SENATE—*Friday, March 25, 1994*

(Legislative day of Tuesday, February 22, 1994)

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

The PRESIDENT pro tempore. Leading the Senate this morning in its prayer to Almighty God, who created man in His own image and breathed into his nostrils the breath of life, will be the guest Chaplain, Rabbi Tzvi H. Porath, Rabbi emeritus, Ohr Kodesh Congregation, Chevy Chase, MD.

Rabbi Porath, please.

PRAYER

The guest Chaplain, Rabbi Tzvi H. Porath, Rabbi emeritus, Ohr Kodesh Congregation, Chevy Chase, MD, offered the following prayer:

Let us pray:

We meet this morning prepared to conclude the agenda of the final days of this session so that we may return to our communities for the scheduled recess.

We trust that our constituents realize that the deliberations in which we have participated, the judgments we have made, and the conclusions we have reached will reflect the directions they would want us to go.

We look forward to the coming days to be able to meet with our citizens to get their ideas, their thoughts, their input.

We pray that we return from our recess invigorated, stimulated, and uplifted by the personal contact with the people from our State.

We extend our best wishes to all those who are preparing to celebrate the religious festivals, Passover and Easter, that occur during this period.

May we all be inspired to translate the message of our holy days to bring the inhabitants of our country, whatever their origin, race, or creed, into a bond of true brotherhood, banishing hatred and bigotry, safeguarding the ideals and free institutions which are our country's glory. Amen.

RESERVATION OF LEADER TIME

The PRESIDENT pro tempore. The Senate will be in order. Under the previous order, the leadership time is reserved.

CONGRESSIONAL BUDGET CONCURRENT RESOLUTION

The PRESIDENT pro tempore. Under the previous order the Senate will now resume consideration of Senate Concurrent Resolution 63, which the clerk will report.

The legislative clerk read as follows:

A concurrent resolution (S. Con. Res. 63) setting forth the congressional budget for the U.S. Government for the fiscal years 1995, 1996, 1997, 1998, and 1999.

The Senate resumed consideration of the concurrent resolution.

Pending:

Harkin amendment No. 1578, to express the sense of the Congress that spending for the star wars (Ballistic Missile Defense) must not exceed the fiscal year 1994 appropriated level.

The PRESIDENT pro tempore. The majority leader.

SCHEDULE

Mr. MITCHELL. Mr. President, pursuant to an order entered last evening, the Senate will complete action today on the concurrent resolution on the budget, which is now the pending matter. Under that order, which is printed at page 2 of today's calendar, there remain in order a maximum of eight amendments, which are listed. Each is subject to a time limitation of 10 minutes for debate. So it is my hope that we will complete action on this measure promptly today. I am advised by the managers that it is likely that not all of those amendments will require recorded votes.

Following the disposition of this measure, the Senate will return to consideration of the conference report accompanying the Goals 2000 education bill.

As I have indicated previously on several occasions, we must complete action on both of these measures prior to the Easter recess.

Mr. President, I yield the floor.

Mr. SPECTER addressed the Chair.

The PRESIDENT pro tempore. Who yields time?

Mr. DOMENICI. Mr. President, I believe, pursuant to the order, Senator SPECTER is to proceed and he has 5 minutes on an amendment.

The PRESIDENT pro tempore. The Senator from Pennsylvania has an amendment on the list. Does he wish to proceed and call up that amendment?

AMENDMENT NO. 1597

(Purpose: To state the sense of the Congress regarding the need to shift the allocation of antidrug funds from ineffective international antidrug programs to drug treatment and prevention programs designed to reduce the demand for illegal drugs)

Mr. SPECTER. Mr. President, I sought recognition to send an amendment to the desk and to ask for its immediate consideration in line with the unanimous consent agreement reached last night.

The PRESIDENT pro tempore. The clerk will report.

The legislative clerk read as follows:

The Senator from Pennsylvania [Mr. SPECTER] proposes an amendment numbered 1597.

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

The PRESIDENT pro tempore. Is there objection to dispensing with further reading of the amendment?

The Chair hears no objection. Without objection, it is so ordered.

The amendment is as follows:

At the end of title III add the following new section:

SEC. . SENSE OF THE CONGRESS ON SHIFTING THE ALLOCATION OF ANTI-DRUG FUNDS FROM INTERNATIONAL ANTI-DRUG PROGRAMS TO DRUG TREATMENT AND PREVENTION PROGRAMS.

(a) FINDINGS.—The Congress finds that—

(1) in 1991 over 11,000 hectares of opium production were eradicated out of over 238,000 hectares under opium cultivation;

(2) in 1992 over 22,000 hectares of opium production were eradicated, but the amount of hectares under opium cultivation grew to over 255,000 hectares;

(3) in the face of a successful opium eradication program in 1992, the amount of land under active opium cultivation grew by 6700 hectares;

(4) in 1991 over 6,500 hectares of coca leaf production were eradicated out of over 212,700 hectares under cultivation;

(5) in 1992 fewer than 5,300 hectares of coca leaf production were eradicated, and the amount of hectares under active coca leaf cultivation grew to almost 217,000;

(6) the amount of land under active coca leaf production grew by 5300 hectares in 1992, and coca leaf production increased by 1200 metric tons over production in 1991;

(7) the Drug Enforcement Administration has reported that the purity of cocaine available in the United States has increased since 1990, which demonstrates that adequate supplies of cocaine continue to be produced and smuggled into the United States;

(8) the Drug Enforcement Administration has reported that the price of cocaine available in the United States has remained stable or declined since 1990, again demonstrating that adequate supplies of cocaine are being produced and smuggled into the United States;

(9) many observers of national drug policy have come to conclude that the efforts of the United States to reduce the supply of drugs through international law enforcement and training, economic development, and crop substitution programs in foreign nations cannot succeed in reducing the supply of drugs available in the United States;

(10) recent studies demonstrate that drug treatment and prevention programs have achieved notable success in reducing drug use and associated criminality, including the commission of violent crime by drug users;

(11) the current national capacity to provide drug treatment falls far short of being

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

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able to provide adequate treatment to drug users who need and want treatment;

(12) additional resources are needed to add drug treatment capacity and to expand drug prevention programs.

(b) SENSE OF CONGRESS.—It is the sense of the Congress that—

(1) in setting forth the budget authority and outlay amounts in this resolution, Congress should take note of the failure of past spending to support international anti-drug programs, including but not limited to those of the Agency for International Development, the Bureau of International Narcotics Matters and the Bureau of Politico-Military Affairs of the Department of State, and the Drug Enforcement Administration; and

(2) the budget authority and outlay amounts in this resolution should be reallocated from international anti-drug programs to support successful drug treatment and prevention programs that will curb the demand for illegal drugs; and

(3) one-half of the budget authority and outlay amounts to combat illegal drugs be expended to reduce the demand for illegal drugs in the United States and one-half of such amounts be expended to reduce the supply of such drugs in the United States;

(4) no budget authority or outlay amounts reallocated in accordance with the provisions of this section shall be taken from budget authority and outlay amounts for foreign aid or international development other than those accounts that support international anti-drug programs.

The PRESIDENT pro tempore. The Senator from Pennsylvania.

Mr. SPECTER. Mr. President, there is only 5 minutes allocated, so I will get right to the point. The amendment is a sense-of-the-Senate amendment which would reallocate funding for the so-called supply side, where funds are expended in Latin America for crop eradication and for police work in Latin America, which has proved to be unsuccessful; and would transfer those funds to the so-called demand side, where the moneys would be used for rehabilitation and education in the United States.

We have, for the years 1995 through 1999, budget authority of almost $1.2 billion and almost $1 billion in outlays. And this sense-of-the-Senate resolution would reallocate that to rehabilitation and education in the United States, with $1.1587 billion going to education and rehabilitation, and $463 million in outlays.

The facts of the matter are these. Even though there have been substantial reductions in the number of hectares of opium production and hectares of coca production—and a hectare is defined by Webster's New World Dictionary as a unit of surface measure equal to 10,000 square meters and 1 hectare equals approximately 2.471 acres—even though there have been those reductions, the net effect yet has been that production has increased. And that is because it is so profitable to make opium and to produce coca.

There was a Congressional Research Service study in April 1993, published by the Senate Judiciary Committee as "U.S. International Drug Control Policy, Recent Experience, Future Options," and the results of that study show that this program has not been effective. At the same time, we are very short on sufficient funds for rehabilitation of drug users in the United States. The current system has the capacity, according to the Office of National Drug Control Policy, to treat 1.4 million drug users. And we have as many as 2.5 million drug users who could benefit from drug treatment. So the funds were being allocated in the wrong way.

The Senate has twice passed sense-of-the-Senate resolutions introduced by this Senator calling for a change in the allocation between education and treatment on the one side, known as demand, and law enforcement and interdiction, known as supply. Instead of a two-thirds allocation for law enforcement and one-third for treatment and education, there should be a 50–50 split. And there has been some movement on the allocation of funds, but not nearly enough.

I personally have talked to administration officials from the Attorney General, Deputy Attorney General, assistant of the criminal division, and the drug people, who all express sympathy, both privately and in public hearings. But there has been very little movement. There has been, in fiscal year 1993 a split of 65–35 percent and that moved to 62.6–37.4 in 1994. The projection for 1995 was 59.3 to 40.7 percent.

So we have moved from a 65–35 split in 2 years to a 60–40 split, and that is not nearly enough.

The issue of rehabilitation and education, Mr. President, is vital if we are to give drug offenders a chance. This ties in directly with the current interest in life sentences for career criminals.

From my own experience as a district attorney of Philadelphia, I know that we cannot get judges to impose life sentences, which is a very individual matter, simply by having a legislative mandate. What is necessary is realistic rehabilitation with literacy training and job training and drug treatment so that if an individual fails after a first conviction, gets rehabilitation and fails after a second conviction, and gets rehabilitation and then comes before the court as a career criminal after a third offense—and these career criminals commit about 70 percent of the crimes in America; on the average about two robberies or burglaries a day, some 700 crimes, statistics show for career criminals—and there is an effort at rehabilitation and it fails, then you can get life sentences imposed and protection of society after you give the individual a chance.

So it is a matter of humane treatment for the individual, and then it is a matter for protection of society.

We do relatively little congressional surveillance, Mr. President, as we all know. We are so busy with the other work that we have in the Senate. This is really a shot across the bow to move this limited amount of funds. Where we now spend about $13 billion a year on drug enforcement and rehabilitation, there should be a lot more accounting and a lot closer attention paid.

When this amendment was filed, I finally heard from some members of the administration. This is only a sense of the Senate of what I intend to do to follow it through the appropriations process. I see the President wielding the gavel. I conclude.

The PRESIDENT pro tempore. The Senator's time has expired. Who yields time in opposition?

Mr. SASSER. Mr. President, I believe we can accept this amendment on the part of the Senator from Pennsylvania. Let me be clear on just one point. Does the amendment actually shift numbers in the resolution?

Mr. SPECTER. Mr. President, if I may respond to my friend from Tennessee, it does not. It is a sense-of-the-Senate resolution which calls for the shift. As I say, it is a shot across the bow, and I intend to follow it through the appropriations process.

Mr. SASSER. I yield to the distinguished Republican Member.

Mr. DOMENICI. I join you. We are willing to accept the amendment. I clearly support the ideas that are encapsulated in the sense-of-the-Senate amendment. We all understand it will be up to the appropriators to decide how this money is allocated between the subcommittees, and ultimately what happens to the disposition of the Senator's cause as he expressed it here. I see no reason why we cannot accept it on this side.

Mr. SPECTER. Mr. President, if I might make one brief addendum.

The PRESIDENT pro tempore. Who yields time?

Mr. SASSER. Does the Senator from Pennsylvania have additional time?

The PRESIDENT pro tempore. He has no time.

Mr. SPECTER. I ask for 1 minute.

Mr. SASSER. I yield 1 minute.

The PRESIDENT pro tempore. The Senator from Pennsylvania is recognized for 1 minute.

Mr. SPECTER. Mr. President, if I may have the attention of the Senator from Tennessee, in the 2 preceding years, we passed sense-of-the Senate resolutions for even split 50–50, and they were both dropped in conference. This is the third amendment I have offered on the assurances of the managers that they would be vigorously defended in conference. But I do think we need to get the concurrence of the House if at all possible. I know that cannot be determined at this moment.

But I just urge my colleagues, two very forceful advocates, that when the moment of reckoning comes they push very hard. They have deleted our two

sense-of-the-Senate resolutions from the last 2 years. So I urge my colleagues on this and the two amendments on yesterday, to do your utmost to have them retained in conference.

Mr. SASSER. I will assure the Senator from Pennsylvania we will be diligent in trying to uphold the Senate's position on this issue.

Mr. KERRY. Mr. President, I want to sound a note of caution as we pass Senator SPECTER's amendment on the allocation of antidrug funds from international antidrug programs to drug treatment and prevention. I agree with Senator SPECTER that we need focused attention on reducing drug demand in the United States, and that funds for drug treatment are woefully inadequate. Indeed, I have long sought to increase funding for treatment to permit treatment on demand for all drug addicts who want it, as a policy that would save us billions of dollars over the long run in reductions in crime, health care, and other social service costs.

But I do not accept the proposition for an instant that we should shut down our international antidrug efforts, as his amendment recommends.

The problem is that the Specter amendment fails to recognize that there is a close connection between international drug trafficking and our domestic crime and drug problems. The fact that our past efforts have not been as effective as they need to be does not justify simply shutting down international efforts. We require a smarter strategy, not an absence of strategy, which I fear would be the net result of the Specter approach, were it to be implemented.

The existence of international organized crime is understood by almost everyone. But often its various manifestations are seen as unrelated, random actions that typically are peripheral to U.S. interests. In fact, while originating in many, often varying local conditions, international organized crime constitutes a very significant and increasing integrated threat to a wide range of U.S. interests. First, international crime can only flourish to the extent that domestic governments are incapable or unwilling to prevent the criminals from achieving their unlawful goals. When criminals succeed, and governments fail, the governments tend to become increasingly weakened in the process. There are many pernicious consequences for the United States of this weakening of structures. International criminals tend not to be responsible citizens of the world in any realm. They are happy to smuggle not just narcotics, but other dangerous materials, like radioactive substances used in making a nuclear bomb, and the basics for chemical and biological weaponry. The smuggling networks for any one prohibited substance can readily be applied to all others. Barriers break down, and those who we most want to be protected against can gain access to everything they need to threaten us.

We have grown increasingly used to the terrifying reality that our cities contain unsafe areas. This should not be acceptable to any American, but it is still a reality that we have been unable to change. The violence that takes place every day in Washington, DC, or Detroit, or Miami, or Los Angeles, or Chicago, or New York is one direct consequence of the effectiveness of the vertically integrated cocaine and heroin trafficking networks that exist in those cities, but whose leadership is in Medellin and Cali, Colombia. Drug-related violence takes place at every level of urban life, and while it is usually viewed as a domestic problem, it is also an aspect of international crime.

The drugs come from abroad. The drug profits are repatriated to foreign drug kingpins. The idea that we can ignore them and still deal with our national drug problem is a policy that will leave the drug criminals free to flourish, grow, and develop ever more political and economic power internationally.

Accordingly, it is my considered view that we cannot deal with the problems of drugs without a focused attention upon strengthening host nation democratic antidrug institutions, integrating our antidrug efforts with sustainable development programs, and making greater use of traditional multilateral partners, like the United Nations.

The Specter amendment seems to contemplate an end to all international efforts at combating narcotics. Accordingly, while I will not hold up passage of the budget at this time by forcing extended debate upon what is only a sense of the Congress, I do want to express my deep concerns about the consequences for our international efforts against narcotics were it to become law.

The PRESIDENT pro tempore. The question is on the adoption of the amendment. Has the Senator from Tennessee yielded back his time?

Mr. SASSER. I yield back the remainder of my time.

The PRESIDENT pro tempore. All time has been yielded back. The question is on the adoption of the amendment of the Senator from Pennsylvania.

So the amendment (No. 1597) was agreed to.

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

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

The motion to lay on the table was agreed to.

Mr. SASSER. Mr. President, the next amendment in order of sequence will be an amendment to be offered by the distinguished Senator from Florida [Mr. GRAHAM]. I do not see him on the floor, and I am advised he is on official business at the White House at the present time. I ask my friend from New Mexico, is there anyone on his side who might be willing to offer an amendment?

Mr. DOMENICI. Mr. President, we have Senator GRAMM, of Texas, en route. His would have been the third amendment. He says he will be here shortly. I do not think Senator SIMON or any of the other Senators are available at this point, so we probably have to wait.

Mr. President, I wonder if the chairman would mind if I took 30 seconds at this time to congratulate Senator SPECTER and thank him for his cooperation.

Mr. SASSER. That is fine.

Mr. DOMENICI. I yield 30 seconds, Mr. President, to myself.

The PRESIDENT pro tempore. The Senator from New Mexico is recognized.

Mr. DOMENICI. Mr. President, I want to say to Senator SPECTER that I very much appreciate his patience. He has had three or four very interesting and noteworthy amendments, and he has spent more time on the floor waiting patiently and working with this side. I thank him for that. I think he got most of his amendments before the Senate. But I am apologetic he had to wait so long. I thank him very much.

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

The PRESIDENT pro tempore. The Senator from Tennessee does not have time. The Senator from New Mexico has——

Mr. SASSER. Mr. President, I ask unanimous consent that the Senate go into a quorum call at this time.

The PRESIDENT pro tempore. On the time of the Senator from New Mexico?

Mr. DOMENICI. And that the time be added to the allotted time heretofore agreed to, thus not counting against the various amendments that are pending.

The PRESIDENT pro tempore. Is there objection?

Mr. SASSER. No objection.

The PRESIDENT pro tempore. The Chair hears none. The absence of a quorum has been suggested. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

Mr. WELLSTONE. Mr. President, I ask unanimous consent to be able to speak for 3 minutes as in morning business.

The PRESIDENT pro tempore. Is there objection? The Chair hears no objection. Is there objection?

Mr. SASSER. Reserving the right to object. Mr. President, I ask that the time that the Senator from Minnesota uses be charged against the resolution.

The PRESIDENT pro tempore. Is there objection? The Chair hears no objection. The Senator from Minnesota is recognized for 3 minutes, the time to come off the time on the resolution.

THE STATE OF AMERICA'S CHILDREN

Mr. WELLSTONE. Mr. President, the Children's Defense Fund just issued a report called "The State of America's Children." I would like to cite some statistics on the floor of the U.S. Senate.

Every 5 seconds of the school day, a student drops out of public school. Every 30 seconds, a baby is born into poverty. Every 34 seconds, a baby is born to a mother who did not graduate from high school. Every 2 minutes, a baby is born at low birth weight. Every 2 minutes, a baby is born to a mother who had late or no prenatal care. Every 4 minutes, a child is arrested for an alcohol-related crime. Every 5 minutes a child is arrested for a violent crime. Every 7 minutes, a child is arrested for a drug crime. Every 2 hours, a child is murdered. Every 4 hours in the United States of America, a child commits suicide. And every 9 hours, a child or young adult under 25 dies from HIV.

Mr. President, the reason that I read these statistics is that I am concerned about the resolution, and in particular I am concerned about the additional cut in outlays of over $20 billion over the next several years.

Mr. President, my concern is since we do not specify where those cuts will be, there is a greater than even chance as applied to discretionary spending that we will see cuts in programs most important to those citizens who are most vulnerable, those citizens with the least amount of economic resources and the least amount of political clout.

Mr. President, I have heard my colleagues talk about deficit reduction over and over and over again. I voted for the reconciliation bill and was proud to do so. I think deficit reduction is one public policy goal. But for children who are hungry, for children who are homeless, for children who go to schools that do not have the resources, for children who see no opportunities, for children who really do not have a chance now, deficit reduction is a rather abstract goal.

I do not know how I will vote on this final budget resolution, but I do know that these additional cuts, though we talk about them in numbers and in an abstract way, will be very hurtful to citizens in our country, and I believe many of those citizens could very well be children.

When, Mr. President, in addition to the deficit reduction are we going to deal with the investment deficit reduction? When are we going to invest in children? What happened to the agenda of race and gender and poverty and children and opportunities and education and housing and safe neighborhoods? What happened to that agenda?

Mr. President, all the discussion about deficit reduction leaves many, many citizens out of the loop. I wonder when we are going to respond to the state of America's children. When are we going to get beyond photo opportunities with children and discussion of children and deal with these statistics? We are dealing with the budget deficit, but we are not dealing with the investment deficit.

Mr. President, if we do not invest in children when they are young, we are going to pay the price later. When will we learn? Decline begets decline begets decline.

The PRESIDENT pro tempore. The time of the Senator has expired.

CONGRESSIONAL BUDGET CONCURRENT RESOLUTION

AMENDMENT NO. 1598

(Purpose: To reimburse States for costs resulting from the Federal Government's failure to control our borders and curb illegal immigrants)

Mr. GRAMM. Mr. President, I send an amendment to the desk for myself and Mrs. HUTCHISON.

The PRESIDENT pro tempore. The Chair will inquire, is this the amendment that is on the list?

Mr. GRAMM. Yes, Mr. President, it is.

The PRESIDENT pro tempore. The clerk will state the amendment.

The legislative clerk read as follows:

The Senator from Texas [Mr. GRAMM], for himself and Mrs. HUTCHISON, proposes an amendment numbered 1598.

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

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

The amendment is as follows:

On page 11, decrease the amount on line 14 by $187,000,000.

On page 11, decrease the amount on line 15 by $31,000,000.

On page 11, decrease the amount on line 22 by $187,000,000.

On page 11, decrease the amount on line 23 by $94,000,000.

On page 12, decrease the amount on line 5 by $187,000,000.

On page 12, decrease the amount on line 6 by $187,000,000.

On page 12, decrease the amount on line 13 by $187,000,000.

On page 12, decrease the amount on line 14 by $187,000,000.

On page 12, decrease the amount on line 21 by $187,000,000.

On page 12, decrease the amount on line 22 by $187,000,000.

On page 13, decrease the amount on line 1 by $40,000,000.

On page 13, decrease the amount on line 8 by $7,000,000.

On page 13, decrease the amount on line 14 by $40,000,000.

On page 13, decrease the amount on line 15 by $20,000,000.

On page 13, decrease the amount on line 21 by $40,000,000.

On page 13, decrease the amount on line 22 by $40,000,000.

On page 14, decrease the amount on line 3 by $40,000,000.

On page 14, decrease the amount on line 4 by $40,000,000.

On page 14, decrease the amount on line 10 by $40,000,000.

On page 14, decrease the amount on line 11 by $40,000,000.

On page 14, decrease the amount on line 18 by $183,000,000.

On page 14, decrease the amount on line 19 by $31,000,000.

On page 15, decrease the amount on line 2 by $183,000,000.

On page 15, decrease the amount on line 3 by $92,000,000.

On page 15, decrease the amount on line 10 by $183,000,000.

On page 15, decrease the amount on line 11 by $183,000,000.

On page 15, decrease the amount on line 18 by $183,000,000.

On page 15, decrease the amount on line 19 by $183,000,000.

On page 16, decrease the amount on line 2 by $183,000,000.

On page 16, decrease the amount on line 3 by $183,000,000.

On page 16, decrease the amount on line 11 by $335,000,000.

On page 16, decrease the amount on line 12 by $56,000,000.

On page 16, decrease the amount on line 18 by $335,000,000.

On page 16, decrease the amount on line 19 by $168,000,000.

On page 16, decrease the amount on line 25 by $335,000,000.

On page 17, decrease the amount on line 1 by $335,000,000.

On page 17, decrease the amount on line 7 by $335,000,000.

On page 17, decrease the amount on line 8 by $335,000,000.

On page 17, decrease the amount on line 14 by $335,000,000.

On page 17, decrease the amount on line 15 by $335,000,000.

On page 17, decrease the amount on line 22 by $95,000,000.

On page 17, decrease the amount on line 23 by $16,000,000.

On page 18, decrease the amount on line 5 by $95,000,000.

On page 18, decrease the amount on line 6 by $48,000,000.

On page 18, decrease the amount on line 13 by $95,000,000.

On page 18, decrease the amount on line 14 by $95,000,000.

On page 18, decrease the amount on line 21 by $95,000,000.

On page 18, decrease the amount on line 22 by $95,000,000.

On page 19, decrease the amount on line 5 by $95,000,000.

On page 19, decrease the amount on line 6 by $95,000,000.

On page 19, decrease the amount on line 14 by $635,000,000.

On page 19, decrease the amount on line 15 by $106,000,000.

On page 19, decrease the amount on line 22 by $635,000,000.

On page 19, decrease the amount on line 23 by $318,000,000.

On page 20, decrease the amount on line 5 by $635,000,000.
On page 20, decrease the amount on line 6 by $635,000,000.
On page 20, decrease the amount on line 13 by $635,000,000.
On page 20, decrease the amount on line 14 by $635,000,000.
On page 20, decrease the amount on line 21 by $635,000,000.
On page 20, decrease the amount on line 22 by $635,000,000.
On page 22, decrease the amount on line 23 by $282,000,000.
On page 22, decrease the amount on line 24 by $47,000,000.
On page 23, decrease the amount on line 7 by $282,000,000.
On page 23, decrease the amount on line 8 by $141,000,000.
On page 23, decrease the amount on line 15 by $282,000,000.
On page 23, decrease the amount on line 16 by $282,000,000.
On page 23, decrease the amount on line 23 by $282,000,000.
On page 23, decrease the amount on line 24 by $282,000,000.
On page 24, decrease the amount on line 7 by $282,000,000.
On page 24, decrease the amount on line 8 by $282,000,000.
On page 24, decrease the amount on line 17 by $2,132,000,000.
On page 24, decrease the amount on line 18 by $355,000,000.
On page 24, decrease the amount on line 25 by $2,132,000,000.
On page 25, decrease the amount on line 1 by $1,066,000,000.
On page 25, decrease the amount on line 8 by $2,132,000,000.
On page 25, decrease the amount on line 9 by $2,132,000,000.
On page 25, decrease the amount on line 16 by $2,132,000,000.
On page 25, decrease the amount on line 17 by $2,132,000,000.
On page 25, decrease the amount on line 24 by $2,132,000,000.
On page 25, decrease the amount on line 25 by $2,132,000,000.
On page 26, decrease the amount on line 8 by $450,000,000.
On page 26, decrease the amount on line 9 by $75,000,000.
On page 26, decrease the amount on line 15 by $450,000,000.
On page 26, decrease the amount on line 16 by $225,000,000.
On page 26, decrease the amount on line 22 by $450,000,000.
On page 26, decrease the amount on line 23 by $450,000,000.
On page 27, decrease the amount on line 5 by $450,000,000.
On page 27, decrease the amount on line 6 by $450,000,000.
On page 27, decrease the amount on line 12 by $450,000,000.
On page 27, decrease the amount on line 13 by $450,000,000.
On page 30, decrease the amount on line 20 by $99,000,000.
On page 30, decrease the amount on line 21 by $17,000,000.
On page 31, decrease the amount on line 2 by $99,000,000.
On page 31, decrease the amount on line 3 by $50,000,000.
On page 31, decrease the amount on line 9 by $99,000,000.
On page 31, decrease the amount on line 10 by $99,000,000.
On page 31, decrease the amount on line 16 by $99,000,000.
On page 31, decrease the amount on line 17 by $99,000,000.
On page 31, decrease the amount on line 23 by $99,000,000.
On page 31, decrease the amount on line 24 by $99,000,000.
On page 32, decrease the amount on line 6 by $16,000,000.
On page 32, decrease the amount on line 7 by $3,000,000.
On page 32, decrease the amount on line 13 by $16,000,000.
On page 32, decrease the amount on line 14 by $8,000,000.
On page 32, decrease the amount on line 20 by $16,000,000.
On page 32, decrease the amount on line 21 by $16,000,000.
On page 33, decrease the amount on line 2 by $16,000,000.
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On page 33, decrease the amount on line 17 by $30,000,000.
On page 33, decrease the amount on line 18 by $5,000,000.
On page 33, decrease the amount on line 25 by $30,000,000.
On page 34, decrease the amount on line 1 by $15,000,000.
On page 34, decrease the amount on line 8 by $30,000,000.
On page 34, decrease the amount on line 9 by $30,000,000.
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On page 34, decrease the amount on line 24 by $30,000,000.
On page 34, decrease the amount on line 25 by $30,000,000.
On page 36, decrease the amount on line 20 by $516,000,000.
On page 36, decrease the amount on line 21 by $86,000,000.
On page 37, decrease the amount on line 2 by $516,000,000.
On page 37, decrease the amount on line 3 by $257,000,000.
On page 37, decrease the amount on line 9 by $516,000,000.
On page 37, decrease the amount on line 10 by $516,000,000.
On page 37, decrease the amount on line 16 by $516,000,000.
On page 37, decrease the amount on line 17 by $516,000,000.
On page 37, decrease the amount on line 23 by $516,000,000.
On page 37, decrease the amount on line 24 by $516,000,000.
On page 41, increase the amount on line 11 by $5,000,000,000.
On page 41, increase the amount on line 12 by $833,000,000.
On page 41, increase the amount on line 18 by $5,000,000,000.
On page 41, increase the amount on line 19 by $2,499,000,000.
On page 41, increase the amount on line 25 by $5,000,000,000.
On page 42, increase the amount on line 1 by $5,000,000,000.
On page 42, increase the amount on line 7 by $5,000,000,000.
On page 42, increase the amount on line 8 by $5,000,000,000.
On page 42, increase the amount on line 14 by $5,000,000,000.
On page 42, increase the amount on line 15 by $5,000,000,000.

Mr. GRAMM. Mr. President, we have language in the budget resolution that talks about the problem being imposed on the States by mandates that the Federal Goverment has imposed on the States which forces them to provide education, health, refugee assistance, and prison space to illegal aliens. But yet, while the Federal Government has the sole responsibility under the Constitution to control our borders and to keep out illegal aliens, the Federal Government is not fulfilling that responsibility, is not controlling our borders, and as a result billions of dollars of costs are being imposed on States all over the country, especially border States like my own, like California, Arizona, New Mexico, and other States as well.

What I have done in this amendment is pretty simple. That is, I have taken all of the President's add-ons in every area except criminal justice, where I have fully funded the criminal justice function, but I have taken all of the other add-ons and I have cut them proportionately to provide $5 billion a year for 5 years to fund the mandates that the Federal Government has imposed on the States. This $5 billion would be used to help defray the cost of education, of health care, of prisons, of refugee assistance—costs imposed on the States because the Federal Government will not do its job. The Federal Government will not commit the resources to gain control of the border. The Federal Government has refused to enforce employer sanctions, and as a result it has imposed very heavy costs on the States.

My amendment remedies that by providing $5 billion a year for 5 years, and it is my hope that this amendment is adopted. If it were put into permanent law, the Federal Government would decide that since the Federal Government has to pay the cost of illegal aliens, we would commit the resources to the Border Patrol; that we would commit the resolution necessary to enforce the law of the land.

Barring passage of this amendment, the Federal Government is imposing very heavy costs on our States, and I think the Federal Government ought to pay for it.

That is the purpose of this amendment. It is a simple, straightforward amendment that simply cuts the President's add-ons outside the criminal justice area proportionately and then provides in the allowance function $5 billion a year. This money could be made available through authorization and appropriation to the States to help defray the costs imposed on them by failure of the Federal Government to gain control of our borders and keep illegal aliens out of the country.

I reserve the remainder of my time.

The PRESIDENT pro tempore. The Chair will advise the managers of the time situation and request some assistance in clarifying that situation.

Only 15 minutes remains on the resolution, and several amendments are still outstanding. When that 15 minutes expires, there is no time remaining for the amendments.

Mr. SASSER. Mr. President, notwithstanding the time running out on the resolution, it is the desire of the managers that each of the amendments have the 10 minutes allocated to them. I ask unanimous consent that notwithstanding time running out on the resolution, all amendments which are lined up for presentation now under the previous order be allowed 10 minutes for debate.

The PRESIDENT pro tempore. The Senator asks that the overall time on the resolution be extended accordingly, does he?

Mr. SASSER. I ask unanimous consent that the time on the resolution be extended accordingly.

The PRESIDENT pro tempore. With six amendments outstanding, other than the one that is presently pending, and with the time of those who wish to speak in opposition to the Gramm amendment included, that would mean the time would have to be extended then for something like 65 minutes; is that correct?

Mr. SASSER. That is correct.

The PRESIDENT pro tempore. Is there objection to extending the time on the overall resolution by 65 minutes, with the understanding that each of the remaining six amendments that are outstanding to be offered will have 10 minutes thereon, the time to be equally divided according to the usual form, and that the 5 minutes remaining in opposition to the Gramm amendment also be included, making a total of 65 minutes?

Is there objection? The Chair hears no objection. That will be the order.

Who speaks in opposition to the amendment?

Mr. SASSER addressed the Chair.

The PRESIDENT pro tempore. The Senator from Tennessee.

The Senator from Tennessee has 5 minutes.

Mr. SASSER. Mr. President, the amendment of the Senator from Texas offsets the increase for immigration enforcement by paying for it with "all of the President's adds."

That euphemistic phrase encompasses a whole host of items—highway funding, education funding, funding for Head Start, funding for the Ryan White AIDS funding, the National Health Institutes, and a wide variety of other worthwhile investments.

We are cutting all of those in order to move in the direction of increasing more funding for immigration enforcement.

The amendment of the Senator from Texas hits function 500 of the budget the hardest. He proposes to cut $10 billion in budget authority out of this function over 5 years.

Mr. President, this is the same function where Senators JEFFORDS, DODD, and SIMON had been trying to increase funding. I supported them in their efforts to increase funding for education and for investing in our children. It is this function 500, called education, training, and social services, where so many of the President's investments are located.

Let me just list a few of them for my colleagues: Goals 2000, school to work, safe and drug-free schools, education of the disadvantaged, Job Corps, dislocated workers, Head Start, national services. The President proposes to increase these programs. The Senator's amendment would simply pull the rug out from under them.

Mr. President, the Senator's amendment also cuts the Social Security administrative expenses. The Social Security Administration is chronically underfunded and understaffed as a result of the cuts of the 1980's. From fiscal year 1985 to fiscal year 1991, the staff of the Social Security Administration has been cut by 21 percent. Meanwhile, the number of people filing disability claims has increased very significantly.

The number of claims, for example, filed in 1992 was about 50 percent of the number of applications received during the 1980's. This number is expected to increase. As a result, there is a growing backlog in disability determinations. The current disability claim backlog at the end of 1993 was 552,000 people, over a half a million. It is expected to grow to 1.1 million by the end of 1995.

What the Senator from Texas is asking us to do is to reduce and cut all of these programs dealing with education, dealing with the safe and drug-free schools, dealing with the Job Corps, to educate disadvantaged youth, cut the Head Start Program, cut national service, reduce the staff of the Social Security Administration so that the backlog of disability cases will continue to grow all to increase immigration enforcement in his State of Texas, and one or two other States. I realize there is an immigration problem in many of the States bordering on Mexico, and there is an immigration problem in Florida, for example. But I do not think that it is wise to reduce funding to all of these very critical and crucial education programs to deal with that problem. We ought to be able to find funding somewhere else if this is indeed such a critical problem.

Mr. President, this is not a balanced amendment. It is an amendment really that is targeted to be of assistance to maybe two or three States, including Texas, at the expense of the rest of the Nation, at the expense of the education of our children, at the expense of dealing with Social Security disability cases, and a whole host of other things.

I urge my colleagues to look unfavorably on this amendment, and to vote against it.

Mr. GRAMM. Mr. President, how much time do I have remaining?

The PRESIDENT pro tempore. The Senator has 1 minute 49 seconds remaining.

Mr. GRAMM. Mr. President, let me respond briefly. What my amendment does is cut the add-on growth by about 50 percent. It uses the money to pay for mandates that the Federal Government has imposed on the States, mandates that are generated by the cost of the Federal Government not gaining control of our borders. This is clearly a legitimate function for the Federal Government. Only the Federal Government has the power and the mandate to maintain the security and sanctity of the Nation's borders.

What I am saying in this amendment is pretty simple: either gain control of the borders and stop illegal immigration, or pay the costs that are mandated on the States. It is an eminently reasonable amendment. I hope my colleagues will vote for it.

We have language in the bill saying we ought to do something about the problem. What this does is actually allocate the money to show that we are willing to pay for these mandated costs on the States.

I yield the remainder of my time.

The PRESIDENT pro tempore. All time has expired.

Mr. SASSER. Mr. President, has all time expired on the Gramm amendment?

The PRESIDENT pro tempore. The Senator is correct.

ORDER OF PROCEDURE

Mr. SASSER. Mr. President, I ask unanimous consent that the Gramm amendment be temporarily laid aside and that no amendments be in order to the Gramm amendment or the language proposed to be stricken.

The PRESIDENT pro tempore. Is there objection?

Without objection, it is so ordered.

Mr. SASSER. I thank the Chair.

Mr. President, what is the next amendment under the unanimous consent?

The PRESIDENT pro tempore. There is no specified order, the Chair will say to the Senator from Tennessee.

Mr. SIMON addressed the Chair.

The PRESIDENT pro tempore. The Senator from Illinois.

AMENDMENT NO. 1599

(Purpose: Internal Revenue Service Compliance Initiative Amendment)

Mr. SIMON. Mr. President, I send an amendment to the desk on behalf of myself, Senator BOND, and Senator PRYOR, and I ask for its immediate consideration.

The PRESIDENT pro tempore. The clerk will report.

The legislative clerk read as follows:

The Senator from Illinois [Mr. SIMON], for himself, Mr. BOND, and Mr. PRYOR, proposes an amendment numbered 1599.

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

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

The amendment is as follows:

At the appropriate place in the resolution, insert the following new section:

SEC. . INTERNAL REVENUE SERVICE COMPLIANCE INITIATIVE.

(a) ADJUSTMENTS.—For purposes of points of order under the Congressional Budget and Impoundment Control Act of 1974 and concurrent resolutions on the budget—

(1) the discretionary spending limits under section 601(a)(2) of that Act (and those limits as cumulatively adjusted) for the current fiscal year and each outyear;

(2) the allocations to the Committees on Appropriations under sections 302(a) and 602(a) of that Act; and

(3) the levels for major functional category 800 (General Government) and the appropriate budgetary aggregates in the most recently agreed to concurrent resolution on the budget,

shall be adjusted to reflect the amounts of additional new budget authority or additional outlays (as compared with the amounts requested for the Internal Revenue Service in the President's Budget for fiscal year 1995) reported by the Committee on Appropriations in appropriations Acts (or by the committee of conference on such legislation) for the Internal Revenue Service compliance initiative activities in any fiscal year, but not to exceed in any fiscal year $405,000,000 in new budget authority and $405,000,000 in outlays.

(b) REVISED LIMITS ALLOCATIONS, LEVELS, AND AGGREGATES.—Upon the reporting of legislation pursuant to subsection (a), and again upon the submission of a conference report on such legislation in either House (if a conference report is submitted), the Chairmen of the Committees on the Budget of the Senate and the House of Representatives shall file with their respective Houses appropriately revised—

(1) discretionary spending limits under section 601(a)(2) of the Congressional Budget Act of 1974 (and those limits as cumulatively adjusted) for the current fiscal year and each outyear;

(2) allocations to the Committees on Appropriations under sections 302(a) and 602(a) of that Act; and

(3) levels for major functional category 800 (General Government) and the appropriate budgetary aggregates in the most recently agreed to concurrent resolution on the budget,

to carry out this subsection. These revised discretionary spending limits, allocations, functional levels, and aggregates shall be considered for purposes of congressional enforcement under that Act as the discretionary spending limits, allocations, functional levels, and aggregates.

(c) REPORTING REVISED ALLOCATIONS.—The Committees on Appropriations of the Senate and the House of Representatives may report appropriately revised allocations pursuant to sections 302(b) and 602(b) of the Congressional Budget Act of 1974 to carry out this section.

(d) CONTINGENCIES.—This section shall not apply to any additional new budget authority or additional outlays unless—

(1) in the case of such budget authority or outlays for any fiscal year after fiscal year 1995, the Secretary of the Treasury certifies—

(A) to the Chairmen of the Committees on the Budget of the Senate and the House of Representatives, and

(B) to the Chairmen of the Committee on Finance of the Senate and the Committee on Ways and Means of the House of Representatives,

that there has been enacted into law a Taxpayer Bill of Rights 2 which is substantially similar to that contained in the conference report to H.R. 11, 102d Congress, 2d Session;

(2) the Secretary of the Treasury certifies to the chairmen described in paragraph (1)(A) that the Internal Revenue Service will initiate and implement an educational program with respect to the Taxpayer Bill of Rights 1 and 2 for any new employees hired pursuant to such budget authority or outlays;

(3) the Director of the Congressional Budget Office certifies to the chairmen described in paragraph (1)(A) that such budget authority or outlays will not increase the Federal budget deficit; and

(4) any funds made available pursuant to such budget authority or outlays are available only for the purpose of carrying out Internal Revenue Service compliance initiative activities.

(e) SUNSET.—This section shall expire September 30, 1998.

Mr. SIMON. Mr. President, I ask unanimous consent to waive all points of order. I believe it is noncontroversial and has been agreed to by all sides.

This adds $405 million for enforcement on the IRS. It brings back about $5 for every $1 we invest. Right now, we have about 83 percent compliance. We all, whether you are for lower taxes or higher taxes, ought to be interested in the people who owe taxes ought to pay their taxes. This is the step in that direction.

I know of no opposition to the amendment. I hope it can be agreed to. And we have added a provision at the suggestion of Senator PRYOR that I think is significant.

I yield to Senator PRYOR.

Mr. PRYOR addressed the Chair.

The PRESIDING OFFICER (Mr. CONRAD). The Senator from Arkansas is recognized.

Mr. PRYOR. Mr. President, I thank my good friend and colleague from Illinois, Senator SIMON, for yielding to me. It has been a pleasure working with him on this amendment.

Originally, Mr. President, I had strong misgivings about what was then known as the Simon amendment. From several aspects I had misgivings, but now I believe that through cooperation and compromise, additions and subtractions, et cetera, that we have forged together a very, very good amendment. I hope it will be constructive. I hope that will be approved.

Basically, Mr. President, what is happening here is the Internal Revenue Service is seeking to add an additional 5,000 agents, 5,000 revenue officials across our land. What the amendment now says is if these agents are in fact hired, if they are retained by the Internal Revenue Service, each of these 5,000 agents—basically that would be the number—would be educated on compliance initiatives, and they will be educated on taxpayers' rights and education, and none of these funds will be used for bonuses, or the like, or to pay for extraordinary things like extra or added benefits for these particular agents.

These agents will be basically schooled in taxpayers' rights provisions. Also, there is a very strong condition in this legislation, Mr. President, and that condition is that if we hire these additional Internal Revenue Service agents, the protections in the law that the "Taxpayer Bill of Rights 2" provides will have to actually be in effect. The Simon-Pryor-Bond amendment provides for the funding for this initiative, and it will be funded if, and only if, the "Taxpayer Bill of Rights 2" has been enacted into law.

We think this is a good amendment. We think that, yes, we perhaps need new agents for the Internal Revenue Service to bring in extra dollars and to go after those people who are not paying their taxes or are possibly cheating the Government on their taxes. But at least each of those agents would be instructed and educated and will be schooled in the protections that each taxpayer in this country so deserves.

I thank my colleague and I yield the floor.

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

Mr. SIMON. I am pleased to yield for a question.

Mr. SASSER. This is an IRS compliance amendment and, as I understand it, pursuant to additional funding going to the Internal Revenue Service, they will employ additional agents, which in turn will generate additional revenue through compliance with the tax laws for the Federal Government?

Mr. SIMON. That is correct.

Mr. SASSER. I will ask my friend from Illinois this: We have done this before with the Internal Revenue Service, as my friend knows. The IRS has alleged that this has resulted in substantial additional compliance.

Does the Senator from Illinois have any data as to how much in additional revenues we receive for each $1 spent for these additional compliance measures?

Mr. SIMON. Yes. We receive about $5 for each $1 that is spent. Obviously, you get to a point of diminishing returns. So if we were to make 10 times this amount, we would not pull in $5 for every $1. But the IRS believes this is a sensible move, and on the basis of the information they have given me, I believe that is correct.

Mr. SASSER. I know other Senators have been interested in this initiative

for some time, including the distinguished Presiding Officer, the Senator from North Dakota. We are essentially, as I understand it, relying on the IRS, however, to give us information as to how much additional revenues we receive by virtue of increasing funding to enforce compliance; is that an accurate statement?

Mr. SIMON. That is correct. I think it would be a good idea to ask CBO or GAO to take a look at that.

Mr. SASSER. That is my point. I am interested in knowing if we are getting an unbiased view. This funding would be outside of the limitations or beyond the so-called caps, as I understand it; is that correct?

Mr. SIMON. That is correct.

Mr. SASSER. So the Appropriations Committee would not be forced to try to fund this out of other programs that they might have ongoing?

Mr. SIMON. That is absolutely correct. I will shortly ask unanimous consent that we waive all points of order under the Congressional Budget Act so that we can do this. It is a similar action that we took in 1990.

Mr. BYRD. The Senator does not need to make that request as long as there is a point of order.

May I have 1 minute?

Mr. SASSER. Mr. President, I am pleased to yield 1 minute to the chairman.

Mr. BYRD. Mr. President, I take this minute to state that I have confirmed with the Secretary of the Treasury, Mr. Bentsen, the point concerning the revenues that would come in as a result of having these additional personnel.

I am informed by Mr. Bentsen that indeed there would be expected to be a 5-to-1 ratio with respect to the benefits to accrue from the cost. So what Mr. SIMON has stated with respect to those benefits is confirmed by the Secretary of the Treasury, Mr. Bentsen.

Mr. SIMON. Mr. President, I appreciate that. I also appreciate Senator BYRD, who knows more about the Senate rules than anybody, by a country mile.

Let me make a parliamentary inquiry of the Chair. Senator BYRD just made the point that if no point of order is raised, then I do not need to ask to waive the Congressional Budget Act in this regard; is that correct?

The PRESIDING OFFICER. The Chair will consult with the Parliamentarian.

That is correct, with respect to the pending resolution.

Mr. BYRD. I think the Senator should proceed and make the request in this instance.

UNANIMOUS-CONSENT AGREEMENT

Mr. SIMON. Mr. President, I ask unanimous consent to waive all points of order by voice vote under the Congressional Budget Act with respect to the pending amendment and with respect to the language of such amendment, and that if such language is included in any conference report on the concurrent resolution on the budget for fiscal year 1995, such language should be substantially similar to the language in the pending amendment.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

Mr. PRYOR. Mr. President, will the distinguished Senator from Tennessee, the chairman of the Budget Committee, yield me 30 seconds?

Mr. SASSER. I yield 30 seconds to the Senator from Arkansas.

Mr. PRYOR. Mr. President, actually, last evening, the CBO has come into question here, and last evening we did shape some language here that I think will clarify a matter.

Now, under the Simon-Bond-Pryor proposal, CBO must certify that this proposal will raise revenue and not increase the deficit, or it will not receive the funding for the new IRS agents.

That is, in fact, in the language of the amendment now as a result of a compromise and agreement reached late in the evening last night.

I thank the Chair and yield the floor.

Mr. SASSER. Mr. President, I am prepared to yield back all time. I see Senator JEFFORDS on the floor, and I am advised by the distinguished ranking Member's staff that he has no objection to this, to moving forward with a voice vote.

I yield back all time.

Mr. SIMON. As a point of parliamentary clarification, I ask that the words "by voice vote" be deleted from my unanimous-consent request.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

Mr. PRYOR. Mr. President, I rise in support of the Simon amendment, and I want to thank Senator SIMON for working with me on this amendment, which I originally had misgivings about, but now, given some added safeguards, I can support and I will vote for today.

The idea that more revenue agents can raise more tax dollars is not a new one. In 1990, President Bush opposed, and Congress enacted, $191 million for 3,476 new agents.

At that time, Mr. President, the Congressional Budget Office stated that the Bush proposal would raise no revenue. In the proposal before us, the IRS claims it needs approximately 5,000 new agents which will enable it to raise $9 to $10 billion more in revenue.

Mr. President, the IRS now claims it can prove the savings under the proposal, therefore, the Simon amendment now requires CBO to certify that this proposal will raise revenue, and not increase the deficit, or it will not receive the funding for the new agents. This added contingency is good common sense and it will help ensure that the budget caps are not violated.

Also, Mr. President, the Simon amendment now contains a contingency that the funds authorized must be spent on compliance initiatives. Under this amendment, none of this money can be spent on pay raises, locality pay, or any purpose other than this compliance initiative.

Next, Mr. President, the IRS will argue that more agents means better compliance, but I believe that more agents alone is not the answer.

My first priority as chairman of the Finance Subcommittee on IRS Oversight is to see that taxpayers are treated fairly. Mr. President, we look to our citizens to respect the tax system and the agency of Government assigned the difficult task of administering it. On the other hand, we also have a right to expect the men and women of the IRS to respect taxpayers, and to demonstrate that respect through courtesy and competence.

In order to meet this obligation under this amendment, we have provided that the Secretary of Treasury must certify that the IRS will initiate and implement a taxpayer rights education program for the new IRS employees.

Further, Mr. President, on February 20, 1992, after extensive hearings, I introduced the taxpayer bill of rights II. This legislation was cosponsored by 52 of my colleagues in the Senate and it passed Congress twice but was vetoed as part of tax bills sent to President Bush in 1992.

Mr. President, if we hire 5,000 new IRS agents, I believe we must give to the taxpayer the protections in the law that the taxpayer bill of rights II provides. Therefore, the Simon amendment provides that the funds for this compliance initiative will be funded after the first year if, and only if, the taxpayer bill of rights II is enacted into law.

Mr. President, once again I want to thank Senator SIMON for working with me to address my concerns. I believe these additions to the amendment make it a good one and I urge its passage.

The PRESIDING OFFICER. All time on the amendment has expired.

The question is on agreeing to the amendment.

The amendment (No. 1599) was agreed to.

Mr. SASSER. Mr. President, I see the distinguished Senator from Vermont on the floor. May I inquire, is he here for the purpose of offering an amendment?

Mr. JEFFORDS. Mr. President, I am here for the purpose of offering an amendment.

Mr. SASSER. I am pleased to yield to the Senator from Vermont.

The PRESIDING OFFICER. The Senator from Vermont is recognized.

Mr. JEFFORDS. Mr. President, I understand that under the unanimous-

consent request, there are 5 minutes allowed to proponents and 5 minutes to the opponents.

The PRESIDING OFFICER. The Senator is correct.

AMENDMENT NO. 1585

(Purpose: To reduce function 920 to reflect a freeze of Federal overhead spending in fiscal year 1996, and then an adjustment of inflation in fiscal year 1997, 1998, and 1999, and assumes that all Federal agencies to improve the collection of delinquent debts, with one-third of the savings for deficit reduction and two-thirds for the Federal share of education funding for individuals with disabilities)

Mr. JEFFORDS. 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 Vermont [Mr. JEFFORDS], for himself, Mr. BROWN, Mr. SIMON, Mr. SPECTER, and Mr. HARKIN, proposes an amendment numbered 1585.

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

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

The amendment is as follows:

On page 5, line 2, decrease the amount by $1,150,000,000.

On page 5, line 3, decrease the amount by $1,250,000,000.

On page 5, line 4, decrease the amount by $1,325,000,000.

On page 5, line 5, decrease the amount by $1,425,000,000.

On page 5, line 12, decrease the amount by $1,150,000,000.

On page 5, line 13, decrease the amount by $1,250,000,000.

On page 5, line 14, decrease the amount by $1,325,000,000.

On page 5, line 15, decrease the amount by $1,425,000,000.

On page 5, line 23, decrease the amount by $975,000,000.

On page 5, line 24, decrease the amount by $1,225,000,000.

On page 5, line 25, decrease the amount by $1,325,000,000.

On page 6, line 1, decrease the amount by $1,425,000,000.

On page 6, line 8, decrease the amount by $975,000,000.

