medal with Bronze Arrowhead, the European/African/Middle Eastern Service Medal, the American Service Medal and the Prisoner of War Medal because of his 8-month tenure as a German prisoner of war. Upon being liberated from his German prison camp by Gen. George Patton, Benjamin returned to his family in Fort Collins.

Benjamin's unusually strong sense of responsibility has not just manifested itself in his work on the family farm and on World War II battlefields, but also in his married life. His wife of 45 years, Virginia, was a victim of a chronic debilitating disease during most of their married life. However, Benjamin lovingly tended to her throughout her illness until she passed away in 1990. Soon after, Benjamin himself was stricken with life-threatening cancer which has required major surgery and grueling treatments. However, through it all, Benjamin has cheerfully undergone these treatments and will only acknowledge that this ordeal has been a "small inconvenience". Benjamin's upbeat demeanor through this challenge and the others he has endured throughout his life illustrate the truly wonderful individual and father he is.

Mr. Speaker, my community, my district and my country have been blessed by the presence of Benjamin Schwartz. I urge my House colleagues to join me in honoring this inspirational and loving person and to congratulate him on his 75th birthday.

HENRY AND PAULINE BENNETT DAY

HON. PETER J. VISCLOSKY

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 17, 1993

Mr. VISCLOSKY. Mr. Speaker, it is a special pleasure to participate in the celebration of June 19, 1993, which shall be known as Henry and Pauline Bennett Day as proclaimed by the mayor of Gary, the Honorable Thomas Barnes. In addition, the Gary Common Council and it's president, Mr. Roy Pratt, have passed an official resolution honoring the couple.

After over 50 years of dedicated service to the community, Henry and Pauline Bennett will enjoy an evening designated specifically to acclaim and honor them for their praiseworthy devotion to education and civil rights. Their efforts have been fruitful beyond measure.

Henry and Pauline are graduates of Roosevelt High School and Indiana State University. Committed to the development of Gary's youth, Pauline returned to the Gary area and began over 40 years of educating in the Gary school system. She has traveled the world far and wide in an effort to enrich her abilities to relay cultural understanding among her students as well as to promote greater respect for our world neighbors. In an environment overflowing with mutual care, compassion, and love, she wholeheartedly has shared her experiences with nearly 5,000 students—daily in public classrooms, at Saturday, and Sunday schools, and at other special events.

Salutatorian of the first graduating class of Gary Roosevelt High School, Pauline also has made a tremendous impact toward the development and progression of Gary. Through her involvement in such prestigious organizations as the Delta Sigma Sorority, Gary Teachers Union, American Association of Retired People, Literacy Volunteers of America, Inc., Lake County Retired Teachers Association, and Church Women United, Mrs. Bennett has developed a sparkling resume matched by few.

Henry Bennett's accomplishments are as distinct as those of his wife. Henry served commendably in World War II as a radio and teletype operator, and as a service school administrator. He has been a staunch educational instructor in the Gary school system teaching mathematics and business, and has also served as principal of adult education. Henry's achievements are much too numerous to mention in their entirety, however, they include extensive involvement with Phi Delta Kappa, Association for the Study of Afro-American Life and History, Inc., national president of the World War II Black Navy Veterans of Great Lakes, vice president of the Northwest Indiana Public Broadcasting, Inc., board member of Project Justice and Equality, not to mention the Northwest Indiana Open Housing, Inc.

Henry's illustrious awards and honors are as vast as are his community activities. Perhaps his most notable accomplishments have been the rewards for his relentless involvement with the National Association of Advancement for Colored People. Among those honors are two membership achievement awards from the Gary Branch NAACP, the prestigious Mary White Ovington Award, the Loren Henry Award, the Presidents Award, the NAACP Branch Award, and the Roy Wilkins Award, which is the highest civil rights award in a seven State region.

On behalf of the First Congressional District of Indiana, I would like to extend my everlasting appreciation for Henry and Pauline Bennett's concern and dedication to the Gary community. Certainly, there are thousands who have benefitted from the dedication of Henry and Pauline Bennett. Their selfless giving, caring, and genuine interest in the welfare of our community has been confirmed in every path of their lives. If there were ever ideal role models for care, dedication, and family values, undoubtedly, the Bennetts, or the "Keepers of the Flame", would make the mold.

On this momentous occasion, I commend Henry and Pauline Bennett for their devotion and legendary accomplishments to our community. It is my hope that the extent of their impact is not only demonstrated on this day, but that the fruit of their dedication prove effective generation after generation. My sincere gratitude to them for 50 years of civil service and astute leadership.