On page 6, line 9, decrease the amount by $1,225,000,000.

On page 6, line 10, decrease the amount by $1,325,000,000.

On page 6, line 11, decrease the amount by $1,425,000,000.

On page 6, line 18, decrease the amount by $975,000,000.

On page 6, line 19, decrease the amount by $1,225,000,000.

On page 6, line 20, decrease the amount by $1,325,000,000.

On page 6, line 21, decrease the amount by $1,425,000,000.

On page 7, line 2, decrease the amount by $975,000,000.

On page 7, line 3, decrease the amount by $1,225,000,000.

On page 7, line 4, decrease the amount by $1,325,000,000.

On page 7, line 5, decrease the amount by $1,425,000,000.

On page 7, line 9, decrease the amount by $975,000,000.

On page 7, line 10, decrease the amount by $2,200,000,000.

On page 7, line 11, decrease the amount by $5,725,000,000.

On page 7, line 12, decrease the amount by $7,150,000,000.

On page 8, line 8, decrease the amount by $975,000,000.

On page 8, line 9, decrease the amount by $1,225,000,000.

On page 8, line 10, decrease the amount by $1,325,000,000.

On page 8, line 11, decrease the amount by $1,425,000,000.

On page 24, line 17, increase the amount by $1,000,000,000.

On page 24, line 18, increase the amount by $1,000,000,000.

On page 24, line 25, increase the amount by $4,375,000,000.

On page 25, line 1, increase the amount by $3,850,000,000.

On page 25, line 8, increase the amount by $4,450,000,000.

On page 25, line 9, increase the amount by $4,375,000,000.

On page 25, line 16, increase the amount by $4,525,000,000.

On page 25, line 17, increase the amount by $4,525,000,000.

On page 25, line 24, increase the amount by $4,600,000,000.

On page 25, line 25, increase the amount by $4,600,000,000.

On page 38, line 13, decrease the amount by $25,000,000.

On page 38, line 14, decrease the amount by $25,000,000.

On page 38, line 20, decrease the amount by $100,000,000.

On page 38, line 21, decrease the amount by $100,000,000.

On page 39, line 2, decrease the amount by $150,000,000.

On page 39, line 3, decrease the amount by $150,000,000.

On page 39, line 9, decrease the amount by $225,000,000.

On page 39, line 10, decrease the amount by $225,000,000.

On page 39, line 25, decrease the amount by $25,000,000.

On page 40, line 1, decrease the amount by $25,000,000.

On page 40, line 7, decrease the amount by $100,000,000.

On page 40, line 8, decrease the amount by $100,000,000.

On page 40, line 14, decrease the amount by $150,000,000.

On page 40, line 15, decrease the amount by $150,000,000.

On page 40, line 21, decrease the amount by $225,000,000.

On page 40, line 22, decrease the amount by $225,000,000.

On page 41, line 11, decrease the amount by $1,000,000,000.

On page 41, line 12, decrease the amount by $1,000,000,000.

On page 41, line 18, decrease the amount by $5,500,000,000.

On page 41, line 19, decrease the amount by $4,800,000,000.

On page 41, line 25, decrease the amount by $5,600,000,000.

On page 42, line 1, decrease the amount by $5,500,000,000.

On page 42, line 7, decrease the amount by $5,700,000,000.

On page 42, line 8, decrease the amount by $5,700,000,000.

On page 42, line 14, decrease the amount by $5,800,000,000.

On page 42, line 15, decrease the amount by $5,800,000,000.

On page 70, line 21, increase the amount by $1,125,000,000.

On page 70, line 22, increase the amount by $950,000,000.

On page 70, line 24, increase the amount by $1,150,000,000.

On page 70, line 25, increase the amount by $1,125,000,000.

On page 71, line 2, increase the amount by $1,175,000,000.

On page 71, line 3, increase the amount by $1,175,000,000.

Mr. JEFFORDS. Mr. President, this amendment is similar to the one that was offered earlier on Tuesday by Senator DODD. However, it is significantly different in several aspects.

I have been working with Senator BROWN and Senator SIMON, who both opposed the Dodd amendment, to bring one before this body which could be voted for and, I believe, adopted overwhelmingly.

It adds $1 billion in fiscal year 1995 to the Special Education Program in function 500. The Dodd amendment attempted to add $6 billion. It adds $19 billion over 5 years in the outyears. Unlike Tuesday's amendment, however, it does not add back any Exon-Grassley money and it does not reduce defense or intelligence spending. Further, it does not lower the 1995 cap. Instead, it is fully offset by Senator BROWN's proposal to continue the Government overhead freeze proposed by President Clinton and Senator SASSER for fiscal year 1995 into the outyears and by improved collection of debts owed to the Federal Government. In fact, it actually adds a bit to the deficit reduction in the resolution.

Mr. President, it has been more than a decade since the report, "A Nation at Risk" warned of the rising tide of mediocrity of our schools. It has been more than 4 years since President Bush, Governor Clinton, and all the Governors from across the land agreed to the goals for our schools. It has been almost 20 years since we committed to helping schools with 40 percent of their special education costs.

This year, no more unkept promises. This year, we need to start delivering on our past promises.

We can begin by putting in place the Goals 2000 education bill, which will provide Federal help to State and local educational efforts. When the Senate passed the Goals 2000 bill, we identified a number of areas where significant improvement was needed. By a 93-to-0 vote and by my commitment with Senator GREGG, we also expressed the sense of the Senate that the Federal Government begin meeting the commitment it made in 1975 to fund 40 percent of special education.

Today, the Federal Government provides less than 8 percent of the cost of this very important program. This is the first installment we make toward living up to the Federal Government's commitment.

Our local school districts and the States are being pressed to the limit, with their budgets being brought through the wringer. They are struggling just to meet their current commitments and will have a nearly impossible task to improve their performance without increased Federal help. Here is an opportunity to help them.

Special education is a program that everyone supports and everyone wants to succeed. Obviously, it is difficult to find additional money for any program, but this a program for the children of our country and for a better future for all of us. I urge my colleagues to support this amendment.

Mr. President, I will now, if appropriate, yield to the Senator from Illinois for his comment.

The PRESIDING OFFICER. The Senator from Illinois is recognized.

Mr. SIMON. Mr. President, I will be very brief. What this does is—it does not add one cent to the deficit—it says let us make a priority out of education.

Economists may differ on a lot of things. One thing they agree on is in this country we are going to have to make a greater priority out of education if we are to reach our productive potential.

That is what this amendment says, and I am pleased to support it.

The PRESIDING OFFICER. Is there further debate on the amendment?

Is there further debate?

The Senator from Tennessee.

Mr. SASSER. Mr. President, may I inquire of the amendment's author, does this amendment lower the overall cap on discretionary spending over 5 years?

Mr. JEFFORDS. In the outyears it may.

As the Senator well knows, that will be a matter for discussion in the conference, but it does not lower the cap for the year 1995.

Mr. SASSER. But over 5 years, as I understand, it would lower the cap and really lower it below the existing Exon-Grassley cut; is that correct?

Mr. JEFFORDS. I am not aware of the answer to that question. But I know that for the critical year of 1995 it does not. I would certainly accept the word of the chairman of the committee for the outyears.

Mr. SASSER. Could the Senator advise us how much it lowers the cap over the 5-year period?

Mr. JEFFORDS. It is my understanding that over the 5 years it is $19 billion.

Mr. SASSER. I thank the Senator.

Mr. JEFFORDS. I am sorry. It lowers the total $4.45 billion over the outyears.

Mr. SASSER. It is $4.45 billion in the total in the outyears?

Mr. JEFFORDS. That is right.

Mr. SASSER. Excluding 1995?

Mr. JEFFORDS. That is right.

Mr. SASSER. I thank the Senator.

Mr. BYRD. Mr. President, I hope this amendment will not be agreed to. Last year, it was brought here and we set a limitation on the caps. Now if we make cuts and reduce the caps accordingly, we are taking a second shot at the work we did last year.

We have already squeezed our discretionary programs to the limit, and it seems to me we ought to try to live up to the 5-year agreement we made last year without coming in every year now in some instances on continuing the amendments to cut but also of lowering the cap.

So I oppose this amendment. I hope the Senate will reject it.

The PRESIDING OFFICER. Is there further debate on the amendment?

Mr. JEFFORDS. I yield what time I may have to the Senator from Colorado.

The PRESIDING OFFICER. The Senator from Colorado is recognized.

Mr. BROWN. Thank you, Mr. President.

I support the distinguished Senator from Vermont on this issue. Let me emphasize something. This is not a cut. This is merely a freeze in overhead costs for several years and then limiting the growth of the cost of living in the other 2 years.

So at least in the major areas there are some other adjustments. In the major areas this is not a cut. This simply says we are not going to increase as fast. It follows on the fine work of the Budget Committee and our distinguished chairman and ranking member on working on overhead expenses this year.

Mr. President, this sets priorities. It says the children are more important than increases in travel costs and office expenses and phone calls, and, in fact, it does not cut them. What it does is we are going to slow them to transfer the money over to helping our children in education. A small portion of the money here, roughly a fourth of the overhead cost, does go to the taxpayer. That is, it goes to the taxpayer by reducing the deficit. But this sets the priority. It says children are more important than increases in overhead.

It seems to me that is the kind of message and the kind of good budgeting that we want to do in this country.

I yield the floor.

The PRESIDING OFFICER. Is there further debate?

The Senator from Tennessee.

Mr. SASSER. Mr. President, I certainly applaud what my distinguished friend from Vermont is attempting to do here. It has been my pleasure to work with the Senator from Vermont on a number of other amendments to try to allocate move funding from other functions into the education function and to allocate that funding for special education.

As I understand it, this is the first amendment that has been offered by the distinguished Senator from Vermont which would, in essence, lower the caps in the outyears or reduce funding for overall discretionary spending in the outyears.

As much as I admire the dedication of my friend from Vermont in this area of allocating additional resources to special education and as much as I agree with him in that particular instance, I think he is entirely right that we do need to allocate more funding to education generally and to special education in particular. I would be reluctant, however, to do that at the expense of reducing in the outyears funding for overall discretionary purposes. I say that for this reason. We entered into an agreement last year, or passed legislation last year, setting the caps for discretionary spending over a 5-year period, and I am just very, very reluctant to now come back and start nibbling at those caps in an effort to put together enough support here to pass a particular initiative no matter how worthwhile that initiative may be.

I think the initiative of the Senator from Vermont is extraordinarily worthwhile. So I hope the Senator will understand that, although I agree with him in spirit here, on closer analysis of the amendment, I do have some reservations about it.

The PRESIDING OFFICER (Mr. MATHEWS). The Senator's time has expired on the amendment.

Mr. JEFFORDS. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There appears to be a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. Is there any further debate?

Mr. SASSER. Mr. President, I ask unanimous consent that the amendment of the Senator from Vermont be temporarily laid aside and be disposed of following the Graham amendment numbered 1598, and that no amendments be in order to the Jeffords amendment or to the language it proposes to strike.

The PRESIDING OFFICER. Is there objection? Hearing none, that is the order.

Mr. SASSER. Under the schedule we earlier agreed to, the next amendment would be the Graham amendment. I see the distinguished Senator from Florida is present on the floor.

The PRESIDING OFFICER. The Senator from Florida.

AMENDMENT NO. 1600

Mr. GRAHAM. Mr. President, we have approached the issue of deficit reduction often as if it were castor oil, that it was bad, distasteful medicine we had to take in order to benefit our children and grandchildren to relieve them of a burden of a constantly growing national debt.

The PRESIDING OFFICER. Does the Senator wish to send his amendment to the desk?

Mr. GRAHAM. Mr. President, I will make a few introductory remarks and then I will submit the amendment.

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

Mr. GRAHAM. Mr. President, we took some of that strong castor oil last summer with the adoption of a significant deficit reduction program. Before we took that action, it was projected by the Office of Management and Budget that we would have a spiraling, out-of-control deficit for the middle part of this decade and into the next century. As a result of the action that we took, we have substituted a different economic course for the Nation.

For instance, in this current fiscal year, fiscal year 1994, instead of running a deficit of $301 billion, which had been projected, we will have a deficit of $223 billion. And for next year, the year that will be affected by the budget resolution that currently is before us, instead of a deficit of $296 billion, it will be a deficit of $171 billion.

That was tough medicine that we took, and we accomplished a significant change in our Nation's economic future. But we also, Mr. President, got some immediate benefits. We did not have to wait long to begin to see that this remedy had a positive effect.

The week in which we adopted the economic program of August 1993, long-term interest rates in the United States were 6.53 percent. Within a period of approximately 90 days, largely as a result of that action, long-term interest rates dropped to less than 5.9 percent, a dramatic reduction in the cost of money for those things that Americans purchase for their homes and other long-term investments; a dramatic reduction in the cost to businesses in terms of expansion, the creation of new jobs.

What I think we saw here, Mr. President, was that there is a linkage between our degree of fiscal responsibility and the confidence that will be placed in our national fiscal policy by those who make long-term economic decisions.

But, Mr. President, there is also in this same chart some disturbing news. And that is the fact that beginning in about the middle of October, that very positive gain started to be erased and we began to see a pattern in which long-term interest rates began to rise again. By the end of January, we were back to where we had been in August, and now we are up in the range of 6.8, 6.9 percent long-term interest rates.

What has happened? Why have we seen these gains reversed? Well, there are always a number of factors, some of which relate to matters outside the control of Government, some of which relate to Government actions. But I believe that one of the most fundamental reasons there has been this lessening of confidence in our economic policy reflected in an upturn in long-term interest rates is because people are starting to focus on the back end of this chart of deficit reductions.

While we got the applause for reducing the deficit in the immediate future, we are now beginning to pay the price for the fact that people are focusing on the fact that beginning in about 1997 the deficit will start to go up again and by the turn of the century, we will be running deficits of about the same proportion as we ran in the 1980's.

I believe, therefore, Mr. President, we need to use every opportunity that is available to us to send a signal that we are concerned about this longer term implication of our deficit policy and are ready to take some steps to deal with it.

For that reason, I have supported the efforts that were made by Senator EXON and Senator GRASSLEY to at least make a token further reduction in our spending in fiscal year 1995. I think it is very important that that provision be held throughout the further consideration of this budget resolution.

But I believe that, as we look at this long-term distressing picture of increasing deficits that, we need to go beyond token measures. Therefore, Mr. President, I am going to offer as a sense-of-the-Senate proposal to this budget resolution a statement which has been endorsed by Senators KERREY of Nebraska, LIEBERMAN, GREGG, BROWN, ROBB and DOMENICI, which states that legislation should be enacted providing enforceable limits to control growth of entitlement or mandatory spending.

I send that amendment to the desk.

The PRESIDING OFFICER. The clerk will report the amendment.

The bill clerk read as follows

The Senator from Florida [Mr. GRAHAM], for himself, Mr. KERREY, Mr. LIEBERMAN, Mr. GREGG, Mr. BROWN, Mr. ROBB, and Mr. DOMENICI, proposes an amendment numbered 1600.

It is the sense of the Senate that legislation should be enacted providing enforceable limits to control the growth of entitlement or mandatory spending.

The PRESIDING OFFICER. I call to the attention of the Senator from Florida that he has spoken for 5 minutes.

Mr. GRAHAM. Mr. President, I conclude by saying there is nothing more important we could do to send a signal as to our resolve to deal with our deficit issue than a clear statement that we are prepared to impose the same type of discipline on our entitlement spending that last year we imposed on our discretionary spending. I recognize that this is a commitment, not a promise fulfilled, in terms of our willingness to do so. But I think it is an important step to take today, a step that we must then fulfill in terms of positive binding action in the weeks ahead. Thank you, Mr. President.

Mr. SASSER addressed the Chair.

The PRESIDING OFFICER. The Senator from Tennessee.

Mr. SASSER. Mr. President, the Senator from Florida has come to the Senate this morning with a sense-of-the-Senate resolution which would indicate that we should enact limits to control the growth of entitlement or mandatory spending. I think we all agree that we are going to have to have some restraint on some mandatory programs. Specifically, we are going to have to have some restraint on the health accounts.

I am not sure that any of us are ready at the present time to specify how we should do that before the construction of a health care reform bill, but I know my friend from Florida knows that that is really the driving force behind the growth in entitlements—health care.

But I would say that I accept, in a broad sense, the Senate language that we have been discussing here and which has been offered by our friend from Florida. So I have no objection to accepting this amendment.

If we could get the attention of our friend from New Mexico, our distinguished ranking member, on this particular matter.

Let me say to my friend from New Mexico that the Senator from Florida has before us a sense-of-the-Senate resolution that has as its thrust that we should enact enforceable limits to control the growth of entitlement or mandatory spending. It is a sense-of-the-Senate resolution that we control mandatory or entitlement growth, and I have no objection to accepting it, if that is acceptable to the distinguished ranking member.

Mr. DOMENICI. Will the Senator yield me a minute?

Mr. SASSER. I am pleased to yield to my friend from New Mexico.

Mr. DOMENICI. Mr. President, I am a cosponsor of this. It is a sense-of-the-Senate resolution, therefore, it is not binding.

But I compliment the Senator from Florida for trying to let the Senate say the time has come. I much prefer a real one that is binding, much like the one we offered before in the name of Nunn-Domenici or Domenici-Nunn. But if we are just speaking what we would like to be the sense of the Senate here, I have no objection to it and I commend the Senator for it.

Mr. GRAHAM. Mr. President, I thank the Senator from New Mexico for his excellent statement. I want to indicate he is an original cosponsor of this sense of the Senate.

I would also like to point out this same language is currently contained in the budget resolution as it passed the House of Representatives. So, if we adopt it, it assumedly will be in the final budget resolution. I believe that will give a significance and impetus to convert this statement of policy and principle into the reality of a controlling statute.

The PRESIDING OFFICER. Does the Senator from Tennessee yield back his time?

Mr. SASSER. I yield the remainder of our time.

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

The amendment (No. 1600) was agreed to.

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

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

The motion to lay on the table was agreed to.

Mr. SASSER. Mr. President, under the previous agreement, the next amendment to be considered will be that of the distinguished Senator from Georgia [Mr. NUNN].

AMENDMENT NO. 1601

(Purpose: To place a permanent, enforceable cap on the amount of non-Social Security mandatory spending, beginning with fiscal year 1996)

Mr. NUNN. Mr. President, on behalf of myself, Senator DOMENICI, Senator ROBB, and Senator DANFORTH, 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, Mr. DOMENICI, Mr. ROBB, and Mr. DANFORTH, proposes an amendment numbered 1601.

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 text of the amendment is printed in today's RECORD under "Amendments Submitted.")

Mr. NUNN. Could I inquire of the Chair how much time is available and how that time is allocated?

The PRESIDING OFFICER. A total of 10 minutes, 5 minutes on each side is allotted for presentation of amendments.

Mr. NUNN. So I have a total of how much?

The PRESIDING OFFICER. Five minutes.

Mr. NUNN. Does the Senator from New Mexico have time on his own right?

Mr. DOMENICI. I just need 1 minute.

Mr. NUNN. Mr. President, that makes it very difficult to explain in about 3½ minutes how we are going to save $100 billion and turn around the budget trend of America which has been taking place for about 25 years, but that is what this sense of the Senate will do. The problem with this resolution, as all other resolutions, is it has to be a sense of the Senate because of the procedural situation. But it is a serious resolution. We mean it seriously.

It is to address this very profound problem reflected on this chart. This chart tells the story of why America cannot and is not so far willing to get its deficit under control; why Congress has not dealt with it.

The defense budget is coming down $190 billion, if you measure the difference between what we spent over the last 5 years and what we are going to spend over the next 5 years. The domestic discretionary is going up about $240 billion. The net of these two accounts that we call discretionary is going to go up about $90 billion. But defense is going down.

Now look at Social Security. This is going up $420 or $430 billion in terms of the increase, but it is paid for. That is paid for with taxes. In fact there is a surplus that we are borrowing every year from the Social Security trust funds.

But look at health care. Assuming the President's program and assuming the savings take place, this is going up $800 billion; an $800 billion difference over 5 years.

The interest on the debt is going up $190 billion. People ask me, why are we not saving money on defense? We are. All the money on defense is being spent with new interest on the debt. If you look at health care, we are spending, over the next 5 years, four times on health care increases in the Federal budget what we are saving in the Defense budget.

We voted on this amendment or a similar amendment several times. I am not going to go into detail on it because I want to reserve time for the Senator from New Mexico. Essentially, however, this amendment limits the growth of overall entitlement spending to the rate of inflation plus the population growth. We even put a kicker in for the first 4 years. We add 4 percent in 1996, we add 3.5 percent in 1997; 3 percent in 1998, 2 percent in 1999. So it is inflation in 1996 plus 4 percent. We should be able to discipline ourselves to that kind of growth rate. This amendment does not gut entitlements. This amendment restrains the growth on entitlements, which are running away from us and which are causing our deficit.

There will be two arguments against this amendment at least. One argument we have heard over and over again: It is not specific enough. There is nothing specific in this whole budget resolution. That is the job of the authorizers and appropriators. There is nothing specific in the defense cuts. Not one item is specific in this resolution as to the defense cuts. People may have notions but they have not written them into this law. So this is just as specific as anything else. We are making it clear we expect the entitlement cap to be met. This would require further legislation. It would require sequester procedure. We set that out, and I think that is the answer to that argument.

The other argument is what does this do to the President's health care plan? The answer to that is we have bent over backward—some would say too far—in this resolution to say whatever health care plan the Congress agrees to becomes the baseline and then we limit the growth thereafter. So we can enact whatever health care plan we choose to.

I will be for a conservative fiscal health care plan. Others may have a different view. But we are neutralizing this, as far as what health care plan we adopt. Then that becomes the baseline and we measure growth thereafter.

To reiterate, Mr. President, the amendment I am proposing, along with Senator DOMENICI expresses the sense of the Senate that we should enact legislation that places a cap on the growth of individual entitlement, or mandatory spending programs, excluding Social Security, deposit insurance, and net interest, beginning in 1996. As an aside, I would like to remind my colleagues that it was a year ago today that Senator DOMENICI and I offered a similar amendment to last year's budget resolution.

This cap would not reduce entitlement spending. It would limit the rate of future growth of entitlement spending to the increases needed to cover increases in the number of beneficiaries, plus increases for inflation, plus an extra allowance of 4 percent in 1996, 3.5 percent in 1997, 3 percent in 1998, and 2 percent in 1999 and thereafter. If a mandatory program exceeded its cap there would be a grace period of not less than 60 days for the Congress to enact legislation that would bring the overall's spending back into line. If such legislation is not enacted, a sequester on that specific program will result. We would not require one entitlement program to suffer because another program exceeded its limit.

This cap on the growth of mandatory spending was a central feature of the fiscal plan recommended 2 years ago by the Center for Strategic and International Studies Strengthening of America Commission, which I cochaired along with the distinguished ranking member of the Budget Committee, the Senator from New Mexico. The Commission included Members of Congress from both parties, business leaders, academics, and mayors.

UNCONTROLLED SPENDING IS NOT BEING CONTROLLED

Many citizens may not understand the difference between the way discretionary programs work and the way mandatory programs work. No money can be spent for discretionary programs unless the Congress specifically appropriates the money. This category of spending is called controllable.

Entitlement, or mandatory programs make up over one-half of the Federal budget. Many of these programs work automatically, such as payments to re-

tirees. No action is needed by Congress for the money to be spent. Other programs, such as Medicaid, actually are appropriated by Congress each year but in language that provides such sums as necessary. That is why this category of spending is called uncontrollable. One glaring flaw in our budget process is that it lacks any discipline on mandatory spending programs.

A good example is the 1990 budget summit agreement. That agreement placed caps on discretionary spending. If, for any reason, we want to spend more than those caps—for Hurricane Andrew, the floods in the Midwest last summer, or for the recent earthquake which struck the Los Angeles area—we need to pass a bill and have the President sign it.

But for entitlement programs, as well as for taxes, that budget agreement created a pay-as-you-go system. What this system means is that if you want to create a new spending program, or expand an existing one, you have to find an offset. And to that extent, it has succeeded. But this pay as you go system does nothing to control the spending growth of the existing entitlement programs.

So we have created an important distinction in our treatment of discretionary programs and mandatory programs. For discretionary programs, the presumption is that no additional money is spent unless we take a positive action to do so.

But for mandatory programs, the presumption is: just let the programs run, no matter what they cost, unless we specifically decide to take some action. But the catch is, the Budget Act does not require any action.

This is why we need an entitlement cap. While we can control mandatory programs without one, we do not have to, and we do not. There is no process to force the hard choices that almost everybody says we should be making.

GROWTH OF ENTITLEMENT SPENDING

Mr. President, under this budget resolution, during the next 5 years, we will be spending $1.3 trillion more on entitlements than we did in the last 5 years, compared to an increase in discretionary spending of just $60 billion over the same 5 years. The cap envisioned by this amendment would still allow entitlement spending to grow faster than the increases needed to keep up with inflation and population growth.

I might point out that in domestic discretionary spending, the caps are basically flat and will not allow those programs to keep pace with either inflation or population growth, let alone both. Any many of those domestic discretionary programs, such as Pell grants or Head Start, see their requirements increase due to inflation or growth in eligible population. Yet the discretionary caps force those programs to make do with what they have, unless Congress can find cuts somewhere else, such as Defense, to fund an increase. Even if we adopt this amendment, entitlement programs would still not have to operate under the strict discipline we enforce on discretionary spending.

Mr. President, I want to make a few points on the difference between what has been happening with mandatory spending and discretionary spending.

In accordance with the new caps on discretionary spending in last year's reconciliation bill, the discretionary spending requested in the President's fiscal year 1995 budget over the next 5 years represents an increase of just 2 percent over the amount we spent in this area over the last 5 years. That is a total of $60 billion more discretionary spending over the next 5 years compared to the last 5 years.

Of course the reason that overall discretionary total increases by only 2 percent is that over the next 5 years, even if the Congress agrees with the President's request not to cut Defense any further, we will spend $190 billion less on defense than we did during the last 5 years.

During the next 5 years domestic spending will increase by a slightly larger amount over what was spent in the last 5 years, an increase of $250 billion more than in the last 5 years. The total of the Defense decrease of $190 billion and the domestic increase of $250 billion is a total discretionary increase of $60 billion over the next 5 years.

While discretionary spending would be 2 percent higher over the next 5 years, entitlement spending would increase by 42 percent, or $1.3 trillion, during the next 5 years. About $440 billion of this will be in the self-financing Social Security Program, but even including the effects of the President's health care reform proposal, assuming all the savings in his plan are achieved, health care spending in the next 5 years is projected to be $790 billion higher than in the last 5 years. I should note that the spending in the President's plan is offset in part by increased revenues from cigarette taxes and other areas, and I am only addressing the spending side of the health care equation right now.

Finally, Mr. President, interest payments on the debt, even with lower interest rates, would be $190 billion higher over the next 5 years than in the last 5—this alone cancels all the defense savings.

Mr. President, clearly the real problem in reducing the deficit is restraining the runaway growth in entitlement spending, not in cutting discretionary spending. We cannot solve the deficit problem by trying to cut Defense enough to keep up with the increases in the other categories of the budget. We must restrain the growth in the so-called mandatory category of the budget.

The part of the budget that has had constraints—caps—put on it—the programs covered by the Appropriations Committee—has been controlled. The mandatory programs that have not been subject to any discipline have not been controlled.

Mr. President, let me simply restate what we are talking about when we say we want to cap the growth of entitlements. Words like cap and cut get used pretty loosely sometimes.

For instance, defense spending in 1995 will be lower than defense spending in 1994. Period. That is a decrease. Or if, for instance, Federal workers do not get a pay raise next year, and I am not advocating this, they will not get any less money, but their salaries will fall behind inflation. That is a freeze. What we are proposing for entitlements is not a decrease. It is not a freeze. It is more money than the programs had last year. More money to keep up with inflation. More money if more people are eligible for the program than last year. But what we are saying is, let us hold the increase down to what you need to cover inflation and additional people eligible for the program and the additional growth allowance we provide.

WHY NOT MAKE SPECIFIC CUTS

Mr. President, last year we heard several criticisms of our proposal to cap mandatory spending. But there was one criticism that has been repeated over and over: An entitlement cap is not specific—why don't you name the specific cuts you are going to make?

Let us be clear on one thing. The entitlement cap is no different—no more specific, but also no less specific, than any other recommendation in this budget resolution. If anyone can find a single specific cut anywhere in the language of this resolution, I would like them to show it to me. You cannot cut specific programs in a budget resolution, regardless of what program you claim your amendment would cut. If we cut specific programs on this bill we would not need to do authorization and appropriation bills.

If anyone can find anything in the report language—let alone the resolution—about how we are going to make the defense cuts required by this resolution, let me know. The Armed Services Committee will have to figure out how to make these cuts before the year is over, but there are no specifics in here on how we are going to make this defense cut.

WHY A CAP ON MANDATORY SPENDING

Mr. President, there are several reasons why this cap on the growth of entitlement spending makes sense:

First, simple math. If we agree we have to get the deficit under control, it is obvious we cannot do it with almost two-thirds of the budget off the table. This includes payments on the interest on the debt plus entitlement spending.

Second, accountability and responsibility. Even if we did not have a crip-

pling debt and budget deficit, leaving half the budget on autopilot is a bad way to run our fiscal policy. Imagine if the Federal Reserve ran our monetary policy that way, just taking its hands off the rudder and letting the money supply grow according to formulas written years ago.

Third, common sense. Our entitlement cap says programs can stay at their current level, with their current benefits, and grow with the general rate of inflation plus the number of people eligible—under current criteria—to receive benefits plus an additional allowance. In my view, this is a straightforward rule of thumb the American people can understand and support.

Mr. President, is it unreasonable to, first, set up an alarm that tells us when spending on a mandatory program is not staying within this common-sense formula and, second, a requirement that when this happens, we have to do something about it besides going deeper into debt?

Fourth, a cap is not a cut. The most important message in the entitlement cap proposal has not gotten through to a lot of people. The point is that if we can use this cap on the growth of entitlement spending—not a cap on spending, a cap on the growth in spending—to keep spending on entitlement programs growing at the overall rate of inflation, while taking account of the number of people eligible, we can come close to achieving a balanced budget over a 10-year period while still keeping the safety net intact, and without touching Social Security.

WHAT ABOUT HEALTH CARE

Mr. President, some people will say we cannot control entitlement spending because it would make health care reform impossible. Frankly, Mr. President, I do not understand that logic.

Mr. President, the issue of health care reform is central to controlling entitlement spending, and entitlement spending is the key to the deficit. We all agree on that point. The disagreement seems to be whether we should enact health care reform first, without any guarantee that it saves money, and without any fiscal guidance, or whether we need to lock in a guarantee that requires the savings before you know the specifics of the health care proposal.

Mr. President, I do not believe this amendment conflicts with health care reform. I think it reinforces it. If you argue that this amendment will stop us from passing health care reform, what you are really saying is that health care reform will not save money. That is a crucial point, Mr. President.

CBO is projecting huge deficits if we continue our current policies. They project the deficit will grow to $365 billion 10 years from now, and that is including the Social Security surplus. Without counting the surplus from the Social Security trust fund, which masks the real size of our annual deficit, the deficit will be over $500 billion in that year. If health care reform is not going to reduce the deficit, then I think we need to know that.

If there are no savings to be had from health care reform, then we are facing a future of $300 billion to $400 billion deficits, with no additional savings to be had from health care—this will be after health care reform—and defense will be at rock bottom—how are we going to deal with that? Where are we going to find the cuts then?

Mr. President, I simply do not believe that Americans can afford to enact comprehensive health care reform that does not restrain spending on health care. I understand that the President has reiterated that health care reform will save substantial amounts of money. Let me make clear that this amendment does not dictate to the Finance Committee a certain dollar level that health care must stay under for 1995. Any health care reform package that is allowed under this resolution as currently worded is still allowed. But what our amendment says is, once we pass a health care reform bill and establish a spending level for health care, that level cannot grow at the out-of-control rates that health care reform has been growing at.

Mr. President, one of the problems in the Congress in the last 10 years is that virtually every serious budget debate or amendment is treated as being for or against the President in power. I think it is past due time for both Democrats and Republicans to get beyond this simplistic description of the problems our country faces. I hope that we will begin examining issues on the basis of whether we are voting for or against our children and grandchildren.

What are we going to say to them around the turn of the century when they ask—grandfather and grandmother—What were you doing when the country was piling up all this debt for us to pay?

We have a train wreck in the making in the next century, Mr. President. We are building the biggest trap for our children and grandchildren in the history of our Nation.

In 1994, we will borrow $62 billion from the Social Security trust fund. By the end of the century we will be borrowing $100 billion a year. In the year 2010 we will borrow over $200 billion. In the year 2015 the total amount borrowed from the Social Security trust fund will reach $4.4 trillion. In the year 2016, just 22 years from now, we will have to pay out more from the Social Security trust fund than it receives in taxes. At that time less than 2 workers will support each beneficiary. In 1950, this ratio was 16 to 1.

CONCLUSION

Mr. President, Maurice Chevalier used to say, "old age isn't so bad when your consider the alternative." The same can be said about this amendment.

Critics of the entitlement cap need to face the fact that the alternative—doing nothing on entitlements—is no alternative at all. Our current policies clearly are simply not sustainable.

No solution to our fiscal problems is possible until we deal with entitlement spending. That is what this amendment does, and I urge my colleagues to support it.

Mr. President, I yield the remainder of my time to the Senator from New Mexico. I want the Senator from Missouri to speak also. How much time do I have remaining?

The PRESIDING OFFICER. The Senator has remaining 1 minute.

Mr. NUNN. I yield a minute to the Senator from New Mexico.

Mr. DOMENICI. Mr. President, I commend Senator NUNN for this. I am pleased to be a cosponsor.

As I understand it, what Senator NUNN has done with this proposal is to say whatever health care plan the Congress of the United States adopts, you account for that, put it in the baseline of the American expenditure programs——

Mr. NUNN. Raise or lower, depending.

Mr. DOMENICI. Raise or lower. And then all you say after that is that cost has to be controlled in the outyears so it does not increase more than the percentages stated in the resolution.

Mr. NUNN. The Senator is entirely correct.

Mr. DOMENICI. So you are assuming Congress will pass a pay-go, reasonable plan. You may not be for it, you may be for it. It may be very generous. It may be very liberal. But once it is in place, it has to control expenditures and you are saying you found a way to do that?

Mr. NUNN. The Senator is entirely correct.

Mr. DOMENICI. That is why I support it. I think we must do that or, indeed, we will increase the deficits with health care rather than bring them down or keep them at the pay-go level when adopted.

Mr. NUNN. The Senator is correct. I reserve whatever time I have remaining.

The PRESIDING OFFICER. Time has expired.

Mr. NUNN. I thank the Chair.

The PRESIDING OFFICER. The senior Senator from Tennessee.

Mr. SASSER. Mr. President, I do not think there is any disagreement about the basic thrust of the proposal of the Senator from Georgia, and that is controlling the growth of the health accounts of the Federal budget. I think the numbers are very clear that the growth in health care costs is the driving force behind the expansion of the entitlements and that is the problem with regard to the deficit.

According to calculations I have seen, 83 percent of the growth in entitlements is directly attributable to two accounts, Medicare and Medicaid, the two health care accounts. That is the problem; 83 percent of the growth in entitlements, which is what is driving the deficit, are two accounts, Medicare and Medicaid. So the numbers are very clear. That is why we accepted the sense-of-the-Senate resolution offered by our distinguished friend, the Senator from Florida.

But it appears to me the amendment being offered by the Senator from Georgia at this time is just premature. The clear fact is that Congress in both Houses and in numerous committees, at the present time, this week, is directly embroiled in the process of constructing health reform legislation.

Many of us met for almost 2 hours yesterday with the President, the Vice President, and the First Lady and talked about essentially nothing but health care reform and health care legislation, and that was the purpose of the meeting.

I agree with the intent of this amendment, and I interpret it to mean that credible health reform is going to lower the deficit. But I do not understand the idea of trying to impose a binding number on the attendant deficit reduction before we have even written the legislation that does the reform and produces the savings.

I say to my friend from Georgia that most of the health care reform proposals that I am aware of—from that offered by President Clinton to that offered by my colleague, Congressman JIM COOPER, of Tennessee, of which I think the distinguished Senator from Georgia is a cosponsor and which I have said favorable things about—most of the proposed plans employ some share of Medicare or Medicaid savings to pay for some of the costs associated with fundamental alteration in the health care system.

Whether it is expanded coverage through alliances or some kind of tax-free health insurance or some other kind of tax incentive to encourage people to become covered with health insurance, many of these proposals assume offsets from Medicare and Medicaid.

Why in the world should we seek to bind ourselves now to a totally arbitrary set of Medicare and Medicaid savings that will harm our ability to fashion the most rational kind of health reform?

How, when we are approaching one of the most daunting challenges—I think the most daunting challenge on the domestic level—the most daunting challenge in public policy we face I think in 50 years, and that is doing something about health care and doing something about health care costs—why in the world would we want to come out now and build a cage or construct a prison of arbitrary numbers before we even set the policy? I just do not think, Mr. President, that is the way we ought to go.

I know the distinguished Senator from Georgia and my friend from New Mexico have expressed these concerns for many years. I share their concerns. We are finally around to the point now where I think we all agree that the problem is health care costs. We can quit talking about entitlements and mandatories as if that is something abstract, you put a lid on that, and that solves all the problem. We have finally come around to all recognizing that essentially the problem is health care costs.

The PRESIDING OFFICER. The time has expired on the amendment.

AMENDMENT NO. 1602 TO AMENDMENT NO. 1601

(Purpose: To state the sense of the Congress that health care reform should contribute to deficit reduction)

Mr. SASSER. I send to the desk an amendment in the second degree to the amendment of the distinguished Senator from Georgia.

The PRESIDING OFFICER. The clerk will report the amendment.

The assistant legislative clerk read as follows:

The Senator from Tennessee [Mr. SASSER] proposes an amendment numbered 1602 to amendment No. 1601.

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

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

(The text of the amendment is printed in today's RECORD under "Amendments Submitted.")

Mr. SASSER. Mr. President, this amendment is essentially self-explanatory. It simply in the preamble sets out that millions of Americans fear that job loss, illness, or preexisting condition will deprive them of health insurance. It indicates that some 39 million Americans, most of them working Americans, cannot now afford health insurance. It states that the cost of health care in America is growing at a rate of 11 percent per year, more than double the annual inflation rate.

The only areas of the Federal budget that are growing faster than the economy as a whole are the health care accounts. The amendment further states that we must constrain the growth of these mandatory programs that are growing faster than the Consumer Price Index, plus population, plus 4 percent and that almost all health care reform proposals, both Democratic and Republican, assume some savings from Federal health care programs which will be used to offset the cost of comprehensive health care reform proposals designed to correct the above-listed problems.

The amendment concludes by indicating that it is the sense of the Congress that Congress should adopt comprehensive health care reform that will curtail the growth of health care spending and devote the savings both to lower the deficit and to offset the cost of whatever comprehensive health care reform legislation that Congress ultimately enacts.

The thrust of this proposal, Mr. President, is essentially self-explanatory. We endorse the idea of controlling spending in the health care accounts, just as the sense-of-the-Senate resolution offered by the distinguished Senator from Florida did.

But we do not bind ourselves to a specific number and, thereby, enforce distortions in our eventual health care reform effort. What we are trying to do with this amendment in the second degree is simply escape the distortion of setting arbitrary limits before the health care plan or the health care proposal is even enacted by the Congress. It gives us the latitude and the flexibility, I think, to deal with the problem.

I see the distinguished Senator from West Virginia is on his feet. Does he wish some time to speak on this matter?

Mr. ROCKEFELLER. The Senator would be very honored if the distinguished Senator from Tennessee would yield him some time.

Mr. SASSER. I will be pleased to yield to the distinguished Senator from West Virginia the remainder of my time, reserving 1 minute.

Mr. ROCKEFELLER. Mr. President, the Senator is very courageous and very generous.

I will, of course, support the sense-of-the-Senate resolution, although it says sense of the Congress, so I guess that is what it is. I think it is particularly important to pass it in order to defeat the underlying amendment, or the amendment which would be before us if this amendment failed.

This is the same battle as we were in last year, except the stakes are a whole lot higher. We won the battle last year by 4 votes. I call attention to my colleagues that winning my 4 votes was not much of a margin last year. The stakes are far more dangerous this year if the Domenici-Nunn-Thurmond amendment were to be adopted.

Entitlement caps hold health care spending for the elderly, for the poor hostage to the forces that are not predictable nor controllable, absent comprehensive health care reform, as the distinguished Senator from Tennessee has been saying.

I know in arguing against a similar proposal of the Senator from New Mexico and the Senator from Georgia last year, I told my colleagues I thought it imperative that we do our health care work, that we do it diligently and we do it promptly—that was a year ago—that we not try to put our fingers in the entitlement dike, only to have the entire system overflow the containment and retainer walls.

The President has now given us the road map to do it. Now it is in our hands. We should do it responsibly. If you want to control the deficit, do health care reform. I am going to try to make this explicit and even, I hope, interestingly clear.

I hope we can count on our colleagues to vote for that same budget discipline, I might say, when it comes time for health care reform, because that health care reform will be a budget discipline type of effort.

In fact, it was precisely the promise of health care reform in the form of sincere and absolute commitment to passing comprehensive systematic health care reform made both by the President and the majority of us in the Senate that staved off this kind of an amendment last year by 4 votes.

The argument for health care reform as the most appropriate legislative vehicle to deal with the real issues raised by an entitlement cap has only been strengthened in the intervening years since we debated this. It is just a much stronger case that we should win by 20 votes this year, not by 4 votes. That is, the Domenici-Nunn amendment should lose by 20 votes this year, not by 4 votes as it lost last year, especially if you are suggesting the caps could be very flexible or adjustable over the next few years.

Maybe I should just say, Mr. President, that inflation and entitlements, with the exception of health care spending, are not causing the deficit to increase relative to GDP. There are four major causes: The growth in health care costs, the decline in general revenues as a percent of GDP, net interest cost, and a sluggish economy. Health care is the reason. The growth in entitlements is not the reason. Health care reform is the answer. The amendment of the Senator from Tennessee I hope will pass.

Mr. SASSER. I thank the Senator from West Virginia.

AMENDMENT NO. 1602, AS MODIFIED

Mr. SASSER. Mr. President, I modify my amendment to reflect all changes made by the Gorton amendment No. 1559, the Boxer amendment No. 1562, and the Specter amendment No. 1565.

The PRESIDING OFFICER. The Senator has that right.

Mr. SASSER. This modification, I say for the benefit of my colleagues, simply ensures that the changes made in the resolution during its consideration in the Chamber are reflected in the amendment that I offered as well.

The PRESIDING OFFICER. The amendment is so modified.

The amendment, as modified, is as follows:

Strike all after the first word in the pending amendment and insert the following:

Fiscal year 1995: $1,242,390,000,000.
Fiscal year 1996: $1,303,486,000,000.
Fiscal year 1997: $1,368,586,000,000.
Fiscal year 1998: $1,437,889,000,000.
Fiscal year 1999: $1,509,589,000,000.

(B) For purposes of section 710 of the Social Security Act (excluding the receipts and disbursements of the Hospital Insurance Trust Fund), the appropriate levels of total new budget authority are as follows:

Fiscal year 1995: $1,149,190,000,000.
Fiscal year 1996: $1,202,286,000,000.
Fiscal year 1997: $1,256,986,000,000.
Fiscal year 1998: $1,314,989,000,000.
Fiscal year 1999: $1,372,289,000,000.

(3) BUDGET OUTLAYS.—(A) For purposes of comparison with the maximum deficit amount under sections 601(a)(1) and 606 of the Congressional Budget Act of 1974 and for purposes of the enforcement of this resolution, the appropriate levels of total budget outlays are as follows:

Fiscal year 1995: $1,283,199,000,000.
Fiscal year 1996: $1,352,498,000,000.
Fiscal year 1997: $1,411,998,000,000.
Fiscal year 1998: $1,485,100,000,000.
Fiscal year 1999: $1,485,100,000,000.

(B) For purposes of section 710 of the Social Security Act (excluding the receipts and disbursements of the Hospital Insurance Trust Fund), the appropriate levels of total budget outlays are as follows:

Fiscal year 1995: $1,124,000,000,000.
Fiscal year 1996: $1,183,199,000,000.
Fiscal year 1997: $1,241,900,000,000.
Fiscal year 1998: $1,241,898,000,000.
Fiscal year 1999: $1,290,698,000,000.

(4) DEFICITS.—(A) For purposes of comparison with the maximum deficit amount under sections 601(a)(1) and 606 of the Congressional Budget Act of 1974 and for purposes of the enforcement of this resolution, the amounts of the deficits are as follows:

Fiscal year 1995: $238,600,000,000.
Fiscal year 1996: $252,000,000,000.
Fiscal year 1997: $272,800,000,000.
Fiscal year 1998: $275,600,000,000.
Fiscal year 1999: $294,900,000,000.

(B) For purposes of section 710 of the Social Security Act (excluding the receipts and disbursements of the Hospital Insurance Trust Fund), the amounts of the deficits are as follows:

Fiscal year 1995: $246,600,000,000.
Fiscal year 1996: $258,300,000,000.
Fiscal year 1997: $274,100,000,000.
Fiscal year 1998: $272,100,000,000.
Fiscal year 1999: $283,100,000,000.

(5) PUBLIC DEBT.—The appropriate levels of the public debt are as follows:

Fiscal year 1995: $4,963,600,000,000.
Fiscal year 1996: $5,278,800,000,000.
Fiscal year 1997: $5,611,200,000,000.
Fiscal year 1998: $5,945,400,000,000.
Fiscal year 1999: $6,289,700,000,000.

(6) DIRECT LOAN OBLIGATIONS.—The appropriate levels of total new direct loan obligations are as follows:

Fiscal year 1995: $26,700,000,000.
Fiscal year 1996: $32,100,000,000.
Fiscal year 1997: $33,800,000,000.
Fiscal year 1998: $35,700,000,000.
Fiscal year 1999: $37,800,000,000.

(7) PRIMARY LOAN GUARANTEE COMMITMENTS.—The appropriate levels of new primary loan guarantee commitments are as follows:

Fiscal year 1995: $199,700,000,000.
Fiscal year 1996: $174,400,000,000.
Fiscal year 1997: $164,600,000,000.
Fiscal year 1998: $164,100,000,000.
Fiscal year 1999: $163,500,000,000.

SEC. 3. DEBT INCREASE AS A MEASURE OF DEFICIT.

The amounts of the increase in the public debt subject to limitation are as follows:

Fiscal year 1995: $306,700,000,000.
Fiscal year 1996: $315,200,000,000.
Fiscal year 1997: $332,400,000,000.
Fiscal year 1998: $334,200,000,000.
Fiscal year 1999: $344,200,000,000.

SEC. 4. DISPLAY OF FEDERAL RETIREMENT TRUST FUND BALANCES.

The balances of the Federal retirement trust funds are as follows:

Fiscal year 1995: $1,161,100,000,000.
Fiscal year 1996: $1,275,200,000,000.
Fiscal year 1997: $1,396,900,000,000.
Fiscal year 1998: $1,524,200,000,000.
Fiscal year 1999: $1,651,300,000,000.

SEC. 5. SOCIAL SECURITY.

(a) SOCIAL SECURITY REVENUES.—For purposes of Senate enforcement under sections 302 and 311 of the Congressional Budget Act of 1974, the amounts of revenues of the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund are as follows:

Fiscal year 1995: $360,500,000,000.
Fiscal year 1996: $379,600,000,000.
Fiscal year 1997: $399,000,000,000.
Fiscal year 1998: $419,500,000,000.
Fiscal year 1999: $439,800,000,000.

(b) SOCIAL SECURITY OUTLAYS.—For purposes of Senate enforcement under sections 302 and 311 of the Congressional Budget Act of 1974, the amounts of outlays of the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund are as follows:

Fiscal year 1995: $287,600,000,000.
Fiscal year 1996: $301,300,000,000.
Fiscal year 1997: $312,300,000,000.
Fiscal year 1998: $324,400,000,000.
Fiscal year 1999: $337,000,000,000.

SEC. 6. MAJOR FUNCTIONAL CATEGORIES.

The Congress determines and declares that the appropriate levels of new budget authority, budget outlays, new direct loan obligations, and new primary loan guarantee commitments for fiscal years 1995 through 1999 for each major functional category are:

(1) National Defense (050):

Fiscal year 1995:

(A) New budget authority, $263,800,000,000.
(B) Outlays, $270,700,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.

Fiscal year 1996:

(A) New budget authority, $255,300,000,000.
(B) Outlays, $261,000,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.

Fiscal year 1997:

(A) New budget authority, $252,000,000,000.
(B) Outlays, $256,400,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.

Fiscal year 1998:

(A) New budget authority, $258,700,000,000.
(B) Outlays, $256,600,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.

Fiscal year 1999:

(A) New budget authority, $265,100,000,000.
(B) Outlays, $257,600,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.

(2) International Affairs (150):

Fiscal year 1995:

(A) New budget authority, $19,300,000,000.
(B) Outlays, $18,100,000,000.
(C) New direct loan obligations, $3,200,000,000.
(D) New primary loan guarantee commitments, $18,000,000,000.

Fiscal year 1996:

(A) New budget authority, $17,200,000,000.
(B) Outlays, $17,300,000,000.
(C) New direct loan obligations, $2,800,000,000.
(D) New primary loan guarantee commitments, $18,500,000,000.
Fiscal year 1997:
(A) New budget authority, $17,000,000,000.
(B) Outlays, $17,300,000,000.
(C) New direct loan obligations, $2,600,000,000.
(D) New primary loan guarantee commitments, $18,500,000,000.
Fiscal year 1998:
(A) New budget authority, $16,800,000,000.
(B) Outlays, $17,600,000,000.
(C) New direct loan obligations, $2,400,000,000.
(D) New primary loan guarantee commitments, $18,500,000,000.
Fiscal year 1999:
(A) New budget authority, $17,000,000,000.
(B) Outlays, $17,500,000,000.
(C) New direct loan obligations, $2,400,000,000.
(D) New primary loan guarantee commitments, $16,500,000,000.
(3) General Science, Space, and Technology (250):
Fiscal year 1995:
(A) New budget authority, $17,300,000,000.
(B) Outlays, $17,200,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1996:
(A) New budget authority, $17,200,000,000.
(B) Outlays, $17,200,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, $17,300,000,000.
(B) Outlays, $17,300,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, $17,400,000,000.
(B) Outlays, $17,300,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1999:
(A) New budget authority, $17,600,000,000.
(B) Outlays, $17,500,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(4) Energy (270):
Fiscal year 1995:
(A) New budget authority, $6,300,000,000.
(B) Outlays, $5,000,000,000.
(C) New direct loan obligations, $1,400,000,000.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1996:
(A) New budget authority, $5,900,000,000.
(B) Outlays, $5,200,000,000.
(C) New direct loan obligations, $1,500,000,000.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, $5,900,000,000.
(B) Outlays, $5,000,000,000.
(C) New direct loan obligations, $1,500,000,000.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, $6,100,000,000.
(B) Outlays, $4,700,000,000.
(C) New direct loan obligations, $1,500,000,000.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1999:
(A) New budget authority, $5,700,000,000.
(B) Outlays, $4,400,000,000.
(C) New direct loan obligations, $1,500,000,000.
(D) New primary loan guarantee commitments, $0.
(5) Natural Resources and Environment (300):
Fiscal year 1995:
(A) New budget authority, $21,700,000,000.
(B) Outlays, $21,300,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1996:
(A) New budget authority, $22,200,000,000.
(B) Outlays, $21,500,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, $22,100,000,000.
(B) Outlays, $21,600,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, $22,000,000,000.
(B) Outlays, $21,500,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1999:
(A) New budget authority, $21,600,000,000.
(B) Outlays, $21,400,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(6) Agriculture (350):
Fiscal year 1995:
(A) New budget authority, $12,480,000,000.
(B) Outlays, $11,780,000,000.
(C) New direct loan obligations, $10,100,000,000.
(D) New primary loan guarantee commitments, $7,400,000,000.
Fiscal year 1996:
(A) New budget authority, $12,500,000,000.
(B) Outlays, $11,400,000,000.
(C) New direct loan obligations, $9,700,000,000.
(D) New primary loan guarantee commitments, $7,400,000,000.
Fiscal year 1997:
(A) New budget authority, $13,000,000,000.
(B) Outlays, $11,700,000,000.
(C) New direct loan obligations, $9,700,000,000.
(D) New primary loan guarantee commitments, $7,400,000,000.
Fiscal year 1998:
(A) New budget authority, $13,200,000,000.
(B) Outlays, $12,000,000,000.
(C) New direct loan obligations, $9,800,000,000.
(D) New primary loan guarantee commitments, $7,400,000,000.
Fiscal year 1999:
(A) New budget authority, $13,700,000,000.
(B) Outlays, $12,500,000,000.
(C) New direct loan obligations, $9,900,000,000.
(D) New primary loan guarantee commitments, $7,400,000,000.
(7) Commerce and Housing Credit (370):
Fiscal year 1995:
(A) New budget authority, $7,700,000,000.
(B) Outlays, −$8,300,000,000.
(C) New direct loan obligations, $2,800,000,000.
(D) New primary loan guarantee commitments, $117,900,000,000.
Fiscal year 1996:
(A) New budget authority, $5,300,000,000.
(B) Outlays, −$10,800,000,000.
(C) New direct loan obligations, $3,000,000,000.
(D) New primary loan guarantee commitments, $103,200,000,000.
Fiscal year 1997:
(A) New budget authority, $5,100,000,000.
(B) Outlays, −$3,400,000,000.
(C) New direct loan obligations, $3,100,000,000.
(D) New primary loan guarantee commitments, $95,900,000,000.
Fiscal year 1998:
(A) New budget authority, $5,200,000,000.
(B) Outlays, −$2,900,000,000.
(C) New direct loan obligations, $3,200,000,000.
(D) New primary loan guarantee commitments, $96,600,000,000.
Fiscal year 1999:
(A) New budget authority, $6,200,000,000.
(B) Outlays, −$900,000,000.
(C) New direct loan obligations, $3,400,000,000.
(D) New primary loan guarantee commitments, $99,500,000,000.
(8) Transportation (400):
Fiscal year 1995:
(A) New budget authority, $42,900,000,000.
(B) Outlays, $38,800,000,000.
(C) New direct loan obligations, $100,000,000.
(D) New primary loan guarantee commitments, $500,000,000.
Fiscal year 1996:
(A) New budget authority, $41,800,000,000.
(B) Outlays, $39,600,000,000.
(C) New direct loan obligations, $100,000,000.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, $43,200,000,000.
(B) Outlays, $40,100,000,000.
(C) New direct loan obligations, $100,000,000.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, $44,000,000,000.
(B) Outlays, $40,300,000,000.
(C) New direct loan obligations, $100,000,000.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1999:
(A) New budget authority, $44,600,000,000.
(B) Outlays, $40,500,000,000.
(C) New direct loan obligations, $100,000,000.
(D) New primary loan guarantee commitments, $0.
(9) Community and Regional Development (450):
Fiscal year 1995:
(A) New budget authority, $9,500,000,000.
(B) Outlays, $9,300,000,000.
(C) New direct loan obligations, $2,200,000,000.
(D) New primary loan guarantee commitments, $3,600,000,000.
Fiscal year 1996:
(A) New budget authority, $9,000,000,000.
(B) Outlays, $8,900,000,000.
(C) New direct loan obligations, $2,200,000,000.
(D) New primary loan guarantee commitments, $3,600,000,000.
Fiscal year 1997:
(A) New budget authority, $9,000,000,000.

(B) Outlays, $9,000,000,000.
(C) New direct loan obligations, $2,200,000,000.
(D) New primary loan guarantee commitments, $3,600,000,000.
Fiscal year 1998:
(A) New budget authority, $9,000,000,000.
(B) Outlays, $9,100,000,000.
(C) New direct loan obligations, $2,200,000,000.
(D) New primary loan guarantee commitments, $3,600,000,000.
Fiscal year 1999:
(A) New budget authority, $9,000,000,000.
(B) Outlays, $9,000,000,000.
(C) New direct loan obligations, $2,200,000,000.
(D) New primary loan guarantee commitments, $3,600,000,000.
(10) Education, Training, Employment, and Social Services (500):
Fiscal year 1995:
(A) New budget authority, $57,920,000,000.
(B) Outlays, $53,648,000,000.
(C) New direct loan obligations, $5,500,000,000.
(D) New primary loan guarantee commitments, $19,000,000,000.
Fiscal year 1996:
(A) New budget authority, $58,200,000,000.
(B) Outlays, $55,671,000,000.
(C) New direct loan obligations, $11,500,000,000.
(D) New primary loan guarantee commitments, $14,000,000,000.
Fiscal year 1997:
(A) New budget authority, $59,900,000,000.
(B) Outlays, $58,199,000,000.
(C) New direct loan obligations, $13,200,000,000.
(D) New primary loan guarantee commitments, $13,200,000,000.
Fiscal year 1998:
(A) New budget authority, $61,700,000,000.
(B) Outlays, $60,602,000,000.
(C) New direct loan obligations, $15,100,000,000.
(D) New primary loan guarantee commitments, $12,300,000,000.
Fiscal year 1999:
(A) New budget authority, $63,200,000,000.
(B) Outlays, $62,200,000,000.
(C) New direct loan obligations, $16,800,000,000.
(D) New primary loan guarantee commitments, $11,200,000,000.
(11) Health (550):
Fiscal year 1995:
(A) New budget authority, $124,300,000,000..
(B) Outlays, $122,730,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $400,000,000.
Fiscal year 1996:
(A) New budget authority, $136,703,000,000.
(B) Outlays, $135,730,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $300,000,000.
Fiscal year 1997:
(A) New budget authority, $150,006,000,000.
(B) Outlays, $149,895,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $200,000,000.
Fiscal year 1998:
(A) New budget authority, $166,709,000,000.
(B) Outlays, $165,453,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $100,000,000.
Fiscal year 1999:
(A) New budget authority, $184,212,000,000.
(B) Outlays, $182,568,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(12) Medicare (570):
Fiscal year 1995:
(A) New budget authority, $162,400,000,000.
(B) Outlays, $160,500,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1996:
(A) New budget authority, $180,500,000,000.
(B) Outlays, $178,200,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, $198,500,000,000.
(B) Outlays, $196,100,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, $217,700,000,000.
(B) Outlays, $215,100,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1999:
(A) New budget authority, $242,300,000,000.
(B) Outlays, $239,000,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(13) For purposes of section 710 of the Social Security Act, Federal Supplementary Medical Insurance Trust Fund:
Fiscal year 1995:
(A) New budget authority, $56,000,000,000.
(B) Outlays, $55,200,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1996:
(A) New budget authority, $65,200,000,000.
(B) Outlays, $64,200,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, $73,300,000,000.
(B) Outlays, $72,200,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, $81,300,000,000.
(B) Outlays, $80,200,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1999:
(A) New budget authority, $92,200,000,000.
(B) Outlays, $90,900,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(14) Income Security (600):
Fiscal year 1995:
(A) New budget authority, $220,225,000,000.
(B) Outlays, $220,705,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1996:
(A) New budget authority, $234,732,000,000.
(B) Outlays, $229,330,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, $249,339,000,000.
(B) Outlays, $242,828,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, $261,246,000,000.
(B) Outlays, $253,234,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1999:
(A) New budget authority, $272,863,000,000.
(B) Outlays, $264,440,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(15) Social Security (650):
Fiscal year 1995:
(A) New budget authority, $6,800,000,000.
(B) Outlays, $9,400,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1996:
(A) New budget authority, $6,300,000,000.
(B) Outlays, $9,400,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, $8,300,000,000.
(B) Outlays, $11,500,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, $9,000,000,000.
(B) Outlays, $12,300,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1999:
(A) New budget authority, $9,800,000,000.
(B) Outlays, $13,200,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(16) Veterans Benefits and Services (700):
Fiscal year 1995:
(A) New budget authority, $37,200,000,000.
(B) Outlays, $36,600,000,000.
(C) New direct loan obligations, $1,400,000,000.
(D) New primary loan guarantee commitments, $32,900,000,000.
Fiscal year 1996:
(A) New budget authority, $37,600,000,000.
(B) Outlays, $36,600,000,000.
(C) New direct loan obligations, $1,300,000,000.
(D) New primary loan guarantee commitments, $27,400,000,000.
Fiscal year 1997:
(A) New budget authority, $38,500,000,000.
(B) Outlays, $38,300,000,000.
(C) New direct loan obligations, $1,400,000,000.
(D) New primary loan guarantee commitments, $25,800,000,000.
Fiscal year 1998:
(A) New budget authority, $38,600,000,000.
(B) Outlays, $38,500,000,000.
(C) New direct loan obligations, $1,400,000,000.
(D) New primary loan guarantee commitments, $25,600,000,000.
Fiscal year 1999:
(A) New budget authority, $39,700,000,000.
(B) Outlays, $39,600,000,000.
(C) New direct loan obligations, $1,500,000,000.
(D) New primary loan guarantee commitments, $25,300,000,000.
(17) Administration of Justice (750):
Fiscal year 1995:
(A) New budget authority, $18,823,000,000.

(B) Outlays, $17,255,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1996:
(A) New budget authority, $21,326,000,000.
(B) Outlays, $19,406,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, $22,129,000,000.
(B) Outlays, $21,066,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, $23,232,000,000.
(B) Outlays, $22,491,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1999:
(A) New budget authority, $24,535,000,000.
(B) Outlays, $23,493,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(18) General Government (800):
Fiscal year 1995:
(A) New budget authority, $14,000,000,000.
(B) Outlays, $13,700,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1996:
(A) New budget authority, $13,500,000,000.
(B) Outlays, $14,700,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, $13,400,000,000.
(B) Outlays, $13,900,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, $13,100,000,000.
(B) Outlays, $13,400,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1999:
(A) New budget authority, $13,500,000,000.
(B) Outlays, $13,500,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(19) Net Interest (900):
Fiscal year 1995:
(A) New budget authority, $247,100,000,000.
(B) Outlays, $247,100,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1996:
(A) New budget authority, $267,100,000,000.
(B) Outlays, $267,100,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, $282,500,000,000.
(B) Outlays, $282,500,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, $297,900,000,000.
(B) Outlays, $297,900,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1999:
(A) New budget authority, $314,700,000,000.
(B) Outlays, $314,700,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(20) For purposes of section 710 of the Social Security Act, Net Interest (900):
Fiscal year 1995:
(A) New budget authority, $257,600,000,000.
(B) Outlays, $257,600,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1996:
(A) New budget authority, $277,800,000,000.
(B) Outlays, $277,800,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, $293,300,000,000.
(B) Outlays, $293,300,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, $308,500,000,000.
(B) Outlays, $308,500,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1999:
(A) New budget authority, $324,500,000,000.
(B) Outlays, $324,500,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(21) The corresponding levels of gross interest on the public debt are as follows:
Fiscal year 1995: $311,800,000,000.
Fiscal year 1996: $331,100,000,000.
Fiscal year 1997: $347,400,000,000.
Fiscal year 1998: $364,600,000,000.
Fiscal year 1999: $383,300,000,000.
(22) Allowances (920):
Fiscal year 1995:
(A) New budget authority, −$11,258,000,000.
(B) Outlays, −$13,118,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1996:
(A) New budget authority, −$8,575,000,000.
(B) Outlays, −$3,938,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, −$9,288,000,000.
(B) Outlays, −$6,492,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, −$12,498,000,000.
(B) Outlays, −$11,982,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1999:
(A) New budget authority, −$24,111,000,000.
(B) Outlays, −$15,589,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(23) Undistributed Offsetting Receipts (950):
Fiscal year 1995:
(A) New budget authority, −$36,100,000,000.
(B) Outlays, −$36,100,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1996:
(A) New budget authority, −$30,300,000,000.
(B) Outlays, −$30,300,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, −$30,300,000,000.
(B) Outlays, −$30,300,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, −$31,200,000,000.
(B) Outlays, −$31,200,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1999:
(A) New budget authority, −$31,600,000,000.
(B) Outlays, −$31,600,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(24) For purposes of section 710 of the Social Security Act, Undistributed Offsetting Receipts (950):
Fiscal year 1995:
(A) New budget authority, −$33,500,000,000.
(B) Outlays, −$33,500,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1996:
(A) New budget authority, −$27,100,000,000.
(B) Outlays, −$27,100,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, −$27,600,000,000.
(B) Outlays, −$27,600,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, −$28,300,000,000.
(B) Outlays, −$28,300,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1999:
(A) New budget authority, −$28,500,000,000.
(B) Outlays, −$28,500,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.

SENSE OF THE CONGRESS THAT HEALTH CARE REFORM SHOULD CONTRIBUTE TO DEFICIT REDUCTION.

(a) FINDINGS.—The Congress finds that—
(1) millions of Americans fear that job loss, illness, or a pre-existing condition will deprive them of health insurance;
(2) some 39 million Americans, most of them working Americans, are without health insurance;
(3) the cost of health care in America is growing at a rate of 8 percent a year, more than double the annual inflation rate;
(4) the only areas in the Federal budget that are growing faster than the economy as a whole are the health care programs, growing at 11 percent a year;
(5) we must constrain the growth of those mandatory programs that are growing faster than the Consumer Price Index plus population plus 4 percent in 1996, 3.5 percent in 1997, 3 percent in 1998, and 2 percent in 1999;
(6) almost all health care reform proposals, both Democratic and Republican assume some savings from Federal health care programs will be used to offset the costs of comprehensive health reform proposals designed to correct the above listed problems.

(b) SENSE OF THE CONGRESS.—It is the sense of the Congress that Congress should adopt comprehensive health care reform that will curtail the growth of health care spending and devote the savings both to lower the deficit and to offset the cost of whatever comprehensive health reform legislation that Congress ultimately enacts.

Mr. DOMENICI addressed the Chair.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. Parliamentary inquiry. Does the time in opposition to the amendment belong to the Senator from New Mexico?

The PRESIDING OFFICER. The Senator is correct.

Mr. DOMENICI. I yield myself 3 minutes, and I will yield the remaining 2 minutes to Senator NUNN.

I hope the Senator from West Virginia and the Senator from Tennessee will listen to this explanation.

Frankly, this is a post-health care reform amendment. It says the following: After we have put into place under pay-go, meaning a neutral health care reform package, after that is done, the Nunn-Domenici amendment says do not let happen to that program what has happened to health care in the past. Do not let its costs skyrocket, thus creating an imbalance on the pay as you go. Rather, put a realistic cap on that so that after you have adopted health care, you do not let it get out of control.

It does nothing to what kind of health care you can pass, no limitation on what can be in it. In fact, I say to my friend from West Virginia, so long as it is pay-go, which you agree to abide by, it sets no limit. But it says after that, as the years go on, for the next 5 years, you cannot let the costs go wild because the pay as you go is gone then. This just says at that point you put a cap on it.

I think we ought to do that. This is rather profound public policy. If we do not do it now, we ought to do it in the health care plan that comes through this place or else we will be right back in the same muddle after health care reform because the savings we claim will yield to spiraling costs growth, and we will not have a mechanism to force it down.

I yield the remainder of my time to the Senator from Georgia.

The PRESIDING OFFICER. The Senator from Georgia is recognized.

Mr. NUNN. Mr. President, I can only echo what the Senator from New Mexico said. This amendment that would be wiped out by the Sasser amendment does not preclude any kind of health care plan that this body and the House and the President decide to agree on. It becomes baseline.

Those who would oppose this on the basis of health care now are basically saying we have no confidence that what we are going to pass is going to save money. We are going to have to keep it open-ended like we have in the past, and that is what has resulted—$800 billion we are going to spend over the next 5 years compared to the previous 5 years.

Mr. President, this is a very simple choice for people around here who want to do something about the budget deficit. We all make speeches on it. Everybody knows where the money is going. It is going into the entitlement programs, primarily health care but not exclusively health care. Do we want to ever say there is any limit on entitlements? Are we going to say that we have no limit on entitlements from now on? It just keeps on going; it keeps on going; it keeps on going. No limits; no closed doors; no fiscal discipline whatsoever.

This is a clear vote. There is nothing wrong with the Sasser substitute. It is language with which everybody would agree. The difficulty is everybody who votes should know this. A vote for the Sasser amendment is a vote to do nothing on entitlements, to do nothing on the 50 percent of the budget that is out of control, to have no advanced restraint whatsoever about what will happen after we pass a health care bill.

Mr. ROCKEFELLER. Will the Senator yield?

Mr. NUNN. So this is a clear vote. If you want to have no restraint on the budget, on the entitlement section, vote for the Sasser amendment. If you want an opportunity to begin to have some gentle restraint on entitlements, over a carefully calibrated period of time, then you would vote against Sasser and vote for the Nunn-Domenici amendment. A vote for the Sasser amendment will kill the Nunn amendment, so a vote for the Sasser amendment is a vote against the Nunn-Domenici amendment.

Mr. ROCKEFELLER. Will the Senator yield?

Mr. NUNN. I do not believe I have any time remaining.

The PRESIDING OFFICER. The Senator from New Mexico has 45 seconds.

Mr. ROCKEFELLER. Will the Senator from New Mexico yield?

Mr. DOMENICI. I have 45 seconds. I yield 22½ of it to the Senator.

Mr. ROCKEFELLER. I thank the Senator. I have heard nobody on this floor on either side of the aisle say that any plan has more than 25 votes for passage. That is, a health care reform plan. Therefore, this entire argument is being predicated upon something which at this particular moment is not likely to happen.

So I remind my colleagues that if health care does not pass this year, and the votes are not there yet, we are stuck with this draconian measure.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. Mr. President, there is nothing draconian about this measure. There is no health care plan around that purports to try to control the Federal Government's cost of health care. The President proposes to control the private sector cost of health care. This merely says whatever you adopt, whenever you adopt it, you cannot let those costs get back out of control because you set the limit in this amendment of a realistic growth but not a superinflated growth that will break the budget again.

The PRESIDING OFFICER. The time has expired on the amendment.

Mr. NUNN. Mr. President, have the yeas and nays been ordered on the Sasser amendment?

The PRESIDING OFFICER. They have not.

Mr. NUNN. Mr. President, I ask for the yeas and nays on the Sasser 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?

Mr. SASSER. Mr. President, I ask unanimous consent that the amendment be temporarily set aside to be disposed of following the Jeffords amendment No. 1585.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. JEFFORDS addressed the Chair.

The PRESIDING OFFICER. The Senator from Vermont.

Mr. JEFFORDS. I have a unanimous consent request. I ask unanimous consent that my amendment be withdrawn. I do so because I find the unusual situation where I think the majority of the people on my side of the aisle will vote for it but others object to some noneducation provisions of the amendment. We had an amendment earlier which the majority on the other side voted for it. So I think it clearly demonstrates that everybody is in favor of doing something as far as reordering our priorities to help on education and to assist with respect to the special education program in particular. We simply need to work out suitable offsets. Unfortunately, we have run out of time to fix this problem.

I do not want to put us through another vote. I had hoped that a freeze on overhead would be a suitable offset for increased education funding; but others objected because it lowers the caps in fiscal years 1996, 1997, and 1998 and, therefore, reduces the amount of money that can be spent in those years. I do intend to continue working for increased funding for education.

So at this point, Mr. President, I ask unanimous consent to withdraw my amendment.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

The amendment (No. 1585) was withdrawn.

Mr. SASSER. Mr. President, we are prepared to entertain another amendment.

Mr. President, I inquire of the Presiding Officer, is there a Harkin amendment pending?

The PRESIDING OFFICER. The Senator is correct. There are two amendments pending, the Harkin amendment and the Dorgan amendment.

AMENDMENT NO. 1578

Mr. SASSER. Mr. President, could we go to the Harkin amendment at the present time.

The PRESIDING OFFICER. If there is no objection, that will be the order.

Mr. THURMOND. Mr. President, I rise to take exception to the premise behind the Harkin amendment. The need for ballistic missile defense is growing not diminishing. We can ill afford to be so short-sighted as to cut, or seriously limit, this critical technology. If we accept the limits proposed by the Senator from Iowa, there would be no funds to procure the systems our investment in research and development has enabled us to build. There would be no funds to build even the theater defenses everyone agrees we need for our forces abroad. This makes no sense militarily, and it makes no sense economically.

Unfortunately, the demise of the Soviet Union did not eliminate the threat to this Nation or to its deployed forces from ballistic missiles. Not only are many of the missiles from the former Soviet Union still operational, they are now under more tenuous control than before. Furthermore, they are in hands of governments that are less stable and evolving rapidly in directions uncertain.

In addition, ballistic missiles are proliferating around the world. Just last week the intelligence community confirmed that North Korea is developing two new missiles that will extend the threat of this hermit government by thousands of miles. Many other potentially hostile nations are developing or purchasing ballistic missiles; missiles that can threaten forward U.S. bases, Allied nation, deployed forces, or even the continental United States.

Mr. President this is surely not the time to cut missile defense funds. We are moving into a less stable and, in many respects, more dangerous world. Undoubtedly the danger of a massive nuclear attack is less than during the cold war. But, the probability of a limited strike by one of many rogue regimes is much greater. Why would we reduce spending on our best insurance against an increasing threat? This defies logic.

My colleagues would be wise to vote against the Harkin amendment and, at least, return the level of funding for ballistic missile defense request by the current administration.

Mr. SASSER. Mr. President, parliamentary inquiry: Have the yeas and nays been vitiated on the Harkin amendment?

The PRESIDING OFFICER. They have not been vitiated.

Mr. SASSER. The yeas and nays have not been ordered on the Harkin amendment?

The PRESIDING OFFICER. They have been ordered.

Mr. SASSER. Mr. President, I ask unanimous consent to vitiate the yeas and nays on the Harkin amendment.

The PRESIDING OFFICER. Is there objection?

Mr. DOMENICI. Mr. President, I have no objection. I have conferred with those on our side who had objected. They indicated that I could concur in that request.

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

Mr. SASSER. Mr. President, has all time been yielded back on the Harkin amendment?

The PRESIDING OFFICER. All time has expired on the amendment.

The question is on agreeing to the Harkin amendment.

The amendment of the Senator from Iowa (No. 1578) was agreed to.

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

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

The motion to lay on the table was agreed to.

Mr. SASSER. Mr. President, I inquire of the Chair. There is one remaining amendment. Is that correct?

The PRESIDING OFFICER. There is one amendment in order, the Dorgan amendment on the sense of the Senate on Canadian wheat.

Mr. DOMENICI. Have the yeas and nays been ordered on the Gramm amendment?

The PRESIDING OFFICER. They have not been ordered.

Mr. DOMENICI. Is it in order to request the same at this moment?

The PRESIDING OFFICER. Not at this point.

Mr. SASSER. Mr. President, I ask unanimous consent that the Dorgan amendment be stricken from the list of amendments to be considered. We are advised that the proponent of that amendment does not wish to offer it.

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

Mr. DOMENICI. Mr. President, I ask unanimous consent that it be in order to ask for the yeas and nays on the Gramm amendment.

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

Mr. DOMENICI. I ask for the yeas and nays on the amendment.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. SASSER. Mr. President, for the information of Senators on the floor and those who may be watching in their offices or in committee meetings, we are now prepared to vote on the Gramm amendment No. 1598, and the Sasser-Nunn amendment No. 1601.

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

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

VOTE ON AMENDMENT NO. 1598

The PRESIDING OFFICER. the pending question is the Gramm amendment. The question occurs on amendment No. 1598, offered by the Senator from Texas [Mr. GRAMM]. On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. FORD. I announce that the Senator from South Carolina [Mr. HOLLINGS], is necessarily absent.

Mr. SIMPSON. I announce that the Senator from Maine [Mr. COHEN] is necessarily absent.

The PRESIDING OFFICER (Mrs. MURRAY). Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 37, nays 61, as follows:

[Rollcall Vote No. 80 Leg.]

YEAS—37

Bennett	Feinstein	McCain
Boxer	Gorton	McConnell
Brown	Graham	Murkowski
Burns	Gramm	Nickles
Coats	Grassley	Pressler
Cochran	Gregg	Shelby
Coverdell	Hatch	Simpson
Craig	Helms	Smith
D'Amato	Hutchison	Thurmond
Dole	Kempthorne	Wallop
Domenici	Lott	Warner
Durenberger	Lugar	
Faircloth	Mack	

NAYS—61

Akaka	Ford	Moseley-Braun
Baucus	Glenn	Moynihan
Biden	Harkin	Murray
Bingaman	Hatfield	Nunn
Bond	Heflin	Packwood
Boren	Inouye	Pell
Bradley	Jeffords	Pryor
Breaux	Johnston	Reid
Bryan	Kassebaum	Riegle
Bumpers	Kennedy	Robb
Byrd	Kerrey	Rockefeller
Campbell	Kerry	Roth
Chafee	Kohl	Sarbanes
Conrad	Lautenberg	Sasser
Danforth	Leahy	Simon
Daschle	Levin	Specter
DeConcini	Lieberman	Stevens
Dodd	Mathews	Wellstone
Dorgan	Metzenbaum	Wofford
Exon	Mikulski	
Feingold	Mitchell	

NOT VOTING—2

Cohen	Hollings

So the amendment (No. 1598) was rejected.

Mr. SASSER. Madam President, I move to reconsider the vote, and I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 1602, AS MODIFIED

Mr. KENNEDY. Mr. President, I urge the Senate to adopt the Sasser second-degree amendment and to reject the entitlement cap amendment.

The entitlement cap proposal claims to limit entitlement spending to reasonable levels, but it cannot pass the truth in advertising test—because it is really a proposal to slash Medicare and Medicaid and block health reform. Federal health spending is the primary cause of the runaway growth in entitlement spending. The best way to deal with that problem is as part of comprehensive health reform, not in this arbitrary and counterproductive amendment.

In the past decade, if we exclude Medicare, Medicaid, and Social Security, entitlement spending has actually been rising more slowly than the CPI. If we look at the impact of this proposal, Medicaid and Medicare are the only entitlement programs likely to be affected by the proposed cap, since all other entitlements are under the cap.

These figures make the bottom line painfully clear. If this amendment passes, health care reform is dead. Instead of using savings in current health spending to reform our system and save workers, employers, and governments billions of dollars in future health care, we will be in the position of arbitrarily cutting billions of dollars from Medicare and Medicaid.

Medicaid is a frayed safety net, but it is the only help available today to the millions of poor and uninsured.

Almost 40 million Americans are uninsured, and the number is rising every year. Surely this is not the way to cut back on the only safety net they have. A Medicaid cap hurts the most vulnerable, including poor children, pregnant women, poor elderly, and persons with disabilities. A Medicaid cap will require cuts in eligibility, services, and payment rates. None of these are viable options for underserved and vulnerable populations already facing serious barriers to adequate care.

Arbitrarily capping Medicaid will also shift costs to the States as they struggle to meet the Federal mandates in Medicaid without sufficient Federal resources. Even during the Reagan years, Congress rejected an equally harsh proposal to cap Medicaid. Let's not make the mistake today that we avoided making then.

Deep cuts in Medicare would be equally unjustified. Today, Medicare pays hospitals 10 percent less than the cost of caring for elderly patients.

The gap between Medicare payment levels and private payment levels continue to widen. Every dollar cut from Medicare means a dollar in additional costs for average citizens and for business, as health care providers seek to recover Medicare underpayments by shifting costs to others.

Cuts in Medicare are a false economy. They are also hazardous to the health of senior citizens.

As the gap widens between what private patients pay and what the Government pays hospitals and doctors increasingly view the elderly as second class citizens.

It is shameful that the poor and uninsured are so often denied the services they need because they cannot pay. The shame will be compounded if the same fate befalls senior citizens because the Government has failed to keep the promise of Medicare.

The only other alternative to stay below the entitlement caps proposed in this amendment would be to dramatically reduce or eliminate funding for other entitlements that are not going up faster than the costs of living. That would mean cutting retirement benefits for members of the Armed Forces; denying school lunches and breakfasts to hungry children; food stamps to needy families; income assistance to the poorest senior citizens and people with disabilities; and loans to college students.

There is no justification to punish all of these innocent bystanders because costs are out of control for Medicare and Medicaid.

There is a realistic solution to the soaring cost of Medicare and Medicaid. It is also a solution that is long overdue. We need comprehensive health reform that meets two fundamental tests. It must guarantee every American basic health insurance coverage. And it must put in place a credible program to control health care costs—not a program that simply slashes Government spending while ignoring the basic inflationary problems in the current health care system. President Clinton's Health Security Act meets these tests. Even those who do not support the President's proposal, if they support any serious health reform, cannot vote for entitlement caps without voting against such reform.

I urge the Senate to accept the President's challenge and work for health reform. Capping Government health spending and shifting more costs to the private sector is not the answer. It would only make all of our other problems worse.

An entitlement cap is not a true saving. It is a tax on the elderly, the poor, and middle-class Americans, and it deserves to be rejected.

VOTE ON AMENDMENT NO. 1602, AS MODIFIED

The PRESIDING OFFICER. The question now occurs on agreeing to amendment No. 1602 offered by the Senator from Tennessee [Mr. SASSER] to amendment No. 1601 offered by the Senator from Georgia [Mr. NUNN]. On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. FORD. I announce that the Senator from South Carolina [Mr. HOLLINGS] is necessarily absent.

Mr. SIMPSON. I announce that the Senator from Maine [Mr. COHEN] is necessarily absent.

The result was announced—yeas 45, nays 53, as follows:

[Rollcall Vote No. 81 Leg.]

YEAS—45

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

NAYS—53

Bennett	Gorton	McConnell
Bingaman	Graham	Mitchell
Bond	Gramm	Murkowski
Boren	Grassley	Nickles
Brown	Gregg	Nunn
Burns	Hatch	Packwood
Chafee	Hatfield	Pressler
Coats	Heflin	Robb
Cochran	Helms	Roth
Coverdell	Hutchison	Shelby
Craig	Kassebaum	Simpson
D'Amato	Kempthorne	Smith
Danforth	Kerrey	Specter
Dole	Lieberman	Stevens
Domenici	Lott	Thurmond
Durenberger	Lugar	Wallop
Exon	Mack	Warner
Faircloth	McCain	

NOT VOTING—2

Cohen	Hollings

So the amendment (No. 1602) was rejected.

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

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

Mr. MITCHELL. I ask for the yeas and nays on the motion to table.

The VICE PRESIDENT. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

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

The VICE PRESIDENT. The clerk will call the roll.

The bill clerk proceeded to call the roll.

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

The PRESIDING OFFICER (Mrs. MURRAY). Without objection, it is so ordered.

Mr. MITCHELL. Madam President, I ask unanimous consent that the yeas and nays on the motion to table the motion to reconsider be vitiated.

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

The question is on agreeing to the motion to table.

Without objection, the motion to table is agreed to.

Mr. DOMENICI addressed the Chair.

The PRESIDING OFFICER. The Senator from New Mexico.

AMENDMENT NO. 1601, AS MODIFIED

Mr. DOMENICI. I send an amendment to the desk on behalf of myself and

Senator NUNN. It is a modification of the amendment that is pending.

Mr. SASSER. It is the modification of the pending amendment.

Mr. DOMENICI. Yes, it is the modification that we have discussed.

The PRESIDING OFFICER. Without objection, the amendment will be so modified.

The modification is as follows:

Fiscal year 1995; $1,242,400,000,000.
Fiscal year 1996; $1,303,500,000,000.
Fiscal year 1997; $1,368,600,000,000.
Fiscal year 1998; $1,437,900,000,000.
Fiscal year 1999; $1,509,600,000,000.

(B) For purposes of section 710 of the Social Security Act (excluding the receipts and disbursements of the Hospital Insurance Trust Fund), the appropriate levels of total new budget authority are as follows:

Fiscal year 1995; $1,149,200,000,000.
Fiscal year 1996; $1,202,300,000,000.
Fiscal year 1997; $1,257,000,000,000.
Fiscal year 1998; $1,315,000,000,000.
Fiscal year 1999; $1,372,300,000,000.

(3) BUDGET OUTLAYS.—(A) For purposes of comparison with the maximum deficit amount under sections 601(a)(1) and 606 of the Congressional Budget Act of 1974 and for purposes of the enforcement of this resolution, the appropriate levels of total budget outlays are as follows:

Fiscal year 1995; $1,216,300,000,000.
Fiscal year 1996; $1,283,200,000,000.
Fiscal year 1997; $1,352,500,000,000.
Fiscal year 1998; $1,412,000,000,000.
Fiscal year 1999; $1,485,100,000,000.

(B) For purposes of section 710 of the Social Security Act (excluding the receipts and disbursements of the Hospital Insurance Trust Fund), the appropriate levels of total budget outlays are as follows:

Fiscal year 1995; $1,124,000,000,000.
Fiscal year 1996; $1,183,200,000,000.
Fiscal year 1997; $1,241,900,000,000.
Fiscal year 1998; $1,290,700,000,000.
Fiscal year 1999; $1,349,600,000,000.

(4) DEFICITS.—(A) For purposes of comparison with the maximum deficit amount under sections 601(a)(1) and 606 of the Congressional Budget Act of 1974 and for purposes of the enforcement of this resolution, the amounts of the deficits are as follows:

Fiscal year 1995; $238,600,000,000.
Fiscal year 1996; $252,000,000,000.
Fiscal year 1997; $272,800,000,000.
Fiscal year 1998; $275,600,000,000.
Fiscal year 1999; $294,900,000,000.

(B) For purposes of section 710 of the Social Security Act (excluding the receipts and disbursements of the Hospital Insurance Trust Fund), the amounts of the deficits are as follows:

Fiscal year 1995: $246,600,000,000.
Fiscal year 1996: $258,300,000,000.
Fiscal year 1997: $274,100,000,000.
Fiscal year 1998: $272,100,000,000.
Fiscal year 1999: $283,100,000,000.

(5) PUBLIC DEBT.—The appropriate levels of the public debt are as follows:

Fiscal year 1995: $4,963,600,000,000.
Fiscal year 1996: $5,278,800,000,000.
Fiscal year 1997: $5,611,200,000,000.
Fiscal year 1998: $5,945,400,000,000.
Fiscal year 1999: $6,289,700,000,000.

(6) DIRECT LOAN OBLIGATIONS.—The appropriate levels of total new direct loan obligations are as follows:

Fiscal year 1995: $26,700,000,000.
Fiscal year 1996: $32,100,000,000.
Fiscal year 1997: $33,800,000,000.
Fiscal year 1998: $35,700,000,000.
Fiscal year 1999: $37,800,000,000.

(7) PRIMARY LOAN GUARANTEE COMMITMENTS.—The appropriate levels of new primary loan guarantee commitments are as follows:

Fiscal year 1995: $199,700,000,000.
Fiscal year 1996: $174,400,000,000.
Fiscal year 1997: $164,600,000,000.
Fiscal year 1998: $164,100,000,000.
Fiscal year 1999: $163,500,000,000.

SEC. 3. DEBT INCREASE AS A MEASURE OF DEFICIT.

The amounts of the increase in the public debt subject to limitation are as follows:

Fiscal year 1995: $306,700,000,000.
Fiscal year 1996: $315,200,000,000.
Fiscal year 1997: $332,400,000,000.
Fiscal year 1998: $334,200,000,000.
Fiscal year 1999: $344,200,000,000.

SEC. 4 DISPLAY OF FEDERAL RETIREMENT TRUST FUND BALANCES

The balances of the Federal retirement trust funds are as follows:

Fiscal year 1995: $1,161,100,000,000.
Fiscal year 1996: $1,275,200,000,000.
Fiscal year 1997: $1,396,900,000,000.
Fiscal year 1998: $1,524,200,000,000.
Fiscal year 1999: $1,651,300,000,000.

SEC. 5. SOCIAL SECURITY.

(a) SOCIAL SECURITY REVENUES.—For purposes of Senate enforcement under sections 302 and 311 of the Congressional Budget Act of 1974, the amounts of revenues of the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund are as follows:

Fiscal year 1995, $360,500,000,000.
Fiscal year 1996, $379,600,000,000.
Fiscal year 1997, $399,000,000,000.
Fiscal year 1998, $419,500,000,000.
Fiscal year 1999, $439,800,000,000.

(b) SOCIAL SECURITY OUTLAYS.—For purposes of Senate enforcement under sections 302 and 311 of the Congressional Budget Act of 1974, the amounts of outlays of the Federal Old-Age and survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund are as follows:

Fiscal year 1995, $287,600,000,000.
Fiscal year 1996, $301,300,000,000.
Fiscal year 1997, $312,300,000,000.
Fiscal year 1998, $324,400,000,000.
Fiscal year 1999, $337,000,000,000.

SEC. 6. MAJOR FUNCTIONAL CATEGORIES.

The Congress determines and declares that the appropriate levels of new budget authority, budget outlays, new direct loan obligations, and new primary loan guarantee commitments for fiscal years 1995 through 1999 for each major functional category are:

(1) National Defense (050):

Fiscal year 1995:
(A) New budget authority, $263,800,000,000.
(B) Outlays, $270,700,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.

Fiscal year 1996:
(A) New budget authority, $255,300,000,000.
(B) Outlays, $261,000, 000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.

Fiscal year 1997:
(A) New budget authority, $252,000,000,000.
(B) Outlays, $256,400, 000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.

Fiscal year 1998:
(A) New budget authority, $258,700,000,000.
(B) Outlays, $256,600,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.

Fiscal year 1999:
(A) New budget authority, $265,100,000,000.
(B) Outlays, $257,600,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.

(2) International Affairs (150):

Fiscal year 1995:
(A) New budget authority, $19,300,000,000.
(B) Outlays, $18,100,000,000.
(C) New direct loan obligations, $3,200,000,000.
(D) New primary loan guarantee commitments, $18,000,000,000.

Fiscal year 1996:
(A) New budget authority, $17,200,000,000.
(B) Outlays, $17,300,000,000.
(C) New direct loan obligations, $2,800,000,000.
(D) New primary loan guarantee commitments, $18,500,000,000.

Fiscal year 1997:
(A) New budget authority, $17,000,000,000.
(B) Outlays, $17,300,000,000.
(C) New direct loan obligations, $2,600,000,000.
(D) New primary loan guarantee commitments, $18,500,000,000.

Fiscal year 1998:
(A) New budget authority, $16,800,000,000.
(B) Outlays, $17,600,000,000.
(C) New direct loan obligations, $2,400,000,000.
(D) New primary loan guarantee commitments, $18,500,000,000.

Fiscal year 1999:
(A) New budget authority, $17,000,000,000.
(B) Outlays, $17,500,000,000.
(C) New direct loan obligations, $2,400,000,000.
(D) New primary loan guarantee commitments, $16,500,000,000.

(3) General Science, Space, and Technology (250):

Fiscal year 1995:
(A) New budget authority, $17,300,000,000.
(B) Outlays, $17,200,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.

Fiscal year 1996:
(A) New budget authority, $17,200,000,000.
(B) Outlays, $17,200,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.

Fiscal year 1997:
(A) New budget authority, $17,300,000,000.
(B) Outlays, $17,300,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.

Fiscal year 1998:
(A) New budget authority, $17,400,000,000.
(B) Outlays, $17,300,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.

Fiscal year 1999:
(A) New budget authority, $17,600,000,000.
(B) Outlays, $17,500,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.

(4) Energy (270):

Fiscal year 1995:
(A) New budget authority, $6,300,000,000.
(B) Outlays, $5,000,000,000.
(C) New direct loan obligations, $1,400,000,000.
(D) New primary loan guarantee commitments, $0.

Fiscal year 1996:
(A) New budget authority, $5,900,000,000.

(B) Outlays, $5,200,000,000.
(C) New direct loan obligations, $1,500,000,000.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, $5,900,000,000.
(B) Outlays, $5,000,000,000.
(C) New direct loan obligations, $1,500,000,000.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, $6,100,000,000.
(B) Outlays, $4,700,000,000.
(C) New direct loan obligations, $1,500,000,000.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1999:
(A) New budget authority, $5,700,000,000.
(B) Outlays, $4,400,000,000.
(C) New direct loan obligations, $1,500,000,000.
(D) New primary loan guarantee commitments, $0.
(5) Natural Resources and Environment (300):
Fiscal year 1995:
(A) New budget authority, $21,700,000,000.
(B) Outlays, $21,300,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1996:
(A) New budget authority, $22,200,000,000.
(B) Outlays, $21,500,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments. $0.
Fiscal year 1997:
(A) New budget authority, $22,100,000,000.
(B) Outlays, $21,600,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0
Fiscal year 1998:
(A) New budget authority, $22,000,000,000.
(B) Outlays, $21,500,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1999:
(A) New budget authority, $21,600,000,000.
(B) Outlays $21,400,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(6) Agriculture (350):
Fiscal year 1995:
(A) New budget authority, $12,300,000,000.
(B) Outlays, $11,600,000,000.
(C) New direct loan obligations, $10,100,000,000.
(D) New primary loan guarantee commitments, $7,400,000,000.
Fiscal year 1996:
(A) New budget authority, $12,500,000,000.
(B) Outlays, $11,400,000,000.
(C) New direct loan obligations, $9,700,000,000.
(D) New primary loan guarantee commitments $7,400,000,000.
Fiscal year 1997:
(A) New budget authority, $13,000,000,000.
(B) Outlays, $11,700,000,000.
(C) New direct loan obligations, $9,700,000,000.
(D) New primary loan guarantee commitments, $7,400,000,000.
Fiscal year 1998:
(A) New budget authority, $13,200,000,000.
(B) Outlays, $12,000,000,000.
(C) New direct loan obligations, $9,800,000,000.
(D) New primary loan guarantee commitments, $7,400,000,000.
Fiscal year 1999:
(A) New budget authority, $13,700,000,000.
(B) Outlays, $12,500,000,000.
(C) New direct loan obligations, $9,900,000,000.
(D) New primary loan guarantee commitments, $7,400,000,000.
(7) Commerce and Housing Credit (370):
Fiscal year 1995:
(A) New budget authority, $7,700,000,000.
(B) Outlays, −$8,300,000,000.
(C) New direct loan obligations, $2,800,000,000.
(D) New primary loan guarantee commitments, $117,900,000,000.
Fiscal year 1196:
(A) New budget authority, $5,300,000,000.
(B) Outlays, −$10,800,000,000.
(C) New direct loan obligations, $3,000,000,000.
(D) New primary loan guarantee commitments, $103,200,000,000.
Fiscal year 1997:
(A) New budget authority, $5,100,000,000.
(B) Outlays, −$3,400,000,000.
(C) New direct loan obligations, $3,100,000,000.
(D) New primary loan guarantee commitments, $95,900,000,000.
Fiscal year 1998:
(A) New budget authority, $5,200,000,000.
(B) Outlays, −$2,900,000,000.
(C) New direct loan obligations, $3,200,000,000.
(D) New primary loan guarantee commitments, $96,900,000,000.
Fiscal year 1999:
(A) New budget authority, $6,200,000,000.
(B) Outlays, −$900,000,000.
(C) New direct loan obligations, $3,400,000,000.
(D) New primary loan guarantee commitments, $99,500,000,000.
(8) Transportation (400):
Fiscal year 1995:
(A) New budget authority, $42,900,000,000.
(B) Outlays, $38,800,000,000.
(C) New direct loan obligations, $100,000,000.
(D) New primary loan guarantee commitments, $500,000,000.
Fiscal year 1996:
(A) New budget authority, $41,800,000,000.
(B) Outlays, $39,600,000,000.
(C) New direct loan obligations, $100,000,000.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, $43,200,000,000.
(B) Outlays, $40,100,000,000.
(C) New direct loan obligations, $100,000,000.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, $44,000,000,000.
(B) Outlays, $40,300,000,000.
(C) New direct loan obligations, $100,000,000.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1999:
(A) New budget authority, $44,600,000,000.
(B) Outlays, $40,500,000,000.
(C) New direct loan obligations, $100,000,000.
(D) New primary loan guarantee commitments, $0.
(9) Community and Regional Development (450):
Fiscal year 1995:
(A) New budget authority, $9,500,000,000.
(B) Outlays, $9,300,000,000.
(C) New direct loan obligations, $2,200,000,000.
(D) New primary loan guarantee commitments, $3,600,000,000.
Fiscal year 1996:
(A) New budget authority, $9,000,000,000.
(B) Outlays, $8,900,000,000.
(C) New direct loan obligations, $2,200,000,000.
(D) New primary loan guarantee commitments, $3,600,000,000.
Fiscal year 1997:
(A) New budget authority, $9,000,000,000.
(B) Outlays, $9,000,000,000.
(C) New direct loan obligations, $2,200,000,000.
(D) New primary loan guarantee commitments, $3,600,000,000.
Fiscal year 1998:
(A) New budget authority, $9,000,000,000.
(B) Outlays, $9,100,000,000.
(C) New direct loan obligations, $2,200,000,000.
(D) New primary loan guarantee commitments, $3,600,000,000.
Fiscal year 1999:
(A) New budget authority, $9,000,000,000.
(B) Outlays, $9,000,000,000.
(C) New direct loan obligations, $2,200,000,000.
(D) New primary loan guarantee commitments, $3,600,000,000.
(10) Education, Training, Employment, and Social Services (500):
Fiscal year 1995:
(A) New budget authority, $57,600,000,000.
(B) Outlays, $53,600,000,000.
(C) New direct loan obligations, $5,500,000,000.
(D) New primary loan guarantee commitments, $19,000,000,000.
Fiscal year 1996:
(A) New budget authority, $58,200,000,000.
(B) Outlays, $55,500,000,000.
(C) New direct loan obligations, $11,500,000,000.
(D) New primary loan guarantee commitments, $14,000,000,000.
Fiscal year 1997:
(A) New budget authority, $59,900,000,000.
(B) Outlays, $58,100,000,000.
(C) New direct loan obligations, $13,200,000,000.
(D) New primary loan guarantee commitments, $13,200,000,000.
Fiscal year 1998:
(A) New budget authority, $61,700,000,000.
(B) Outlays, $60,600,000,000.
(C) New direct loan obligations, $15,100,000,000.
(D) New primary loan guarantee commitments, $12,300,000,000.
Fiscal year 1999:
(A) New budget authority, $63,200,000,000.
(B) Outlays, $62,200,000,000.
(C) New direct loan obligations, $16,800,000,000.
(D) New primary loan guarantee commitments, $11,200,000,000.
(11) Health (550):
Fiscal year 1995:
(A) New budget authority, $123,800,000,000.
(B) Outlays, $122,500,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $400,000,000.
Fiscal year 1996:
(A) New budget authority, $136,600,000,000.
(B) Outlays, $135,500,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $300,000,000.

Fiscal year 1997:
(A) New budget authority, $150,900,000,000.
(B) Outlays, $149,800,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $200,000,000.
Fiscal year 1998:
(A) New budget authority, $166,600,000,000.
(B) Outlays, $165,400,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $100,000,000.
Fiscal year 1999:
(A) New budget authority, $184,100,000,000.
(B) Outlays, $182,500,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(12) Medicare (570):
Fiscal year 1995:
(A) New budget authority, $162,400,000,000.
(B) Outlays, $160,500,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1996:
(A) New budget authority, $180,500,000,000.
(B) Outlays, $178,200,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, $198,500,000,000.
(B) Outlays, $196,100,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, $217,700,000,000.
(B) Outlays, $215,100,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1999:
(A) New budget authority, $242,300,000,000.
(B) Outlays, $239,000,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(13) For purposes of section 710 of the Social Security Act, Federal Supplementary Medical Insurance Trust Fund:
Fiscal year 1995:
(A) New budget authority, $56,000,000,000.
(B) Outlays, $55,200,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1996:
(A) New budget authority, $65,200,000,000.
(B) Outlays, $64,200,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, $73,300,000,000.
(B) Outlays, $72,200,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, $81,300,000,000.
(B) Outlays, $80,200,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1999:
(A) New budget authority, $92,200,000,000.
(B) Outlays, $90,900,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(14) Income Security (600):
Fiscal year 1995:
(A) New budget authority, $219,900,000,000.
(B) Outlays, $220,400,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1996:
(A) New budget authority, $234,500,000,000.
(B) Outlays, $229,100,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, $249,100,000,000.
(B) Outlays, $242,600,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, $261,000,000,000.
(B) Outlays, $253,000,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1999:
(A) New budget authority, $272,600,000,000.
(B) Outlays, $264,200,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(15) Social Security (650):
Fiscal year 1995:
(A) New budget authority, $6,800,000,000.
(B) Outlays, $9,400,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1996:
(A) New budget authority, $6,300,000,000.
(B) Outlays, $9,400,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, $8,300,000,000.
(B) Outlays, $11,500,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, $9,000,000,000.
(B) Outlays, $12,300,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1999:
(A) New budget authority, $9,800,000,000.
(B) Outlays, $13,200,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(16) Veterans Benefits and Services (700):
Fiscal year 1995:
(A) New budget authority, $37,200,000,000.
(B) Outlays, $36,600,000,000.
(C) New direct loan obligations, $1,400,000,000.
(D) New primary loan guarantee commitments, $32,900,000,000.
Fiscal year 1996:
(A) New budget authority, $37,600,000,000.
(B) Outlays, $36,600,000,000.
(C) New direct loan obligations, $1,300,000,000.
(D) New primary loan guarantee commitments, $27,400,000,000.
Fiscal year 1997:
(A) New budget authority, $38,500,000,000.
(B) Outlays, $38,300,000,000.
(C) New direct loan obligations, $1,400,000,000.
(D) New primary loan guarantee commitments, $25,800,000,000.
Fiscal year 1998:
(A) New budget authority, $38,600,000,000.
(B) Outlays, $38,500,000,000.
(C) New direct loan obligations, $1,400,000,000.
(D) New primary loan guarantee commitments, $25,600,000,000.
Fiscal year 1999:
(A) New budget authority, $39,700,000,000.
(B) Outlays, $39,600,000,000.
(C) New direct loan obligations, $1,500,000,000.
(D) New primary loan guarantee commitments, $25,300,000,000.
(17) Administration of Justice (750):
Fiscal year 1995:
(A) New budget authority, $18,300,000,000.
(B) Outlays, $17,100,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1996:
(A) New budget authority, $20,800,000,000.
(B) Outlays, $19,100,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, $21,600,000,000.
(B) Outlays, $20,600,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, $22,700,000,000.
(B) Outlays, $22,000,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1999:
(A) New budget authority, $24,000,000,000.
(B) Outlays, $23,000,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(18) General Government (800):
Fiscal year 1995:
(A) New budget authority, $14,000,000,000.
(B) Outlays, $13,700,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1996:
(A) New budget authority, $13,500,000,000.
(B) Outlays, $14,700,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, $13,400,000,000.
(B) Outlays, $13,900,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, $13,100,000,000.
(B) Outlays, $13,400,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1999:
(A) New budget authority, $13,500,000,000.
(B) Outlays, $13,500,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(19) Net Interest (900):
Fiscal year 1995:
(A) New budget authority, $247,100,000,000.
(B) Outlays, $247,100,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1996:
(A) New budget authority, $267,100,000,000.
(B) Outlays, $267,100,000,000.

(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, $282,500,000,000.
(B) Outlays, $282,500,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, $297,900,000,000.
(B) Outlays, $297,900,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1999:
(A) New budget authority, $314,700,000,000.
(B) Outlays, $314,700,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(20) For purposes of section 710 of the Social Security Act, Net Interest (900):
Fiscal year 1995:
(A) New budget authority, $257,600,000,000.
(B) Outlays, $257,600,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1996:
(A) New budget authority, $277,800,000,000.
(B) Outlays, $277,800,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, $293,300,000,000.
(B) Outlays, $293,300,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, $308,500,000,000.
(B) Outlays, $308,500,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1999:
(A) New budget authority, $324,500,000,000.
(B) Outlays, $324,500,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(21) The corresponding levels of gross interest on the public debt are as follows:
Fiscal year 1995: $311,800,000,000.
Fiscal year 1996: $331,100,000,000.
Fiscal year 1997: $347,400,000,000.
Fiscal year 1998: $364,600,000,000.
Fiscal year 1999: $383,300,000,000.
(22) Allowances (920):
Fiscal year 1995:
(A) New budget authority, −$9,400,000,000.
(B) Outlays, −$12,200,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1996:
(A) New budget authority, −$7,700,000,000.
(B) Outlays, −$3,000,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, −$8,400,000,000.
(B) Outlays, −$5,600,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, −$11,600,000,000.
(B) Outlays, −$11,200,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1999:
(A) New budget authority, −$23,200,000,000.
(B) Outlays, −$14,800,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(23) Undistributed Offsetting Receipts (950):
Fiscal year 1995:
(A) New budget authority, −$36,100,000,000.
(B) Outlays, −$36,100,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1996
(A) New budget authority, −$30,300,000,000.
(B) Outlays, −$30,300,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, −$30,300,000,000.
(B) Outlays, −$30,300,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, −$31,200,000,000.
(B) Outlays, −$31,200,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1999:
(A) New budget authority, −$31,600,000,000.
(B) Outlays, −$31,600,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(24) For purposes of section 710 of the Social Security Act, Undistributed Offsetting Receipts (950):
Fiscal year 1995:
(A) New budget authority, −$33,500,000,000.
(B) Outlays, −$33,500,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1996:
(A) New budget authority, −$27,100,000,000.
(B) Outlays, −$27,100,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, −$27,600,000,000.
(B) Outlays, −$27,600,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, −$28,300,000,000.
(B) Outlays, −$28,300,000,000.
(C) New direct loan obligations. $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1999:
(A) New budget authority, −$28,500,000,000.
(B) Outlays, −$28,500,000,000.
(C) New direct loan obligations. $0.
(D) New primary loan guarantee commitments, $0.

Mr. DOMENICI. Madam President, this amendment just makes it absolutely certain and clear that there is no prehealth-care impact. In other words, these attempts to control entitlement expenditures will only take place postadoption of whatever health care plan the U.S. Congress adopts.

Mr. NUNN addressed the Chair.

The VICE PRESIDENT. The Senator from Georgia.

Mr. NUNN. We explained this amendment in a very clear way; that this amendment will allow a health care plan to be adopted and that plan will become the baseline. We found that technically the amendment at the desk was not drafted in that technical sense in clarity. This makes it absolutely clear by this modification that the baseline for health care will be whatever we pass, whether it is lower or whether it is higher. And that then will be restrained according to the formula in the bill.

So I urge adoption of the modification.

The VICE PRESIDENT. The question is on agreeing to the Nunn amendment, as modified.

The amendment (No. 1601), as modified, was agreed to.

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

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

The motion to lay on the table was agreed to.

The VICE PRESIDENT. The majority leader.

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

The VICE PRESIDENT. The clerk will call the roll.

The bill clerk proceeded to call the roll.

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

The VICE PRESIDENT. Without objection, it is so ordered.

COSPONSORS—S. 1952

Mr. JOHNSTON. Mr. President, I ask unanimous consent to add as cosponsors to S. 1952 the following Senators: SIMON, BOXER, BINGAMAN, FEINSTEIN, AKAKA, MOSELEY-BRAUN, HEFLIN, FAIRCLOTH, CONRAD, GRASSLEY, BOREN, SARBANES, COCHRAN, LIEBERMAN, HATCH, BIDEN, MATHEWS, LEVIN, BRYAN, METZENBAUM, FORD, ROBB, DODD, MIKULSKI, HARKIN, REID, DASCHLE, HELMS, BUMPERS, PRYOR, MCCONNELL, D'AMATO, HUTCHISON, CAMPBELL, FEINGOLD, WALLOP, DOMENICI, BYRD, LEAHY, EXON, BRADLEY, KEMPTHORNE, CRAIG, BENNETT, and SHELBY.

The VICE PRESIDENT. Without objection, it is so ordered.

CONGRESSIONAL BUDGET CONCURRENT RESOLUTION

The Senate continued with the consideration of the concurrent resolution.

Mr. MITCHELL addressed the Chair.

The VICE PRESIDENT. The majority leader.

Mr. MITCHELL. Mr. President, I want the RECORD to be clear and to show that the vote, the previous vote on the Sasser second-degree amendment to the Nunn-Domenici first-degree amendment, occurred under circumstances in which a number of Senators were in a misunderstanding as to

the effect of the underlying Nunn-Domenici amendment.

As we know, that amendment has now been modified to clarify the effect. But at the time the votes were cast on the Sasser second-degree amendment, there was on the part of many Senators a serious misunderstanding as to that effect, and, therefore, the RECORD should be clear that that vote was cast at a time and under a circumstance in which there was a good deal of misunderstanding as to the effect. And the vote should be considered and construed in that light.

Mr. NUNN. Mr. President, I completely agree with what the majority leader has said.

Mr. MITCHELL. Further, Mr. President, I want to make it clear on my own part that I voted for the Sasser amendment. I changed my vote to "no" at the end in order to make myself eligible to move to reconsider the vote.

My vote was intended to be, and was in substance, an affirmative vote. The change to a "no" vote was solely to permit myself to be eligible to move to reconsider, which is required under the Senate rules, of course.

Therefore, I am pleased that we now have resolved that matter in a way that I believe is acceptable to a large number of Senators.

Mr. LEAHY. Mr. President, I come to the floor today to support Senate Concurrent Resolution 63, the budget resolution for the fiscal year 1995 Federal budget. As I walked over to the Capitol today, I was reminded of the debate we had on last year's budget. We all remember the grim predictions of doom and gloom if Congress passed the President's budget plan.

On this floor, after looking into their dark crystal balls, we heard Senator after Senator make forlorn forecasts of the future.

One Senator said:

> This bill, also known as President Clinton's deficit reduction plan, is no such thing * * *. This is a smoke and mirrors approach to deficit reduction, and it will not work * * *. You can call a donkey a racehorse all you want, but it is still a donkey * * *.

Another Senator predicted:

> When all is said and done, people will pay more taxes, the economy will create fewer jobs, government will spend more money and the American people will be worse off.

And a third forecast:

> The American people are told by this administration that the country can reduce its budget deficit and return to the road to prosperity painlessly through higher taxes on someone else. That dog will not hunt.

I don't know about donkeys becoming racehorses and dogs learning to hunt. But I do know that last year's budget plan is working.

Now that we have heard what the nay sayers said last year, let's listen to what one independent analyst said recently during testimony before Congress:

> The underlying, long-term economic outlook in this country is improving quite measurably, and indeed, I don't recall as good an underlying base for the long-term outlook that we have today in the last two or three decades.

That independent analyst was Alan Greenspan, Chairman of the Federal Reserve System.

Chairman Greenspan is right. Our economic outlook is indeed very bright.

The deficit is shrinking. For the first time since the buck stopped with President Harry Truman, the Federal deficit is estimated to decline for the third year in a row. In 1995, it is projected that the deficit as a percentage of national income will fall to 2.3 percent—as low as it was in 1979, before the deficit began to explode.

Economic growth is up. In 1993, we had four consecutive quarters of growth, topped by last quarter's annual rate of 7.5 percent—the highest growth in over a decade. Most economists predict this growth will continue at a 3- to 3.5-percent clip for all of 1994.

The private sector is creating new jobs. Since President Clinton's inauguration, the private sector has created over 1.9 million jobs, almost twice as many jobs as were created during the Bush administration. As a result, the unemployment rate under President Clinton has fallen from 7.7 percent in January 1993 to 6.5 percent in February 1993, a drop of 1.2 percent.

And all of last year's talk about higher taxes on everyone was just empty rhetoric. Only 1.2 percent of the wealthiest Americans, the 1.4 million taxpayers who earned over $140,000 in adjusted gross income in 1993, will face higher income tax rates. Due to the expansion of the earned income tax credit, 15 million lower- and middle-income working families will have to pay less in taxes come April 15. When the earned income tax credit is fully expanded, 21 million families will be eligible for a tax reduction.

This year's budget resolution further widens our path toward prosperity. It includes President Clinton's investment initiatives in our future. And it improves upon the President's proposal by restoring essential funds for programs needed by many low-income Americans.

Working within the strict spending caps achieved in last year's budget, this year's budget makes long overdue investments in programs that help our children, our students, and our workers.

For our children, the budget invests in the Special Supplemental Food Program for Women, Infants and Children [WIC], which provides nutritious meals for pregnant women and their children. It has been my long-time goal to make sure that every eligible woman and child gets the benefits of this program. I was also pleased to cosponsor an amendment introduced by Senator BOXER to increase WIC funding by an additional $100 million. The amendment also invests in other child programs like immunizations and puts more money into The Emergency Food Assistance Program [TEFAP]. The amendment passed the Senate by an overwhelming 93 to 5 vote.

For our students, the budget finances 33,000 positions in the President's ambitious National Service Program. This program is meant to bring out the best in today's young people, just as the Peace Corps did for my generation.

I had hoped that this budget resolution would increase the Federal share of education funding for individuals with disabilities. Unfortunately, Senators DODD and JEFFORDS' amendment to transfer $5 billion to help the States pay for special education was defeated 65–33. I supported this amendment. Many Vermont communities are struggling to provide an appropriate education for individuals with disabilities and the Federal Government should be doing its share.

For our workers, the budget fully supports a revamped worker training program. This program is designed to teach today's dislocated workers the skills they need for tomorrow's jobs.

And these investments are made in a budget where outlays for discretionary spending will decline from the year before, the first time that has happened since 1969.

Finally, I am delighted that the Senate unanimously approved an amendment to fully restore funding for the Low Income Home Energy Assistance Program [LIHEAP], which was cut by 50 percent in the President's budget proposal. Millions of poor Americans rely on LIHEAP to avoid choosing between paying their heating bills or their grocery bills. In Vermont alone, 22,350 families receive average assistance of $80 per month during the winter months.

Like last year's budget debate, let us resist the sirens of doom and gloom. This budget resolution builds upon last year's success and continues to steer our economy in the right direction.

Mr. KOHL. Mr. President, I am proud to come to the floor today to speak in favor of a Federal budget that is—for the most part—honest and responsible. It cuts spending; it does not raise taxes. It moves in the direction the American people have demanded.

Last year, during our final debate on the budget—the reconciliation bill—we enacted enforceable caps to hold spending to a freeze. Not a so-called soft freeze in which some priority programs increase and no programs are terminated. Not an inflation adjusted freeze. But a strict freeze that holds the spending controlled by the Appropriations Committee to below $550 billion for 5 years.

By law, the Appropriations Committee can spend no more this year than

last year—no more next year than this year. That is real progress.

And the budget we consider today goes even further. Because of an amendment offered in Budget Committee, the budget before us today cuts substantially more than recommended by the President and cuts substantially more than a freeze would require. Last year, we appropriated $550 billion in nonentitlement funds. If this resolution passes, we will appropriate only $540 billion.

So, for the most part, this budget deserves the Senate's support. It reduces spending and freezes in the reductions. It holds deficits down without raising taxes. However, it does have one flaw I would like to discuss.

I strongly support the extra $26 billion in cuts added to the resolution in Budget Committee. I would have preferred that these cuts were specifically delineated. There were 10 votes in the committee on specific spending cuts. Not one passed. There was one vote on this extra $26 billion in unspecified spending reduction. That passed.

I am distressed that we have not progressed much further than hiding deficit reduction in magic asterisks. That was a trick that David Stockman used. It was smoke and mirrors then, and it is smoke and mirrors now.

This budget cuts spending but relies on a payer to be named later. Unfortunately, the experience of the 1980's showed us that, in deals like this, it is likely that our children and our grandchildren will become the payers to be named later. We cannot let that continue.

I have heard my colleagues from the other side of the aisle argue that this budget does not do enough. I agree. We need to be more honest about where we would cut. But we also need a budget that keeps pushing Congress to live up to the spending freeze agreed to last year—without raising taxes. This budget does that, and for that reason I support it, and urge my colleagues to do the same.

TEN-YEAR RULE AS SET FORTH IN SENATE CONCURRENT RESOLUTION 63

Mr. MOYNIHAN. I would like to ask the chairman of the Budget Committee, Senator SASSER, for clarification of the pay-as-you-go budget rule set forth in section 23 of this resolution.

Mr. SASSER. I would be happy to clarify this provision for the distinguished chairman of the Finance Committee.

Mr. MOYNIHAN. As I read section 23(c) of this resolution, a point of order would lie against legislation which would cause a deficit increase for the period of years 6 through 10, only if the legislation meets both of two conditions—that it would cause a deficit increase in the outyears when taken individually and that it would cause a deficit increase in the outyears when taken together with direct spending and receipts legislation enacted since OBRA-1993. Is that correct?

Mr. SASSER. The chairman of the Finance Committee is correct. Both conditions must be met in order for a point of order to lie. Therefore, even if a bill—individually—would cause a deficit increase in the outyears, if that increase is offset by surpluses resulting from previous legislation enacted since OBRA-1993, then no point of order would lie.

Mr. MOYNIHAN. I thank the chairman. Pursuing this a bit further, what if previously enacted legislation since OBRA-1993 is currently scored as causing a cumulative deficit for years 6 through 10? My understanding is that legislation brought to the floor in that situation would not have to offset that cumulative deficit, so long as the legislation brought to the floor is—individually—deficit neutral.

Mr. SASSER. The chairman is correct. Since a bill must cause a deficit increase both individually, as well as together with previously enacted legislation, no point of order would lie in this situation as long as the bill brought to the floor is, itself, deficit neutral.

Mr. MOYNIHAN. I thank the chairman of the Budget Committee for his clarification.

Mr. RIEGLE. Mr. President, I would like to commend my colleagues on the Senate Budget Committee for their bipartisan support of the programs of the National Center for Manufacturing Sciences [NCMS] in the 1995 concurrent budget resolution. The NCMS is one of the most successful and important initiatives of the Department of Defense, addressing the advanced manufacturing needs of a wide range of industrial sectors and supply tiers that have strategic importance to our national security. Contrary to the Government picking winners and losers, the NCMS is a fair and open, industry-led program. Federal funds are matched over 2 to 1 by the growing number of U.S. corporations that participate. The expertise of the U.S. automobile manufacturers, for example, along with that of their world class suppliers, is being brought to bear through the NCMS on a wide range of weapon-related manufacturing issues.

Mr. SASSER. Mr. President, I thank my colleague from Michigan. The committee has recognized for many years the potential of bringing the commercial practices and lessons learned of U.S. producers competing in the global marketplace to reengineer the way we design and build weapon systems. General Motors and the people of Tennessee design and build the Saturn. It is unquestionably one of the great U.S. automotive success stories. From the showroom to the shop floor, the Saturn program has revolutionized manufacturing and is creating new jobs and economic growth here in the United States. The NCMS provides the forum and the vehicle by which the Defense Department and its contractor base can access and utilize the know-how of General Motors and over 180 leading U.S. corporations to help benchmark, leverage, and modernize its own manufacturing processes.

Mr. DOMENICI. Mr. President, I fully agree with my colleagues on the importance of the NCMS. The NCMS has succeeded in over 100 high-risk, high-return programs since its formation over 8 years ago. For example, the NCMS is recognized for its success in the development and commercialization of rapid prototyping processes that have already decreased by over 50 percent, the cost of the development of extremely complex, high precision components to be used in the F-22 and other major weapon systems. The NCMS is also on the leading edge in establishing large-scale collaborative programs with the weapons laboratories of the Department of Energy, and in forging a partnership between industry and these laboratories to support the conversion of the weapons laboratories of the former Soviet Union.

Mr. THURMOND. Mr. President, during the past months the Senate Armed Services Committee held numerous hearings on the status of our Armed Forces and the fiscal year 1995 Defense budget. I came away from those hearings with great concern over the readiness status of our forces. More importantly, the hearings reinforced my concern that the future defense spending proposed by the administration will not be sufficient to provide this Nation the capability of winning future battles.

The senior military leaders testified before the Armed Services Committee that the fiscal year 1995 Defense budget request barely maintains critical readiness and any further cuts would seriously jeopardize the Armed Forces' ability to support a sound national defense strategy. My colleagues may recall that recently I called upon President Clinton to provide a coherent, overall strategy that would provide the basis for judgments about resources devoted to defense and force levels required.

Mr. President, I cannot cast my vote for a budget resolution which would create a potential $63-billion shortfall for our national defense. My vote against this resolution reflects the depth of my concern about the dramatic decline in our Defense budget and the lack of direction provided by the Clinton administration. The Russian bear may appear to be gone, but there are plenty of snakes in the woods—and their threat may be chemical, biological, or even nuclear. Clearly, we must not jeopardize our security by cutting any more than we have already. Mr. President, I simply cannot, in good conscience, vote to support this resolution which would certainly fur-

ther degrade readiness and jeopardize the young men and women we send in harm's way.

Mr. DOLE. Mr. President, the Senate Democrats' budget plan fails to make the tough decisions to reduce the deficit, and it lacks funding for the President's biggest new spending initiatives.

Senator DOMENICI and the Republicans on the Senate Budget Committee deserve a lot of credit. With their leadership, Republicans were able to offer an alternative which would cut the deficit by more than $300 billion over the next 5 years, cut President Clinton's 1999 deficit in half, and do this without raising taxes and without cutting Social Security. The Republican plan offered a balanced approach to deficit reduction—60 percent of our spending cuts came from Federal entitlement programs, 40 percent from nondefense appropriated accounts.

Our plan was responsible. It set new priorities and said we are willing to pay for these new initiatives with spending cuts.

The President and the Senate Democrats want taxpayers to invest in the future by boosting big Government. Republicans want to invest in the future by providing tax relief to working families and children. We want to unleash new investments and help protect the value of homes, small businesses, family farms, investments and other assets from the corrosive effects of inflation by indexing capital gains.

We want to maintain a strong national defense. The administration's own defense experts calculate a shortfall of at least $20 billion in the Clinton defense plan. And while the President says that he will make no further cuts in defense, his budget plan forces our military to eat that $20 billion shortfall. This hidden cut comes on top of the $127 billion cut the President has already applied. During this debate, Republicans offered the only budget plan that provides what the President's own defense experts say they need.

The Republican alternative backed up our tough talk about crime-fighting with $22 billion in funding over 5 years for the violent crime trust fund. This money will hire more cops, make our schools safer, put away violent criminals, and slam shut the revolving prison door.

The American people have asked all of us to make the tough decisions needed to get the deficit under control. Republicans offered a plan which proves that we are willing to cut spending first to reduce the deficit, and we are willing to provide funding for our priorities like tax relief for working families, a strong defense and a tough crime-fighting package.

The Senate Democrats' plan is an improvement over the President's budget. The bipartisan Exon-Grassley amendment cuts Federal spending by an additional $26 billion over 5 years and locks in those savings for deficit reduction.

But, Republicans are not satisfied with $200 billion deficits as far as the eye can see. We know that we can do better. We proved it by offering a plan to cut the deficit to $99 billion by 1999.

I urge my colleagues to vote against final passage of the Senate Democrats' plan.

Mr. DOMENICI. Mr. President, first, I want to congratulate the Chairman of the Budget Committee, my friend, Senator SASSER on bringing to completion this phase of the 1995 budget process.

Second, let me say that this has been a long week but it could have been longer had we taken the full 50 hours authorized under the statute.

I regret to tell the chairman that I will not be able to vote for final passage.

Had my effort to focus spending cuts on the real culprit to controlling deficits—entitlements—been successful then my decision might have been different.

Had the effort of my friend Senator NUNN been successful this morning to set some limit on the growth of entitlements, then my decision might have been different.

For you see, I see this resolution as a simple continuation of the budget adopted last year, that refused to control entitlement spending and promised that the deficit would be controlled through health care reform. The latter which is not evident 1-year later.

What is worse, this resolution returns to the old standby for deficit reduction—defense spending. I sincerely believe that the Exon-Grassley amendment will result in further cuts to our national security. Enough is enough. Not my words, President Clinton's words.

What is worse, despite the claim that somehow my amendment yesterday was going to destroy "health care reform" this year, the Senate will be adopting a resolution that simply says—do health care reform but don't worry about the deficit.

This resolution says by establishing a "deficit neutral reserve fund for health care reform" that increased spending for health care and increased taxes to pay for it are OK, so long as they cancel each out. We get increased spending, increased taxes, and once again no deficit reduction.

I simply asked in my amendment yesterday, that the Federal budget we adopt include as one factor in health care reform legislation, relief to the Federal budget. I support health, care reform, but it must include as one of those factors—deficit reduction. Not my words, President Clinton's.

So for these reasons: Continuation of last year's budget policies with increasing deficits in the future;

No fundamental change in entitlement spending;

No effort to even consider deficit reduction as one factor in health care reform; and

Another swipe at national security in a time of heightened world uncertainty;

I will not be able to vote for final passage.

Mr. Chairman, I know this is difficult for you. I am the only person in this Chamber that can say that I have stood in your shoes. But I also want to say that someday, I hope we can genuinely work together in a bipartisan approach on the budget. Mr. President, I yield the floor.

Mr. LEVIN. Mr. President, last year the President and the Congress made some hard choices to cut spending and to raise taxes as part of a budget package that reduced the deficit by almost half a trillion over 5 years. The opponents of that package predicted that it would not reduce the deficit and would destroy the economy.

One said, "We are buying a one way ticket to a recession." Another predicted, "It will flatten the economy." A third added that the bill was "a jobs killer."

They were confident, and 1 year later, it is clear they were wrong.

The budget resolution before us projects a deficit for fiscal year 1995 that is $60 billion lower than the deficit for fiscal year 1994 and about $130 billion lower than the last year's projection of the deficit for fiscal year 1995. The fiscal year 1995 deficit would be 40 percent lower as a percentage of GDP than it was just 2 years ago. According to the nonpartisan Congressional Budget Office, "The dramatic improvement since last January is largely the result of the enactment in August of a major package of tax increases and spending cuts.

As for the economy itself, almost twice as many jobs were created in 1993 than were created during the previous 4 years. The rebound in the auto and housing industries offer encouraging evidence that the current economic recovery can be sustained. It sure is better to read the recent reports of manufacturing jobs being created than to hear the drumbeat over the past few years of plant after plant being closed down.

This budget resolution for fiscal year 1995 follows through on the decisions of last year, and a little bit more. Discretionary spending is cut below the level of a freeze. This further cut in spending will make for some difficult choices during the appropriations process, but they are the choices that we must be willing to make if we are to put the budget on a path of fiscal responsibility.

At the same time, the budget resolution does not include provisions that would make health care reform more difficult. Unlike some of the amendments offered during the debate, it recognizes that there are areas of additional spending restraint in the Federal Government's health care pro-

grams but chooses to address those areas as part of a comprehensive health care reform package.

One aspect of the debate on this resolution deserves mention. Time and time again, in criticizing the work of the Budget Committee, proposals were made which bore a striking resemblance to the kinds of budget proposals that were made and adopted during the early 1980's. It is ironic that some of the people who contributed to making those decisions, which had the effect of putting our economy in intensive care by the end of the 1980's, are now proudly demanding, "Bring on another body."

Mr. MITCHELL. I would like to inquire of the managers whether we are now prepared to proceed to final passage on this resolution.

Mr. SASSER. Mr. Leader, we are prepared to move to final passage on the measure.

Mr. DOMENICI. Mr. President, I am conferring with Senator DOLE. Just give us 30 seconds before you go to final passage.

Mr. MITCHELL. Certainly.

Mr. President, I want to take this opportunity to thank the managers for their cooperation, patience, and perseverance. I would like to make—Mr. President, may we have order?

The VICE PRESIDENT. The Senate will be in order. Members conducting conversations at the rear of the Chamber will please cease conversations. The Senate will be in order.

The majority leader.

ORDER OF PROCEDURE

Mr. MITCHELL. Mr. President, before we cast this vote, I want to state for the information of Senators my intentions as to the schedule following this vote.

As I previously indicated, we will remain in session until we complete action on the conference report on the Goals: 2000 education bill. Under the Senate rules—first we know that we are confronting a filibuster on that conference report—in order to overcome the filibuster, I filed two motions to end the filibuster and invoke cloture. Because we were not able to file those motions until Thursday, the motions will not ripen for votes under the Senate rules until Saturday.

I have discussed this with a large number of Senators, and while there are many conflicting interests in schedules, I have concluded that the best way to proceed is the following:

Immediately following this vote, I will move to return the Senate to consideration of the conference report, and the Senate will remain in session throughout the day debating that matter. Votes are possible during the day. Senators should be aware of that. If we are required to proceed, as under the rules, and the vote cannot occur until Saturday, it is my intention to convene the Senate at 12:01 a.m. on Saturday, and to have the vote occur under the rules at 1:01 a.m. on Saturday.

I recognize that this will be inconvenient to all Senators, but I have concluded that the alternatives will be much more inconvenient.

My hope is, and I again ask, that we can have the cloture votes today immediately after this vote if possible. I make that request again. Previous requests have not been met with an affirmative response.

So I regret having to make this decision. But it is my intention that we will remain in session until such time as we complete action on that conference report.

Mr. DOLE addressed the Chair.

The VICE PRESIDENT. Does the majority leader retain the time, or does he yield?

Mr. MITCHELL. I yield.

Mr. DOLE. Mr. President, I want to ask the question of the majority leader.

It is my understanding that we will go back on the conference report and there could be or would be procedural votes throughout the day.

Mr. MITCHELL. That is correct. Senators will be required to debate. If quorum calls are put in simply for purposes of delay, then I will move to have procedural votes under the rules so they will occur throughout the day.

Mr. DOLE. If everything else fails, is it possible to waive the 1 hour under the rule?

Mr. MITCHELL. Certainly. If we can have the vote at 12:01 a.m., I would be pleased to do that. Frankly, that would require consent. If someone is willing to consent to have the vote at 12:01 a.m., I hope they consent to have the vote at 11 p.m. or 10 p.m.

Mr. DOLE. Could we deem this as Saturday? Maybe we could deem today as Saturday. [Laughter.]

Mr. MITCHELL. There is much the Senate can do by unanimous consent. That is one thing I do not think we can.

The VICE PRESIDENT. Is there objection? [Laughter.]

Mr. DOLE. There may be other possibilities, too. Hopefully, if we have to come back at midnight, we can vote immediately rather than wait until 1 a.m.

Mr. MITCHELL. Mr. President, let me make clear, I want to vote as soon as possible. As far as I am concerned, the earlier the better. If we have no consent given and we are required to proceed strictly under the rules, then the earliest the vote could occur is 1:01 a.m. tomorrow morning, and that is what we will do.

CONGRESSIONAL BUDGET CONCURRENT RESOLUTION

The VICE PRESIDENT. Under the previous order, the Senate will now proceed to the consideration of H. Con. Res. 218, which the clerk will report.

The bill clerk read as follows:

A concurrent resolution (H. Con. Res. 218) setting forth the congressional budget for the U.S. Government for fiscal years 1995, 1996, 1997, 1998, and 1999.

The VICE PRESIDENT laid before the Senate the following message from the House of Representatives:

Resolved by the House of Representatives (the Senate concurring),

SECTION 1. CONCURRENT RESOLUTION ON THE BUDGET FOR FISCAL YEAR 1995.

The Congress determines and declares that this resolution is the concurrent resolution on the budget for fiscal year 1995, including the appropriate budgetary levels for fiscal years 1996, 1997, 1998, and 1999, as required by section 301 of the Congressional Budget Act of 1974.

SEC. 2. RECOMMENDED LEVELS AND AMOUNTS.

The following budgetary levels are appropriate for the fiscal years beginning on October 1, 1994, October 1, 1995, October 1, 1996, October 1, 1997, and October 1, 1998:

(1) The recommended levels of Federal revenues are as follows:

Fiscal year 1995: $977,800,000,000.
Fiscal year 1996: $1,031,200,000,000.
Fiscal year 1997: $1,079,700,000,000.
Fiscal year 1998: $1,136,400,000,000.
Fiscal year 1999: $1,190,200,000,000.

and the amounts by which the aggregate levels of Federal revenues should be increased are as follows:

Fiscal year 1995: $0.
Fiscal year 1996: $0.
Fiscal year 1997: $0.
Fiscal year 1998: $0.
Fiscal year 1999: $0.

and the amounts for Federal Insurance Contributions Act revenues for hospital insurance within the recommended levels of Federal revenues are as follows:

Fiscal year 1995: $100,300,000,000.
Fiscal year 1996: $106,300,000,000.
Fiscal year 1997: $111,900,000,000.
Fiscal year 1998: $117,800,000,000.
Fiscal year 1999: $123,700,000,000.

(2) The appropriate levels of total new budget authority are as follows:

Fiscal year 1995: $1,246,800,000,000.
Fiscal year 1996: $1,308,400,000,000.
Fiscal year 1997: $1,374,400,000,000.
Fiscal year 1998: $1,447,800,000,000.
Fiscal year 1999: $1,531,400,000,000.

(3) The appropriate levels of total budget outlays are as follows:

Fiscal year 1995: $1,225,500,000,000.
Fiscal year 1996: $1,284,700,000,000.
Fiscal year 1997: $1,356,500,000,000.
Fiscal year 1998: $1,419,000,000,000.
Fiscal year 1999: $1,495,000,000,000.

(4) The amounts of the deficits are as follows:

Fiscal year 1995: $247,700,000,000.
Fiscal year 1996: $253,500,000,000.
Fiscal year 1997: $276,800,000,000.
Fiscal year 1998: $282,600,000,000.
Fiscal year 1999: $304,800,000,000.

(5) The appropriate levels of the public debt are as follows:

Fiscal year 1995: $4,968,300,000,000.
Fiscal year 1996: $5,293,800,000,000.
Fiscal year 1997: $5,640,100,000,000.
Fiscal year 1998: $5,996,200,000,000.
Fiscal year 1999: $6,367,300,000,000.

(6) The appropriate levels of total Federal credit activity for the fiscal years beginning on October 1, 1994, October 1, 1995, October 1, 1996, October 1, 1997, and October 1, 1998, are as follows:

Fiscal year 1995:
(A) New direct loan obligations, $26,700,000,000.
(B) New primary loan guarantee commitments, $199,700,000,000.
Fiscal year 1996:
(A) New direct loan obligations, $32,100,000,000.
(B) New primary loan guarantee commitments, $174,400,000,000.
Fiscal year 1997:
(A) New direct loan obligations, $33,800,000,000.
(B) New primary loan guarantee commitments, $164,600,000,000.
Fiscal year 1998:
(A) New direct loan obligations, $35,700,000,000.
(B) New primary loan guarantee commitments, $164,100,000,000.
Fiscal year 1999:
(A) New direct loan obligations, $37,800,000,000.
(B) New primary loan guarantee commitments, $163,500,000,000.

SEC. 3. MAJOR FUNCTIONAL CATEGORIES.

The Congress determines and declares that the appropriate levels of new budget authority, budget outlays, new direct loan obligations, new primary loan guarantee commitments, and new secondary loan guarantee commitments for fiscal years 1995 through 1999 for each major functional category are:

(1) National Defense (050):
Fiscal year 1995:
(A) New budget authority, $263,300,000,000.
(B) Outlays, $270,500,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1996:
(A) New budget authority, $255,300,000,000.
(B) Outlays, $261,200,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, $252,000,000,000.
(B) Outlays, $256,600,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, $258,700,000,000.
(B) Outlays, $256,700,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1999:
(A) New budget authority, $258,700,000,000.
(B) Outlays, $256,700,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.

(2) International Affairs (150):
Fiscal year 1995:
(A) New budget authority, $19,200,000,000.
(B) Outlays, $18,100,000,000.
(C) New direct loan obligations, $3,200,000,000.
(D) New primary loan guarantee commitments, $18,000,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1996:
(A) New budget authority, $17,200,000,000.
(B) Outlays, $17,300,000,000.
(C) New direct loan obligations, $2,800,000,000.
(D) New primary loan guarantee commitments, $18,500,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, $17,000,000,000.
(B) Outlays, $17,300,000,000.
(C) New direct loan obligations, $2,600,000,000.
(D) New primary loan guarantee commitments, $18,500,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, $16,800,000,000.
(B) Outlays, $17,700,000,000.
(C) New direct loan obligations, $2,400,000,000.
(D) New primary loan guarantee commitments, $18,500,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1999:
(A) New budget authority, $17,000,000,000.
(B) Outlays, $17,700,000,000.
(C) New direct loan obligations, $2,400,000,000.
(D) New primary loan guarantee commitments, $16,500,000,000.
(E) New secondary loan guarantee commitments, $0.

(3) General Science, Space, and Technology (250):
Fiscal year 1995:
(A) New budget authority, $17,200,000,000.
(B) Outlays, $17,100,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1996:
(A) New budget authority, $17,200,000,000.
(B) Outlays, $17,200,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, $17,300,000,000.
(B) Outlays, $17,300,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, $17,400,000,000.
(B) Outlays, $17,400,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1999:
(A) New budget authority, $17,400,000,000.
(B) Outlays, $17,400,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.

(4) Energy (270):
Fiscal year 1995:
(A) New budget authority, $6,000,000,000.
(B) Outlays, $5,000,000,000.
(C) New direct loan obligations, $1,400,000,000.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1996:
(A) New budget authority, $5,900,000,000.
(B) Outlays, $5,100,000,000.
(C) New direct loan obligations, $1,500,000,000.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, $5,900,000,000.
(B) Outlays, $4,900,000,000.
(C) New direct loan obligations, $1,500,000,000.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, $6,100,000,000.
(B) Outlays, $4,700,000,000.
(C) New direct loan obligations, $1,500,000,000.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1999:
(A) New budget authority, $5,400,000,000.
(B) Outlays, $4,200,000,000.
(C) New direct loan obligations, $1,500,000,000.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.

(5) Natural Resources and Environment (300):
Fiscal year 1995:
(A) New budget authority, $21,400,000,000.
(B) Outlays, $21,200,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1996:
(A) New budget authority, $22,200,000,000.
(B) Outlays, $21,700,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, $22,100,000,000.
(B) Outlays, $21,700,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, $22,000,000,000.
(B) Outlays, $21,600,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1999:
(A) New budget authority, $21,600,000,000.
(B) Outlays, $21,200,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.

(6) Agriculture (350):
Fiscal year 1995:

(A) New budget authority, $12,600,000,000.
(B) Outlays, $11,900,000,000.
(C) New direct loan obligations, $10,100,000,000.
(D) New primary loan guarantee commitments, $7,400,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1996:
(A) New budget authority, $13,200,000,000.
(B) Outlays, $12,100,000,000.
(C) New direct loan obligations, $9,700,000,000.
(D) New primary loan guarantee commitments, $7,400,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, $13,700,000,000.
(B) Outlays, $12,400,000,000.
(C) New direct loan obligations, $9,700,000,000.
(D) New primary loan guarantee commitments, $7,400,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, $13,900,000,000.
(B) Outlays, $12,700,000,000.
(C) New direct loan obligations, $9,800,000,000.
(D) New primary loan guarantee commitments, $7,400,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1999:
(A) New budget authority, $14,200,000,000.
(B) Outlays, $13,100,000,000.
(C) New direct loan obligations, $9,900,000,000.
(D) New primary loan guarantee commitments, $7,400,000,000.
(E) New secondary loan guarantee commitments, $0.
(7) Commerce and Housing Credit (370):
Fiscal year 1995:
(A) New budget authority, $7,300,000,000.
(B) Outlays, −$8,500,000,000.
(C) New direct loan obligations, $2,800,000,000.
(D) New primary loan guarantee commitments, $117,900,000,000.
(E) New secondary loan guarantee commitments, $130,000,000,000.
Fiscal year 1996:
(A) New budget authority, $5,300,000,000.
(B) Outlays, −$10,900,000,000.
(C) New direct loan obligations, $3,000,000,000.
(D) New primary loan guarantee commitments, $103,200,000,000.
(E) New secondary loan guarantee commitments, $110,000,000,000.
Fiscal year 1997:
(A) New budget authority, $5,100,000,000.
(B) Outlays, −$3,500,000,000.
(C) New direct loan obligations, $3,100,000,000.
(D) New primary loan guarantee commitments, $95,900,000,000.
(E) New secondary loan guarantee commitments, $110,000,000,000.
Fiscal year 1998:
(A) New budget authority, $5,200,000,000.
(B) Outlays, −$2,900,000,000.
(C) New direct loan obligations, $3,200,000,000.
(D) New primary loan guarantee commitments, $96,600,000,000.
(E) New secondary loan guarantee commitments, $110,000,000,000.
Fiscal year 1999:
(A) New budget authority, $5,200,000,000.
(B) Outlays, −$1,900,000,000.
(C) New direct loan obligations, $3,400,000,000.
(D) New primary loan guarantee commitments, $99,500,000,000.
(E) New secondary loan guarantee commitments, $110,000,000,000.
(8) Transportation (400):
Fiscal year 1995:
(A) New budget authority, $41,800,000,000.
(B) Outlays, $38,800,000,000.
(C) New direct loan obligations, $100,000,000.
(D) New primary loan guarantee commitments, $500,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1996:
(A) New budget authority, $41,800,000,000.
(B) Outlays, $39,600,000,000.
(C) New direct loan obligations, $100,000,000.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, $43,100,000,000.
(B) Outlays, $40,100,000,000.
(C) New direct loan obligations, $100,000,000.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, $43,900,000,000.
(B) Outlays, $40,300,000,000.
(C) New direct loan obligations, $100,000,000.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1999:
(A) New budget authority, $44,700,000,000.
(B) Outlays, $40,300,000,000.
(C) New direct loan obligations, $100,000,000.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
(9) Community and Regional Development (450):
Fiscal year 1995:
(A) New budget authority, $9,500,000,000.
(B) Outlays, $9,300,000,000.
(C) New direct loan obligations, $2,200,000,000.
(D) New primary loan guarantee commitments, $3,600,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1996:
(A) New budget authority, $9,000,000,000.
(B) Outlays, $8,900,000,000.
(C) New direct loan obligations, $2,200,000,000.
(D) New primary loan guarantee commitments, $3,600,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, $9,000,000,000.
(B) Outlays, $9,000,000,000.
(C) New direct loan obligations, $2,200,000,000.
(D) New primary loan guarantee commitments, $3,600,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, $9,000,000,000.
(B) Outlays, $9,100,000,000.
(C) New direct loan obligations, $2,200,000,000.
(D) New primary loan guarantee commitments, $3,600,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1999:
(A) New budget authority, $9,000,000,000.
(B) Outlays, $9,100,000,000.
(C) New direct loan obligations, $2,200,000,000.
(D) New primary loan guarantee commitments, $3,600,000,000.
(E) New secondary loan guarantee commitments, $0.
(10) Education, Training, Employment, and Social Services (500):
Fiscal year 1995:
(A) New budget authority, $57,000,000,000.
(B) Outlays, $53,400,000,000.
(C) New direct loan obligations, $5,500,000,000.
(D) New primary loan guarantee commitments, $19,000,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1996:
(A) New budget authority, $58,200,000,000.
(B) Outlays, $55,200,000,000.
(C) New direct loan obligations, $11,500,000,000.
(D) New primary loan guarantee commitments, $14,000,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, $59,900,000,000.
(B) Outlays, $58,000,000,000.
(C) New direct loan obligations, $13,200,000,000.
(D) New primary loan guarantee commitments, $13,200,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, $61,700,000,000.
(B) Outlays, $60,600,000,000.
(C) New direct loan obligations, $15,100,000,000.
(D) New primary loan guarantee commitments, $12,300,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1999:
(A) New budget authority, $61,800,000,000.
(B) Outlays, $60,800,000,000.
(C) New direct loan obligations, $16,800,000,000.
(D) New primary loan guarantee commitments, $11,200,000,000.
(E) New secondary loan guarantee commitments, $0.
(11) Health (550):
Fiscal year 1995:
(A) New budget authority, $123,400,000,000.
(B) Outlays, $122,300,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $400,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1996:
(A) New budget authority, $136,600,000,000.
(B) Outlays, $135,400,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $300,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, $150,900,000,000.
(B) Outlays, $149,800,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $200,000,000.

(E) New secondary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, $166,600,000,000.
(B) Outlays, $165,400,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $100,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1999:
(A) New budget authority, $182,900,000,000.
(B) Outlays, $181,700,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
(12) Medicare (570):
Fiscal year 1995:
(A) New budget authority, $162,400,000,000.
(B) Outlays, $160,500,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1996:
(A) New budget authority, $180,500,000,000.
(B) Outlays, $178,200,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, $198,500,000,000.
(B) Outlays, $196,100,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, $217,700,000,000.
(B) Outlays, $215,100,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1999:
(A) New budget authority, $242,200,000,000.
(B) Outlays, $239,000,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
(13) Income Security (600):
Fiscal year 1995:
(A) New budget authority, $219,800,000,000.
(B) Outlays, $220,400,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1996:
(A) New budget authority, $234,500,000,000.
(B) Outlays, $229,100,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, $249,100,000,000.
(B) Outlays, $242,600,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, $261,000,000,000.
(B) Outlays, $253,100,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1999:
(A) New budget authority, $272,200,000,000.
(B) Outlays, $264,100,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
(14) Social Security (650):
Fiscal year 1995:
(A) New budget authority, $6,800,000,000.
(B) Outlays, $9,400,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1996:
(A) New budget authority, $6,300,000,000.
(B) Outlays, $9,400,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, $8,300,000,000.
(B) Outlays, $11,500,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, $9,000,000,000.
(B) Outlays, $12,300,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1999:
(A) New budget authority, $9,800,000,000.
(B) Outlays, $13,100,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
(15) Veterans Benefits and Services (700):
Fiscal year 1995:
(A) New budget authority, $37,200,000,000.
(B) Outlays, $36,600,000,000.
(C) New direct loan obligations, $1,400,000,000.
(D) New primary loan guarantee commitments, $32,900,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1996:
(A) New budget authority, $37,600,000,000.
(B) Outlays, $36,600,000,000.
(C) New direct loan obligations, $1,300,000,000.
(D) New primary loan guarantee commitments, $27,400,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, $38,500,000,000.
(B) Outlays, $38,300,000,000.
(C) New direct loan obligations, $1,400,000,000.
(D) New primary loan guarantee commitments, $25,800,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, $38,600,000,000.
(B) Outlays, $38,500,000,000.
(C) New direct loan obligations, $1,400,000,000.
(D) New primary loan guarantee commitments, $25,600,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1999:
(A) New budget authority, $39,700,000,000.
(B) Outlays, $39,700,000,000.
(C) New direct loan obligations, $1,500,000,000.
(D) New primary loan guarantee commitments, $25,300,000,000.
(E) New secondary loan guarantee commitments, $0.
(16) Administration of Justice (750):
Fiscal year 1995:
(A) New budget authority, $18,000,000,000.
(B) Outlays, $16,800,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1996:
(A) New budget authority, $20,800,000,000.
(B) Outlays, $19,100,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, $21,700,000,000.
(B) Outlays, $20,600,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, $22,700,000,000.
(B) Outlays, $22,100,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1999:
(A) New budget authority, $22,800,000,000.
(B) Outlays, $22,100,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
(17) General Government (800):
Fiscal year 1995:
(A) New budget authority, $13,700,000,000.
(B) Outlays, $13,500,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1996:
(A) New budget authority, $13,500,000,000.
(B) Outlays, $14,700,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, $13,400,000,000.
(B) Outlays, $13,900,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.

Fiscal year 1998:
(A) New budget authority, $13,100,000,000.
(B) Outlays, $13,400,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1999:
(A) New budget authority, $13,200,000,000.
(B) Outlays, $13,400,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
(18) Net Interest (900):
Fiscal year 1995:
(A) New budget authority, $247,100,000,000.
(B) Outlays, $247,100,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1996:
(A) New budget authority, $267,200,000,000.
(B) Outlays, $267,200,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, $282,800,000,000.
(B) Outlays, $282,800,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, $298,500,000,000.
(B) Outlays, $298,500,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1999:
(A) New budget authority, $315,800,000,000.
(B) Outlays, $315,800,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
(19) Allowances (920):
Fiscal year 1995:
(A) New budget authority, −$800,000,000.
(B) Outlays, −$1,800,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1996:
(A) New budget authority, −$3,600,000,000.
(B) Outlays, −$2,100,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, −$3,600,000,000.
(B) Outlays, −$2,600,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, −$2,900,000,000.
(B) Outlays, −$6,100,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1999:
(A) New budget authority, $9,400,000,000.
(B) Outlays, −$900,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
(20) Undistributed Offsetting Receipts (950):
Fiscal year 1995:
(A) New budget authority, −$36,100,000,000.
(B) Outlays, −$36,100,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1996:
(A) New budget authority, −$30,300,000,000.
(B) Outlays, −$30,300,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, −$30,300,000,000.
(B) Outlays, −$30,300,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, −$31,200,000,000.
(B) Outlays, −$31,200,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1999:
(A) New budget authority, −$31,600,000,000.
(B) Outlays, −$31,600,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.

SEC. 4. HEALTH CARE REFORM.

(a) If health care reform legislation is reported (including by a committee of conference), budget authority, outlays, and new entitlement authority shall be allocated to committees, and the total levels of budget authority, outlays, and revenues shall be adjusted, to reflect such legislation if the legislation in the form in which it will be considered would not increase the total deficit for the period of fiscal years 1995 through 1999.

(b) Upon reporting of legislation described in subsection (a) and again upon submission of a conference report on such legislation, the chairman of the Committee on the Budget shall publish in the Congressional Record revised allocations under section 602(a) of the Congressional Budget Act of 1974 and revised levels of total budget authority, outlays, and revenues to carry out this section. Such allocations and totals shall be considered as the allocations and aggregates under this resolution.

SEC. 5. SENSE OF THE CONGRESS.

It is the sense of Congress that the following legislation should be enacted:

(1) Legislation providing enforceable limits to control the growth of entitlement or mandatory spending.

(2) Amendments to the Budget Enforcement Act of 1990 to establish a regular procedure to provide assistance for disasters and other emergencies without adding to the deficit.

(3) Legislation granting the President expedited rescission authority over appropriations measures, as provided by H.R. 1578, as passed the House.

SEC. 6. SENSE OF COMMITTEE ON THE BUDGET ON SCORING HEALTH REFORM.

It is the sense of the Committee on the Budget that all financial transactions associated with the President's health reform legislation or similar health reform legislation relying on mandated payments to a Government entity be treated as part of the Federal budget, including premium payments by individuals and employees to health alliances (which should be treated as receipts) and payments by health alliances to providers (which should be treated as outlays), for all purposes under the Congressional Budget Act of 1974.

SEC. 7. SENSE OF COMMITTEE ON THE BUDGET.

(a) The Committee on the Budget is troubled by the Federal Government's failure to enforce immigration laws and secure United States borders from illegal immigration. The Government has also failed to investigate and prosecute Federal wage and hour violations, thus creating incentives to hire persons illegally in the United States and exacerbating the problem of illegal immigration.

(b) The Committee on the Budget recognizes that the Federal Government has an obligation to help fund increasing State and local government costs directly resulting from ineffective Federal enforcement efforts in this area. Therefore, the Committee assumes that adequate funding in this resolution will be used to reimburse States and local governments for both authorized program costs and legally binding obligations associated with providing:

(1) Elementary and secondary education for undocumented children in the public schools.

(2) Emergency medical assistance to undocumented persons.

(3) Law enforcement resources and personnel to incarcerate and supervise parole of criminal aliens. This funding can either be used by the Federal Government to take into custody and incarcerate criminal aliens or to reimburse States and local governments for their associated costs.

(4) Services incidental to admission of refugees under the Refugee Admission and Resettlement program.

SEC. 8. SENSE OF THE CONGRESS REGARDING RESERVE FUNDS FOR EMERGENCIES.

It is the sense of Congress that—

(1) the emergency designation under section 251 of the Balanced Budget and Emergency Deficit Control Act of 1985 has repeatedly been invoked to circumvent the discretionary spending limits for other than emergency purposes;

(2) amounts for emergencies should be set aside within a reserve fund and subject to the discretionary spending limit;

(3) the reserve fund shall total 1 percent of annual budget outlays; and

(4) emergency funding requirements in excess of amounts held in the reserve fund should be offset by a reduction in appropriations.

SEC. 9. SENSE OF THE CONGRESS REGARDING UNFUNDED MANDATES.

It is the sense of Congress that—

(1) the Federal Government should not diminish the fiscal autonomy of State and

local governments over their own sources of revenue;

(2) the Federal Government should not shift the costs of administering Federal entitlements to State and local governments;

(3) the Federal Government's share of entitlement programs should not be capped without providing States authority to amend their financial or programmatic responsibilities to continue meeting the mandated service; and

(4) Congress should develop a mechanism to ensure that the costs of mandates are considered during deliberations on authorizing legislation.

SEC. 10. SENSE OF THE CONGRESS REGARDING BASELINES.

(a) FINDINGS.—The Congress finds that—

(1) the baseline budget shows the likely course of Federal revenues and spending if policies remain unchanged;

(2) baseline budgeting has given rise to the practice of calculating policy changes from an inflated spending level; and

(3) the baseline concept has been misused to portray policies that would simply slow down the increase in spending as spending reductions.

(b) SENSE OF CONGRESS.—It is the sense of the Congress that—

(1) the President should submit a budget that compares proposed spending levels for the budget year with the current year; and

(2) the starting point for deliberations on a budget resolution should be the current year.

The VICE PRESIDENT. All after the resolving clause of House Concurrent Resolution 218 is stricken and the text of Senate Concurrent Resolution 63, as amended, is inserted in lieu thereof.

The question occurs on adoption of——

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

The VICE PRESIDENT. Without objection, it is so ordered.

The pending question is on adoption of House Concurrent Resolution 218, as amended.

Mr. SASSER. Mr. President, I ask for the yeas and nays.

The VICE PRESIDENT. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The VICE PRESIDENT. The questions is on agreeing to the concurrent resolution.

On this question, the yeas and nays have been ordered, and the clerk will call the roll.

Mr. FORD. I announce that the Senator from South Carolina [Mr. HOLLINGS] is necessarily absent.

Mr. SIMPSON. I announce that the Senator from Maine [Mr. COHEN] and the Senator from Mississippi [Mr. LOTT] are necessarily absent.

The result was announced—yeas 57, nays 40, as follows:

[Rollcall Vote No. 82 Leg.]

YEAS—57

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

NAYS—40

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

NOT VOTING—3

Cohen	Hollings	Lott

So, the concurrent resolution (H. Con. Res. 218, as amended) was agreed to, as follows:

H. CON. RES. 218

Resolved by the House of Representatives (the Senate concurring),

SECTION 1. CONCURRENT RESOLUTION ON THE BUDGET FOR FISCAL YEAR 1995.

(a) DECLARATION.—The Congress determines and declares that this resolution is the concurrent resolution on the budget for fiscal year 1995, including the appropriate budgetary levels for fiscal years 1996, 1997, 1998, and 1999, as required by section 301 of the Congressional Budget Act of 1974.

(b) TABLE OF CONTENTS.—The table of contents for this concurrent resolution is as follows:

Sec. 1. Concurrent resolution on the budget for fiscal year 1995.

TITLE I—LEVELS AND AMOUNTS

Sec. 2. Recommended levels and amounts.
Sec. 3. Debt increase as a measure of deficit.
Sec. 4. Display of Federal Retirement Trust Fund balances.
Sec. 5. Social Security.
Sec. 6. Major functional categories.

TITLE II—BUDGETARY PROCEDURES

Sec. 21. Sale of Government assets.
Sec. 22. Social security fire wall point of order in the Senate.
Sec. 23. Enforcing pay-as-you-go.
Sec. 24. Deficit-neutral reserve fund in the Senate.
Sec. 25. Enforcement procedures.
Sec. 26. Exercise of rule-making powers.

TITLE III—SENSE OF CONGRESS PROVISIONS

Sec. 31. Sense of the Congress regarding the budgetary accounting of health care reform.
Sec. 32. Sense of the Congress on the costs of illegal immigration.
Sec. 33. Sense of the Congress regarding baselines.
Sec. 34. Sense of the Congress on economic assumptions.
Sec. 35. Sense of the Congress regarding unfunded Federal mandates.
Sec. 36. Closing of loopholes in foreign tax provisions.
Sec. 37. Sense of the Senate regarding tax expenditures.
Sec. 38. Sense of the Congress regarding health service delivery and water infrastructure in the Indian Health Service.
Sec. 39. Sense of the Senate regarding the National Aeronautics and Space Administration.
Sec. 40. Sense of the Senate regarding a balanced budget and the Spending Reduction Commission.
Sec. 41. Minimum allocation program.
Sec. 42. Sense of Senate on payments to United Nations of United States arrearages in contributions for peacekeeping activities.
Sec. 43. Policy in Eastern and Central Europe.
Sec. 44. Sense of the Senate regarding Federal courthouse construction.
Sec. 45. Sense of the Congress regarding Federal law enforcement personnel.
Sec. 46. Sense of Senate that taxes not be increased because taxpayers are married.
Sec. 47. Sense of the Senate regarding certain Department of Energy reductions-in-force.
Sec. 48. Sense of the Congress regarding minerals management.
Sec. 49. Sense of Senate regarding diesel fuel dyeing regulations.
Sec. 50. Sense of the Senate regarding equitable distribution of reductions in discretionary spending.
Sec. 51. Star Wars (ballistic missile defense).
Sec. 52. Control growth of entitlement or mandatory spending.
Sec. 53. Sense of the Congress on shifting the allocation of anti-drug funds from international anti-drug programs to drug treatment and prevention programs.
Sec. 54. Internal Revenue Service compliance initiative.
Sec. 55. Sense of the Senate on controlling nonsocial security mandatory spending.

TITLE I—LEVELS AND AMOUNTS

SEC. 2. RECOMMENDED LEVELS AND AMOUNTS.

The following budgetary levels are appropriate for the fiscal years 1995, 1996, 1997, 1998, and 1999:

(1) FEDERAL REVENUES.—(A) For purposes of comparison with the maximum deficit amount under sections 601(a)(1) and 606 of the Congressional Budget Act of 1974 and for purposes of the enforcement of this resolution—

(i) The recommended levels of Federal revenues are as follows:

Fiscal year 1995: $977,700,000,000.
Fiscal year 1996: $1,031,200,000,000.
Fiscal year 1997: $1,079,700,000,000.
Fiscal year 1998: $1,136,400,000,000.
Fiscal year 1999: $1,190,200,000,000.

(ii) The amounts by which the aggregate levels of Federal revenues should be increased are as follows:

Fiscal year 1995: $0.
Fiscal year 1996: $0.
Fiscal year 1997: $0.
Fiscal year 1998: $0.
Fiscal year 1999: $0.

(iii) The amounts for Federal Insurance Contributions Act revenues for hospital insurance within the recommended levels of Federal revenues are as follows:

Fiscal year 1995: $100,300,000,000.
Fiscal year 1996: $106,300,000,000.
Fiscal year 1997: $111,900,000,000.

Fiscal year 1998: $117,830,000,000.
Fiscal year 1999: $123,700,000,000.
(B) For purposes of section 710 of the Social Security Act (excluding the receipts and disbursements of the Hospital Insurance Trust Fund)—
(i) The recommended levels of Federal revenues are as follows:
Fiscal year 1995: $877,500,000,000.
Fiscal year 1996: $924,800,000,000.
Fiscal year 1997: $967,800,000,000.
Fiscal year 1998: $1,018,600,000,000.
Fiscal year 1999: $1,066,500,000,000.
(ii) The amounts by which the aggregate levels of Federal revenues should be increased are as follows:
Fiscal year 1995: $0.
Fiscal year 1996: $0.
Fiscal year 1997: $0.
Fiscal year 1998: $0.
Fiscal year 1999: $0.
(2) NEW BUDGET AUTHORITY.—(A) For purposes of comparison with the maximum deficit amount under sections 601(a)(1) and 606 of the Congressional Budget Act of 1974 and for purposes of the enforcement of this resolution, the appropriate levels of total new budget authority are as follows:
Fiscal year 1995: $1,242,400,000,000.
Fiscal year 1996: $1,303,500,000,000.
Fiscal year 1997: $1,368,600,000,000.
Fiscal year 1998: $1,437,900,000,000.
Fiscal year 1999: $1,509,600,000,000.
(B) For purposes of section 710 of the Social Security Act (excluding the receipts and disbursements of the Hospital Insurance Trust Fund), the appropriate levels of total new budget authority are as follows:
Fiscal year 1995: $1,149,200,000,000.
Fiscal year 1996: $1,202,300,000,000.
Fiscal year 1997: $1,257,000,000,000.
Fiscal year 1998: $1,315,000,000,000.
Fiscal year 1999: $1,372,300,000,000.
(3) BUDGET OUTLAYS.—(A) For purposes of comparison with the maximum deficit amount under sections 601(a)(1) and 606 of the Congressional Budget Act of 1974 and for purposes of the enforcement of this resolution, the appropriate levels of total budget outlays are as follows:
Fiscal year 1995: $1,216,300,000,000.
Fiscal year 1996: $1,283,200,000,000.
Fiscal year 1997: $1,352,500,000,000.
Fiscal year 1998: $1,412,000,000,000.
Fiscal year 1999: $1,485,100,000,000.
(B) For purposes of section 710 of the Social Security Act (excluding the receipts and disbursements of the Hospital Insurance Trust Fund), the appropriate levels of total budget outlays are as follows:
Fiscal year 1995: $1,124,000,000,000.
Fiscal year 1996: $1,183,200,000,000.
Fiscal year 1997: $1,241,900,000,000.
Fiscal year 1998: $1,290,700,000,000.
Fiscal year 1999: $1,349,600,000,000.
(4) DEFICITS.—(A) For purposes of comparison with the maximum deficit amount under sections 601(a)(1) and 606 of the Congressional Budget Act of 1974 and for purposes of the enforcement of this resolution, the amounts of the deficits are as follows:
Fiscal year 1995: $238,600,000,000.
Fiscal year 1996: $252,000,000,000.
Fiscal year 1997: $272,800,000,000.
Fiscal year 1998: $275,600,000,000.
Fiscal year 1999: $294,900,000,000.
(B) For purposes of section 710 of the Social Security Act (excluding the receipts and disbursements of the Hospital Insurance Trust Fund), the amounts of the deficits are as follows:
Fiscal year 1995: $246,600,000,000.
Fiscal year 1996: $258,300,000,000.
Fiscal year 1997: $274,100,000,000.
Fiscal year 1998: $272,100,000,000.
Fiscal year 1999: $283,100,000,000.
(5) PUBLIC DEBT.—The appropriate levels of the public debt are as follows:
Fiscal year 1995: $4,963,600,000,000.
Fiscal year 1996: $5,278,800,000,000.
Fiscal year 1997: $5,611,200,000,000.
Fiscal year 1998: $5,945,400,000,000.
Fiscal year 1999: $6,289,700,000,000.
(6) DIRECT LOAN OBLIGATIONS.—The appropriate levels of total new direct loan obligations are as follows:
Fiscal year 1995: $26,700,000,000.
Fiscal year 1996: $32,100,000,000.
Fiscal year 1997: $33,800,000,000.
Fiscal year 1998: $35,700,000,000.
Fiscal year 1999: $37,800,000,000.
(7) PRIMARY LOAN GUARANTEE COMMITMENTS.—The appropriate levels of new primary loan guarantee commitments are as follows:
Fiscal year 1995: $199,700,000,000.
Fiscal year 1996: $174,400,000,000.
Fiscal year 1997: $164,600,000,000.
Fiscal year 1998: $164,100,000,000.
Fiscal year 1999: $163,500,000,000.

SEC. 3. DEBT INCREASE AS A MEASURE OF DEFICIT.

The amounts of the increase in the public debt subject to limitation are as follows:
Fiscal year 1995: $306,700,000,000.
Fiscal year 1996: $315,200,000,000.
Fiscal year 1997: $332,400,000,000.
Fiscal year 1998: $334,200,000,000.
Fiscal year 1999: $344,200,000,000.

SEC. 4. DISPLAY OF FEDERAL RETIREMENT TRUST FUND BALANCES.

The balances of the Federal retirement trust funds are as follows:
Fiscal year 1995: $1,161,100,000,000.
Fiscal year 1996: $1,275,200,000,000.
Fiscal year 1997: $1,396,900,000,000.
Fiscal year 1998: $1,524,200,000,000.
Fiscal year 1999: $1,651,300,000,000.

SEC. 5. SOCIAL SECURITY.

(a) SOCIAL SECURITY REVENUES.—For purposes of Senate enforcement under sections 302 and 311 of the Congressional Budget Act of 1974, the amounts of revenues of the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund are as follows:
Fiscal year 1995: $360,500,000,000.
Fiscal year 1996: $379,600,000,000.
Fiscal year 1997: $399,000,000,000.
Fiscal year 1998: $419,500,000,000.
Fiscal year 1999: $439,800,000,000.
(b) SOCIAL SECURITY OUTLAYS.—For purposes of Senate enforcement under sections 302 and 311 of the Congressional Budget Act of 1974, the amounts of outlays of the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund are as follows:
Fiscal year 1995: $287,600,000,000.
Fiscal year 1996: $301,300,000,000.
Fiscal year 1997: $312,300,000,000.
Fiscal year 1998: $324,400,000,000.
Fiscal year 1999: $337,000,000,000.

SEC. 6. MAJOR FUNCTIONAL CATEGORIES.

The Congress determines and declares that the appropriate levels of new budget authority, budget outlays, new direct loan obligations, and new primary loan guarantee commitments for fiscal years 1995 through 1999 for each major functional category are:
(1) National Defense (050):
Fiscal year 1995:
(A) New budget authority, $263,800,000,000.
(B) Outlays, $270,700,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1996:
(A) New budget authority, $255,300,000,000.
(B) Outlays, $261,000,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, $252,000,000,000.
(B) Outlays, $256,400,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, $258,700,000,000.
(B) Outlays, $256,600,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1999:
(A) New budget authority, $265,100,000,000.
(B) Outlays, $257,600,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(2) International Affairs (150):
Fiscal year 1995:
(A) New budget authority, $19,300,000,000.
(B) Outlays, $18,100,000,000.
(C) New direct loan obligations, $3,200,000,000.
(D) New primary loan guarantee commitments, $18,000,000,000.
Fiscal year 1996:
(A) New budget authority, $17,200,000,000.
(B) Outlays, $17,300,000,000.
(C) New direct loan obligations, $2,800,000,000.
(D) New primary loan guarantee commitments, $18,500,000,000.
Fiscal year 1997:
(A) New budget authority, $17,000,000,000.
(B) Outlays, $17,300,000,000.
(C) New direct loan obligations, $2,600,000,000.
(D) New primary loan guarantee commitments, $18,500,000,000.
Fiscal year 1998:
(A) New budget authority, $16,800,000,000.
(B) Outlays, $17,600,000,000.
(C) New direct loan obligations, $2,400,000,000.
(D) New primary loan guarantee commitments, $18,500,000,000.
Fiscal year 1999:
(A) New budget authority, $17,000,000,000.
(B) Outlays, $17,500,000,000.
(C) New direct loan obligations, $2,400,000,000.
(D) New primary loan guarantee commitments, $16,500,000,000.
(3) General Science, Space, and Technology (250):
Fiscal year 1995:
(A) New budget authority, $17,300,000,000.
(B) Outlays, $17,200,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1996:
(A) New budget authority, $17,200,000,000.
(B) Outlays, $17,200,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, $17,300,000,000.
(B) Outlays, $17,300,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, $17,400,000,000.
(B) Outlays, $17,300,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1999:
(A) New budget authority, $17,600,000,000.
(B) Outlays, $17,500,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.

(4) Energy (270):
Fiscal year 1995:
(A) New budget authority, $6,300,000,000.
(B) Outlays, $5,000,000,000.
(C) New direct loan obligations, $1,400,000,000.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1996:
(A) New budget authority, $5,900,000,000.
(B) Outlays, $5,200,000,000.
(C) New direct loan obligations, $1,500,000,000.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, $5,900,000,000.
(B) Outlays, $5,000,000,000.
(C) New direct loan obligations, $1,500,000,000.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, $6,100,000,000.
(B) Outlays, $4,700,000,000.
(C) New direct loan obligations, $1,500,000,000.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1999:
(A) New budget authority, $5,700,000,000.
(B) Outlays, $4,400,000,000.
(C) New direct loan obligations, $1,500,000,000.
(D) New primary loan guarantee commitments, $0.
(5) Natural Resources and Environment (300):
Fiscal year 1995:
(A) New budget authority, $21,700,000,000.
(B) Outlays, $21,300,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1996:
(A) New budget authority, $22,200,000,000.
(B) Outlays, $21,500,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, $22,100,000,000.
(B) Outlays, $21,600,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, $22,000,000,000.
(B) Outlays, $21,500,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1999:
(A) New budget authority, $21,600,000,000.
(B) Outlays, $21,400,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(6) Agriculture (350):
Fiscal year 1995:
(A) New budget authority, $12,480,000,000.
(B) Outlays, $11,780,000,000.
(C) New direct loan obligations, $10,100,000,000.
(D) New primary loan guarantee commitments, $7,400,000,000.
Fiscal year 1996:
(A) New budget authority, $12,500,000,000.
(B) Outlays, $11,400,000,000.
(C) New direct loan obligations, $9,700,000,000.
(D) New primary loan guarantee commitments, $7,400,000,000.
Fiscal year 1997:
(A) New budget authority, $13,000,000,000.
(B) Outlays, $11,700,000,000.
(C) New direct loan obligations, $9,700,000,000.
(D) New primary loan guarantee commitments, $7,400,000,000.
Fiscal year 1998:
(A) New budget authority, $13,200,000,000.
(B) Outlays, $12,000,000,000.
(C) New direct loan obligations, $9,800,000,000.
(D) New primary loan guarantee commitments, $7,400,000,000.
Fiscal year 1999:
(A) New budget authority, $13,700,000,000.
(B) Outlays, $12,500,000,000.
(C) New direct loan obligations, $9,900,000,000.
(D) New primary loan guarantee commitments, $7,400,000,000.
(7) Commerce and Housing Credit (370):
Fiscal year 1995:
(A) New budget authority, $7,700,000,000.
(B) Outlays, −$8,300,000,000.
(C) New direct loan obligations, $2,800,000,000.
(D) New primary loan guarantee commitments, $117,900,000,000.
Fiscal year 1996:
(A) New budget authority, $5,300,000,000.
(B) Outlays, −$10,800,000,000.
(C) New direct loan obligations, $3,000,000,000.
(D) New primary loan guarantee commitments, $103,200,000,000.
Fiscal year 1997:
(A) New budget authority, $5,100,000,000.
(B) Outlays, −$3,400,000,000.
(C) New direct loan obligations, $3,100,000,000.
(D) New primary loan guarantee commitments, $95,900,000,000.
Fiscal year 1998:
(A) New budget authority, $5,200,000,000.
(B) Outlays, −$2,900,000,000.
(C) New direct loan obligations, $3,200,000,000.
(D) New primary loan guarantee commitments, $96,600,000,000.
Fiscal year 1999:
(A) New budget authority, $6,200,000,000.
(B) Outlays, −$900,000,000.
(C) New direct loan obligations, $3,400,000,000.
(D) New primary loan guarantee commitments, $99,500,000,000.
(8) Transportation (400):
Fiscal year 1995:
(A) New budget authority, $42,900,000,000.
(B) Outlays, $38,800,000,000.
(C) New direct loan obligations, $100,000,000.
(D) New primary loan guarantee commitments, $500,000,000.
Fiscal year 1996:
(A) New budget authority, $41,800,000,000.
(B) Outlays, $39,600,000,000.
(C) New direct loan obligations, $100,000,000.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, $43,200,000,000.
(B) Outlays, $40,100,000,000.
(C) New direct loan obligations, $100,000,000.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, $44,000,000,000.
(B) Outlays, $40,300,000,000.
(C) New direct loan obligations, $100,000,000.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1999:
(A) New budget authority, $44,600,000,000.
(B) Outlays, $40,500,000,000.
(C) New direct loan obligations, $100,000,000.
(D) New primary loan guarantee commitments, $0.
(9) Community and Regional Development (450):
Fiscal year 1995:
(A) New budget authority, $9,500,000,000.
(B) Outlays, $9,300,000,000.
(C) New direct loan obligations, $2,200,000,000.
(D) New primary loan guarantee commitments, $3,600,000,000.
Fiscal year 1996:
(A) New budget authority, $9,000,000,000.
(B) Outlays, $8,900,000,000.
(C) New direct loan obligations, $2,200,000,000.
(D) New primary loan guarantee commitments, $3,600,000,000.
Fiscal year 1997:
(A) New budget authority, $9,000,000,000.
(B) Outlays, $9,000,000,000.
(C) New direct loan obligations, $2,200,000,000.
(D) New primary loan guarantee commitments, $3,600,000,000.
Fiscal year 1998:
(A) New budget authority, $9,000,000,000.
(B) Outlays, $9,100,000,000.
(C) New direct loan obligations, $2,200,000,000.
(D) New primary loan guarantee commitments, $3,600,000,000.
Fiscal year 1999:
(A) New budget authority, $9,000,000,000.
(B) Outlays, $9,000,000,000.
(C) New direct loan obligations, $2,200,000,000.
(D) New primary loan guarantee commitments, $3,600,000,000.
(10) Education, Training, Employment, and Social Services (500):
Fiscal year 1995:
(A) New budget authority, $57,920,000,000.
(B) Outlays, $53,648,000,000.
(C) New direct loan obligations, $5,500,000,000.
(D) New primary loan guarantee commitments, $19,000,000,000.
Fiscal year 1996:
(A) New budget authority, $58,200,000,000.
(B) Outlays, $55,671,000,000.
(C) New direct loan obligations, $11,500,000,000.
(D) New primary loan guarantee commitments, $14,000,000,000.
Fiscal year 1997:
(A) New budget authority, $59,900,000,000.
(B) Outlays, $58,199,000,000.
(C) New direct loan obligations, $13,200,000,000.
(D) New primary loan guarantee commitments, $13,200,000,000.
Fiscal year 1998:
(A) New budget authority, $61,700,000,000.
(B) Outlays, $60,602,000,000.
(C) New direct loan obligations, $15,100,000,000.
(D) New primary loan guarantee commitments, $12,300,000,000.
Fiscal year 1999:
(A) New budget authority, $63,200,000,000.
(B) Outlays, $62,200,000,000.
(C) New direct loan obligations, $16,800,000,000.
(D) New primary loan guarantee commitments, $11,200,000,000.
(11) Health (550):
Fiscal year 1995:
(A) New budget authority, $124,300,000,000.
(B) Outlays, $122,730,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $400,000,000.
Fiscal year 1996:
(A) New budget authority, $136,703,000,000.
(B) Outlays, $135,730,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $300,000,000.
Fiscal year 1997:
(A) New budget authority, $151,006,000,000.
(B) Outlays, $149,895,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $200,000,000.
Fiscal year 1998:
(A) New budget authority, $166,709,000,000.
(B) Outlays, $165,453,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $100,000,000.
Fiscal year 1999:
(A) New budget authority, $184,212,000,000.
(B) Outlays, $182,556,000,000.

(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(12) Medicare (570):
Fiscal year 1995:
(A) New budget authority, $162,400,000,000.
(B) Outlays, $160,500,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1996:
(A) New budget authority, $180,500,000,000.
(B) Outlays, $178,200,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, $198,500,000,000.
(B) Outlays, $196,100,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, $217,700,000,000.
(B) Outlays, $215,100,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1999:
(A) New budget authority, $242,300,000,000.
(B) Outlays, $239,000,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(13) For purposes of section 710 of the Social Security Act, Federal Supplementary Medical Insurance Trust Fund:
Fiscal year 1995:
(A) New budget authority, $56,000,000,000.
(B) Outlays, $55,200,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1996:
(A) New budget authority, $65,200,000,000.
(B) Outlays, $64,200,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, $73,300,000,000.
(B) Outlays, $72,200,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, $81,300,000,000.
(B) Outlays, $80,200,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1999:
(A) New budget authority, $92,200,000,000.
(B) Outlays, $90,900,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(14) Income Security (600):
Fiscal year 1995:
(A) New budget authority, $220,225,000,000.
(B) Outlays, $220,705,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1996:
(A) New budget authority, $234,732,000,000.
(B) Outlays, $229,330,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, $249,339,000,000.
(B) Outlays, $242,828,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, $261,246,000,000.
(B) Outlays, $253,234,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1999:
(A) New budget authority, $272,853,000,000.
(B) Outlays, $264,440,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(15) Social Security (650):
Fiscal year 1995:
(A) New budget authority, $6,800,000,000.
(B) Outlays, $9,400,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1996:
(A) New budget authority, $6,300,000,000.
(B) Outlays, $9,400,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, $8,300,000,000.
(B) Outlays, $11,500,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, $9,000,000,000.
(B) Outlays, $12,300,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1999:
(A) New budget authority, $9,800,000,000.
(B) Outlays, $13,200,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(16) Veterans Benefits and Services (700):
Fiscal year 1995:
(A) New budget authority, $37,200,000,000.
(B) Outlays, $36,600,000,000.
(C) New direct loan obligations, $1,400,000,000.
(D) New primary loan guarantee commitments, $32,900,000,000.
Fiscal year 1996:
(A) New budget authority, $37,600,000,000.
(B) Outlays, $36,600,000,000.
(C) New direct loan obligations, $1,300,000,000.
(D) New primary loan guarantee commitments, $27,400,000,000.
Fiscal year 1997:
(A) New budget authority, $38,500,000,000.
(B) Outlays, $38,300,000,000.
(C) New direct loan obligations, $1,400,000,000.
(D) New primary loan guarantee commitments, $25,800,000,000.
Fiscal year 1998:
(A) New budget authority, $38,600,000,000.
(B) Outlays, $38,500,000,000.
(C) New direct loan obligations, $1,400,000,000.
(D) New primary loan guarantee commitments, $25,600,000,000.
Fiscal year 1999:
(A) New budget authority, $39,700,000,000.
(B) Outlays, $39,600,000,000.
(C) New direct loan obligations, $1,500,000,000.
(D) New primary loan guarantee commitments, $25,300,000,000.
(17) Administration of Justice (750):
Fiscal year 1995:
(A) New budget authority, $18,823,000,000.
(B) Outlays, $17,255,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1996:
(A) New budget authority, $21,326,000,000.
(B) Outlays, $19,406,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, $22,129,000,000.
(B) Outlays, $21,068,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, $23,232,000,000.
(B) Outlays, $22,491,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1999:
(A) New budget authority, $24,535,000,000.
(B) Outlays, $23,493,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(18) General Government (800):
Fiscal year 1995:
(A) New budget authority, $14,000,000,000.
(B) Outlays, $13,700,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1996:
(A) New budget authority, $13,500,000,000.
(B) Outlays, $14,700,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, $13,400,000,000.
(B) Outlays, $13,900,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, $13,100,000,000.
(B) Outlays, $13,400,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1999:
(A) New budget authority, $13,500,000,000.
(B) Outlays, $13,500,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(19) Net Interest (900):
Fiscal year 1995:
(A) New budget authority, $247,100,000,000.
(B) Outlays, $247,100,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1996:
(A) New budget authority, $267,100,000,000.
(B) Outlays, $267,100,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, $282,500,000,000.
(B) Outlays, $282,500,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, $297,900,000,000.
(B) Outlays, $297,900,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1999:
(A) New budget authority, $314,700,000,000.
(B) Outlays, $314,700,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.

(20) For purposes of section 710 of the Social Security Act, Net Interest (900):

Fiscal year 1995:

(A) New budget authority, $257,600,000,000.

(B) Outlays, $257,600,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

Fiscal year 1996:

(A) New budget authority, $277,800,000,000.

(B) Outlays, $277,800,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

Fiscal year 1997:

(A) New budget authority, $293,300,000,000.

(B) Outlays, $293,300,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

Fiscal year 1998:

(A) New budget authority, $308,500,000,000.

(B) Outlays, $308,500,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

Fiscal year 1999:

(A) New budget authority, $324,500,000,000.

(B) Outlays, $324,500,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(21) The corresponding levels of gross interest on the public debt are as follows:

Fiscal year 1995: $311,800,000,000.

Fiscal year 1996: $331,100,000,000.

Fiscal year 1997: $347,400,000,000.

Fiscal year 1998: $364,600,000,000.

Fiscal year 1999: $383,300,000,000.

(22) Allowances (920):

Fiscal year 1995:

(A) New budget authority, −$11,258,000,000.

(B) Outlays, −$13,118,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

Fiscal year 1996:

(A) New budget authority, −$8,575,000,000.

(B) Outlays, −$3,938,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

Fiscal year 1997:

(A) New budget authority, −$9,288,000,000.

(B) Outlays, −$6,492,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

Fiscal year 1998:

(A) New budget authority, −$12,498,000,000.

(B) Outlays, −$11,982,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

Fiscal year 1999:

(A) New budget authority, −$24,111,000,000.

(B) Outlays, −$15,589,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(23) Undistributed Offsetting Receipts (950):

Fiscal year 1995:

(A) New budget authority, −$36,100,000,000.

(B) Outlays, −$36,100,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

Fiscal year 1996:

(A) New budget authority, −$30,300,000,000.

(B) Outlays, −$30,300,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

Fiscal year 1997:

(A) New budget authority, −$30,300,000,000.

(B) Outlays, −$30,300,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

Fiscal year 1998:

(A) New budget authority, −$31,200,000,000.

(B) Outlays, −$31,200,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

Fiscal year 1999:

(A) New budget authority, −$31,600,000,000.

(B) Outlays, −$31,600,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(24) For purposes of section 710 of the Social Security Act, Undistributed Offsetting Receipts (950):

Fiscal year 1995:

(A) New budget authority, −$33,500,000,000.

(B) Outlays, −$33,500,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

Fiscal year 1996:

(A) New budget authority, −$27,100,000,000.

(B) Outlays, −$27,100,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

Fiscal year 1997:

(A) New budget authority, −$27,600,000,000.

(B) Outlays, −$27,600,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

Fiscal year 1998:

(A) New budget authority, −$28,300,000,000.

(B) Outlays, −$28,300,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

Fiscal year 1999:

(A) New budget authority, −$28,500,000,000.

(B) Outlays, −$28,500,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

TITLE II—BUDGETARY PROCEDURES

SEC. 21. SALE OF GOVERNMENT ASSETS.

(a) SENSE OF THE CONGRESS.—It is the sense of the Congress that—

(1) from time to time the United States Government should sell assets; and

(2) the amounts realized from such asset sales will not recur on an annual basis and do not reduce the demand for credit.

(b) FINDING.—The Congress finds that every budget resolution since that for fiscal year 1988 has included language prohibiting counting in the budget process the amounts realized from asset sales (other than loan assets).

(c) BUDGETARY TREATMENT.—For purposes of points of order under this concurrent resolution and the Congressional Budget and Impoundment Control Act of 1974, the amounts realized from sales of assets (other than loan assets) shall not be scored with respect to the level of budget authority, outlays, or revenues.

(d) DEFINITIONS.—For purposes of this section—

(1) the term "sale of an asset" shall have the same meaning as under section 250(c)(21) of the Balanced Budget and Emergency Deficit Control Act of 1985 (as amended by the Budget Enforcement Act of 1990); and

(2) the term shall not include asset sales mandated by law before September 18, 1987, and routine, ongoing asset sales at levels consistent with agency operations in fiscal year 1986.

(e) SUNSET.—Subsections (a) through (d) of this section shall expire September 30, 1998.

(f) CONFORMING AMENDMENT.—Section 8 of House Concurrent Resolution 64 (103d Congress), section 8 of House Concurrent Resolution 287 (102d Congress), section 7 of House Concurrent Resolution 121 (102d Congress), section 5 of House Concurrent Resolution 310 (101st Congress), section 6 of House Concurrent Resolution 106 (101st Congress), section 4 of House Concurrent Resolution 268 (100th Congress), and sections 7 and 8 of House Concurrent Resolution 93 (100th Congress) are repealed.

SEC. 22. SOCIAL SECURITY FIRE WALL POINT OF ORDER IN THE SENATE.

(a) FINDING.—The Senate finds that the concurrent resolutions on the budget for fiscal years 1993 and 1994 have prohibited subsequent concurrent resolutions on the budget from decreasing the balances of the social security trust fund.

(b) APPLICATION OF SECTION 301(i).—Notwithstanding any other rule of the Senate, in the Senate, the point of order established under section 301(i) of the Congressional Budget Act of 1974 shall apply to any concurrent resolution on the budget for any fiscal year (as reported and as amended), amendments thereto, or any conference report thereon.

(c) CONFORMING AMENDMENT.—Section 10(b) of House Concurrent Resolution 64 (103d Congress) and section 12(b) of House Concurrent Resolution 287 (102d Congress) are repealed.

SEC. 23. ENFORCING PAY-AS-YOU-GO.

(a) PURPOSE.—The Senate declares that it is essential to—

(1) ensure continued compliance with the deficit reduction embodied in the Omnibus Budget Reconciliation Act of 1993; and

(2) continue the pay-as-you-go enforcement system.

(b) FINDING.—The Senate finds that section 12(c) of the concurrent resolution on the budget for fiscal year 1994 created a point of order prohibiting legislation that would increase the deficit through fiscal year 2003.

(c) ENFORCEMENT.—

(1) IN GENERAL.—It shall not be in order in the Senate to consider any direct spending or receipts legislation (including any such bill, joint resolution, amendment, motion, or conference report) that would—

(A) increase the deficit for the first fiscal year covered by the most recently adopted concurrent resolution on the budget;

(B) increase the deficit for the period of the 5 fiscal years covered by the most recently adopted concurrent resolution on the budget; or

(C) increase the deficit for the period of the 5 fiscal years following the first 5 years covered by the most recently adopted concurrent resolution on the budget;

when taken individually (as a bill, joint resolution, amendment, motion, or conference report, as the case may be), and when taken together with all direct spending and receipts legislation enacted after the date of enactment of the Omnibus Budget Reconciliation Act of 1993.

(2) DIRECT SPENDING AND RECEIPTS LEGISLATION.—For purposes of this subsection, direct spending and receipts legislation shall—

(A) exclude full funding of, and continuation of, the deposit insurance guarantee commitment in effect on the date of enactment of the Budget Enforcement Act of 1990;

(B) exclude emergency provisions so designated under section 252(e) of the Balanced Budget and Emergency Deficit Control Act of 1985;

(C) include the estimated amount of savings in direct spending programs applicable to that fiscal year resulting from the prior year's sequestration under the Balanced Budget and Emergency Deficit Control Act of 1985, if any (except for any amounts sequestered as a result of a net deficit increase in the fiscal year immediately preceding the prior fiscal year); and

(D) except as otherwise provided in this subsection, include all direct spending legislation as that term is defined in section 250(c)(8) of the Balanced Budget and Emergency Deficit Control Act of 1985.

(d) WAIVER.—This section may be waived or suspended in the Senate only by the affirmative vote of three-fifths of the Members, duly chosen and sworn.

(e) APPEALS.—Appeals in the Senate from the decisions of the Chair relating to any provision of this section shall be limited to 1 hour, to be equally divided between, and controlled by, the appellant and the manager of the bill or joint resolution, as the case may be. An affirmative vote of three-fifths of the Members of the Senate, duly chosen and sworn, shall be required in the Senate to sustain an appeal of the ruling of the Chair on a point of order raised under this section.

(f) DETERMINATION OF BUDGET LEVELS.—For purposes of this section, the levels of new budget authority, outlays, and receipts for a fiscal year shall be determined on the basis of estimates made by the Committee on the Budget of the Senate.

(g) CONFORMING AMENDMENT.—Section 12(c) of House Concurrent Resolution 64 (103d Congress) is repealed.

(h) TECHNICAL CORRECTION.—Notwithstanding section 275(b) of the Balanced Budget and Emergency Deficit Control Act of 1985 (as amended by sections 13112(b) and 13208(b)(3) of the Budget Enforcement Act of 1990), the second sentence of section 904(c) of the Congressional Budget Act of 1974 (except insofar as it relates to section 313 of that Act) and the final sentence of section 904(d) of that Act (except insofar as it relates to section 313 of that Act) shall continue to have effect as a rule of the Senate through (but no later than) September 30, 1998.

(i) SUNSET.—Subsections (a) through (f) of this section shall expire September 30, 1998.

SEC. 24. DEFICIT-NEUTRAL RESERVE FUND IN THE SENATE.

(a) INITIATIVES TO IMPROVE THE WELL-BEING OF FAMILIES THROUGH WELFARE OR OTHER REFORMS, TO PROVIDE FOR SERVICES TO SUPPORT OR PROTECT CHILDREN, OR TO IMPROVE THE HEALTH, NUTRITION, OR CARE OF CHILDREN.—

(1) IN GENERAL.—Budget authority and outlays may be allocated to a committee or committees and the revenue aggregates may be reduced for legislation to improve the well-being of families through welfare or other reforms (including promoting self-sufficiency through improvements in job training or employment programs), to provide for services to support or protect children (including assuring increased parental support for children through improvements in the child support enforcement program), or to improve the health, nutrition, or care of children, within such a committee's jurisdiction if such a committee or the committee of conference on such legislation reports such legislation, if, to the extent that the costs of such legislation are not included in this concurrent resolution on the budget, the enactment of such legislation will not increase (by virtue of either contemporaneous or previously passed deficit reduction) the deficit in this resolution for—

(A) fiscal year 1995; or

(B) the period of fiscal years 1995 through 1999.

(2) REVISED ALLOCATIONS.—Upon the reporting of legislation pursuant to paragraph (1), and again upon the submission of a conference report on such legislation (if a conference report is submitted), the Chairman of the Committee on the Budget of the Senate may file with the Senate appropriately revised allocations under sections 302(a) and 602(a) of the Congressional Budget Act of 1974 and revised functional levels and aggregates to carry out this subsection. These revised allocations, functional levels, and aggregates shall be considered for the purposes of the Congressional Budget Act of 1974 as allocations, functional levels, and aggregates contained in this concurrent resolution on the budget.

(3) REPORTING REVISED ALLOCATIONS.—The appropriate committee may report appropriately revised allocations pursuant to sections 302(b) and 602(b) of the Congressional Budget Act of 1974 to carry out this subsection.

(b) INITIATIVES TO PROVIDE COMPREHENSIVE TRAINING OR JOB SEARCH ASSISTANCE OR TO REFORM UNEMPLOYMENT COMPENSATION.—

(1) IN GENERAL.—Budget authority and outlays may be allocated to a committee or committees for legislation that increases funding to provide comprehensive training or job search assistance (including reemployment or job training programs or dislocated worker programs), or to reform unemployment compensation, or to provide for other related programs, within such a committee's jurisdiction if such a committee or the committee of conference on such legislation reports such legislation, if, to the extent that the costs of such legislation are not included in this concurrent resolution on the budget, the enactment of such legislation will not increase (by virtue of either contemporaneous or previously passed deficit reduction) the deficit in this resolution for—

(A) fiscal year 1995; or

(B) the period of fiscal years 1995 through 1999.

(2) REVISED ALLOCATIONS.—Upon the reporting of legislation pursuant to paragraph (1), and again upon the submission of a conference report on such legislation (if a conference report is submitted), the Chairman of the Committee on the Budget of the Senate may file with the Senate appropriately revised allocations under sections 302(a) and 602(a) of the Congressional Budget Act of 1974 and revised functional levels and aggregates to carry out this subsection. These revised allocations, functional levels, and aggregates shall be considered for the purposes of the Congressional Budget Act of 1974 as allocations, functional levels, and aggregates contained in this concurrent resolution on the budget.

(3) REPORTING REVISED ALLOCATIONS.—The appropriate committee may report appropriately revised allocations pursuant to sections 302(b) and 602(b) of the Congressional Budget Act of 1974 to carry out this subsection.

(c) CONTINUING IMPROVEMENTS IN ONGOING HEALTH CARE PROGRAMS OR COMPREHENSIVE HEALTH CARE REFORM.—

(1) IN GENERAL.—Budget authority and outlays may be allocated to a committee or committees for legislation that increases funding to make continuing improvements in ongoing health care programs, to provide for comprehensive health care reform, to control health care costs, or to accomplish other health care reforms within such a committee's jurisdiction if such a committee or the committee of conference on such legislation reports such legislation, if, to the extent that the costs of such legislation are not included in this concurrent resolution on the budget, the enactment of such legislation will not increase (by virtue of either contemporaneous or previously passed deficit reduction) the deficit in this resolution for—

(A) fiscal year 1995; or

(B) the period of fiscal years 1995 through 1999.

(2) REVISED ALLOCATIONS.—Upon the reporting of legislation pursuant to paragraph (1), and again upon the submission of a conference report on such legislation (if a conference report is submitted), the Chairman of the Committee on the Budget of the Senate may file with the Senate appropriately revised allocations under sections 302(a) and 602(a) of the Congressional Budget Act of 1974 and revised functional levels and aggregates to carry out this subsection. These revised allocations, functional levels, and aggregates shall be considered for the purposes of the Congressional Budget Act of 1974 as allocations, functional levels, and aggregates contained in this concurrent resolution on the budget.

(3) REPORTING REVISED ALLOCATIONS.—The appropriate committee may report appropriately revised allocations pursuant to sections 302(b) and 602(b) of the Congressional Budget Act of 1974 to carry out this subsection.

(4) ADJUSTMENTS FOR AMENDMENTS.—(A) If the Chairman of the Committee on the Budget makes an adjustment for legislation pursuant to this subsection, upon the offering of an amendment to such legislation, the Chairman shall file with the Senate appropriately revised allocations under sections 302(a) and 602(a) of the Congressional Budget Act of 1974 and revised functional levels and aggregates if the enactment of such legislation (as proposed to be amended) will not increase (by virtue of either contemporaneous or previously passed deficit reduction) the deficit in this resolution for—

(i) fiscal year 1995; or

(ii) the period of fiscal years 1995 through 1999.

(B) These revised allocations, functional levels, and aggregates shall be considered for the purposes of the Congressional Budget Act of 1974 as allocations, functional levels, and aggregates contained in this resolution on the budget.

(C) The appropriate committee may report appropriately revised allocations pursuant to sections 302(b) and 602(b) of the Congressional Budget Act of 1974 to carry out this subsection.

(d) INITIATIVES TO PRESERVE AND REBUILD THE UNITED STATES MARITIME INDUSTRY.—

(1) IN GENERAL.—Budget authority and outlays may be allocated to a committee or committees for direct spending legislation that increases funding to preserve and rebuild the United States maritime industry within such a committee's jurisdiction if such a committee or the committee of conference on such legislation reports such legislation, if, to the extent that the costs of such legislation are not included in this concurrent resolution on the budget, the enactment of such legislation will not increase (by virtue of either contemporaneous or previously passed deficit reduction) the deficit in this resolution for—

(A) fiscal year 1995; and

(B) the period of fiscal years 1995 through 1999.

(2) REVISED ALLOCATIONS.—Upon the reporting of legislation pursuant to paragraph (1), and again upon the submission of a conference report on such legislation (if a conference report is submitted), the Chairman of the Committee on the Budget of the Senate may file with the Senate appropriately revised allocations under sections 302(a) and 602(a) of the Congressional Budget Act of 1974 and revised functional levels and aggregates to carry out this subsection. Such revised allocations, functional levels, and aggregates shall be considered for the purposes of the Congressional Budget Act of 1974 as allocations, functional levels, and aggregates contained in this concurrent resolution on the budget.

(3) REPORTING REVISED ALLOCATIONS.—The appropriate committee may report appropriately revised allocations pursuant to sections 302(b) and 602(b) of the Congressional Budget Act of 1974 to carry out this subsection.

(e) INITIATIVES TO REFORM THE FINANCING OF FEDERAL ELECTIONS.—

(1) IN GENERAL.—Budget authority and outlays may be allocated to a committee or committees for direct spending legislation that in-

creases funding to reform the financing of Federal elections within such a committee's jurisdiction if such a committee or the committee of conference on such legislation reports such legislation, if, to the extent that the costs of such legislation are not included in this concurrent resolution on the budget, the enactment of such legislation will not increase (by virtue of either contemporaneous or previously passed deficit reduction) the deficit in this resolution for—

(A) fiscal year 1995; or

(B) the period of fiscal years 1995 through 1999.

(2) REVISED ALLOCATIONS.—Upon the reporting of legislation pursuant to paragraph (1), and again upon the submission of a conference report on such legislation (if a conference report is submitted), the Chairman of the Committee on the Budget of the Senate may file with the Senate appropriately revised allocations under sections 302(a) and 602(a) of the Congressional Budget Act of 1974 and revised functional levels and aggregates to carry out this subsection. These revised allocations, functional levels, and aggregates shall be considered for the purposes of the Congressional Budget Act of 1974 as allocations, functional levels, and aggregates contained in this concurrent resolution on the budget.

(3) REPORTING REVISED ALLOCATIONS.—The appropriate committee may report appropriately revised allocations pursuant to sections 302(b) and 602(b) of the Congressional Budget Act of 1974 to carry out this subsection.

(f) TRADE-RELATED LEGISLATION.—

(1) IN GENERAL.—Budget authority and outlays may be allocated to a committee or committees and the revenue aggregates may be reduced for trade-related legislation (including legislation to implement the Uruguay Round of the General Agreement on Tariffs and Trade or to extend the Generalized System of Preferences) within such a committee's jurisdiction if such a committee or the committee of conference on such legislation reports such legislation, if, to the extent that the costs of such legislation are not included in this concurrent resolution on the budget, the enactment of such legislation will not increase (by virtue of either contemporaneous or previously passed deficit reduction) the deficit in this resolution for—

(A) fiscal year 1995; or

(B) the period of fiscal years 1995 through 1999.

(2) REVISED ALLOCATIONS.—Upon the reporting of legislation pursuant to paragraph (1), and again upon the submission of a conference report on such legislation (if a conference report is submitted), the Chairman of the Committee on the Budget of the Senate may file with the Senate appropriately revised allocations under sections 302(a) and 602(a) of the Congressional Budget Act of 1974 and revised functional levels and aggregates to carry out this subsection. These revised allocations, functional levels, and aggregates shall be considered for the purposes of the Congressional Budget Act of 1974 as allocations, functional levels, and aggregates contained in this concurrent resolution on the budget.

(3) REPORTING REVISED ALLOCATIONS.—The appropriate committee may report appropriately revised allocations pursuant to sections 302(b) and 602(b) of the Congressional Budget Act of 1974 to carry out this subsection.

(g) REFORMS RELATING TO THE PENSION BENEFIT GUARANTY CORPORATION.—

(1) IN GENERAL.—Budget authority and outlays may be allocated to a committee or committees and the revenue aggregates may be reduced for reforms relating to the Pension Benefit Guaranty Corporation (including legislation to improve the funding of government-insured pension plans, to protect plan participants, or to limit growth in exposure of the Pension Benefit Guaranty Corporation) or other employee benefit-related legislation within such a committee's jurisdiction if such a committee or the committee of conference on such legislation reports such legislation, if, to the extent that the costs of such legislation are not included in this concurrent resolution on the budget, the enactment of such legislation will not increase (by virtue of either contemporaneous or previously passed deficit reduction) the deficit in this resolution for—

(A) fiscal year 1995; or

(B) the period of fiscal years 1995 through 1999.

(2) REVISED ALLOCATIONS.—Upon the reporting of legislation pursuant to paragraph (1), and again upon the submission of a conference report on such legislation (if a conference report is submitted), the Chairman of the Committee on the Budget of the Senate may file with the Senate appropriately revised allocations under sections 302(a) and 602(a) of the Congressional Budget Act of 1974 and revised functional levels and aggregates to carry out this subsection. These revised allocations, functional levels, and aggregates shall be considered for the purposes of the Congressional Budget Act of 1974 as allocations, functional levels, and aggregates contained in this concurrent resolution on the budget.

(3) REPORTING REVISED ALLOCATIONS.—The appropriate committee may report appropriately revised allocations pursuant to sections 302(b) and 602(b) of the Congressional Budget Act of 1974 to carry out this subsection.

(h) REFORMS RELATING TO EMPLOYMENT TAXES ON DOMESTIC SERVICES.—

(1) IN GENERAL.—Budget authority and outlays may be allocated to a committee or committees and the revenue aggregates may be reduced for reforms relating to providing for simplified collection of employment taxes on domestic services within such a committee's jurisdiction if such a committee or the committee of conference on such legislation reports such legislation, if, to the extent that the costs of such legislation are not included in this concurrent resolution on the budget, the enactment of such legislation will not increase (by virtue of either contemporaneous or previously passed deficit reduction) the deficit in this resolution for—

(A) fiscal year 1995; or

(B) the period of fiscal years 1995 through 1999.

(2) REVISED ALLOCATIONS.—Upon the reporting of legislation pursuant to paragraph (1), and again upon the submission of a conference report on such legislation (if a conference report is submitted), the Chairman of the Committee on the Budget of the Senate may file with the Senate appropriately revised allocations under sections 302(a) and 602(a) of the Congressional Budget Act of 1974 and revised functional levels and aggregates to carry out this subsection. These revised allocations, functional levels, and aggregates shall be considered for the purposes of the Congressional Budget Act of 1974 as allocations, functional levels, and aggregates contained in this concurrent resolution on the budget.

(3) REPORTING REVISED ALLOCATIONS.—The appropriate committee may report appropriately revised allocations pursuant to sections 302(b) and 602(b) of the Congressional Budget Act of 1974 to carry out this subsection.

(i) INITIATIVES TO REFORM THE COMPREHENSIVE ENVIRONMENTAL RESPONSE, COMPENSATION, AND LIABILITY ACT OF 1980.—

(1) IN GENERAL.—Budget authority and outlays may be allocated to a committee or committees for direct spending legislation that increases funding to reform the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 within such a committee's jurisdiction if such a committee or the committee of conference on such legislation reports such legislation, if, to the extent that the costs of such legislation are not included in this concurrent resolution on the budget, the enactment of such legislation will not increase (by virtue of either contemporaneous or previously passed deficit reduction) the deficit in this resolution for—

(A) fiscal year 1995; or

(B) the period of fiscal years 1995 through 1999.

(2) REVISED ALLOCATIONS.—Upon the reporting of legislation pursuant to paragraph (1), and again upon the submission of a conference report on such legislation (if a conference report is submitted), the Chairman of the Committee on the Budget of the Senate may file with the Senate appropriately revised allocations under sections 302(a) and 602(a) of the Congressional Budget Act of 1974 and revised functional levels and aggregates to carry out this subsection. These revised allocations, functional levels, and aggregates shall be considered for the purposes of the Congressional Budget Act of 1974 as allocations, functional levels, and aggregates contained in this concurrent resolution on the budget.

(3) REPORTING REVISED ALLOCATIONS.—The appropriate committee may report appropriately revised allocations pursuant to sections 302(b) and 602(b) of the Congressional Budget Act of 1974 to carry out this subsection.

(j) REFORMS TO CONSOLIDATE THE SUPERVISION OF DEPOSITORY INSTITUTIONS INSURED UNDER THE FEDERAL DEPOSIT INSURANCE ACT.—

(1) IN GENERAL.—Budget authority and outlays may be allocated to a committee or committees and the revenue aggregates may be reduced for reforms to consolidate the supervision of depository institutions insured under the Federal Deposit Insurance Act within such a committee's jurisdiction if such a committee or the committee of conference on such legislation reports such legislation, if, to the extent that the costs of such legislation are not included in this concurrent resolution on the budget, the enactment of such legislation will not increase (by virtue of either contemporaneous or previously passed deficit reduction) the deficit in this resolution for—

(A) fiscal year 1995; or

(B) the period of fiscal years 1995 through 1999.

(2) REVISED ALLOCATIONS.—Upon the reporting of legislation pursuant to paragraph (1), and again upon the submission of a conference report on such legislation (if a conference report is submitted), the chairman of the Committee on the Budget of the Senate may file with the Senate appropriately revised allocations under sections 302(a) and 602(a) of the Congressional Budget Act of 1974 and revised functional levels and aggregates to carry out this subsection. These revised allocations, functional levels, and aggregates shall be considered for the purposes of the Congressional Budget Act of 1974 as allocations, functional levels, and aggregates contained in this concurrent resolution on the budget.

(3) REPORTING REVISED ALLOCATIONS.—The appropriate committee may report appropriately revised allocations pursuant to sections 302(b) and 602(b) of the Congressional Budget Act of 1974 to carry out this subsection.

(k) INITIATIVES TO PRESERVE ENERGY SECURITY.—

(1) IN GENERAL.—Budget authority and outlays may be allocated to a committee or committees and the revenue aggregates may be reduced for initiatives to preserve United States energy security within such a committee's jurisdiction if such a committee or the committee of conference

on such legislation reports such legislation, if, to the extent that the costs of such legislation are not included in this concurrent resolution on the budget, the enactment of such legislation will not increase (by virtue of either contemporaneous or previously passed deficit reduction) the deficit in this resolution for—

(A) fiscal year 1995; or

(B) the period of fiscal years 1995 through 1999.

(2) REVISED ALLOCATIONS.—Upon the reporting of legislation pursuant to paragraph (1), and again upon the submission of a conference report on such legislation (if a conference report is submitted), the Chairman of the Committee on the Budget of the Senate may file with the Senate appropriately revised allocations under sections 302(a) and 602(a) of the Congressional Budget Act of 1974 and revised functional levels and aggregates to carry out this subsection. These revised allocations, functional levels, and aggregates shall be considered for the purposes of the Congressional Budget Act of 1974 as allocations, functional levels, and aggregates contained in this concurrent resolution on the budget.

(3) REPORTING REVISED ALLOCATIONS.—The appropriate committee may report appropriately revised allocations pursuant to sections 302(b) and 602(b) of the Congressional Budget Act of 1974 to carry out this subsection.

SEC. 25. ENFORCEMENT PROCEDURES.

(a) DISCRETIONARY SPENDING LIMITS.—

(1) DEFINITION.—As used in this section, for the discretionary category, for the purposes of congressional enforcement of this resolution, reduce the discretionary spending limit in section 601 of the Congressional Budget Act of 1974 by the following amounts—

(A) with respect to fiscal year 1996, $4,200,000,000 in budget authority and $5,400,000,000 in outlays;

(B) with respect to fiscal year 1997, $4,800,000,000 in budget authority and $5,600,000,000 in outlays; and

(C) with respect to fiscal year 1998, $8,700,000,000 in budget authority and $5,300,000,000 in outlays.

(2) POINT OF ORDER IN THE SENATE.—(A) Except as provided in subparagraph (B), it shall not be in order in the Senate to consider any concurrent resolution on the budget for fiscal years 1996, 1997, or 1998 (or amendment, motion, or conference report on such a resolution) that would exceed any of the discretionary spending limits in this section.

(B) This subsection shall not apply if a declaration of war by the Congress is in effect or if a joint resolution pursuant to section 258 of the Balanced Budget and Emergency Deficit Control Act of 1985 has been enacted.

(b) WAIVER.—This section may be waived or suspended in the Senate only by the affirmative vote of three-fifths of the Members, duly chosen and sworn.

(c) APPEALS.—Appeals in the Senate from the decisions of the Chair relating to any provision of this section shall be limited to 1 hour, to be equally divided between, and controlled by, the appellant and the manager of the concurrent resolution, bill, or joint resolution, as the case may be. An affirmative vote of three-fifths of the Members of the Senate, duly chosen and sworn, shall be required in the Senate to sustain an appeal of the ruling of the Chair on a point of order raised under this section.

(d) DETERMINATION OF BUDGET LEVELS.—For purposes of this section, the levels of new budget authority, outlays, new entitlement authority, and revenues for a fiscal year shall be determined on the basis of estimates made by the Committee on the Budget of the Senate or the Committee on the Budget of the House of Representatives, as the case may be.

SEC. 26. EXERCISE OF RULE-MAKING POWERS.

The Congress adopts the provisions of this title—

(1) as an exercise of the rule-making power of the Senate and the House of Representatives, respectively, and as such they shall be considered as part of the rules of each House, or of that House to which they specifically apply, and such rules shall supersede other rules only to the extent that they are inconsistent therewith; and

(2) with full recognition of the constitutional right of either House to change those rules (so far as they relate to that House) at any time, in the same manner, and to the same extent as in the case of any other rule of that House.

TITLE III—SENSE OF CONGRESS PROVISIONS

SEC. 31. SENSE OF THE CONGRESS REGARDING THE BUDGETARY ACCOUNTING OF HEALTH CARE REFORM.

It is the sense of the Congress that—

(1) the Congress should measure the costs and benefits of all health care reform legislation against a uniform set of economic and technical assumptions;

(2) before enacting major changes in the health care system, the Congress should have available to it reliable estimates of the costs of competing plans prepared in a comparable manner;

(3) Congress should use Congressional Budget Office estimates in accounting for the costs and benefits of health care reform legislation; and

(4) all financial transactions associated with Federal health care reform legislation mandating employer payments for health care coverage should be treated as part of the Federal budget, including employer mandated payments to entities (which should be treated as Government receipts) and payments made by the entities pursuant to Federal law (which should be treated as outlays), for all purposes under the Congressional Budget Act of 1974 and the Balanced Budget and Emergency Deficit Control Act of 1985.

SEC. 32. SENSE OF THE CONGRESS ON THE COSTS OF ILLEGAL IMMIGRATION.

(a) FINDINGS.—The Congress finds that—

(1) the Federal Government is solely responsible for setting and enforcing national immigration policy;

(2) the Federal Government has not adequately enforced immigration laws;

(3) this weak enforcement has imposed financial costs on State and local governments;

(4) States must incur costs for incarcerating undocumented persons convicted of State and local crimes, educating undocumented children, providing emergency medical services to undocumented persons, and providing services incidental to admission of refugees under the Refugee Admissions and Resettlement Program; and

(5) the Federal Government has an obligation to reimburse State and local governments for costs resulting from the costs described in paragraph (4).

(b) SENSE OF CONGRESS.—It is the sense of Congress that, in setting forth the budget authority and outlay amounts in this resolution, funding should be provided to reimburse State and local governments for the costs associated with—

(1) elementary and secondary education for undocumented children;

(2) emergency medical assistance to undocumented persons;

(3) incarceration and parole of criminal aliens; and

(4) services incidental to admission of refugees under the Refugee Admissions and Resettlement Program.

SEC. 33. SENSE OF THE CONGRESS REGARDING BASELINES.

(a) FINDINGS.—The Congress finds that—

(1) the baseline budget shows the likely course of Federal revenues and spending if policies remain unchanged;

(2) baseline budgeting has given rise to the practice of calculating policy changes from an inflated spending level; and

(3) the baseline concept has been misused to portray policies that would simply slow down the increase in spending as spending reductions.

(b) SENSE OF CONGRESS.—It is the sense of the Congress that—

(1) the President should submit a budget that compares proposed spending levels for the budget year with the current year; and

(2) the starting point for deliberations on a budget resolution should be the current year.

SEC. 34. SENSE OF THE CONGRESS ON ECONOMIC ASSUMPTIONS.

It is the sense of Congress that—

(1) economic assumptions play a significant role in projecting Federal budget expenditures and revenues;

(2) over the past decade and one-half, the economic assumptions used by both the Office of Management and Budget and by the Congressional Budget Office have been less accurate than the Blue Chip projections;

(3) future economic assumptions utilized for budget projection purposes should use the latest Blue Chip projections for economic assumptions and quoted public market rates when relevant for projecting interest rates; and

(4) in the event the Office of Management and Budget or the Congressional Budget Office concludes that using the Blue Chip indicators or market rates are inaccurate, they should present their budget projections using both their own and Blue Chip and market assumptions, along with an explanation of why they find the latter to be unacceptable.

SEC. 35. SENSE OF THE CONGRESS REGARDING UNFUNDED FEDERAL MANDATES.

It is the sense of the Congress that—

(1) the Federal Government should not shift the costs of administering Federal programs to State and local governments;

(2) the Federal Government's share of entitlement programs should not be capped or otherwise decreased without providing States authority to amend their financial or programmatic responsibilities to continue meeting the mandated service;

(3) the Federal Government should not impose excessive mandates and regulations that increase costs for the private sector, hindering economic growth and employment opportunities; and

(4) Congress should develop a mechanism to ensure that costs of mandates are considered during agencies' development of regulations and congressional deliberations on legislation.

SEC. 36. CLOSING OF LOOPHOLES IN FOREIGN TAX PROVISIONS.

(a) FINDINGS.—The Senate finds that—

(1) foreign-controlled corporations doing business in the United States do not pay their fair share of taxes;

(2) up to 72 percent of foreign-controlled corporations doing business in the United States pay no Federal income tax;

(3) the Internal Revenue Service has limited its own ability to enforce Federal tax laws against foreign-controlled corporations, to the detriment of domestic taxpayers;

(4) the Internal Revenue Service has been using antiquated accounting concepts to deal with sophisticated multinational corporations;

(5) billions of dollars of Federal revenues are lost annually due to the inability of the Internal Revenue Service to enforce the "arm's length" transaction rule—not even counting the costs of bureaucracy and litigation; and

(6) the Federal income tax laws encourage domestic taxpayers to relocate abroad by granting

them deferral of United States taxes on income earned abroad.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that deficit reduction should be achieved, in part, by ending loopholes and enforcement breakdowns that now enable foreign-controlled corporations operating in the United States to pay no taxes and that subsidize the flight of domestic businesses and jobs out of the United States, including—

(1) a more streamlined and efficient method of enforcing Federal tax laws involving multinational corporations, especially those based abroad, in particular, the use of a formula approach by the Treasury Department where the "arm's length" transaction rule does not work; and

(2) a repeal of tax subsidies for domestic businesses that move jobs to tax havens abroad and then ship their products back into the United States.

SEC. 37. SENSE OF THE SENATE REGARDING TAX EXPENDITURES.

(a) FINDINGS.—The Senate finds that—

(1) continuing budget deficits and the accumulation of Federal debt have a detrimental impact on the Nation's long-term economic growth prospects;

(2) in the absence of further fiscal restraint, the Congressional Budget Office estimates that the Federal deficit will increase to $365,000,000,000 by 2004 and the national debt held by the public will grow to approximately $6,000,000,000,000;

(3) tax expenditures are growing significantly; and

(4) in some instances, tax expenditures may have the same effect as direct Federal spending and should be subject to the same level of budgetary review.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that—

(1) the Congress should consider targets for the growth in tax expenditures similar to the targets for the growth of mandatory spending;

(2) such targets should be specified in any reconciliation instructions included in a budget resolution; and

(3) such targets should be enforceable separately from any revenue targets included in the reconciliation instructions.

SEC. 38. SENSE OF THE CONGRESS REGARDING HEALTH SERVICE DELIVERY AND WATER INFRASTRUCTURE IN THE INDIAN HEALTH SERVICE.

It is the sense of the Congress that—

(1) sufficient funding should be provided to the Indian Health Service to ensure that Indian Health Service hospitals and outpatient facilities in existence on the date of enactment of this resolution, and Indian Health Service hospitals and outpatient facilities scheduled to open during fiscal years 1994, 1995, and 1996, are fully staffed with the appropriate number of health care professionals needed to meet the health and medical needs of the American Indians and Alaska Natives who depend on the Indian Health Service for health care; and

(2) sufficient funding should be provided to the Indian Health Service to ensure that the Indian Health Service is capable of meeting basic public health and safety and sanitation requirements on Indian lands through timely and proper water infrastructure construction and upgrades.

SEC. 39. SENSE OF THE SENATE REGARDING THE NATIONAL AERONAUTICS AND SPACE ADMINISTRATION.

It is the sense of the Senate that the budget authority and outlay figures for function 250 in this resolution do not assume any amounts for the National Aeronautics and Space Administration for any fiscal year from 1995 through 1999 in excess of the amounts proposed by the President for such fiscal year.

SEC. 40. SENSE OF THE SENATE REGARDING A BALANCED BUDGET AND THE SPENDING REDUCTION COMMISSION.

(a) FINDINGS.—The Congress finds that—

(1) The Congressional Budget Office has affirmed that reductions in outlays of $34,000,000,000 per year below their current baseline will result in a balanced budget by the year 2000.

(2) The Spending Reduction Commission described in S. 1191 is a proven mechanism which will provide the necessary reductions in Federal spending required to achieve a balanced budget.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that Federal outlays should be reduced to reflect the aforementioned reductions from the Congressional Budget Office Baseline and that a Spending Reduction Commission should be created to propose annual spending cuts sufficient to reach the yearly spending reduction targets.

SEC. 41. MINIMUM ALLOCATION PROGRAM.

(a) FINDINGS.—The Congress finds that—

(1) the minimum allocation program was established in 1982 to address inequities in the funding formula for Federal-aid highways;

(2) the minimum allocation program was designed to provide the greatest degree of flexibility practicable to States that receive funding under the formula referred to in paragraph (1) and includes an exemption of the apportionments from the obligation ceiling;

(3) the minimum allocation program provides additional flexibility by allowing a State a 4-year period during which amounts apportioned to the State may be obligated;

(4) the budget of the United States Government for fiscal year 1995 submitted by the President to Congress proposes to include minimum allocation apportionments under the obligation ceiling and also proposes to limit the authority of States to obligate apportionments under the minimum allocation program to 67 percent of the amount of the apportionments; and

(5) States have planned transportation programs on the basis of the provisions of the Intermodal Surface Transportation Efficiency Act of 1991, and the amendments made by the Act, relating to minimum allocation that confirmed core commitments to exemption and flexibility.

(b) SENSE OF THE CONGRESS.—It is the sense of the Congress that—

(1) the minimum allocation program should remain exempt from the obligation ceiling; and

(2) the flexibility of the minimum allocation program should be an enduring and critical component of the provision of Federal assistance to States for Federal-aid highways.

(c) DEFINITIONS.—As used in this section:

(1) FEDERAL-AID HIGHWAYS.—The term "Federal-aid highways" has the meaning provided the term in section 101 of title 23, United States Code.

(2) MINIMUM ALLOCATION PROGRAM.—The term "minimum allocation program" means the program of allocation of funding to States under section 157 of title 23, United States Code.

(3) OBLIGATION CEILING.—The term "obligation ceiling" means the obligation ceiling under section 1002 of the Intermodal Surface Transportation Efficiency Act of 1991.

SEC. 42. SENSE OF SENATE ON PAYMENT TO UNITED NATIONS OF UNITED STATES ARREARAGES IN CONTRIBUTIONS FOR PEACEKEEPING ACTIVITIES.

(a) SENSE OF SENATE ON AUTHORITY AND OUTLAYS.—It is the sense of the Senate that budget authority of $250,000,000 in fiscal year 1995 and outlays of $170,000,000 in that fiscal year based upon funds accruing under subsection (b) should be allocated to the committee or committees of the Senate having jurisdiction over contributions to the United Nations for peacekeeping activities for the purposes of permitting the payment of arrearages of the United States in commitments in fiscal year 1994 for such contributions.

(b) SENSE OF SENATE ON FUNDS.—It is the sense of the Senate that funds should be available for the budget authority of $250,000,000 and outlays of $170,000,000 referred to in subsection (a) as the result of—

(1) the reimposition by the United States of charges on foreign governments (other than Israel and Egypt) for the non-recurring costs of research, development, and production of major defense equipment licensed for commercial export to such governments; and

(2) the recoupment by the United States from such governments of administrative costs relating to foreign military sales; and

(3) the elimination of all financing assistance for such sales (other than sales to Israel and Egypt) by the United States.

SEC. 43. POLICY IN EASTERN AND CENTRAL EUROPE.

It is the sense of the Senate that the assumptions underlying the levels of spending set forth in this resolution regarding the national defense (050) and international affairs (150) budget categories include an assumption that the United States will oppose through appropriate means attempts by the Russian Federation to intimidate, use military force or engage in economic coercion to establish a sphere of influence over the former republics of the Soviet Union, the Baltics, or Central and Eastern European nations, consistent with provisions contained in the Freedom Support Act and the Foreign Assistance Appropriations Act of 1994.

SEC. 44. SENSE OF THE SENATE REGARDING FEDERAL COURTHOUSE CONSTRUCTION.

It is the sense of the Senate that—

(1) the President's fiscal year 1995 budget includes a request for 11 courthouses with a total estimated cost of over $1,000,000,000;

(2) while there may be significant need for new Federal courthouses, the need for programs that prevent youth violence before children get to courthouses is greater;

(3) there should be a moratorium for fiscal year 1995 on the construction of any new Federal courthouses which have not already been specifically approved by Congress; and

(4) priority should be given to programs for children and families like Head Start and grants for maternal and infant health care.

SEC. 45. SENSE OF THE CONGRESS REGARDING FEDERAL LAW ENFORCEMENT PERSONNEL.

(a) FINDINGS.—The Congress finds that—

(1) violent crimes reported to law enforcement continue to increase with over 1,900,000 offenses being reported to law enforcement each year;

(2) drug dealing and the violent crime that accompanies it are at the heart of the Nation's current crime crisis;

(3) the problem of international drug trafficking is increasing and foreign narcotics syndicates continue to make the United States their primary target;

(4) drug abuse among our Nation's young people, after years of decline, has recently increased;

(5) interstate criminal street gangs, which deal in illicit narcotics and which are responsible for so much violent crime, are spreading into cities throughout the Nation;

(6) the Senate has passed a comprehensive anti-crime bill which increases authorizations for Federal and State law enforcement, increases penalties for violent crime, and enhances Federal law enforcement's role in combating violent street crime;

(7) the President's proposed budget for fiscal year 1995 cuts the number of Drug Enforcement Administration, Federal Bureau of Investiga-

tion, Organized Crime Drug Enforcement Task Force, and United States Attorney personnel;

(8) absent the President's proposed budget cuts to Federal law enforcement for fiscal year 1995, there are still 431 fewer FBI agents and 301 fewer DEA agents today than there were in 1992 and, according to the President's budget, there will not be a new FBI or DEA class until fiscal year 1996;

(9) an adequate Federal law enforcement and Federal prosecutor presence is critical to our Nation's effort to respond to the crime and drug problem; and

(10) President Clinton and Attorney General Reno have publicly stated their support for enhanced efforts to fight violent crime and drug trafficking.

(b) SENSE OF THE CONGRESS.—It is the sense of Congress that—

(1) current levels of agent strength within the DEA and FBI and the current number of assistant United States Attorneys are inadequate to meet the Federal Government's obligations to our Nation's law abiding citizens; and

(2) at a minimum, the agent strength for the FBI and DEA should be restored to end-of-fiscal year 1992 levels, and the number of Assistant United States Attorneys should not be reduced.

SEC. 46. SENSE OF SENATE THAT TAXES NOT BE INCREASED BECAUSE TAXPAYERS ARE MARRIED.

(a) FINDINGS.—The Senate finds that—

(1) successful stable marriages are an essential part of a successful stable society;

(2) the breakdown of marriages has been one of the causes of our unacceptable crime, illiteracy, school dropout, drug abuse, and illegitimacy rates;

(3) the Federal Government has a moral and ethical obligation to help promote stable marriages or at least to not undermine them financially;

(4) the Internal Revenue Code currently contains a number of provisions that financially penalize couples for becoming or remaining married (so called "marriage penalties");

(5) marriage penalties are in effect an annual Federal tax on marriage licenses;

(6) the Omnibus Budget Reconciliation Act of 1993 added new marriage penalties to the Internal Revenue Code and expanded some existing marriage penalties;

(7) marriage penalties financially discriminate against the most fundamental and important unit in our society—the family—and are especially harmful to our Nation's children; and

(8) there is no policy justification for the Federal Government to financially penalize couples simply because they choose to become or remain legally married.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that no taxpayer, regardless of age, sex, income, or number of dependents, should be required to pay more in Federal taxes under any provision of the Internal Revenue Code because that taxpayer is legally married.

SEC. 47. SENSE OF THE SENATE REGARDING CERTAIN DEPARTMENT OF ENERGY REDUCTIONS-IN-FORCE.

It is the sense of the Senate that—

(1) a reduction-in-force at the Department of Energy's Kansas City Plant should not be carried out until—

(A) the National Defense Authorization Act for fiscal year 1995 and the Energy and Water Development Appropriations Act for fiscal year 1995 become law; or

(B) Congress has otherwise approved such an action.

SEC. 48. SENSE OF THE CONGRESS REGARDING MINERALS MANAGEMENT.

It is the sense of the Congress that the budget authority and outlay totals set forth in this resolution assume sufficient funding under budget function 300 (Natural Resources and Environment) to ensure—

(1) the ability of the Minerals Management Service to run an effective Outer Continental Shelf resource evaluation program that responds to increased interest on OCS areas, including Alaska;

(2) the ability of the United States Geological Survey to continue to perform mineral resource surveys at the same levels as in previous years; and

(3) the continued effective functioning of all current Bureau of Mines offices.

SEC. 49. SENSE OF SENATE REGARDING DIESEL FUEL DYEING REGULATIONS.

(a) FINDINGS.—The Senate finds that changes made to the collection point of the diesel fuel excise tax made as part of the Omnibus Reconciliation Act of 1993 and the Internal Revenue Service regulations implementing such changes have caused economic hardship, created market distortions, and added burdens to users and suppliers of diesel fuel by—

(1) requiring businesses, primarily small entrepreneurs, to invest thousands of dollars in equipment, or choose between taxable and nontaxable users of diesel fuel, in order to comply with the new rules;

(2) imposing cumbersome notification requirements for marketers and distributors of diesel fuel and home heating oil; and

(3) creating shortages of fuel due to storage tank limitations.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that—

(1) the Internal Revenue Service should make every effort to ensure its regulations implementing the changes to the collection point for the diesel fuel excise tax will minimize the economic hardship, market distortions, unnecessary burdens, and supply shortages;

(2) such regulations should, to the extent possible, be consistent with Environmental Protection Agency regulations implementing the diesel desulfurization program; and

(3) if the Internal Revenue Service lacks the authority to issue revised regulations consistent with this resolution, then Congress should consider legislation that will eliminate these hardships, distortions, burdens, and shortages.

SEC. 50. SENSE OF THE SENATE REGARDING EQUITABLE DISTRIBUTION OF REDUCTIONS IN DISCRETIONARY SPENDING.

The Senate finds that since the President's fiscal year 1995 defense budget request represents the tenth straight year of real cuts in defense and if the President's defense budget request is approved, since 1985 real defense spending will have been reduced by 45 percent by 1999; and President Clinton, during his State of the Union address on January 25, 1994, promised no further cuts in defense spending. Then it is the sense of the Senate that the annual levels of the (050) function should be reduced from the President's fiscal year 1995–1999 budget request only after other annual levels of non-defense discretionary spending in the budget resolution have been reduced, fairly and appropriately.

SEC. 51. STAR WARS (BALLISTIC MISSILE DEFENSE).

It is the sense of the Congress that given the Federal budget deficit, the real reductions in discretionary spending in this resolution, and the existence of many more worthy programs competing for this funding, spending for the Star Wars (Ballistic Missile Defense) must not exceed the fiscal year 1994 appropriated level.

SEC. 52. CONTROL GROWTH OF ENTITLEMENT OR MANDATORY SPENDING.

It is the sense of the Senate that legislation should be enacted providing enforceable limits to control the growth of entitlement or mandatory spending.

SEC. 53. SENSE OF THE CONGRESS ON SHIFTING THE ALLOCATION OF ANTI-DRUG FUNDS FROM INTERNATIONAL ANTI-DRUG PROGRAMS TO DRUG TREATMENT AND PREVENTION PROGRAMS.

(a) FINDINGS.—The Congress finds that—

(1) in 1991 over 11,000 hectares of opium production were eradicated out of over 238,000 hectares under opium cultivation;

(2) in 1992 over 22,000 hectares of opium production were eradicated, but the amount of hectares under opium cultivation grew to over 255,000 hectares;

(3) in the face of a successful opium eradication program in 1992, the amount of land under active opium cultivation grew by 6,700 hectares;

(4) in 1991 over 6,500 hectares of coca leaf production were eradicated out of over 212,700 hectares under cultivation;

(5) in 1992 fewer than 5,300 hectares of coca leaf production were eradicated, and the amount of hectares under active coca leaf cultivation grew to almost 217,000;

(6) the amount of land under active coca leaf production grew by 5,300 hectares in 1992, and coca leaf production increased by 1,200 metric tons over production in 1991;

(7) the Drug Enforcement Administration has reported that the purity of cocaine available in the United States has increased since 1990, which demonstrates that adequate supplies of cocaine continue to be produced and smuggled into the United States;

(8) the Drug Enforcement Administration has reported that the price of cocaine available in the United States has remained stable or declined since 1990, again demonstrating that adequate supplies of cocaine are being produced and smuggled into the United States;

(9) many observers of national drug policy have come to conclude that the efforts of the United States to reduce the supply of drugs through international law enforcement and training, economic development, and crop substitution programs in foreign nations cannot succeed in reducing the supply of drugs available in the United States;

(10) recent studies demonstrate that drug treatment and prevention programs have achieved notable success in reducing drug use and associated criminality, including the commission of violent crime by drug users;

(11) the current national capacity to provide drug treatment falls far short of being able to provide adequate treatment to drug users who need and want treatment;

(12) additional resources are needed to add drug treatment capacity and to expand drug prevention programs.

(b) SENSE OF CONGRESS.—It is the sense of the Congress that

(1) in setting forth the budget authority and outlay amounts in this resolution, Congress should take note of the failure of past spending to support international anti-drug programs, including but not limited to those of the Agency for International Development, the Bureau of International Narcotics Matters and the Bureau of Politico-Military Affairs of the Department of State, and the Drug Enforcement Administration; and

(2) the budget authority and outlay amounts in this resolution should be reallocated from international anti-drug programs to support successful drug treatment and prevention programs that will curb the demand for illegal drugs; and

(3) one-half of the budget authority and outlay amounts to combat illegal drugs be expended to reduce the demand for illegal drugs in the United States and one-half of such amounts be expended to reduce the supply of such drugs in the United States; and

(4) no budget authority or outlay amounts reallocated in accordance with the provisions of

this section shall be taken from budget authority and outlay amounts for foreign aid or international development other than those accounts that support international anti-drug programs.

SAC. 54. INTERNAL REVENUE SERVICE COMPLIANCE INITIATIVE.

(a) ADJUSTMENTS.—For purposes of points of order under the Congressional Budget and Impoundment Control Act of 1974 and concurrent resolutions on the budget

(1) the discretionary spending limits under section 601(a)(2) of that Act (and those limits as cumulatively adjusted) for the current fiscal year and each outwear;

(2) the allocations to the Committees on Appropriations under sections 302(a) and 602(a) of that Act; and

(3) the levels for major functional category 800 (General Government) and the appropriate budgetary aggregates in the most recently agreed to concurrent resolution on the budget,

shall be adjusted to reflect the amounts of additional new budget authority or additional outlays (as compared with the amounts requested for the Internal Revenue Service in the President's Budget for fiscal year 1995) reported by the Committee on Appropriations in appropriations Acts (or by the committee of conference on such legislation) for the Internal Revenue Service compliance initiative activities in any fiscal year, but not to exceed in any fiscal year $405,000,000 in new budget authority and $405,000,000 in outlays.

(b) REVISED LIMITS, ALLOCATIONS, LEVELS, AND AGGREGATES.—Upon the reporting of legislation pursuant to subsection (a), and again upon the submission of a conference report on such legislation in either House (if a conference report is submitted), the Chairmen of the Committees on the Budget of the Senate and the House of Representatives shall file with their respective Houses appropriately revised

(1) discretionary spending limits under section 601(a)(2) of the Congressional Budget Act of 1974 (and those limits as cumulatively adjusted) for the current fiscal year and each outwear;

(2) allocations to the Committees on Appropriations under sections 302(a) and 602(a) of that Act; and

(3) levels for major functional category 800 (General Government) and the appropriate budgetary aggregates in the most recently agreed to concurrent resolution on the budget,

to carry out this subsection. These revised discretionary spending limits, allocations, functional levels, and aggregates shall be considered for purposes of congressional enforcement under that Act as the discretionary spending limits, allocations, functional levels, and aggregates.

(c) REPORTING REVISED ALLOCATIONS.—The Committees on Appropriations of the Senate and the House of Representatives may report appropriately revised allocations pursuant to sections 302(b) and 602(b) of the Congressional Budget Act of 1974 to carry out this section.

(d) CONTINGENCIES.—This section shall not apply to any additional new budget authority or additional outlays unless—

(1) in the case of such budget authority or outlays for any fiscal year after fiscal year 1995, the Secretary of the Treasury certifies

(A) to the Chairmen of the Committees on the Budget of the Senate and the House of Representatives, and

(B) to the Chairmen of the Committee on Finance of the Senate and the Committee on Ways and Means of the House of Representatives,

that there has been enacted into law a Taxpayer Bill of Rights 2 which is substantially similar to that contained in the conference report to H.R. 11, 102d Congress, 2d Session;

(2) the Secretary of the Treasury certifies to the chairmen described in paragraph (1)(A) that the Internal Revenue Service will initiate and implement an educational program with respect to the Taxpayer Bill of Rights 1 and 2 for any new employees hired pursuant to such budget authority or outlays;

(3) the Director of the Congressional Budget Office certifies to the chairmen described in paragraph (1)(A) that such budget authority or outlays will not increase the Federal budget deficit; and

(4) any funds made available pursuant to such budget authority or outlays are available only for the purpose of carrying out Internal Revenue Service compliance initiative activities.

(e) SUNSET.—This section shall expire September 30, 1998.

SAC. 55. SENSE OF THE SENATE ON CONTROLLING NON-SOCIAL SECURITY MANDATORY SPENDING.

It is the sense of the Senate that the Congress should

(1) enact, after health care reform legislation is enacted, annual caps on mandatory spending that take effect beginning in fiscal year 1996;

(2) include within such caps all mandatory spending programs except Social Security, deposit insurance and net interest;

(3) provide that the caps shall be set so that programs providing benefits to individuals may grow for inflation, changes in the numbers of beneficiaries, and an additional growth allowance of

(A) 4 percent in 1996,

(B) 3.5 percent in 1997,

(C) 3 percent in 1998, and

(D) 2 percent in 1999 and thereafter;

(4) provide that the caps shall be adjusted annually in the President's budget for changes in inflation and the number of beneficiaries in mandatory spending programs since the caps were enacted (excluding any changes due to legislation); and

(5) provide that if total mandatory spending exceeds the formula in subsection (3), the caps shall be enforced by

(A) requiring the President's budget to comply with the caps, including submission of proposals to reduce mandatory spending to stay within the caps if a breach is expected under current law;

(B) super majority points-of-order prohibiting the consideration of future budget resolutions or legislation that would breach the caps; and

(C) at the conclusion of each session of Congress, a sequestration procedure that would reduce mandatory spending by the amount of any breach of the cap in the upcoming year by reducing those programs growing faster than inflation, beneficiary changes, and the additional growth allowance for that year.

(6) provides for a period of not less than 60 days before such sequestration for committees of the House and the Senate with jurisdiction over mandatory programs which are determined to be exceeding these allowable spending levels to report legislation that reduces direct spending in their jurisdiction by an amount sufficient to eliminate the excess spending;

(7) ensures that reductions in Federal spending for mandatory programs required by such legislation is not to be achieved by shifting costs to State and local governments.

Mr. SASSER. Mr. President, I move to reconsider the vote by which the resolution was agreed to.

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

The motion to lay on the table was agreed to.

Mr. SASSER addressed the Chair.

The VICE PRESIDENT. The Senator from Tennessee.

Mr. SASSER. Mr. President, I ask unanimous consent that the Senate Concurent Resolution 63 be returned to the calendar.

The VICE PRESIDENT. Without objection, it is so ordered.

Mr. SASSER. Mr. President, just let me take a moment to express some gratitude here at the successful conclusion of our budget resolution.

First, I want to thank the majority leader, who has once again helped in many ways with this budget resolution. I think the majority leader's work in this area is just one of the areas where he is going to be so terribly missed here in future years.

I also want to thank my friend, the distinguished ranking Republican on the Budget Committee, Senator DOMENICI. Senator DOMENICI and I have had some differences this year, as we have just about every year. But I want to say that Senator DOMENICI, the Republican manager, is a pleasure to work with.

We have considered this year many things. We passed a large number of amendments, many of them sponsored by Members from the other side of the aisle, and we passed them all in a fairly short timeframe.

I believe this productivity is a tribute to the good cooperation and working relationship which Senator DOMENICI and I have been able to maintain over the years.

I also want to pay tribute to the very able staff of the Budget Committee on both sides of the aisle, in particular the two staff directors.

As always, I want to give my special thanks to the staff director of the Budget Committee on our side, Larry Stein, for the superb job that he did. His patience, good humor, and dedication under very difficult and trying circumstances are examples to us all.

This year, I might say, Larry was struck by laryngitis just before we came to the floor. We can truthfully say that he gave his all, including his voice, to this budget resolution.

I want to thank Bill Hoagland, the very able Republican staff director, for his cooperation and for his constancy, no matter what the hour or the circumstances.

I should also thank the Budget Committee staff analysts, who kept track of and turned around the large number of amendments that were proposed this week. Although many deserve notice, let me take a moment to single out Kathy Deignan, the assistant director for human resources and Sue Nelson, director of budget review, without whom we could not put a budget together and, of course, the very able chief counsel of the Budget Committee, Bill Dauster, who is always my strong right arm.

They have put in some long hours. They did some hard work.

Let me close by expressing my gratitude to my entire Budget Committee staff, whose names follow: Amy Abra-

ham, Lisa Bartko, Diane Bath, Andy Blocker, Angela Costalas, Bill Dauster, Kathy Deignan, Randy DeValk, Kelly Dimock, Tony Dresden, Meg Duncan, Louise Echols, Jodi Grant, Alex Green, Matt Greenwald, Chuck Hanson, Stephanie Harbourt, Anne Hill, Joan Huffer, Beth Kirk, Jim Klumpner, Jennifer Leake, Nell Mays, Sue Nelson, Doug Olin, Diane Reis, Larry Stein, Katrina Thaler, Donald Tobin, Buck White, Dave Williams, and George Woodall.

Mr. DOMENICI addressed the Chair.

The PRESIDING OFFICER (Mr. CAMPBELL). The Senator from New Mexico.

Mr. DOMENICI. Mr. President, I want to thank Senator SASSER for the way he handled this measure. This is a tough resolution, very complicated, very heated on some occasions. I believe he did an excellent job, considering the pressures that were on him. I compliment him for it.

Many do not know how long our staffs work on this kind of a resolution and how tired they get. I want to thank each one of them from the Republican side for all their effort, time, lack of sleep and devotion, leading off with Bill Hoagland, staff director; and Jim Capretta, Lisa Cieplak, Lynne Daghlian, Christy Dunn, Charles Flickner, Andrea Gatta, Melissa Longoria, Carole McGuire, Anne Miller, Roy Philips, Denise Ramonas, Cheri Reidy, Ricardo Rel, Austin Smythe, Bob Stevenson, Peter Taylor, and Mieko Nakabayashi, a Japanese intern who works in the office.

I yield the floor.

The PRESIDING OFFICER. Under the previous order, the Senate insists on its amendment, requests a conference with the House, and the Chair appoints the following conferees, which the clerk will report.

The PRESIDING OFFICER appointed Mr. SASSER, Mr. HOLLINGS, Mr. JOHNSTON, Mr. DOMENICI, and Mr. GRASSLEY conferees on the part of the Senate.

Mr. JEFFORDS addressed the Chair.

The PRESIDING OFFICER. The Senator from Vermont.

Mr. JEFFORDS. Mr. President, I would like to make a couple comments on the bill just passed. As my colleagues know, I had intended to offer an amendment today which would have provided an extra $1 billion in the budget this year for special education. I had proposed to offer this amendment in recognition of the critical importance of these funds for schools and communities across the country.

Previously, Senator DODD and I offered a different amendment, which would have shifted $6 billion to function 500 for special education. Unfortunately, that amendment failed. For several reasons, my second amendment, which I offered on behalf of myself, Senator BROWN, Senator SIMON, and Senator SPECTER was never brought to a vote. Even though we would have had nearly unanimous support for the amendment from the members on my side of the aisle and several others on the other side of the aisle, I felt that for us to lose twice would be counterproductive to my ultimate goal of increasing Federal funding for education. Furthermore, I refrained from asking for a vote on my amendment due to the objections of the chairman and possibly the ranking member of the Budget Committee, as well as the chairman of the Appropriations Committee.

Thus, I would like to leave the record straight. On the Goals 2000 bill, which we will take up shortly, we had a 93-to-0 vote in support of fulfilling our commitment to funding 40 percent of the cost of special education.

Although neither of my amendments to this bill individually garnered the votes necessary to pass this year, it is interesting to note that if you put together the number of Senators who voted for the first amendment and the number who indicated they would have voted for the second amendment, we have close to the 93 Senators who voted for the original sense-of-the-Senate amendment. Clearly a majority of the Senate wants to do something about special education and education funding yet we have not been able to get agreement about exactly what should be done.

But I want to say to Members on my side of the aisle—and, like I said, their vote would have been nearly unanimous for my amendment—that I apologize for not having given them the opportunity to show their support. I just hope they will understand what our final goal is here. We are attempting to reorder our national priorities, in line with my amendment last year which passed by voice vote which expressed the sense of the Congress that we should increase spending on education by 1 percent of the total budget each year for the next 8 years. It is imperative that we increase our investment in education if we are ever going to meet the goals that we lay out in the Goals 2000 bill.

It would appear that the enthusiasm of our Members to do something in this area is there. Although I was not successful this year. I will continue to work hard for this goal in the future.

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

The PRESIDING OFFICER. The absence of a quorum has been suggested. The clerk will call the roll

The assistant legislative clerk proceeded to call the roll.

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

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

GOALS 2000: EDUCATE AMERICA ACT—CONFERENCE REPORT

MOTION TO PROCEED

Mr. MITCHELL. Mr. President, I move to proceed to the conference report accompanying H.R. 1804, the Goals 2000 education bill, 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.

VOTE ON THE MOTION TO PROCEED

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. FORD. I announce that the Senator from South Carolina [Mr. HOLLINGS] is necessarily absent.

Mr. SIMPSON. I announce that the Senator from Rhode Island [Mr. CHAFEE], the Senator from Maine [Mr. COHEN], the Senator from Mississippi [Mr. LOTT], and the Senator from Wyoming [Mr. WALLOP] are necessarily absent.

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

The result was announced—yeas 83, nays 12, as follows:

[Rollcall Vote No. 83 Leg.]

YEAS—83

Akaka	Faircloth	McConnell
Baucus	Feingold	Metzenbaum
Bennett	Feinstein	Mikulski
Biden	Ford	Mitchell
Bingaman	Glenn	Moseley-Braun
Bond	Gorton	Moynihan
Boren	Graham	Murkowski
Boxer	Grassley	Murray
Bradley	Harkin	Nunn
Breaux	Hatfield	Pell
Brown	Heflin	Pressler
Bryan	Helms	Pryor
Bumpers	Inouye	Reid
Burns	Jeffords	Riegle
Byrd	Johnston	Robb
Campbell	Kassebaum	Rockefeller
Cochran	Kennedy	Roth
Conrad	Kerrey	Sarbanes
D'Amato	Kerry	Sasser
Danforth	Kohl	Shelby
Daschle	Lautenberg	Simon
DeConcini	Leahy	Simpson
Dodd	Levin	Specter
Dole	Lieberman	Stevens
Domenici	Lugar	Warner
Dorgan	Mack	Wellstone
Durenberger	Mathews	Wofford
Exon	McCain	

NAYS—12

Coats	Gregg	Nickles
Coverdell	Hatch	Packwood
Craig	Hutchison	Smith
Gramm	Kempthorne	Thurmond

NOT VOTING—5

Chafee	Hollings	Wallop
Cohen	Lott	

So the motion was agreed to.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the amendment of the Senate to the bill (H.R. 1804) to improve learning and teaching by providing a

national framework for education reform; to promote the research, consensus building, and systemic changes needed to ensure equitable educational opportunities and high levels of educational achievement for all American students; to provide framework for reauthorization of all Federal education programs; to promote the development and adoption of a voluntary national system of skill standards and certifications, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses this report, signed by a majority of the conferees.

The PRESIDING OFFICER. Without objection, the Senate will proceed to the consideration of the conference report.

(The conference report is printed in the House proceedings of the RECORD of March 21, 1994.)

Mr. KENNEDY addressed the Chair.

The PRESIDING OFFICER (Mrs. FEINSTEIN). The Senator from Massachusetts [Mr. KENNEDY] is recognized.

Mr. KENNEDY. Madam President, I will take just a short while to outline the basic elements of the conference report, the essential aspects of the legislation. I hope, as the majority leader has stated, we will be able to move forward toward a resolution of this legislation which is enormously important in terms of its timeliness. Not only have there been allocations of resources in excess of $100 million which many schools have been planning to utilize as they move forward in their school restructuring, but also this legislation is enormously important as part of the administration's general program to try to bring greater focus, attention, and enhancement to the academic achievement of this country's children.

The administration has had a multifaceted approach in terms of education and investment in children in this country. It started with the expansion of the Head Start Program not only in resources—some $700 million—but also extending the Head Start Program down to 0 to 3, making it the earliest possible intervention, in order to build self-esteem and self-confidence.

I think all of us in this body know of the extraordinary record of the Head Start Program. The new reauthorization is going to reflect the recommendations that have been made in a bipartisan way and that the administration has endorsed—a number of very constructive, positive changes in the Head Start Program, a real enhancement of that program. What we are trying to do is expand and build on Head Start. We are trying to make sure that the Head Start Program fits more effectively into the K through 12 system.

We also are considering the reauthorization of the chapter 1 program that provides assistance to the disadvantaged children in this country. We are restructuring that program to take advantage of the lessons learned over the past several years. We are trying to bring out the best elements of chapter 1 programs. The chapter 1 program has not been significantly altered or changed since its inception. We have had extensive hearings on that program, and it really is the next item of education business for our committee. This is very important.

We have also addressed the issue of school to work transition, recognizing that about 70 percent of all of our young people do not go on to postsecondary education, and there is a disconnect between those who graduate and those who find early employment. We passed legislation—again in a bipartisan way—to address this particular educational challenge for many of our young people.

We also include in the President's program on national service the voluntary service learning programs for children in K through 12, so that they can be more involved and active in reaching out into their communities, in service to their communities.

The key element of all of this, of course, is to enhance the academic achievement of our children. In this legislation we encourage States on a voluntary basis to move toward opportunity to learn standards. We are also moving toward content standards and more effective kinds of evaluation of our children.

In this legislation we also establish an Office of Technology at the Department of Education—this is the beginning of a recognition of the importance of moving technologies into the classroom. We all understand that the future for our young children is going to have to involve new technology to a greater extent, and we must address the question of how to ensure that our teachers are going to receive the kind of training they need to utilize these technologies to train and educate our young children.

We also will see an enhancement of the chapter 2 program which will provide for the upgrading of skills for the teachers of this country.

In the area of higher education, we have moved toward a direct loan program which means that young people will be able to borrow at the rate that the Government can borrow. We hope that this will provide additional savings for many of the hard-pressed sons and daughters of middle-income and working families to go on to college.

We have also reached out to provide a service program linked to an enhancement of educational opportunity for our young people, If they do not have the resources to be able to afford college in their own right, they will be able to perform some service to the community and in return obtain assistance in terms of college tuition.

We also have included in our education program allowing students to repay their college loans as a percent of their income. That has not been out there for any period of time. Those young people that may be encumbered by the loans that they need to continue their education will now be able to go on into teaching, law enforcement, or some other kind of service program, and they will pay 5, 7, or 9 percent of their income for a period of time that will be sufficient to pay off their debts.

So this legislation is part of a holistic approach which I think is very, very commendable. A key element of all of this is Goals 2000, a bottom-up effort to bring about reform with support from the top down.

None of us believe that this legislation in and of itself is going to be the answer to our educational needs. But what we do know is that where we do provide help and assistance for school reform and school enhancement, following these general kinds of guidelines will lead to some very, very important advancement in terms of academic achievement.

Just 3 days ago in the hearings that Senator MIKULSKI and I held about the National Science Foundation, we heard about the support that their education programs have given recently to the State of Louisiana which was matched by the State of Louisiana following very, very closely the kinds of programs that are supported in Goals 2000. This has resulted in a significant advance in achievement of the 4th, 8th, and 12th grades in math, science, and other technical subjects.

We know what works. There is an important need for these kinds of initiatives. That is why this legislation is so important.

Four years after we began, Democrats and Republicans, House and Senate and administration, have finally come together on this legislation—Goals 2000—to change the way the Federal Government supports local schools.

Not long ago, a Boston teacher named Eileen Shakespeare said this to me:

> If I could ask you to take a single message back to Washington, it would be this: Please have a sense of urgency about what we are doing here with students, and help us.

All of us share that sense of urgency, and it has enabled us to overcome differing points of view and unite behind the common goal of helping communities across the country to improve their schools and meet the challenges of education reform.

The crisis in our schools is too serious to ignore. While we here in Washington have been debating the proper Federal role for the last 4 years, over 1 million students dropped out of school. Eighty percent of the prisoners in jails across the country are high school dropouts. Education is one of the most effective remedies for the difficult social challenges we face on many fronts. Education is a source of hope and op-

portunity for all young men and women in every community in America. It is the key to the American dream, but for too many children in too many schools across the country, the key no longer fits the lock.

In the years ahead, Goals 2000 will be regarded as a turning point in American education. The legislation before us lays out four far-reaching steps to stimulate education reform:

First, it provides support for locally developed plans for school reform. For the first time in history, the Federal Government will make grants not just for a specific program, not just to help disadvantaged students or special education students or vocational students, but to schools to help all students. The funds will be awarded competitively, and will flow through the States to ensure coordination and system-wide change.

Second, Goals 2000 encourages the development of content standards for courses, so that parents and local communities will finally be able to know what every student should learn in core subjects like English, history, mathematics, and science. The legislation also encourages the development of new ways to measure whether students are learning the challenging material that they should know. These standards will help to end the confusion about what parents should expect and what makes a good school—it is a school where all students are learning what the standards describe.

We will finally end the disconnect in attitudes that are so troubling about schools. Too many parents and communities fail to see the problems in their own schools. They think the failures in education are taking place in someone else's schools, when in fact the failures are happening everywhere.

Third, the legislation also speaks to teachers. Never before in Federal law has there been such an impressive consensus that dollars should be spent to help teachers, not just students. The essence of learning is what happens day by day between teachers and students in the classroom. Adopting standards alone will not ensure that students reach them. How subjects are taught makes all the difference in whether the subjects are learned, retained, and used. Unless we give more emphasis to the central role of teachers and give them the support they need, reform will fail and the schools will keep on failing.

Fourth, Goals 2000 provides greater and long overdue flexibility in the use of Federal dollars to support students and schools. By waiving regulations that impede reform, we are challenging States and schools to work together in their own communities to identify the reforms that fit their local needs and that will do the most effective job of helping all children to learn.

So we permit under certain circumstances the waiver of local regulations, State regulations, and Federal regulations so there can be greater flexibility at the local level which I think is something that is rather unique in terms of most programs. We do not obviously waive the requirements in terms of disability and some of the other requirements, but we do permit greater consolidation of many of the programs and greater flexibility.

The Goals 2000 initiative achieves these four goals through a process that ensures grassroots participation. In each State that receives funds, a broad-based panel will develop a comprehensive plan for school reform. This plan will include a State's high academic standards in core subjects, as well as new testing methods that accurately measure whether students are learning the material. The plan will also address the need for more support for teachers, and the need for waivers of rules that impede reform. Finally, the State must address in its plan the need to make sure every student has a fair chance to learn and attends a school with well-prepared teachers and up to date materials.

Most of the funds that States receive must flow directly to local school districts. The districts may use these funds to implement reforms in schools, or they may use them to support professional development for teachers. Local districts and schools will create their own reform plans that meet local needs and that are consistent with the strategy for overall State reform strategy.

The authorization in the legislation specifies $400 million for the current fiscal year, and is open-ended for future years. Because the current fiscal year is half over, only $100 million was actually appropriated for the legislation this year, and that will be enough to launch this new direction effectively.

The Clinton administration budget request for next year is $700 million, and for the following 3 years, $1 billion a year has been requested.

We all wish we could do more. But education is primarily a State and local responsibility. Our hope is that this Federal contribution will provide the much-needed seed money essential to enable local efforts to flourish and improve the Nation's schools.

Follow-on Federal assistance is on the way. Separate legislation reauthorizing the Elementary and Secondary Education Act will be enacted by Congress in the coming months. That measure will build on the framework for school reform that States and local governments will put in place under Goals 2000. In the current fiscal year, $6.3 billion has been appropriated for chapter I under ESEA, and the Clinton administration has requested $7 billion for fiscal year 1995.

It is all the more important, therefore, for Goals 2000 to be in place now, so that the schools across the country can begin to plan and implement their local reform plans and make the most effective use of these Federal resources.

Finally, Goals 2000 is a bipartisan bill and deserves strong support because national leadership on school reform requires cooperation from all of us. I especially commend my colleague on the Labor Committee, Senator JEFFORDS, for his impressive leadership. He has worked tirelessly, skillfully, and with great commitment to bring us to this point today. I also commend Senator PELL, who has, over the years, made so many contributions to this body and to our country, but whose single leadership in the area of education has been marked by its bipartisan nature and its effectiveness over a long period of time. I thank the majority leader, Senator MITCHELL, and Senator KASSEBAUM. Senator KASSEBAUM has been part of the bipartisan efforts we have made in education in the past. We are thankful to the majority leader for his persistence in assuring the young people, the children of this country, and the parents and the families of this country, that education is a strong priority in the U.S. Senate. The majority leader has been of great effectiveness in helping us move education programs forward. I thank Senator SIMON and Senator WELLSTONE, who were instrumental in working out a compromise with the House. Finally, I commend our colleagues in the House, Chairman FORD, Mr. KILDEE, Mr. REID, and Mr. SAWYER, who supported discussion and reasonable compromise every step of the way and led the House to a strong bipartisan vote of 307 to 120.

I urge the Senate to approve the conference report and to take this auspicious step toward redeeming our pledge of education reform.

Mr. JEFFORDS addressed the Chair.

The PRESIDING OFFICER (Mrs. BOXER). The Senator from Vermont [Mr. JEFFORDS] is recognized.

Mr. JEFFORDS. Madam President, I also rise in support of the conference report on Goals 2000. I thank my chairman for the tremendous effort he has made all through the years, and especially in this area, to try to bring this important piece of legislation before the Senate today. I thank Senator PELL who has been a mentor of mine for some 20 years now in the area of education, and for his help and work in that regard. I thank Senator KASSEBAUM, who has been very helpful in making sure that this report is one that can be supported by my side of the aisle.

I have spent much time over the last few days on budget matters, discussing the importance of education and the need for us to make an effort to solve the many problems that we have in our educational system.

We have tried during the consideration of the budget resolution to in-

crease the amount of money available for education. I know there are a number of people that say money is not the answer. While I agree that it is not the total answer, I do believe that in order to improve the educational achievement of our youngsters, we do need to devote more resources to education.

Unfortunately, we were unable to expand the resources that will be available for next year. On the other hand, we did have a consensus by nearly all of the Members of the Senate that in the future we must find a way to increase the resources that will be available. There were two amendments—one that we voted on, and one that I know I had well over 40 votes for, but was not sure it would pass—but together we had nearly every Member of the Senate agreeing that we should be doing something to reallocate resources to high priority areas. All that is clear today is that we have not found a way to do it yet. Hopefully, after we pass the conference report on the Goals 2000, we will find a way to pull together the necesary resources.

This bill, Goals 2000, has been long in the making, but now is the time for its passage. If we do not pass it by April 1, we will lose another year, after having waited some 11 years after the landmark report "A Nation At Risk" to take any action at all. It has been 5 years since the Governors all met with President Bush and said: These are the goals we ought to pass. Now we are finally passing those goals. If we have to wait until later next month to pass this, the States and local school districts will have to wait another year to begin their planning process.

Both the report, "A Nation At Risk," and the Governors' meeting brought to the public's attention the problems plaguing American schools; low expectations for students, a watered-down curriculum, minimal requirements for graduation, and a shortage of high-quality, experienced teachers.

Let us be perfectly clear—we cannot delay action on this bill. If we do not pass it by April 1, we will lose another whole year.

Let me run through the goals so that people have a better understanding of what we are trying to do in this Nation. Goal 1 states that all children should enter school ready to learn. Yet, nearly half of the infants born in the United States begin life with one or more factors that place him or her at risk for future educational failure.

Goal 2 states that we want the high school graduation rate to increase to at least 90 percent by the year 2000. Today, almost 13 percent of all 16-to-24-year-olds are high school dropouts, including nearly 35 percent of Hispanic youths, and 19 percent of the African-American youths in our Nation. Of those that do graduate, we find that only 48 percent of those have the skills necessary to begin entry level jobs or to go on to college.

Goals 3 and 4 state that we want our children to demonstrate high achievement and to be first in the world in math and science. Yet, 75 percent of students in all grades failed to achieve even the basic level of proficiency in math and science. Clearly, we have a long way to go before our students will be ready for the competitive global marketplace of the next century.

Goal 6 states that every school in America will be free of drugs and violence. We know only too well how far we are from achieving this goal. The homicide rate for young black males increased 43 percent between 1987 and 1990.

Also, goal 5 indicates and shows how bad our educational programs have been in the past. We have now some 75 million Americans, adults, who are either functionally illiterate—that is, unable to be successful in entry level jobs, basic matters such as being able to fill out your checking statements—or are totally illiterate in the sense they cannot read nor write.

That is an incredible black mark on our society and one that we must do something about.

Make no mistake about it. These disturbing statistics are not about someone else's children and they are not someone else's problem. These are our children, our future work force and our future leaders. The quality of our public schools in America is directly related to the standard of living of each and every one of our citizens.

Our priority must be with our young people. If we do not pass this bill by April 1, we have dealt our children a terrible injustice. Certainly, the funds would be reallocated to cover the Pell grant shortfall, but we have already covered that expense in the budget bill we have just debated. Let that not be an element that would encourage you to not vote for the bill today. The debate on fully funding Pell grants occurred during the 1992 reauthorization of the Higher Education Act. As I recall, not one of my Republican colleagues joined me in supporting full funding of that important program. Now is not the time to make that choice for it will directly take from another effort which is equally important.

Passage of Goals 2000 is essential for it is designed to address those very issues that I have mentioned and set our Nation on course to meet the demands of the 21st century. The conference report upholds that commitment and generally retains the bulk of the Senate bill. Let me also remind my colleagues that this conference report is the vehicle for other important education provisions. Included within the conference agreement is the reauthorization of the Office of Educational Research and improvement, the Safe Schools Act, and new educational technology provisions.

Let me take a few moments to outline some significant provisions of the final compromise. Title I retains all eight of the national education goals as embodied in the Senate bill. I would point out to my Republican colleagues that almost all of the Republican amendments, 22 out of 26 I believe, have been maintained in this bill, I have gone out of my way to convince the conference committee to support the important amendments of my colleagues.

Title II makes changes to the existing National Education Goals Panel and the newly created National Education Standards and Improvement Council [NESIC] but completely retains the voluntary nature of the model national standards. The conference report reiterates that no State has to adopt or implement any standards in order to receive Federal funds under this act or any other Federal legislation.

Title III does contain changes, but ones that I believe are reasonable and should be supported. On the issue of opportunity to learn—this was a very critical one for Members on my side of the aisle—the conference agreement does two things:

First, it reiterates that the standards or strategies developed by States to provide students an opportunity to learn must be determined by the State, not the Federal Government.

Second, it adds new language which specifically asserts that the implementation of such strategies are completely voluntary on the part of the States, LEA's and schools and that nothing in the section is to be construed to mandate equalized spending or national school building standards.

I believe the changes to the opportunity to learn section reflect the sentiments of the Senate. The conference report makes clear that the implementation of opportunity to learn strategies is voluntary. It further makes clear that opportunity to learn need not be standards but indeed can be strategies developed by the State to best meet the needs of children within the States.

In Vermont, for instance, the State has developed a form of opportunity to learn. It is not a standard. It does not require that each school meet "input" requirements. Instead, it is a compact between the State and local schools to assist all schools in achieving high student outcomes. It is a collaborative effort. It is not punitive, but it is a strategy designed to examine what changes need to be made to enable all students to achieve. It outlines the shared responsibility of the State and local schools for the education of children within the State.

The conference agreement supports the very kind of effort and allows for State flexibility and innovation.

The conference report does require that a State—in its plan—show that it

is establishing or developing content and student performance standards. I do not think anybody can argue that that ought not to be a State responsibility or a requirement. Data from 2 years ago show that 44 States have either implemented or are in the process of implementing these very standards, and I again point out no State has to do anything unless they want the planning money. Most importantly, the conference agreement provides that States, not the Federal Government, determine their own standards. The requirement to have a process in place does exist, but the contents and requirements of that process are not in the final agreement. In my mind, that is distinction that allows me to support the agreement without reservation.

And as a final measure, an overall prohibition on Federal mandates is contained in the final agreement. That paragraph reads that:

> Nothing in this act shall be construed to authorize an officer or employee of the Federal Government to mandate, direct, or control a State, local educational agency or school's curriculum, program of instruction, or allocation of State or local resources or mandates a State or any subdivision thereof to spend any funds or incur any costs not paid for under this act.

It makes it very, very clear we are not putting new mandates for spending in this bill.

To reiterate, this legislation does not establish a national curriculum, does not contain unfunded mandates nor attempt to micromanage the rightful role of States and communities in their educational decisions. On this issue the conference report is clear and reinforces the will of the Senate.

However, there are legitimate concerns raised by my colleague from North Carolina about the absence of school prayer provisions. While I was on the losing side on this issue, that is, I did not support the Senator from North Carolina, I do recognize that a majority of the House and Senate is on record supporting the provision. The House did not have any prayer provisions in its bill. This issue will be addressed during the reauthorization of the Elementary and Secondary Education Act for the House did include prayer language to that bill. Let us please not hold up this important legislation when we will have ample time for debate during the Elementary and Secondary Education Act reauthorization on the very emotional and important issue of school prayer.

Madam President, the situation in our schools is so serious that we must enact this bill and do much, much more. Some opponents may question the necessity of spending Federal dollars to accomplish State education reform. But as the experience of the eighties makes clear, even the most ardent reformers can fall far short of their goals if the tools at their disposal are not sufficient to overcome the obstacles in their way. And obstacles there are many.

Our schools must be able to identify these problems and deal with them. Enacting Goals 2000 is essential to the future of our children and the future of our educational system and the future of our Nation. Our outdated system is no longer adequate for our changing society. It is not producing the highly skilled and fully literate adult population that our society must have if we are going to meet the competition of the international markets as we go into the next century. I believe that Goals 2000 is the beginning of a renewed commitment of the Federal Government to improve the educational opportunities of our young people.

I urge my colleagues to join me in supporting this important piece of legislation.

Madam President, I yield the floor.

The PRESIDING OFFICER (Mrs. FEINSTEIN). The Senator from Rhode Island.

Mr. PELL. Madam President, I want to express my strong support for the conference report which includes not only the Goals 2000 legislation but also the Safe Schools Act and the reauthorization of the Office of Educational Research and Improvement. The report, to my mind, is very important legislation and deserves approval by this Chamber.

There are several aspects of this legislation which deserve particular attention. The Goals 2000 provisions authorize more than $400 million to spur education reform at the State and local level. In exchange for Federal financial assistance, it asks the States, on a voluntary basis, to implement strong academic content and student performance standards.

While my own personal view is that we ought to have strong, even mandatory national standards, I recognize that this may not be a view widely held by my colleagues. In spite of this, I am encouraged that we are taking an important step forward in urging the States to develop content and performance standards. These voluntary State standards will set forth what students are expected to know and be able to do in subject areas such as English, mathematics, science, history, geography, civics and government, and the arts.

The content standards will be accompanied by performance standards which identify content achievement levels toward which all students are expected to work. The content and performance standards mean little if they are not accompanied by valid and reliable assessments. This is important if we are to know how our students are performing and what may be necessary to help overcome deficiencies.

I am equally encouraged that the voluntary content and performance standards have been linked to voluntary opportunity to learn standards and strategies in this legislation. Opportunity to learn encompasses the resources—resources such as qualified teachers, good instructional materials, and adequate school facilities—that are necessary if students are to have a level playing field on which to learn.

My own special concern was that opportunity to learn standards and strategies be closely related to content and performance standards. My colleague from Rhode Island, Mr. REED, was concerned that where schools were not reaching the high academic standards set by the State, then the State should lay out strategies to be employed to help those schools marshal the resources to turn the situation around. This was the basis of the compromise ultimately reached in the conference.

There are several other areas of personal interest to me where I believe we made good progress. In the educational technology provisions of the legislation, we establish an Office of Technology Training Transfer to bring technological advancements from other Departments of the Federal Government to the Department of Education and utilize or adapt them to educational needs. This is based on legislation I proposed and was enacted several years ago. That legislation, however, only authorized the establishment of the Office, this legislation actually creates the Office.

In the national leadership section of the bill, we require the Secretary to support model projects integrating content standards in various subject areas. It is important that we recognize that the arts, for example, can be used to help a child learn mathematics, and that science can be used to teach history. Content standards should be seen as part of a whole curriculum, and we should make a concerted effort to link and integrate those standards.

The conference report before us also contains reauthorization of the Office of Educational Research and Improvement, and I would call to my colleagues' attention the importance of those provisions. The legislation reorganizes the Office so that it will have a new focus. It establishes five new research institutes, including, for example, an Institute on At-Risk Children, and Institute on Early Childhood Education, and an Institute on Student Achievement, Curriculum and Assessment. These institutes are patterned on the model of the National Institutes of Health, and they cover what we believe are the major areas or issues in which educational research should be concentrated.

Perhaps most important, throughout the legislation we place a high priority on the dissemination of the results of research. One of our major concerns was that education research should reach beyond the laboratory or office where the research is done. If research

in education is to have value, it must be utilized. It must be placed in the hands of teachers if it is to have a positive effect on teaching and learning in the classroom. That was a major goal of our reauthorization work, and I believe the legislation reflects the importance we attached to dissemination.

As a part of the OERI reauthorization, we also authorize a $10 million International Education Program. Directed at the emerging democracies in Eastern Europe and in the new nations that were once a part of the Soviet Union, this program recognizes the very real need for the United States to take a leadership role in exchange programs in two vitally important areas: civics and government, and economic education. Knowledge about the operation of our system of government and our free market economy is woefully lacking in these countries. Their success in sustaining a democratic system of government and in building a free market economy will be enhanced, to a great degree, upon their full and complete understanding of the two centuries of experience we have had in building, chancing, perfecting, and supporting our institutions of government and our free market economy.

We began working on the International Education Program well before the fall of the totalitarian regimes in Eastern Europe. We saw a need for this initiative then, and believe the need is even more pressing now. As provided in the legislation, the cooperation program between the Department of Education and the U.S. Information Agency is a most important undertaking. I remain very hopeful we will not only authorize it but also provide the funds to put it into operation.

Finally, the conference report includes the Safe Schools Act, the enactment of which is crucial. Today, one out of every five children carries a weapon to school. Tragically, this means that the schoolroom is no longer a safe haven for learning. The problem of violence in our schools must be addressed not only in terms of immediate protection for our children but also in strong education programs that teach our children that violence is not an acceptable means of resolving conflict. The situation with which we are not confronted is an intolerable one; it must be changed. We must act, and act now.

Madam President, from school reform, to educational research, to safety in our schools, the matters addressed in this conference report merit our attention and action. I applaud the President and the Secretary of Education for their leadership in proposing the original legislation, and in working with Congress to accommodate our concerns. I urge my colleagues to approve this conference report and send the legislation to the President for his signature.

Mr. KENNEDY addressed the Chair.

The PRESIDING OFFICER. The Senator from Massachusetts.

SCHOOL PRAYER

Mr. KENNEDY. Madam President, on the school prayer issue, when the Goals 2000 legislation was before the Senate last month, we adopted three amendments dealing with prayer and moments of silent reflection in school. those amendments were offered by Senator HELMS, Senator LEVIN, and Senator DANFORTH.

The Helms amendment passed by a 75–22 vote. It provided that all federal education funds must be cut off when a State or local education agency has a policy of denying, or which effectively prevents participation in, constitutionally protected prayer in public schools by individuals on a voluntary basis.

The Levin amendment passed by voice vote. It provided that Federal education funds shall not be denied to a State or local education agency because they have adopted a constitutional policy relative to prayer in public school.

The Danforth amendment passed by a 97–0 vote. It expressed the sense of the Senate that schools should encourage a period of daily silence for students for the purpose of contemplating their aspirations; for considering what they hope and plan to accomplish that day; for considering how their own actions of that day will affect themselves and others around them, including their schoolmates, friends and families; for drawing strength from whatever personal, moral or religious beliefs or positive values they hold; and for such other introspection and reflection as well help them develop and prepare them for achieving the goals of this act.

The House bill contained no provision of the subject. However, the House voted 345 to 64 to instruct its conferees to accept the Helms amendment.

In discussions with the House conferees, it became clear that a majority of them did not support inclusion in the conference report of the specific Helms provision or the two other Senate amendments. Instead, they proposed a compromise that recognized the strong support expressed by the Senate for protecting the constitutional right to exercise one's religion and for encouraging a period of silent meditation at the beginning of the school day.

The language, which they proposed and which the Senate accepted, is an appropriate effort to reconcile the various Senate provisions. The conference report provides that Goals 2000 funds may not be used by State or local education agencies to adopt policies that prevent voluntary prayer and meditation in public schools.

This language is substantially similar to the annual provision that has been included in Labor-HHS Appropriations Acts since 1981, which prohibits appropriated funds from being used to prevent the implementation of programs of voluntary prayer and meditation in the public schools. The amendment would permanently restrict Goals 2000 funds in a similar manner.

I ask unanimous consent that the specific language of the three amendments be printed in the RECORD at the conclusion of my remarks, along with the specific language of the Appropriations Act and the specific language of the conference report, so that all Senators can see them.

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

(See exhibit 1.)

Mr. KENNEDY. When the Goals 2000 bill was before the Senate, I voted for the Helms amendment after Senator HELMS modified it to limit its application to constitutionally protected voluntary prayer. There are narrow situations where the free exercise clause guarantees students the right to pray privately and quietly to themselves, without disrupting class or avoiding their studies. The Helms amendment, as modified, required school board officials to honor the religious liberty protected by the first amendment.

At the same time, the specific language of the Helms amendment could be misused by some to encourage school board officials to permit religious exercises in situations where they are not constitutionally protected.

That point was clearly made to us in a joint letter by the American Association of School Administrators, the National Association of State Boards of Education, the National Education Association, the National PTA, and the National School Boards Association. As they state in their letter:

> On behalf of a majority of America's public educators, we are writing to urge you to drop from the Goals 2000 bill both the Helms and Levin school prayer amendments. These two amendments together place an untenable burden on school officials.
>
> We may differ on the constitutionality and desirability of some of the manifestations of school prayer addressed by these amendments. However, we are united in strongly opposing the use of a federal fund cut-off as a club with which to compel a uniform national policy.
>
> The Helms amendment is designated to protect the right of students to engage in 'constitutionally protected prayer.' Any school district failing to comply with this policy loses its federal funds. In a recent Washington, DC, press conference, the chief counsel of Pat Robertson's American Center for Law and Justice proclaimed that, when coupled with lawsuits, the Helms amendment would be a 'very, very important weapon' in their struggle against school systems.
>
> The difficulty, of course, is that no one knows with any certainty what constitutes 'constitutionally protected prayer.' The Fifth and Eleventh Circuits have reached dramatically opposed results on the constitutionality of prayer at school events

when approved by a majority of students. The Fifth Circuit held such prayer constitutionally protected, the Eleventh that it is constitutionally forbidden. Other courts and state attorneys general have likewise reached conflicting results.

Under the Helms amendment, school officials must guess at which answer is correct. Whatever they decide, they must of necessity either risk desperately needed federal funds or violating the constitutional rights of students. The risk is heightened because the Helms amendment prohibits not only policies directed toward prohibiting voluntary student prayer but which have the effect of doing so, a vague formulation which compounds the uncertainty for school boards. The Levin amendment poses somewhat similar problems.

We urge you to delete these amendments.

I ask unanimous consent that the full text of the letter be printed in the RECORD at the conclustion of my remarks.

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

[See exhibit 2.]

Mr. KENNEDY. The right protected by the Helms amendment is a profoundly important one. But the harsh remedy it would prescribe—a total fund cutoff—could easily distort the delicate balance required to protect the constitutional rights of those who wish to engage in prayer in schools, and of those who do not wish to participate. Local school boards, faced with the risk of a complete cutoff of Federal funds, would have a strong incentive to sacrifice the constitutional rights of religious minorities to accommodate the religious preferences of the majority.

These are difficult issues, and they are especially serious when children are involved. The reason we have a first amendment is precisely to provide constitutional protection for the rights of minorities against the overbearing pressure of majorities.

We have debated similar first amendment issues in other contexts. The Equal Access Act, passed in 1984, assures that religious groups have an equal right to use school facilities for after-school meetings. When that law was first introduced, it contained a fund cut-off provision similar to the Helms amendment. Congress rejected that approach in the version that finally was enacted; it expressly prohibits the Federal Government from withholding school aid for violations of the act.

Similarly, the Federal laws banning race, gender, and disability discrimination in Federally funded programs do not permit—let alone require—a complete cutoff of Federal funds when institutions are found to discriminate. Fund terminations may occur, but only after a hearing on the record, judicial review, and persistent refusal by the institution to comply with the requirement. Even in those situations, fund terminations are limited to the specific program found to have discriminated.

Finally, there was a suggestion made on the floor yesterday that this provision was somehow slipped into the conference report. Let me state for the record that staff for all the Republicans on the Labor and Human Resources Committee, as well as staff for Senator HELMS, were presented with the specific compromise language that the House would offer on school prayer. They received it 2 days before the House offer was actually made. On each day of the conference, we stated that the school prayer issue remained to be resolved. Every effort was made to advise interested Senators of the issue and its consideration.

The conference report fairly and adequately addresses the school prayer issue. We have debated this issue many times in recent years, and in all likelihood we will be debating it many more times in the future. It is imperative that we pass the Goals 2000 conference report this week, to enable the $100 million in funds already appropriated to be used for this imnportant education reform. I urge my colleagues to support the conference report.

SEC. 405. SCHOOL PRAYER

No funds made available through the Department of Education under this Act, or any other Act, shall be available to any State of local educational agency which has a policy of denying, or which effectively prevents participation in, constitutionality protected prayer in public schools by individuals on a voluntary basis. Neither the United States nor any State nor any local educational agency shall require any person to participate in prayer or influence the form or content of any constitutionality protected prayer in such in public schools.

SEC. 406 DAILY SILENCE FOR STUDENTS.

It is the sense of the Senate that local educational agencies should encourage a brief period of daily silence for students for the purpose of contemplating their aspirations; for considering what they hope and plan to accomplish that day; for considering how their own actions of that day will effect themselves and others around them, including their schoolmates, friends and families; for drawing strength from whatever personal, moral or religious beliefs or positive values they hold; and for such other introspection and reflection as will help them develop and prepare them for achieving the goals of this Act.

* * * * *

SEC. 418. EDUCATIONAL AGENCIES NOT DENIED FUNDS FOR ADOPTING CONSTITUTIONAL POLICY RELATIVE TO PRAYER IN SCHOOLS

Notwithstanding any other provision of this Act, no funds made available through the Department of Education under this Act, or any other Act, shall be denied to any State or local educational agency because it has adopted constitutional policy relative to prayer in public school.

* * * * *

SEC. 1011. SCHOOL PRAYER.

No funds authorized to be appropriated under this Act may be used by any State or local educational agency to adopt policies that prevent voluntary prayer and meditation in public schools.

EXHIBIT 2

March 10, 1994.

Re: Goals 2000 (S. 1150/H.R. 1804)

DEAR CONFEREE: On behalf of a majority of America's public educators we are writing to urge you to drop from the Goals 2000 bill both the Helms and Levin school prayer amendments. These two amendments together place an untenable burden on school officials.

We may differ on the constitutionality and desirability of some of the manifestations of school prayer addressed by these amendments. However, we are united in strongly opposing the use of a federal fund cut-off as a club with which to compel a uniform national policy.

The Helms amendment is designed to protect the right of students to engage in "constitutionally protected prayer." Any school district failing to comply with this policy loses its federal funds. In a recent Washington, D.C. press conference, the chief counsel of Pat Robertson's American Center for Law and Justice proclaimed that, when coupled with lawsuits, the Helms amendment would be a "very, very important weapon" in their struggle against school systems.

The difficulty, of course, is that no one knows with any certainty what constitutes "constitutionally protected prayer."[1] The Fifth and Eleventh Circuits have reached dramatically opposed results on the constitutionality of prayer at school events when approved by a majority of students. The Fifth Circuit held such prayer constitutionally protected, the Eleventh that it is constitutionally forbidden. Compare *Jones v. Clear Creek I.S.D.*, 977 F.2d 963 (5th Cir. 1992) with *Jager V. Douglas County School Bd.*, 862 F.2d 824 (11th Cir. 1989). Other courts and state attorneys general have likewise reached conflicting results.

Under the Helms amendment, school officials must guess at which answer is correct. Whatever they decide, they must of necessity either risk desperately needed federal funds or violating the constitutional rights of students. The risk is heightened because the Helms amendment prohibits not only policies directed toward prohibiting voluntary student prayer but which have the effect of doing so, a vague formulation which compounds the uncertainty for school boards. The Levin amendment poses somewhat similar problems.

True voluntary prayer takes place every day in the nation's schools without objection. The question of student-led prayer at school events, which appears to be the target of these amendments, is currently in the courts. Several state legislatures are considering legislation to protect the supposed right to "voluntary student-led prayer." Under these circumstances, legislating a cut-off of funds aimed at improving the education of our youth, a cut-off to be administered by federal bureaucrats unschooled in the fine points of federal constitutional law, is a mischievous intrusion into the proper role of state and local educational agencies and the courts.

We urge you to delete these amendments.

Sincerely,

American Association of School Administrators, National Association of State Boards of Education, National Education Association, National PTA, National School Boards Association.

[1] We note that in 1984, when Congress enacted the Equal Access Act, 20 U.S.C. §4071, it refused to include a fund cut-off provision, on the ground that it was too stringent a penalty given the constitutional uncertainties then surrounding the subject.

The PRESIDING OFFICER. The Senator from North Carolina.

Mr. GORTON. Will the Senator yield to me on the merits? I understand he is going to be here for some time.

Mr. HELMS. Pardon me?

Mr. GORTON. Will the Senator defer to a speech directly on this bill? I understand the Senator from North Carolina is going to be here for some time.

Mr. HELMS. Sure. Sure. May I ask how long the Senator will be?

Mr. GORTON. About 10 or 15 minutes.

The PRESIDING OFFICER. The Senator from Washington.

Mr. GORTON. Madam President, Goals 2000, in its present form, is seriously flawed but still represents at least a halting step forward in American educational policy. So this Senator intends with some reluctance to support the conference report.

Before I detail my reasons, I intend to take a moment to share with the Senate an incident that took place on Wednesday of this week in a high school in Seattle. This incident dramatizes our debate on education reform, and what steps are necessary to implement effective reform.

The day before yesterday a 16-year-old Ballard High School sophomore was fatally shot in a gang related drive-by shooting outside that school. According to the wire service report:

> Melissa Fernandes was standing with a group of about 10 students on a sidewalk on the north side of the school shortly after 1:30 p.m. when two cars sped past and one person opened fire with a handgun. A number of shots were fired, but it wasn't immediately clear whether the shots were aimed at the group or fired at random.
>
> The shooting came nearly 30 minutes before classes let out, but students said the conflict began at lunch. They said students and the occupants of the cars had argued and a weapon was displayed.

Melissa Fernandes died yesterday morning after several hours of surgery. A 16-year-old junior from another high school is the suspected gunman.

Sadly, according to the Seattle Times, "Police units had been called to the school about an hour earlier on an unrelated incident involving a gun * * * area residents said such violence has not been unexpected." Madam President, all too often these types of violent occurrences are "not unexpected."

In Washington state, violent crimes by youths have doubled in numbers in the past decade despite a 3 percent reduction in the youth population. The Washington State Survey of Adolescent Health Behaviors recently found that 15 percent of 6th grade students, and 25 percent of 8th, 10th, and 12th grade students said that they had carried a weapon to school. The same survey found that students who abused drugs and alcohol were much more likely to carry weapons to school.

In King County alone last year, 22 victims of homicide were children under 18. In 1992, 42 juveniles were victims of murder in Washington State, 22 of whom were child abuse victims. From 1991 to 1992, the number of gang-related homicides in the State jumped from 3 to 17. Nationally, in the last 10 years, arrests of juveniles for homicide offenses have risen 93 percent.

According to the National Crime Survey, each year nearly 3 million thefts and violent crimes—one crime every 6 seconds—take place on or near school grounds. The same study suggests that 67 out of every 1,000 teenagers suffer a violent crime each year.

Madam President, I have a strong personal stake in the debate over education reform. Soon, my wife Sally and I will be blessed with our sixth grandchild. And as a grandparent I am deeply apprehensive about their safety in our schools and on our streets. Perhaps here in the halls of Congress we can feel immune from what is going on in local communities back in our home States. But, Madam President, the threat of violence in our schools and communities is tragic.

While we in the Congress simply debate this issue, teachers and school officials have lost the ability and the right to control their classrooms. Violent and disruptive students who prevent others from learning cannot be disciplined effectively for fear of lawsuits.

According to the Washington State Parents and Teachers Association,

> Federal regulations make it difficult to create a safe, orderly environment in our schools. Educators are unreasonably hampered when they try to prevent or reduce violence. They find that federal regulations inhibit their ability to design and implement common sense discipline in their schools.

Violence is tearing our society apart and is destroying education opportunites for America's youth. Madam President, it is time we take the steps necessary to regain control of our Nation's school.

This call for reform came through loud and clear earlier this year at a statewide education conference I held in Fife, Washington. At that conference I listened to the concerns of almost 200 parents, teachers, principals, students, business people, and other community leaders. The desire for true education reform and need for Federal leadership on this issue was unmistakable.

To my surprise, I found that the primary concern of those attending was not specific goals in mathematics, science, English, and the like, or even the fiscal problems of the schools. Rather the first concern was the growing problem of violence in our public schools. Accordingly, in order for educators to deal effectively with the violence, and indeed in order to address a number of pressing education issues, the participants told me that it is necessary to get the Federal Government off the backs of local educators and let them do their jobs.

In an effort to address these concerns, I offered an amendment during the Senate consideration of Goals 2000. It stated simply that no Federal law or regulation could restrict the disciplinary rights of school authorities over criminal or violent acts on the part of students on school grounds. After some debate and a few modifications, the Senate unanimously agreed to this highly reasonable provision to return power to schools to deal with criminal and violent behavior.

The amendment was drafted as the direct result of suggestions I heard at my education conference. Teachers, parents, and students asked me to fight for legislation to give schools and local communities the flexibility to enact and implement appropriate discipline policies. It had the support of the Washington State PTA; the Washington Association of School Principals and their national affiliates, the National Association of Elementary School Principals, and the National Association of Secondary School Principals; the Washington State Educational School Districts; and the Washington State School Directors' Association. These groups work with our children every day and understand the critical need to provide a safe learning environment.

The message was unmistakable—if educators are not allowed adequately to address the problems of violent and criminal behavior in their schools, the value of other reforms will be sharply diminished. If a school receives money under Goals 2000, it ought to be able to use that money for programs to restore discipline and reduce violence in our schools and our communities. It should not be second-guessed by Washington, DC bureaucrats, or constantly harassed in the courts. It is time the Government makes youth violence a top priority.

In response to concerns raised by Members concerned with the rights of the disabled, the amendment was modified to exempt individuals protected by Federal disability and civil rights laws. I agreed to this modification in good faith and the amendment was accepted without opposition.

It is, therefore, particularly frustrating that after making significant changes in the youth violence amendment, changes that local educators felt would weaken its effectiveness, the Senate conferees agreed to drop this provision from the conference report. Having had my amendment so treated, I understand and share the frustrations of other Members whose amendments were treat likewise, including the senior Senator from North Carolina—namely the amendment protecting school prayer that was passed by both Houses. Even though it passed the Senate by a vote of 70 to 22, with my sup-

port, it was nevertheless removed from the final version of the bill.

My frustrations are not entirely based on the fact that these amendments were dropped. Rather, I am concerned because it was the opinion of the majority of the Senate that these provisions were important improvements that would further the goals of the legislation.

The conference committee did not entirely ignore the issue of youth violence. It papered over the problems by including nonbinding report language instructing the Secretary of Education and the Attorney General jointly to undertake a study of the scope of disciplinary measures available to school districts and schools under State and Federal laws for dealing with violent behavior on school premises. They will also review the types and sources of information on prior convictions and pending arrests for violent offenses and other matters pertaining to possible criminal and violent student behavior. The study is to identify any changes in law necessary to provide schools and school districts with appropriate information.

Madam President, we do not need another study. We do not need a long and ineffective study to know that our schools are not able to discipline or control violent and criminal students. Members of this body only need to take time out of their busy schedules, as I did, to sit down with parents, teachers, and children and listen to their fears and concerns about violence. That violence is taking place right now. It should not wait for another 2 or 3 or 4 years to be addressed.

Reaslistically, we cannot assume that better discipline at Ballard High School would have prevented the tragic incident that occurred on Wednesday. But we know that it can help prevent or control behavior that now goes unchecked. We must regain control of our classrooms now. We can begin by giving the authority to school officials to do their jobs.

This Senator does not consider this matter closed. On behalf of parents, teachers, and students, I plan to continue efforts to pass legislation once again to make it safe to walk the halls of our public schools. When the next education bill comes before the Seante—and it will be soon—I will offer my amendment again, perhaps in even a stronger version. The next time I do offer this amendment, Mr. President, the entire Senate will go on record an vote either for giving educators the ability to deal with violence in the public schools or for the status quo.

Mr. KENNEDY. Will the Senator yield just on that point?

Mr. GORTON. Yes, he will.

Mr. KENNEDY. Madam President, the point that was raised by the Senator from Washington is a very serious one, and there was a strong desire by the conference committee to accommodate the Senators who, I think, generally expressed, as we talked during the course of the debate, the points that were made.

In the conference, there had been some discussion from other Members that had been involved in the shaping of the legislation—the House Members—about the disparity that exists in different States in terms of age and how they deal with juveniles and juvenile offenders.

There was a review of the different State rules and regulations that are focused on juveniles. We were not able, given the disparity of those issues, to try and find a way through the various conflicts with regard to what information is revealed and what is not. It is not because there was not a desire to address the issue.

What we did do, since this is not an area that we felt a particular degree of competency in, is to ask the Department of Justice and the Juvenile Delinquency Division in the Department of Justice and the Department of Education to meet on this and to report back on the best way we could address the issue.

The fact that we did not include it in the conference report in no way demeans the seriousness with which we considered it. We would be more than glad to work with the Senator from Washington on this particular issue. There was a genuine sense among the members of the committee that we ought to try and find some way to address it.

I want to assure the Senator that we will be glad to work with him. I will be glad to join with him in a letter to the Attorney General, as well as the Secretary of Education, to try and expedite it so that we may have some kind of recommendations.

What we are asking for is a series of different recommendations so that people could look at the pros and cons of different provisions and so that we, or other Members, would be able to address it.

We specifically noted the intent of the conferees to request the Secretary of Education and the Attorney General to undertake a study of the scope of the disciplinary measures available under State and Federal laws to school districts and schools in dealing with violent behavior in school—the types and sources of information concerning, among other things, prior convictions and pending arrests for violent offenses, information that schools and school districts should have access to in order to minimize violent behavior on school premises. They should identify any changes in the law necessary to provide school districts with that information.

So I want to give that assurance, certainly from my point of view. I hope a series of recommendations will be available for us by the time we get to elementary and secondary education so we can carry through the spirit of this provision. I understand the Senator thinks that there are other ways of doing it. We are serious about trying to find a responsible approach to what I think is a very legitimate problem.

Mr. GORTON. Madam President, I thank the Senator from Massachusetts for his thoughtful and detailed explanation. But, I should like to say that that explanation itself is the problem. What in the world are we doing saying that the Attorney General of the United States should make this determination? These incidents of violence and disruption are taking place in our schools every single day all across the United States of America.

Of course, there are differing responses to this kind of challenge from one State to another and from one school district to another. There ought to be different responses to that kind of situation. But from this Senator's point of view, I am much happier to leave the problem in Ballard High School to the Ballard High School and Seattle school district authority, and the problems in Cape Cod, MA, to school authorities there. They do not need the Attorney General and the Secretary of Education to tell them what their problems are. They know what their problems are and they know how to solve them.

Why is it that we seem to think that all wisdom resides in a group of bureaucrats and lawyers in Washington, DC, and none at all in the people who are actually running our schools? I look forward not particularly with bated breath to this report. I doubt that it will say very much. I hope that it is here before the Senator from Massachusetts brings the elementary and secondary education bill to the floor, because this amendment is going to come back then. Our schools and our school authorities need help now, and the help they need is the authority to do their own jobs without being interfered with from Washington, DC.

That is the difference between us and a handful of conferees meeting in a very, very safe and hidden room in the Capitol of the United States. They can take their time. They can be patient. They can call for studies. But we are not going to provide the proper educational atmosphere for our students until we restore authority to our school authorities to do the job that they need to do.

While I am frustrated with the process that accompanied the final draft of this bill, I still believe that it should move forward. After talking with local education officials and parents in Washington state, I have come to believe that the overall good in the Goals 2000 bill outweighs the loss of this important provision on youth violence.

Two other proposals that I offered and were attached during the Senate

debate of Goals 2000 were retained by the conference committee.

At my education conference, students from all parts of my state were not only in attendance, but were active participants. In fact, Madam President, I found some of the student suggestions and statements to be most insightful. Few businesses would last very long if they did not pay close attention to the needs and concerns of their customers and take those thoughts to heart in their operations. Similarly, we cannot further education reform without the input of education customers—the students. Accordingly, I offered an amendment to ensure that students are represented on the State education improvement councils. The spirit of this proposal was retained by the conference committee.

One of the most cost-efficient education programs in the country is the Star Schools Program. The Star Schools Program and other distance learning consortia provide education to rural areas by way of satellite. If we are truly to move forward in education reform, we must be led by those who are already succeeding. On January 7, 1994 I participated in a Star Schools Program. My voice and picture were up-linked from the Seattle School District studio. The transmission was then down-linked to five States and more than 169 sites in Washington State. Students were able to call in and ask me questions about youth violence, education, and politics. I talked to students from all over the State, including Bellingham, Colville, and Vancouver.

I was so impressed with this experience that I felt obligated to further the goals of this worthy and cost effective program. My amendment ensures that members of this successful program are included in the development of the national long-range technology plan. The inclusion of Star Schools has greatly improved the Goals 2000 legislation.

In addition to my amendments, the conference report contains other provisions to ensure a greater amount of local flexibility and less Federal interference.

At my education conference, attendees told me that local schools are in need of financial assistance to start the reform process. This bill provides financial assistance to States and local educational agencies to develop and implement voluntary reform standards and to coordinate their reforms with schools across the country. It is important to repeat that these reform standards are completely voluntary and will not be used to determine funding decisions for any other Federal program. States are to develop their own standards and implementation plans and to share them with the council and the Goals panel for its review and suggestions. Several provisions in this bill also require that between 60 and 90 percent of the funds in a grant be expended at the local level.

In order to avoid excessive Federal entanglement in primary and secondary education, the conference report retains the Senate provisions that specifically prohibit Federal mandates on equalized spending per pupil or national school building standards and includes general prohibitions on Federal mandates, or the direction and control of local school and education districts.

This point should be made clear. This bill does not authorize a Federal takeover of education decisions made by States or local schools. The implementation of standards are to be developed by the States and local educational agencies on a voluntary basis in order to address the specific needs of the States and localities. This bill does not require States and localities to implement any learning standards and specifically prohibits the use of these funds for 5 years for assessments that would be used to make decisions on graduation, grade promotion or retention of students.

Flexibility is a key issue for educators and parents. Far too often a handful of Federal dollars come with strings that tie the hands of local educators and prevent them from effectively using their resources for the greatest benefit to their students. This bill provides authority to the Secretary of Education to waive Federal laws and regulations that may hinder education reform efforts. A request for waivers from restrictive Federal regulations was another provision that was specifically requested by the local educators at my education conference.

In order to encourage greater parental and community involvement in reform efforts, Goals 2000 includes provisions to require local education agencies and states to solicit input from the community and take that input into account during the development of their reform plans. It expands protections for students and parental rights by providing them with specific protections against intrusions into their constitutional rights of privacy. The bill specifically states:

> All instructional materials, including teachers' manuals, films, tapes, or other supplementary material which will be used in connection with any survey, analysis, or evaluation as part of any applicable program shall be available for inspections by the parents or guardians of the children.

The bill requires prior parental approval before students are subjected to certain types of surveys, analyses, or evaluations. This gives parents and students specific guaranteed protections for their rights and beliefs.

Madam President, the Goals 2000 legislation moves the education reform debate forward in a manner that is more positive than negative. I do not believe, as some Members do, that this bill is a perfect answer to the grassroots pleas for education reform; it does however, develop a framework under which local education reform can advance in a positive manner.

We in this body should not be overly optimistic that this one relatively modest sum of money will overhaul America's weakened public education system. True education reform will not happen at the Federal level; rather, it will only occur at the local level where parents, students and educators have the most input. It should be the role of the Federal Government to encourage and assist these reforms, but not to control the content or structure of these reforms. There are more reforms that need to take place and we should be prepared to assist the States and local educators in implementing those reforms.

Thus, while I do not support this bill wholeheartedly, I do believe that it is important for the Congress to move forward in developing an infrastructure that will assist the States in the reform efforts. I vote for this bill on behalf of the many people of Washington State who so desperately want to see a change from the status quo in the way our public school systems are run.

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

The Senator from Indiana.

Mr. COATS. Mr. President, I do not think any of us anticipated we would still be debating at the beginning of this Easter recess. I regret that we are, and I know many Members regret we are. Many have had to cancel plans made long ago. I had plans I made a year ago which I reluctantly canceled this morning.

That is the nature of the way the Senate works, and we all understand that. The one issue that has kept us here is an issue involving school prayer.

Members will recall that we had extensive debate on that when the Goals 2000 bill came through the Senate initially. The core amendment was one offered by Senator HELMS, which was modified by Senator PACKWOOD from Oregon. That amendment, as modified, was accepted and supported by 75 Members of the U.S. Senate.

The language said that, "No funds made available through the Department of Education under this act or any other act shall be available to any State or local educational agency which has a policy of denying, or which effectively prevents participation in constitutionally protected prayer"—that is the key phrase—"constitutionally protected prayer in public schools by individuals on a voluntary basis."

So, any individual or student exercising their first amendment rights of freedom of expression of their religion or of their faith, if it was done on a voluntary basis, and if the action was constitutionally protected—that is, the courts had ruled that that particular

action was acceptable under first amendment prohibitions against church and State interference—that would be allowed.

The amendment includes an additional clause which I think is important because it prohibits the United States or any State or any local educational agency—in other words, any governmental entity—it prohibits that entity from participating in that prayer, requiring anybody to participate in that prayer, or to influence the form or content of that prayer.

In other words, keep the State out of it. Keep this strictly voluntary. But do not deny—in fact it would be unconstitutional to deny—an individual the right to freedom of expression of their faith and religion, and in an attempt to state that any school agencies or districts or governmental authorities who prevented that would lose their funds under grants or distribution through the Department of Education.

So, as I said, the Senate, after some lengthy debate with alternatives and others, finally voted on that core amendment, and 75 Members of the Senate on a bipartisan basis agreed to that language.

In fact, Senator KENNEDY as chairman of the House Labor and Human Resources Committee, and directing the efforts on the floor, indicated that it was an acceptable amendment to him. I quote from the RECORD in which he said:

> This amendment has been changed now for constitutionally protected speech. Basically we are just saying if the school board is going to violate that as a matter of policy, it would be ineligible to receive money under this provision. As one who has supported that position with regard to race and religion and disability, I think the amendment is not inconsistent with that policy. So when the time comes to vote, I will vote in favor of the amendment.

When the bill went to conference with the House to be reconciled between the two differences in the bill on a whole number of measures, that amendment adopted by the Senate was changed. The House did not include similar language. But the House wanted the conferees to accept the Senate language. And, in fact, they went through a procedure called "a motion to instruct." And they actually had a vote on the matter which essentially said we instruct our representatives of this House in the conference to agree to the Senate language. That vote was 367 to 55.

So there can be no question that the amendment, as proposed by Senator HELMS and modified by Senator PACKWOOD, enjoys solid majority bipartisan support in both the Senate and the House of Representatives.

Most of us thought at that point the battle was over; that given the statements that were made on the floor, given the vote that was taken here in the Senate and the vote that was taken in the House of Representatives, that the language which we adopted would be included in the Goals 2000 bill.

Unfortunately, it was not. It was stricken, and a substitute was made, a substitute that many of us feel is totally inadequate. It is far more limiting. It deals only with withholding funds from school districts or educational agencies; from implementing a policy to deny that prayer. But it does nothing with those schools which are already enforcing the policies. For those who say, "Oh, well, that does not make any difference," it makes a very, very substantial difference.

As Senator LOTT indicated on the Senate floor during the debate, a voluntary prayer in the Mississippi school, and I quote that prayer by a student on a voluntary basis:

> Almighty God, we ask that You bless our parents, teachers, and country throughout this day. In Your name we pray. Amen.

That prayer was deemed offensive. That prayer was deemed out of bounds. That prayer was stricken, and that student who offered that prayer was suspended.

The principal of that school, which was Wingfield High School in Jackson, MS, essentially said that he saw nothing wrong with that prayer, and he was suspended. Students from that school in protest of those suspensions were subsequently suspended themselves.

So for an individual student to state a prayer which said, "Almighty God, we ask that You bless our parents, teachers, and country throughout this day. In Your name we pray, amen," we had the suspension of that student, the suspension of the principal of that school, and the suspension of students who protested that. That then led to a rally at the statehouse in Jackson, MS, where 4,000 people arrived and basically said, "This is crazy. This is the denial of the individual rights of freedom of expression guaranteed under the Constitution."

So the Senate was dealing with that type of issue. Those are policies that are being enforced throughout the country.

I have a list here of cases that are now in the courts brought by students who have been denied their right to free expression of their faith.

J.J. Music from Prestonsburg, KY, is a sixth grade student who was denied the right to pray with friends before school, not in class, but before school.

Eileen Unander of Champagine, IL, was denied the right to participate in a "See You at the Pole" type of activity, which was an activity which took place in some of our public schools around the country on a designated time at which they met at the flagpole before the school day and joined in prayer for their school, their teachers, or whatever. Case was brought. That individual was denied the right to participate in that particular activity.

Becky Renshaw of Kremmling, CO, has been told not to mention the word "Jesus" in school.

Nathan Lewis of Hatfield, PA, was selected to speak at the graduation but they said he cannot offer a prayer as part of his speech.

James Amyx of Brodhead, KY, is a student who was denied the right to plan a prayer at graduation, and he has been further threatened with denial of the right to pray with other students before school if he pursues the graduation issue further.

Adam Grecco of Derby, CT, was a student denied the right to speak to another student about God at school.

These are all cases now in the courts.

Bethany Null of Panama City, FL, was a special education student who was told she could not pray over her lunch.

And on and on we go as school districts, educational authorities, and others are simply denying this right of freedom of expression of faith in a public school on a voluntary basis without any teacher coercion, without any State coercion, without any State influence as to what that prayer might be.

That is what Senator HELMS and Senator PACKWOOD were attempting to address when they offered this amendment. That is what the Senate agreed to. That is what the House of Representatives agreed to in an overwhelming fashion, 367 to 55 in instructing their conferees. Yet we enter a conference and suddenly the bill came back with substitute language, which most of us feel is totally inadequate to address the situation.

So people are saying, how can it be? How can the Senate vote by a 3-to-1 margin, almost 4-to-1 margin and the House vote by a 4- or 5-to-1 margin to do the same thing and the conferees, the people selected to reconcile the two bills, come back with something entirely different?

Senator HELMS has protested going forward with this bill because of the actions that were taking place that were contrary to what the majority of this body and the majority of the House of Representatives sought to do. He has, on many occasions, invoked his rights as a minority Member to filibuster or to delay consideration of legislation, because he did not agree with what the majority was doing. That is certainly within his rights, and probably every Member of the Senate has done that at one time or another.

But what Senator HELMS is doing this time is not filibustering because he does not agree with the majority; he is filibustering because a minority has contravened and intervened and denied the rights of the majority. It is their right to do that. They can meet in conference and strike that language. It is not representative; it is not indicative of or carrying forward the wishes of the

majority, which they are supposed to represent; but that is what was done.

So we have an interesting reversal here, an interesting flip-flop. We have a Member of the Senate who is filibustering, not to protect the rights of a minority or his own individual rights; we have a Member filibustering to try to protect the rights of the majority.

I suggest that there is a very substantial difference between that type of filibuster and the type of filibuster designed to protect the rights of the minority. It is the majority of the Senate and majority of the House of Representatives, by a very substantial margin, that wants the Helms-Packwood language left in this Goals 2000 bill. It is only a minority that does not want it. Unfortunately, that minority controlled the conference.

Senator HELMS has talked about the procedures of the conference, how the issue was not debated for more than 60 seconds at a time at all, and was done right at the end of the conference. I do not believe it had a fair hearing at the conference. I was not there. In fact, I was on the way to that conference, because I was told that that is when we were going to take up the prayer issue, which was my main concern. I met my aide halfway there, and she said, "It is done, the conference is over." I said, "What about the prayer amendment." She said, "They dropped the language and added something else and did it all in 60 seconds."

So I think many of us feel that we did not have a fair shot at this. The only way we are going to get a fair shot at this is to deny the minority the right to push this thing through, which I think is in direct contravention to the vast majority of us who supported and voted for this.

I regret that we are in this situation. I regret that Members are left here when we should have finished last evening. I regret it partly because I have had to change my own plans—something I had planned for a year. I know other Members have other considerations. But the reason we are here is not because Senator HELMS or any other Senator is trying to defend a position that is not shared by the majority. The reason we are here is because a very small minority is trying to have their way and deny what the majority has already agreed to do. That is significantly different than what we normally encounter during a filibuster situation.

So it appears that we are going to be here debating until at least 12:01 a.m. Saturday, and perhaps beyond that. That is the unfortunate situation in which we find ourselves. I regret it, and I know other Senators regret it. But it was not a minority that put us here. We are trying to defend the rights of the majority, which have been denied by the result of this conference.

I yield the floor.

Mr. KENNEDY. Mr. President, I will not take much time to comment in addition to what I mentioned earlier. Of course, my good friend from Indiana failed to mention that there were other provisions relating to school prayer that were included in the Goals 2000. The Helms amendment was accepted 75–22. The Danforth amendment was accepted 97–0.

Let me read the Danforth amendment. It expresses the sense that:

> The schools should encourage a period of daily silence for students for the purpose of contemplating their aspirations, for considering what they hope and plan to accomplish that day, for considering how their own actions of that day will affect themselves and others around them, including their schoolmates, friends, and families, for drawing strength for whatever personal, moral, or religious beliefs, or positive values they hold, and for such other introspection and reflection as will help them develop and prepare them for achieving the goals of this act.

That is what the Danforth amendment said.

The Helms language is:

> No funds available through the Department of Education under this act, or any other act, shall be available to any State or local education agency which has a policy of denying, or which effectively prevents participation in, constitutionally protected prayer in public schools by individuals on a voluntary base. Neither the United States nor any other local education agency shall require any person to participate in prayer or influence the form or content or any constitutionally protected prayer in such schools.

Mr. COATS. Will the Senator yield?

Mr. KENNEDY. I will yield in just a moment.

The LEVIN amendment says:

> Notwithstanding other provisions of the act, no funds available through the Department of Education under this act, or any other act, shall be denied to any State or local education agency because it has adopted a constitutional policy relative to school prayer.

Those are three different amendments. So we come back in the conference report with this language: No funds authorized to be appropriated under this act may be used by any State or local educational agency to adopt policies that prevent voluntary prayer and meditation in public schools.

You have three different languages, three different amendments. At the end of the day, we come back and say:

> No funds authorized to be appropriated under this act may be used by any State or local educational agency to adopt policies that prevent voluntary prayer and meditation in public schools.

I would think that Senator Danforth, whose amendment passed 97–0, would be up here saying: Look at my amendment and look how that passed by even greater support than the Helms amendment. Or we might have Senator LEVIN saying: Why did we not take all of this language? Well, I have read the language that we did take.

Finally, as the Senator knows—or should know—there was a very divisive issue that was before the conference: opportunity to learn standards. At several times during those negotiations, there was every likelihood that we would not come back with a conference report.

If we had been unable to address that particular issue, there would have been no conference report. Therefore, the Members from the House and the Senate said, let us see if we are even going to have a bill before we start talking about the three school prayer amendments that we have in there, about the fact that the House legislation did not include any, and about the issue of the instructions to the House of Representatives. That seemed to be a reasonable way to proceed.

As I have outlined on other occasions, the questions on the notifications on different matters, the distribution, the 2 days before are different language.

With all respect, my good friend from Indiana never came to me at any time and said, "Look, before we take this up, I want to be heard."

The Senator from Pennsylvania, Senator SPECTER, came to us with regard to the issue of private management. He wanted to be able to attend our conference when his amendments were coming up—and he did appear at our conference. We accord that kind of comity.

I know the Senator from Indiana was interested in this issue, but we had gone on in conference for a very considerable period of time. He cannot find any place in that record or any other place where he said, before we finally resolve, I would like to have this issue addressed. Congressman MILLER did it with regard to the Dorgan amendment on guns—he came to the conference. We waited a great deal of time to accomodate him. Congressman WILLIAMS wanted to have an opportunity to address the issue. We accommodated staff that indicated that their Members wanted to be represented at the conference.

Quite frankly, I know this is a complex and a difficult issue and, eventually, as pointed out, the Senate is going to have the opportunity on the Elementary and Secondary Education Act to revisit the issue, and that, obviously, would be an opportunity for the Senator and the Senate to resolve it.

Given the fact that we can resolve this issue in a few weeks on the next education bill that comes up, or on any other bill that comes up prior to that, because anybody can offer this amendment under the Senate rules at any time, it ought to be clear that we should not do it now.

If we do not pass this legislation now, there will be significant loss of funding to the Members' States. For example, the State of Indiana will lose, it is esti-

mated, some $13 million over the next three years in education reform funds. This is not to say that money is going to answer all the educational needs of any of our States, but there is no question that some financial assistance can make a very big difference. Matched with the extraordinary generosity of Ambassador Annenberg of some $500 million, Goals 2000 will provide much-needed help to States and local communities that are trying to make progress. This is a very important time for educational reform.

I appreciate the comments of the Senator, and I know they are made in good faith, because the Senator is too good a friend and I have too much respect for him to conclude otherwise, but I do think there is another side to the issue.

Mr. COATS. If the chairman will yield, I would like to respond to a couple points.

Mr. KENNEDY. I am glad to yield the floor and respond to the question. I yield the floor.

The PRESIDING OFFICER. The Senator from Indiana is recognized.

Mr. COATS. Mr. President, in response to a couple statements made by the Senator from Massachusetts, let me just state that, first of all, in looking back over the chronology of the conference meetings on the Goals 2000 measure, the first meeting was held on Tuesday, March 15, at 10:30 a.m. That was the first members meeting. And like the first members meeting of the conference, it was just general discussion, and that is what took place.

They reconvened at 3:30. The members meeting resumed. I had a conflict, so I asked my staff if they would contact Senator KENNEDY's staff and inform both Senator KENNEDY's staff and Senator KASSEBAUM's staff—Senator KASSEBAUM was the ranking member on the committee—that the language suggested on the prayer was unacceptable to me and inquiring whether or not there would be debate on the prayer amendment.

The answer was they were not sure, and I advised my staff to please let me know since I had a conflict to let me know if that came up, and it did not come up at that particular meeting.

Next day, on March 16, on Wednesday at 11 a.m., my staff inquired of Senator KENNEDY's staff when the school prayer issue would be debated.

We were informed at that time that it would be debated that afternoon. Again, because I had a conflict, I said that is the issue I am interested in and it is not going to be debated in the morning. I will wait until the afternoon. We informed Senator KENNEDY's staff that we wanted to raise the issue of school prayer. At 2 p.m., that afternoon the members conference resumed. The school prayer issue was not debated again. That was at the time when the Republicans were meeting with Senator DOLE at a Republican conference to discuss a number of issues of strategy and legislation.

On Thursday, the next day, March 17, then at 1:30 p.m. the final members conference was held. Our office was notified of that final meeting that morning. I was hosting a luncheon down in the Senate dining room. I said I would get there just as quickly as I can, and I excused myself from that luncheon early and was on my way to the meeting when my staff aide informed me that the conference was concluded.

Now, Senator KENNEDY is correct when he says that I did not personally indicate to him that I had an interest in this particular issue. I have a long history of involvement in respect to school prayer, certainly Senator KENNEDY would have known of my interest in that particular issue. But I am somewhat remiss for not directly talking to him and saying I do not want the conference closed without the opportunity to come over and debate it.

I was, as I said, on my way to do just that when I learned that the conference was already closed.

I can assure the Senator that in the future this new junior Senator has learned a lesson and I will communicate directly with him on issues that are important, and this clearly was an issue that is important to me. I will do that in the future.

In another related matter, Senator KENNEDY indicated that the Helms-Packwood amendment was not the only one that was adopted, and that is true. Senator Levin had an amendment adopted and Senator Danforth had an amendment adopted, but neither of those was included in the Goals 2000 final conference report either.

I guess my question is the Senate voted overwhelmingly on three separate amendments relative to school prayer. Of course, we all knew the Helms amendment was the one with teeth in it and the one with the core amendment. But what came back was an amendment not debated and not voted on by the Senate, the three that were not brought back. They were dropped.

It seems curious to me that the three that the Senate indicated an interest in did not make the final cut. The one that the House indicated overwhelming they wanted their conferees to support and the language that they wanted in the bill that did not make the final cut.

What came back was something that neither body wanted. In fact, the House in its debate on the Elementary and Secondary Education Act voted on language identical to the Helms-Packwood language. They voted 345 to 64 to put that language in that bill. And that was after a vote came on language offered by Representative PAT WILLIAMS which is exactly the language brought back to us here and now incorporated in this bill. They rejected that language 171 to 239. The House labeled it as do-nothing language.

So it just seems curious to me that the language which the Senate clearly wanted and the language that the House clearly wanted was rejected. What was substituted was the language that the House clearly rejected. That to me does not represent a conference that heeded the wishes of the strong majority of either body and I think that is what has put us in this unfortunate situation.

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. KENNEDY. Mr. President, I will just take a moment.

Mr. President, Senator COATS and I have remarkably talented, gifted, and wonderful staff. If there is some misunderstanding on this, then I am prepared to recognize that. I have a somewhat different report from my people, but I do not think we in this body want to go into this.

I just say I regret that I had no personal knowledge. In the time that I have been here in the Senate, some 30 years, when notified by a Member or staff that a particular Member wanted to be heard on a measure, I have always accommodated that request. I think the record will demonstrate it.

It is true that we met at 1:30 in S–116 right outside of the dining room here. To the best of my knowledge, we were in there about 40 minutes or so. But, nonetheless, I appreciate what the Senator has said, and I regret any misunderstanding.

Let me just say one other thing with regard to the Senator's points. We had three different amendments. We came back with the one in the conference report, which I read into the RECORD. We were trying to reconcile the different amendments. That is what we were charged with in conference committee. We were not charged with selecting one or another amendment, and if we had been, we should have come back from conference with the Danforth amendment, which had stronger support than the Helms amendment.

But, having read the three different ones into the RECORD, it seems that the language we came back with is much closer to the Danforth amendment. And the important point about the language in the conference report is what that language is. Did we make that language out of whole cloth in the course of the conference? No. It has effectively been the existing law for 13 years on the appropriations bill—13 years.

This language did not come out of thin air or whole cloth. That has been law for 13 years. And the Senator from Indiana and the Senator from North Carolina have not challenged it for all that time. Why did they not do that? Why are they holding up Goals 2000?

If the Senator says, well, we are doing it to help put other language on

ESEA, then that is exactly what we are saying—let us debate the issue on the Elementary and Secondary Education Act. We are glad to do that.

I just hope that we do not get away from the point. If we do not pass this Goals 2000 legislation now, we are effectively denying to States over $100 million that will go to local schools that are out there on the front line—schools with teachers that are hard pressed, parents that are hard pressed, and students that are hard pressed. After 4 years, with this legislation that passed the Senate by a strong bipartisan vote, we are within hours of the opportunity to get some badly-needed assistance to local school districts.

And we are being caught up in this situation where a handful of Senators feel that this is not the way to proceed. I seriously am saddened by that, saddened by it because we have had bipartisan support in shaping the legislation coming out of the conference itself. We had Republicans that signed the conference report. This is not a situation where all of one party walked out and said they had been treated shabbily. That has not been the case.

Whatever misunderstanding there has been, I regret. But I do not regret the fact that we reached the accomodation that we did and that we reached it when we did.

I yield the floor.

Mr. COATS addressed the Chair.

The PRESIDING OFFICER. The Senator from Indiana.

Mr. COATS. It is not my intention to get into a Ping-Pong match with the Senator from Massachusetts. This will be the last time I will speak.

I want to just respond to a couple of things here. No. 1, as I indicated, I am willing to accept there was a misunderstanding. Obviously, the solution to that is for this Senator to go directly to the Senator. Our staffs have worked together on other items and they will continue to do so. And so we can remedy that, and I take responsibility for not directly communicating with Senator KENNEDY my interest in this.

I have to, however, question what has come back from the conference as being representative of a compromise between the three specific amendments that we passed. What came back, as Senator KENNEDY has said, is current law.

The reason Senator HELMS and Senator PACKWOOD offered their modified amendment is that they do not believe current law is working very well. And I cited earlier a number of cases of situations where individuals had been denied their rights, or what I think are their rights, under the Constitution.

What we are trying to do is clarify that. Because in school district after school district all across this country, there is an antagonism toward the concept of prayer. People want to drive God completely out of the public square, out of the public schools, to say He has no place there.

And many of us agree that we do not want a situation, as our Founding Fathers tried to protect against, we do not want a situation where some State superintendent of education or some local superintendent of education or even some teacher says, "Oh, here's the prayer. Read it."

I do not want a government authority telling me and my kids how to pray. I do not want a government authority authorizing any kind of a prayer, whether it is at graduation or before a football game or in the school to start the day. But, I do not want to deny a student the right to express their faith or offer a voluntary prayer that has been constitutionally protected by the Supreme Court. And that is what the Helms amendment attempts to clarify and that is why it gained majority support here.

But it is this litany of cases that we hear about and read about every other day, it seems like, where again a student is told that they cannot bow their head before they have lunch in the cafeteria, or they cannot voluntarily offer a prayer before a basketball game, or they cannot kneel down after a big victory and voluntarily, with some other members of the football team, and say, "Lord, thank you for the victory," or "Thanks for keeping us injury free," or whatever they want to express. That is a voluntary expression. That is a tradition in this country. That has been a tradition in our schools, and I think is the kind of tradition that we want to retain. And the courts have denied that and stripped that away and there have been lawsuits.

The current law obviously is not doing the job or we would not find all these incidents across the country. That is what we are trying to correct.

So what has come back is not a reconciliation of the three amendments that were offered here, and I had no objection to any one of them. What has come back is a restatement of current law which has not worked, and that is what we are trying to correct.

Finally, as to the idea that we are losing some funds here, my understanding is that if Goals 2000 stalls, those funds will be shifted over to fund a shortfall in the Pell Grant Program. There is a $118 million Pell grant shortfall. So those funds are not going to be shifted away from education but they simply would wipe out a funding backlog. They are going to go to students to help pay for their education.

And so, we are not talking about a loss of funds going to education. We are talking about, at least until this issue is resolved, a temporary suspension of funds that might go to implement the Goals 2000 program.

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

Mr. NICKLES addressed the Chair.

The PRESIDING OFFICER. The Chair recognizes the Senator from Oklahoma [Mr. NICKLES].

Mr. NICKLES. Mr. President, I wish to congratulate my friend and colleague, Senator COATS from Indiana, for his statement and also for his commitment. And I wish to compliment and congratulate Senator HELMS from North Carolina for his tenacity and his courage, because it is not easy taking the floor, it is not easy saying you are going to filibuster a bill unless a provision is reinstated. But I compliment him for it.

I happen to think his amendment is more important than the bill.

Senator COATS alluded to the fact that there are lots of school districts and others that are afraid to even have voluntary prayer in school because of a court interpretation or maybe advisories that they have been given by the ACLU or the attorney for the school board that said if you have or even allowed voluntary student-led prayer somebody might file a class action suit or a suit against you and you might end up in court, and it might cost a lot of money and you are going to have to defend yourself. And they do not want to have to defend themselves, so many school districts have avoided such prayer.

As a result of the Lee versus Weisman case that came out last year, a lot of school districts not only do not have prayer allowed at commencement exercises, but they also sometimes decide not to have prayer at athletic events.

That is not what the Lee versus Weisman case says. I might mention, Lee versus Weisman was a 5 to 4 decision, and in my opinion not a correct decision.

Many people have taken that bad decision and expanded it basically to try to prohibit any type of voluntary prayer in our public schools. I think that is a mistake.

So I think the amendment by Senator HELMS was correct. It was supported overwhelmingly in both the House and the Senate. It should be part of this package. And, again, it is a very important part of the package.

I also echo what Senator COATS alluded to in the fact that the Pell Grant Program is underfunded. And in the President's budget for 1995, he is requesting $118 million to make up for a shortfall from previous years in the Pell Grant Program.

Also, last year, when we passed the Labor-HHS appropriations bill, we said that if this bill was not passed that the funding would revert to the Pell Grant Program. So if this bill does not pass, I have heard people say, the school districts are going to lose this $118 million. The real result will be that the Pell Grant Program will be brought up to date. The Pell Grant program can use $118 million. So this money will go

toward education and I think in a very positive and successful program.

The Pell Grant Program helps 4 million students today.

I rise also to address a couple of other issues. One relates to comments that Dr. Elders, our Surgeon General, has made in the recent months since she was confirmed as Surgeon General.

Senator KENNEDY knows, and many other people know, I strongly opposed Dr. Elder's nomination as Surgeon General. I opposed it because she made a lot of comments that I thought really did not suit the position of Surgeon General. For example, talking about the positive public health effects of abortion, saying that reduced the number of children born with Downs Syndrome. I found that to be totally insensitive to parents and individuals born with Downs Syndrome. I just thought that was totally inappropriate for the Surgeon General.

She talked about the positive ramifications of abortion, the positive public health effects of abortion. I thought that was wrong.

She made statements saying we teach kids what to do in the front seat of the car, we should teach kids what to do in the back seat of the car, and so on, telling kids not to go on a date unless they took a condom—really just taking the radical position on a lot of issues.

Dr. Elders was confirmed despite my opposition, and she has made a lot of radical comments since. I am looking at a headline that was in the Saturday Washington Times. It says, "Elders Calls Gay Sex 'Wonderful and Healthy'" and it goes on. These statements were made in an interview in the Advocate. I believe they are statements rooted in extremism and insensitivity and intolerance. They are outrageous and radical.

I will just cite a few examples from her interview. I also ask unanimous consent to have the article printed in the RECORD at the end of my remarks.

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

(See exhibit 1.)

Mr. NICKLES. According to the article, Dr. Elders endorsed gay adoption.

> I feel that good parents are good parents, regardless of their sexual orientation.

Keep in mind, this is the Surgeon General of the United States.

Dr. Elders displayed a disregard for the containment of the AIDS virus.

> We have to be more open about sex and we need to speak out to tell people that sex is good and sex is wonderful. It is a normal part and a healthy part of our being, whether it is homosexual or heterosexual.

I might also mention Dr. Elders recently repeated these statements in an appearance before the Senate Judiciary Committee on March 23. Dr. Elders said that school-based clinics, for which she has previously endorsed birth control information, should also dispense information on homosexuality.

> We cannot just write off 10 percent of our student population. We should certainly work on gay and lesbian health issues. We need to make sure our teachers are educated about sexuality and counselors know how to address the issue in a sensitive manner.

Not only is this a policy which would destroy public confidence in our school systems, Dr. Elders uses the now discredited figure of 10 percent in reference to the homosexual population.

Dr. Elders also called the current Boy Scout membership policy unfair. This is her quote:

> Once again we are dealing with the ignorance of our society about what gay people are like, and the effects of policies like this on them.

Finally, Dr. Elders endorsed gay marriages. She wants Americans to—

> * * * learn that gay people are not just out there wanting to have sex with anybody who walks down the street, and that gay people have real loving, lasting relationships and families.

There is much more in the article.

On March 22, in a hearing before the Senate Judiciary Committee, she reiterated her comments, standing by them unequivocally; beating up on Boy Scouts, backing gay marriages and gay adoption, endorsing homosexual education of our schoolchildren —all this she supports.

But with her radical blinders on, Dr. Elders ignores the deep distress she has caused among many Americans with her remarks. So distressing were these statements, statements not just advocating homosexual adoption but mischaracterizing religious teaching on homosexual issues, that the Cardinal of Washington, James Hickey, took the extraordinary step of sending a letter to the President this week.

Mr. President, I ask unanimous consent that this letter be printed in the RECORD at the end of my remarks.

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

(See exhibit 2.)

Mr. NICKLES. Cardinal Hickey writes:

> I must take strong exception to the recent remarks of Surgeon General Dr. Joycelyn Elders advocating homosexual behavioral and expressing support for adoption by so-called homosexual couples. The Surgeon General irresponsibly accuses religious leaders holding sexuality is solely for procreation. The comments of Surgeon General Elders are destructive of true understanding of family life. It is one thing to defend the human rights of homosexual men and women. It is quite another to encourage, as she does, a lifestyle which puts so-called homosexual unions on par with marriage and family and condones homosexual behavior among young people.

Last year, when the Senate considered the nomination of Dr. Elders to the post of Surgeon General, we spent some time discussing her positions and statements. In particular, we focused on a series of statements she made in Little Rock about the Catholic church, comments which also distressed many Catholics and non-Catholics alike.

Dr. Elders never disavowed those statements. And I expect she will not disavow recent statements either. But I would hope at some point she would realize that whenever she speaks she is sorely misinformed and displays nothing but intemperance and intolerance. In 7 months she has lurched from controversy to controversy, attacking toy guns, Congress, people of faith, and former President Lyndon Johnson. Her lack of discernment should be made clear to President Clinton. In my opinion it is long past time to dismiss Dr. Elders.

Mr. President, this is not the first time she has made such statements. Let us just review the record of the last few months. Even before her nomination, she told the press she was eager to use the bully pulpit that came with the job to speak out strongly on questions of health. Many of Dr. Elders' predecessors, notably Dr. Koop, used the power of persuasion in a serious and thoughtful way. Through their advocacy they helped improve our country's health. But in her inaugural speech, Dr. Elders skipped focusing on an American health agenda. Instead, she focused on her personal abortion agenda.

According to one of the many press reports on the speech, and I will quote:

> Surgeon General Joycelyn Elders urged American women Thursday, to retaliate at the voting booth if Members of Congress vote to strip coverage for abortions from President Clinton's health care plan.
>
> I would hope that our policymakers would not be so narrow minded as to deny a complete range of reproductive health services in our health care reform plan for all women. If they are, I hope women would make sure they never forget.

That was in the AP on October 7, 1993.

Mr. President, as you know, this Congress, for at least the past dozen years, has had restrictions on Federal funding of abortion. That has passed repeatedly by a majority of Congress. Yet now she is advocating not only legal abortion, but taxpayers' subsidies for it; that it would be a fringe benefit in all health care plans. And if one would dare to oppose that position, she urges people to retaliate against those lawmakers.

Mr. President, that is not the position that should be taken by the Surgeon General. That was no bully pulpit speech. No, that was a pulpit bully speaking.

Second, last year the Surgeon General took on handgun violence, which is what many people think of when they think of crime. All us know handgun violence is a serious problem in our society. Far too many people have suffered from criminals who use guns. But to cut down on handgun violence Dr. Elders told America, "We have to educate the public not to buy their children toy guns for Christmas." That was reported on CNN, December 8, 1993.

It amazes me. For all the crime in America, Dr. Elders believes toy guns

are the problem. This thoughtless comment from Dr. Elders trivialized the work of millions of Americans trying to confront the violence that keeps countless inner city families hostage in their own homes. It dishonored the pain of families who had members murdered by criminals. Her suggestion does not deserve even to be a footnote in the serious debate our society is having on how to stop our epidemic of violence.

Without even pausing for a breath, though, Dr. Elders decided to speak up about the war on drugs. Her prescription: Unconditional surrender.

According to Dr. Elders, same day, same speech:

> I do feel we would markedly reduce our crime rate if drugs were legalized, but I do not know all the ramifications of this. I do feel we need to do some studies. And in some of the countries that have legalized drugs and made it legal, they have certainly shown there has been a rate reduction in their crime rate and there has been no increase in their drug use rate.

That is December 7, 1993.

Mr. President, Bill Clinton started this administration by gutting funding and staffing for the drug czar's office. He skipped submitting a drug strategy last year. He decided to cut funds for drug interdiction in the fiscal year 1995 budget. According to the Clinton administration itself, nearly 80 million Americans have tried illegal drugs. After years of decline, 1993 saw teen drug use increase. More students are trying marijuana and LSD, and the belief that drugs are harmful is declining among our youth.

Mr. President, countless law enforcement personnel, countless teachers, countless parents, countless religious leaders are spending countless hours working with their families, working with children, encouraging children to say no to drugs, trying to warn people that if they use drugs, it is hazardous to their health; that drugs can be deadly.

This is basketball season. We have the NCAA tournaments going now. I remember a famous basketball star, Len Bias, from Maryland, who died of an overdose of drugs. And yet the Surgeon General of the United States, Dr. Elders, is saying maybe we should consider legalizing drugs. If Dr. Elders does not know that drugs can be harmful to your health, then we need a new Surgeon General.

In January, Dr. Elders hit the headlines again. While fervently urging the use of condoms by teenagers, she decided being a general is not good enough; she wants to be a queen. In an interview with the New York Times, Dr. Elders told America:

> If I can be the condom queen and get every young person who engages in sex to use a condom in the United States, I would wear a crown on my head with a condom on it. I would.

New York Times, January 4, 1994.

Back when she was in Arkansas, she had a little condom tree on her desk.

Mr. President, I find it astonishing again that the Surgeon General makes such a statement. She should know condoms are not foolproof, not totally safe—they do not even stop the HIV virus in many cases. And even when she was head of the Department of Health and Human Services in Arkansas, she distributed a lot of defective condoms and she did not notify individuals that they had received defective condoms so they continued to use them, risking disease, risking pregnancy, risking, unfortunately, AIDS, a very deadly disease.

Mr. President, the list goes on. Just last month, Dr. Elders was at it again. Never one to let facts get in the way of a good quote, the Surgeon General told the National Family Planning and Reproductive Health Association:

> Honestly, our Medicaid system had to be developed by a white male slave owner because our present system supports healthy, uneducated people which can only be slaves. We pay for prenatal care, we pay for delivery, we won't pay for family planning. There's something wrong with our system.

That was February 25, 1994. Of course, if Medicaid was the brainchild of a white male slave owner, he was none other than Democrat President Lyndon Baines Johnson.

By the way, I might mention, President Johnson pushed through Congress several of the most sweeping civil rights bills in our Nation's history.

When it comes to facts, Dr. Elders appears not to know that the Department she serves, Health and Human Services, administers a Medicaid program that requires States to cover family planning services. For the information of the Surgeon General, Mr. President, this is a mandatory requirement. No exceptions, no excuses.

Further, under Medicaid, State family planning programs get a more generous share of Federal matching funds than any other Medicaid program. Ninety percent of the cost of family planning is borne by the Federal Government. Matching rates for all other programs vary between 50 and 83 percent.

Finally, more money was spent on family planning than other preventive services under Medicaid. In the latest year for which statistics are available, fiscal year 1991, the average payment for family planning services was $164 per beneficiary—more than the average payment for dental services, for visits to rural clinics, or for the early periodic screening, diagnosis and treatment program.

Then, Mr. President, this week we have her ludicrous comments that were made in the "Advocate"—it has the title on it, "The Condom Queen, She Speaks Her Mind." Again, she advocates gay marriages and blasts the Boy Scouts.

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

Mr. NICKLES. I will be happy to.

Mr. GREGG. Because I think you have raised a very significant point as relates to the bill we are considering today, which is Goals 2000. As the Senator from Oklahoma appreciates, under Goals 2000, there will be created a national commission called NESIC, which will develop a set of standards as to what is a proper curriculum for school systems.

It is alleged that that curriculum, as developed by this Federal group, will be voluntary. No States will have to comply with it. But as you look through the law, you determine fairly quickly that a lot of States are going to be put in a position where they comply or else they do not get funds.

But if that board is to develop standards, who are they to look to for their standards? I presume it is going to come from the administration and the leaders of the administration as to what should be taught in our school systems.

As the Senator has pointed out, Joycelyn Elders, the Surgeon General, in the article which he has referred to, has suggested—and I will quote from a statement that she made on March 23, post that article but confirms that article—in an exchange between Senator BROWN and herself before the Judiciary Committee.

If I may quote that statement to support this question, she has suggested that basically homosexuality and heterosexuality should be taught on a par and should both be taught as healthy and wonderful sex. I will quote the statement.

This is Senator BROWN:

> In the sexuality education, are the comments you made in the Advocate ones that you think should be included in the sexuality education?

Surgeon General Elders:

> I'm sorry, Senator. What, what were they?

Senator BROWN:

> Well, the reference was, and you appreciate that magazines or at least my impression is that magazines are not perfect. They don't always get it exactly right. But one of the quotes out of the magazine is that America needs to know that sex is wonderful and normal and a healthy part of being, whether it is homosexual or heterosexual.

Surgeon General Elders:

> Yes, I made, that's correct. They did get it correct.

If this is the position of the Surgeon General, it may fly as an appropriate position in some parts of this country, some areas of this country. But there are other parts of the country—I suspect my own State is one and the State of Oklahoma is one—where the concept of teaching heterosexuality and homosexuality as being healthy, wonderful, and normal and on par would be repugnant and receive a significant amount of resistance. Yet you have the Surgeon General of the United States representing that this is the manner in

which sexual education should be structured.

Under this bill, Goals 2000, you have a national board which is going to design a national curriculum which will be the certified national curriculum of the Nation, and one presumes that the Surgeon General of the United States will have a major say in that board, maybe even be a member of that board for all I know. The President may put her on the board or make her chairman of that board. Probably she will be chairman of the subcommittee of that board on what should be taught in the area of health and sex education in our school system.

So it is very likely that the philosophy of this individual will become the national certified standard, and that the way this Goals 2000 is structured, at some point in the future—and I do not think it is very far away, although those on the other side will argue it will never happen—I do not think it is too far away that that certified standard, as represented by this Surgeon General, will become the standard of the land and that elementary and secondary schools throughout the country, whether in Oklahoma, New Hampshire, or San Francisco, will be required to teach this as catechism of appropriate sexual activity.

I think a lot of people will resist that and they will think it is unfair that the question of sexual activity should be defined by someone like Joycelyn Elders who I do not believe is in the mainstream on this issue and yet who speaks for this administration and, because of this bill, may become the arbiter of what is sexual education and proper sexual education in this country, which is, it is normal, healthy and wonderful to treat both homosexual and heterosexual activity as equal within our school systems for educational purposes.

If people want to be homosexuals, that is their decision, but certainly I think there is a lot of resistance in this country to teaching it within the school systems, especially when you get into the lower school system, which she says sexual education—in an earlier statement—must start at the kindergarten level.

I think it appropriate you raise this issue because really this is a very serious question of who is going to control the catechism, the dogma, the criteria for sexual education in our school systems. Because under this bill, we are possibly turning that over to a national board which will be dramatically influenced by Joycelyn Elders and taking it out of the hands of the families and the teachers and the principals who are on the front line of education and traditionally have handled this issue.

Mr. NICKLES. Mr. President, I very much appreciate my colleague's remarks. I concur with him 100 percent. Dr. Elders has long been an advocate for early sex and health education, and now we find that this is in her agenda, to teach our young people—these kinds of statements—"that sex is wonderful and a normal * * * and healthy part of our being, whether it is homosexual or heterosexual." About "sex is good, that sex is wonderful." It is * * * a normal * * * and healthy part of our being, whether it is homosexual or heterosexual."

To think she wants to begin this national sex education for all kids beginning at kindergarten I think is frightening. I will tell you what bothers me as well is that she has made these remarks. Many of us warned this administration not to nominate her, warned this body not to confirm her because she had these positions. But she was confirmed.

It is interesting, when she made the comment about legalizing drugs, President Clinton was quick to respond. He said, "Oh, I don't agree with that." But evidently he did not reprimand her very much because shortly after that, 2, 3 weeks later, she spoke out again on the issue. She still thought we should study legalizing drugs—she did not say legalizing only marijuana, but talking about drugs—which means cocaine, crack, heroin, LSD, drugs that kill, drugs that maim, drugs that make addicts, drugs that produce the tragedy of crack babies.

And again to think this is not somebody with a theory or somebody who is trying to get a Government grant for a study. This is the Surgeon General of the United States, who does not obviously realize that there is a real serious health problem with legalizing drugs.

It is interesting that the President distanced himself from those remarks. The day they were made, he said no, we are not going to do that on my watch, we are not going to legalize drugs. When she made the comment 2 or 3 weeks later, there was no effort made—evidently, she was not called in for stating these things. And now she has made these statements that homosexuality is a normal lifestyle in the early ages and talking about gay marriages, gay adoption, bashing the Boy Scouts. Their policy of saying they do not want to have homosexuals as scout masters she thinks is wrong; she thinks that is unfair and should be repudiated. This President has not distanced himself from any of these remarks.

So these remarks continue to go out, and we see these headlines, and I cannot help but think what does this do to undermine the families and the police and the teachers and counselors who are trying to tell kids to stay away from drugs? Or maybe they are trying to tell their kids, hey, sex can be dangerous. Sex can be dangerous. It can be deadly. You did not see that in Dr. Elders' remarks. Sex can be deadly. And I am just kind of concerned that this administration has not been very forthcoming.

Mr. President, I believe the President of the United States should replace Dr. Elders. I think her nomination and her confirmation as well was a serious mistake.

EXHIBIT 1

[From the Advocate, March 22, 1994]

THE CONDOM QUEEN REIGNS—SURGEON GENERAL JOYCELYN ELDERS SPEAKS OUT WHERE THE PRESIDENT FEARS TO TREAD

(By Chris Bull)

In a memorable and often-quoted line uttered in 1989 while she served as the director of the Arkansas Department of Health under then-governor Bill Clinton. Joycelyn Elders, who is now Clinton's U.S. surgeon general, compared driver's education for young people to sex education in the schools. "We taught them what to do in the front seat of the car," she said. "Now, it's time to teach them what to do in the backseat."

Elders made the remark as part of an aggressive campaign to lower the rate of teenage pregnancy in the state, which at the time had the second highest rate in the nation, after Mississippi. But Elders says that the now-famous quote should apply equally to gay youths who are at high risk for infection with HIV. The federal government, she insists, has a responsibility to teach young gay men "what to do in the backseat" to protect themselves from HIV, especially in the light of several recent studies indicating that a sizable number of young gay men have not been reached by AIDS education campaigns and are continuing to engage in unprotected sex.

"If there are young gay men out there who are not hearing the message, then we have to step in and figure out how to get to them," Elders says. "The federal government has a responsibility to all of our citizens, not just the heterosexual citizens. 'This country has to get over the judgmental way it makes decisions and make sure we are fair to all our citizens."

Statements like these have earned Elders a reputation as the most fearless and most outspoken member of the Clinton administration; so much so, in fact, that she appears to be on a collision course with her boss. Last December, for instance, Elders precipitated a political firestorm by saying that legalizing drugs would reduce crime and violence. Clinton quickly distanced himself from his surgeon general by insisting that drugs would "not be legalized on my watch."

Elders is able to maintain this stance without jeopardizing her relationship with Clinton—who is known for his political caution—through a combination of personal popularity and political savvy. "Elders is widely perceived as sincere, well-meaning, and tough," says Christopher II. Foreman Jr., a research associate at the Brookings Institution, a Washington, D.C.-based policy-analysis group. "Those qualities will keep her in good stead in a rime when so many politicians are seen as weak and insincere."

Although she rarely addressed gay and lesbian issues during her six-year stint as Arkansas's top health official, as U.S. surgeon general Elders now appears ready to risk the president's ire by speaking out on behalf of gay causes. For this interview Elders insisted that she wanted to address gay-related topics gingerly until she had thoroughly familiarized herself with them, but then she proceeded to unhesitatingly express her

opinion on a wide range of gay-related causes. Elders endorsed gay and lesbian adoption, advocated suicide-prevention efforts aimed at gay and lesbian youths, termed the Boy Scouts of America's ban on gay scouts and scout leaders "unfair," denounced antigay campaigns by conservative religious groups, and said that Americans "need to be more open about sex."

Indeed, Elders is seemingly willing to address topics that have landed other Administration officials in hot water. Last October, for instance, after receiving flak from conservative groups, the White House's AIDS policy coordinator, Kristine Gebbie, was forced to back off her statement that sex is "an essentially important and pleasurable thing" that continues to be "repressed" by the country's "Victorian morality." Before the outcry over her remarks occurred, Gebbie had said she considered it part of her job to stand on the "White House lawn talking about sex with no lightning bolts falling on my head."

Elders does not appear to fear lightning bolts. What underlies antigay attitudes in this country, she says, is an irrational "fear of sexuality" in general. "Society wants to keep all sexuality in the closet," she says. "We have to be more open about sex, and we need to speak out to tell people that sex is good, sex is wonderful. It's a normal part and healthy part of our being, whether it is homosexual or heterosexual. There are certain times and places where sex is inappropriate, but just because it is inappropriate at certain times does not mean that it's bad. I think the religious right at times thinks that the only reason for sex is procreation. Well, I feel that God meant sex for more than procreation. Sex is about pleasure as well as about responsibility."

During a 1992 campaign stop, Clinton refused to criticize the Boy Scouts ban on the grounds that as a private organization it is entitled to set its own policies. But Elders says she opposes the ban "in principle" because of its negative effect on the mental health of gay youths, and she has promised to oppose it publicly. If we have important organizations that we are all supporting, I certainly think that all our youth should be allowed to participate," she says. "Once again we are dealing with the ignorance of our society about what gay people are like and the effect of policies like this on them."

Elders says the fight for full equality for gays and lesbians depends at least in part upon the ability of most Americans to "learn that gay people are not just out there wanting to have sex with anybody who walks down the street and that gay people have real loving, lasting relationships and families."

As a result, Elders says gays and lesbians can play an important societal role by adopting children as well as by raising their own. "I feel that good parents are good parents—regardless of their sexual orientation." she say "It's clear that the sexual orientation of parents has nothing to do with the sexual orientation or outlook of their children. Many children in this society are born unwanted, and I feel that if gay or lesbian couples feel that they want children enough to adopt, well, then they are probably just as capable of being good parents as heterosexual parents who choose to adopt. Gays and lesbians are not going to choose to adopt or have their own children unless they really want children. They are making a conscious choice. We have too many parents who did not choose nor did they want to be parents.

Despite what seem to be enlightened convictions, this is the first time that Elders has been asked to address gay and lesbian health issues in a comprehensive manner—a task she says has been one of the most difficult challenges she has faced since assuming her post last September. "One of the biggest problems in this job that I am facing is that I don't know enough about gay and lesbian issues," she admits. "I'm trying to get educated as fast as I can. I don't want to do a lot of speaking out until I am comfortable with the issue and I can answer all the questions that are posed to me from both sides.'"

Even so, Elders is taking some tentative steps toward addressing gay-related health issues. During a Jan. 18 meeting, for example, Elders surprised lesbian-health advocates by suggesting that the Department of Health and Human Services (HHS) fund the creation of brochures aimed at educating health care workers about lesbian health concerns.

"I can see that there are many problems that lesbians face that physicians have yet to address," Elders says, "We have to train our nation's physicians to ask the right questions and to offer lesbians advice that is appropriate to them. Many times doctors may be concerned that women are taking proper contraception, but if some women are having sex only with other women, that's not the right kind of concern to have."

At other times, though, Elders has been on the defensive. During a public appearance last December for World AIDS Day, Elders was targeted by Luke Sissyfag, a 20-year-old AIDS activist who loudly accused her and the president of dragging their feet on issues revolving around AIDS. But Elders took the protest in stride. "I've met Luke on several occasions now, and I respect what he's doing," she says, "I think that it's OK for him to feel like we're not doing enough. I don't feel like we're doing enough. One of the wonderful things about America is that Luke can go around and be critical of me and of the president if he doesn't think we're doing enough. There are many ways of skinning the cat."

Elders is facing a learning curve on gay-related issues in part because she steered clear of them while in Arkansas. Eric Camp, a spokesman for the Arkansas Gay and Lesbian Task Force, a statewide political group based in Little Rock, says that addressing homosexuality publicly in the state would have amounted to political suicide. "She was already seen as an extremist in the state for talking about birth control and abortion," he says. "Her programs never would have gone anywhere had gay and lesbian issues been included. But I think that on the national level she will be far more inclined to consider gays and lesbians part of her consituency."

Elders says she did not consciously dodge the issue, though. "I did talk to gay groups in Arkansas, and when I did it got a lot of press," she says. "I've spoken out before. It was not as well-organized a constituency there as some other groups might have been, but that would not have been a reason to avoid it."

In Arkansas, Elders focused primarily on what has been a lifetime mission: reducing the rate of teenage pregnancies, which she says have made a generation of young women into a "slave class" by forcing them to raise children before they are ready to do so, at the expense of their own educational and employment opportunities. Among her initiatives was a controversial plan to place medical clinics in each of the state's 300 school districts that would dispense condoms, sex education, and health care. So far, 24 districts have installed clinics, and 28 more are on a waiting list for state funds to establish them.

Elders's emphasis on youth and sexuality as public health concerns may lend itself easily to addressing AIDS and gay-related issues. Kerry Lobel, Lead organizer for the Arkansas Women's Project, a Little Rock-based advocacy group, says that when seeking support from Elders, gay and AIDS activists would be well-advised to frame the issue in terms of youth, prevention of sexually transmitted diseases, and reproductive health. "Dr. Elders will stick up for children and young people no matter what." she says. "If the issue can be presented that way, she will listen. That's where her heart is."

Elders, a pediatrician by training, indeed becomes most passionate when the topic turns to gay and lesbian youth. While the school-based clinics in Arkansas were designed to focus primarily on the needs of heterosexual students, Elders says they should eventually address the needs of young people who are struggling to come to terms with their sexuality as well. "We can't just write off 10 percent of our student population." Elders says. "We should certainly work on gay and lesbian health issues. We need to make sure our teachers are educated about sexuality and that counselors know how to address the issue in a sensitive manner."

Commenting on a hotly contested 1989 HHS report—later suppressed by the Bush administration—that found that gay and lesbian youths represent approximately 30 percent of teenage suicides, Elders says that "when we are talking about young people taking their own lives, that's the worst health threat we can possibly face. So for me it has to be an issue. Again I have to admit stupidity on exactly how to address the issue, but certainly we should make educators and counselors aware of the issue and make sure they know how to respond to the situation when it arises. I certainly see addressing gay and lesbian youth suicide as part of my mission. My job as surgeon general is to talk about all of the health issues that have an impact on Americans."

Elders has been able to speak out forcefully on a variety of topics in Arkansas and in Washington D.C., in part because of her personal popularity with the public. The daughter of sharecroppers who lived in rural Arkansas, the 60-year-old Elders overcame poverty to serve in the U.S. Army as a first lieutenant. She later attended the University of Arkansas Medical School on the GI Bill.

That modern Horatio Alger story has helped to disarm some of her critics. During her contentious confirmation hearings last July, for instance, Elders repeatedly invoked her upbringing to explain her position on a number of issues. Still, the Senate finally confirmed Elders in a less-than-overwhelming 65–34 votes. "She's a very sympathetic figure, and even her critics have to be careful not to appear to be attacking a black woman," says Foreman.

Elders also benefits from a close relationship with Clinton, who stood behind her despite fierce attacks from right-wing pressure groups and conservative members of Congress. During the confirmation hearings the Traditional Values Coalition, a conservative lobbying group, dubbed Elders the nation's "condom queen" for her staunch support of condom distribution in the schools and said she was "clearly the worst Clinton nominee yet." After her confirmation Elders responded in an interview with The New York Times by saying, "If I could be the 'condom

queen' and get every young person who is engaged in sex to use a condom in the United States, I would wear a crown on my head with a condom on it."

Conservative members of the Senate were most critical of a 1992 remark that Elders made attacking the Roman Catholic Church. Elders said the church hierarchy's opposition to abortion rights is more vehement than was its opposition to the Holocaust and "the 400 years in which black Americans had their freedom aborted." Sen. Don Nickles (R-Okla.), who led the opposition to Elders's nomination, said the statement "exhibited strong anti-Catholic belief."

Clinton's support also helped Elders withstand attacks from right-wing groups in Arkansas.

After conservative opponents spread false rumors that the clinics she had proposed for the state's schools would perform abortions for students, Elders, a Methodist, called them "very religious non-Christians" who "love little babies as long as they are in someone else's uterus." Conservatives demanded an apology, and Elders complied in a letter to the state legislature, but she continues to use the phrase to describe her opponents anyway.

By way of contrast, Clinton did not display the same fortitude when another black female nominee, Lani Guinier, came under attack for statements and beliefs that are less incendiary than some of Elders's. In fact, longtime Arkansas political observers say that Clinton and Elders have for years played out a political cat-and-mouse game that benefits both players.

An incident at the 1987 press conference where Clinton introduced Elders to the state illustrates the point. In response to a question as to whether she planned to distribute condoms in public schools, Elders said, "Well, we won't be putting them on their lunch trays, but yes." Press reports at the time described Clinton as blushing from embarrassment but nodding in agreement with Elders.

"Clinton relies on Dr. Elders to say the things he cannot say for political reasons," says Lobel, who has observed the complex political relationship between the two for years. "When he finally said that he was prochoice, we all said, 'Well, of course he's prochoice,' but we really only knew that because she had been so outspoken and he would not have let her do that unless he agreed with her."

That same dynamic was at work during the outcry over Elders's December statement about legalizing drugs; the situation escalated further when her 27-year-old son, Kevin, was arrested in Little Rock on drug charges. Sen. Robert Dole (R-Kan.) said Americans "must be wondering if the surgeon general is hazardous to our health," and Nickles has called for her resignation.

Elders said she had "no second thoughts" about the remark, and Clinton said he remained "four-square" behind her. "When you have someone who is outspoken and energetic like she is," he said, "there are going to be times when she'll be outspoken and energetic in a way that I don't necessarily agree with."

Marj Plumb, health policy director for the National Gay and Lesbian Task Force, a Washington, D.C.-based political group, says she has seen that dynamic at work on gay-related topics as well. During the meeting at which Elders suggested developing lesbian-health brochures, Plumb recalls that she turned to Patsy Fleming, special assistant to HHS secretary Donna Shalala, who was sitting next to Plumb, and said, "'Are you sure you want to take the heat for something like this?' and then Patsy said, 'Marj, this is Dr. Elders you are talking about.' So even internally at HHS there is a general understanding that she is going to articulate a vision that is not necessarily politically safe for others to articulate."

Elders's ability to speak out on national health issues is also aided by the surgeon general's office, which has little official authority but has come to serve as a bully pulpit for the officeholder's political and medical agenda. The office has just ten full-time employees and a $550,000 annual budget. In contrast, the administration's AIDs policy office, headed by Gebbie, has 55 employees and a $5-million annual budget.

Dr. C. Everett Koop, who served as President Reagan's surgeon general from 1984 to 1988, paved the way for Elders on AIDS-related issues. Though considered a staunch conservative when he was nominated for the post, Koop nevertheless bucked the Reagan administration by advocating humane treatment of people with AIDS and supporting sexually explicit educational campaigns to stem the spread of HIV.

Elders says she intends to continue Koop's tradition. "If AIDS had started out as a disease of upper-middle-class white babies, it would have gotten a lot more attention," she says. "Koop recognized this and did what a surgeon general has to do. You have to stand up for what's right—based on the medical and scientific data—regardless of what your personal beliefs are."

Elders's outspokenness occasionally offends even her allies. In 1991, for instance, Elders said that one of the benefits of legal abortion is the reduction of severe birth defects, citing Down's syndrome as an example. A number of parents of children with Down's syndrome protested, saying that Elders was implying that handicapped babies should not be allowed to be born. Elders responded that she had a nephew with the syndrome whom she loved and that she cared for many Down's patients in her pediatric practice.

But the comment raises disturbing questions for gays and lesbians as well. With increasing evidence of a genetic basis for homosexuality, some scientists and medical ethicists have raised the possibility that antigay parents, upon learning that their fetus carries a gene for homosexuality, could opt for an abortion rather than give birth to a child that might grow up to be gay.

Elders refuses to get drawn into that debate though. "I think that's a decision only parents can make," she says. "If a woman had an abortion because they located the gay gene, it would not upset me any more than choosing an abortion on any other grounds. It's not a position for the government to take. The choice has to be left up to the individual. No one can try to make such a choice for a women."

That nonjudgmental view is consistent with Elders's approach to gay rights in general. Commenting on antigay campaigns undertaken by conservative religious groups, Elders says that if "you are truly right within your heart and with Christianity, you know in advance that you do not know enough about other people's lives to judge them. You do not love enough to make decisions about how other people should live their lives. How can I be judgmental of you when in the sight of God you may think you are better than me? You have to wonder how much love that people who hate gay people have in their hearts."

EXHIBIT 2

ARCHDIOCESE OF WASHINGTON,
OFFICE OF THE ARCHBISHOP,
Washington, DC, March 21, 1994.

PRESIDENT OF THE UNITED STATES,
The White House,
Washington, DC.

DEAR MR. PRESIDENT, I must take strong exception to the recent remarks of the Surgeon General, Joycelyn Elders, advocating homosexual behavior and expressing support for adoption by so-called homosexual couples. Furthermore, I deeply regret her apparent intolerance of people whose religious faith and moral values collide with her own ill-considered views.

The Surgeon General irresponsibly accuses religious leaders of holding that human sexuality is solely for procreation. Her words are a misleading caricature. In our Catholic tradition the two fundamental purposes of human sexuality—the expression of the committed love of husband and wife and openness to new human life—are linked together. Human sexuality is a great gift from God which enables couples to express their love for one another and in the context of that love to create and care for a family. Such a view is supported both by faith and reason; it does not involve the suppression of human sexuality but rather its right use for the good of individuals and society.

The strength of our country, Mr. President, has always been in the vitality of our families, not in the might of our weapons. By contrast, the breakdown of the family has been the root of so many of the social problems which, as a nation, we now struggle to overcome. The comments of Surgeon General Elders are destructive of a true understanding of family life. It is one thing to defend the human rights of homosexual men and women; it is quite another to encourage, as she does, a life-style which puts so-called homosexual unions on a par with marriage and family and condones homosexual behavior among young people.

Mr. President, I strongly urge you to take responsibility for the Surgeon General's harmful and offensive remarks and publicly to disavow them. Respectfully I ask that you urge Dr. Elders to be more tolerant of religious teachings with respect to human sexuality. Whether she knows it or not, the religious teachings, leaders and institutions which her remarks attack are vitally important to solving many of our nations social ills.

Sincerely in Christ,

JAMES CARD. HICKEY,
Archbishop of Washington.

WHITEWATER

Mr. NICKLES. Mr. President, last night President Clinton did a masterful job at his press conference answering a variety of questions, most of which were related to Whitewater.

I have heard some people say, well, the President did a fine job and maybe this will help put the Whitewater issue to rest. But I would just make the comment that there are a lot of questions that have not been answered and even some confusion from what the President said last night.

For example, the President said last night:

I think that the American people are really upset about the thought that this invest-

ment that we made 16 years ago, lost money, did not involve savings and loans, might somehow divert us from doing the work of the country.

Mr. President, I just looked at some of the work—and I have not looked at it very closely—Mr. LEACH did, Congressman LEACH, and in data he supplied to the House and in his speech, there is a copy of a resolution of the board of directors of Madison Financial Corporation, April 17, 1985. I will read the resolve from the corporation:

That the corporation prepay to Jim McDougal $30,000 of his annual bonus in recognition of the profits of the prior year and that said bonus be paid directly to Whitewater Development.

So there is S&L money that went to Whitewater Development. And, incidentally, the Clintons, the President and Mrs. Clinton, owned half of Whitewater so that statement he made, I think, was incorrect. There may have been other mistakes. The President has given the impression he has been totally forthcoming, he has released all the documents. He has not released them to the press.

Mr. President, I think there are a lot of questions that remain to be asked of and certainly remain to be answered by President and Mrs. Clinton. I will just touch on a few of those.

What about the files? What about those files that were in Mr. Foster's office for several months after his death, that even actually in January—Mr. Foster died, I might mention, in July—but by January they were turned over to special counsel. Why are they not made public? If this is just a real estate deal, why not make all information public? Why give it just to Special Counsel Fiske under guise of a subpoena so the public will not find out?

Other questions. How much did President and Mrs. Clinton invest in Whitewater? The President said, "We did not lose $70,000; we think maybe about $47,000 we lost." Well, how much did they invest? How much did they make and how much did they lose? Those questions have not been answered. The President referred to the Lyons report. Well, the Lyons report was very inconclusive and really very misleading. The Lyons report did not tell people—this is during the campaign year—the Lyons report did not tell people that Whitewater did not file a tax return for 3 years. Why not?

Now, reports are that Mr. Foster filed those tax returns, or made up for the delinquent returns, when he was an employee of the White House. He was doing delinquent returns for Whitewater, a private corporation while a Federal employee. That seems to be wrong.

Why are not the Whitewater returns made public? Why is not all the information that the McDougals, who said that they turned all the information over to the Clintons at the Governor's mansion, why is not that information made public?

And we need to ask other questions. Was that information destroyed? Because now people say that information is not available. But the McDougals said they turned all that information over to, at that time, Governor and Mrs. Clinton.

Where is that information? Where are those files? Mr. McDougal, who was on TV the other night, said he needs those files back so he can do some tax work or something for the reports. He said he turned them all over. I think he is willing to say that under oath. I do not know. Where are those files? And there have been reports that maybe a bunch of those papers were destroyed. If that is the case, there could be obstruction of justice.

Those questions were not asked last night. They need to be asked. They need to be answered.

Another question. Were then-Arkansas Attorney General Bill Clinton and his wife, Hillary Rodham Clinton, provided a gift by being made equal partners in the Whitewater Development Corporation, despite investing little money? How much did they invest and how much did they get out?

There have been reports that they bought some land, then they sold the land for a significant profit. Did they make a profit and how much? Did they lose money? Then they sold their part or venture in 1992 for $1,000. We need to have all the information. That information has not been made public. So I am calling on the President to make the information public.

The President indicated last night he is fully disclosing, he is cooperating fully with Congress. He has not fully cooperated with Congress. He has not released that information.

Did then-Governor Clinton's 1984 campaign receive money wrongly diverted by James McDougal, Clinton's business partner and owner of Madison Guaranty, a federally insured savings and loan, from Madison to pay off the $50,000 personal loan with another bank to the Governor? Additionally, did McDougal in 1985 write checks from Whitewater's account to pay off Bill Clinton's personal loans? Again, we do not have answers to these questions.

Did Governor Bill Clinton in 1986 pressure David Hale, the owner of Capital Management Services, to knowingly issue an illegal Small Business Administration loan to Whitewater co-owner Susan McDougal, and were those funds then used to clean up financial problems of Madison? It has been reported that Mr. Hale, who controlled this Capital Management Services, made a $300,000 loan to Mrs. McDougal, who was a co-owner with President and Mrs. Clinton in Whitewater, and that at least $100,000 of those funds ended up in Whitewater.

So again, those funds purportedly were for disadvantaged small business people who could not qualify for other business loans. Did that diversion happen? Was coercion used by the Governor for the loan to be made? Clearly, they were not entitled to that loan, to be recipients of that loan; they were not eligible to be recipients of that loan.

In 1984, did Mr. Clinton pressure Madison owner and Whitewater Development partner James McDougal to hire his wife, Hillary Clinton, to represent the S&L, which allowed her to promote a stock issue plan to a newly hired State securities commissioner whose brother managed Clinton's campaign?

If Governor and Mrs. Clinton were merely passive shareholders in Whitewater, how do they explain that Mrs. Clinton in 1988 sought broad powers of attorney over Whitewater and the fact that published reports indicate that the Clintons "took an aggressive part in the management of Whitewater affairs?"

Another question, Mr. President. Did the Rose law firm in 1989, which then was managed by the former Associate Attorney General, Mr. Webster Hubbell, violate FDIC rules by failing to disclose to regulators its earlier representation of Madison Guaranty by senior law partner Hillary Clinton?

Did the U.S. Attorney for the Eastern District of Arkansas, Paula Casey, in 1993 violate Department of Justice rules regarding conflict of interest by initially deciding to concur with Justice Department recommendations not to pursue a criminal referral from the Resolution Trust Corporation which specifically mentioned Bill and Hillary Clinton?

Have laws or rules been violated by the White House officials in handling Whitewater files that were in the office of White House Deputy Council, Vincent Foster, following his death on July 20, 1993, but were not turned over to the Justice Department until January 18, 1994, nearly 6 months later?

How much did the Clintons actually gain or lose in Whitewater Development? That still remains to be seen.

Why did the Clintons' and McDougals' corporation, Whitewater Development, fail to file tax returns for 3 years? As far as I know it is not an option whether or not you file tax returns. Whether you make or lose money, you have to file tax returns. But Whitewater, of which President and Mrs. Clinton owned 50 percent, did not file tax returns for 3 years.

Mr. President, we have these questions. A lot of other questions remain to be asked, questions that Congressman LEACH alluded to.

I will submit an additional two pages of questions. I know Senator KASSEBAUM is seeking the floor. I have an additional two pages of questions, commonsense questions not trying to do anything but get the facts out, that

really need to be responded to. And hopefully they will be responded to quickly in the form of Congressional hearings or by just release of the information by the White House.

I urge the White House, if they really want to get their Whitewater issue behind them, to release the information. I think the President took a small step in that direction yesterday. But, if they would release all of the information pertaining to Whitewater, it would be a big step towards getting this issue finally resolved.

Mr. President, I yield the floor.

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

WHITEWATER: TEN QUESTIONS

The January 20 appointment of Special Counsel Robert Fiske begins a process that hopefully will resolve serious questions of possible wrongdoing by the President of the United States and his spouse both before his election and during his Administration. At question is the Clinton's involvement in a real estate investment, known as Whitewater, and a failed savings and loan, Madison Guaranty.

Numerous reports concerning Whitewater have been published in reputable newspapers around the country.

The ten questions about Whitewater and Madison are:

1. Were then-Arkansas Attorney General Bill Clinton and his wife, Hillary Rodham Clinton, provided a "gift" by being made equal partners in the Whitewater Development Corporation, despite investing "little money"?

It is not clear how much cash—if any—that then-Attorney General Bill Clinton and his spouse actually invested in their share of a joint purchase with James and Susan McDougal on August 2, 1978, of 230 acres for $203,000 to eventually establish Whitewater, a vacation-home development project.

2. Did then-Governor Clinton's 1984 campaign receive money wrongly diverted by James McDougal, Clinton's business partner, and owner of Madison Guaranty, a federally insured savings and loan, from Madison to pay off a $50,000 personal loan with another bank to the Governor? Additionally, did McDougal in 1985 write checks from Whitewater's account to pay off Bill Clinton's personal loans?

"At least one person listed as having donated money at the 1985 [fundraising] event has denied he contributed to Clinton" (Arkansas Democrat Gazette, 1/15/94). Bill Clinton reportedly asked McDougal "to take care of the debt still left over from 1984. 'He asked me to knock out the deficit,'" McDougal said (New York Times, 12/15/93).

3. Did Governor Bill Clinton in 1986 pressure David Hale, the owner of Capital Management Services, to knowingly issue an illegal Small Business Administration loan to Whitewater co-owner Susan McDougal, and were those funds then used to "clean up" financial problems at Madison? (Washington Times, 11/6/93)

Hale told reporters that Governor Clinton, on at least two occasions, pressured him to issue the SBA-backed "disadvantaged" loan that was never repaid. Hale, when awaiting trial on an indictment for wrongdoing concerning loans not related to Whitewater, unsuccessfully tried to negotiate a deal with the U.S. Attorney in Little Rock in exchange for the information he has now made public. Both Clinton and McDougal deny the meetings took place, but the loan to Susan McDougal is not questioned.

4. Did Clinton in 1984 pressure Madison owner and Whitewater Development partner James McDougal to hire Hillary Clinton to represent the S&L, which allowed her to promote a stock issue plan to a newly hired state securities commissioner, whose brother managed Clinton's campaign?

McDougal told the Los Angeles Times (11/7/93) that Clinton asked him to give some of Madison's legal work to Hillary Clinton because of tight finances at the Clinton home, specifically requesting $2,000 per month. Hillary Clinton received a $2,000-a-month retainer for 15 months, and helped Madison win approval from state regulators regarding the novel stock issue plan that was never carried out.

5. If Governor and Mrs. Clinton were merely "passive shareholders" in Whitewater, how do they explain the fact that Mrs. Clinton in 1988 sought broad powers-of-attorney over Whitewater, and the fact that published reports indicate the Clintons "took an aggressive part in the management of Whitewater's affairs"? (Washington Times, 11/4/93)

6. Did the Rose law firm in 1989, which then was managed by now-former Associate Attorney General Webster Hubbell, violate FDIC rules by failing to disclose to regulators its earlier representation of Madison Guaranty by senior law partner Hillary Rodham Clinton?

One of the Rose law firm's senior partners, Vincent Foster, signed a letter to the FDIC seeking the job of prosecuting the failed Madison Guaranty S&L. Therein, he claimed that the Rose firm did not represent any S&L associations in any state or federal regulatory matters. Rose's then-managing partner, Webster Hubbell, claims to have told the FDIC about the Rose firm's dealings with Madison. The FDIC disputes that. The FDIC hired Rose (without knowing of its earlier representation) and paid the firm $400,000.

7. Did U.S. Attorney for the Eastern District of Arkansas, Paula Casey, in 1993 violate Department of Justice rules regarding conflict-of-interest by initially deciding to concur with Justice Department recommendations not to pursue a criminal referral from the Resolution Trust Corporation, which specifically mentioned Bill and Hillary Clinton?

Casey has a long history of involvement with Clinton, including volunteering in his gubernational bids. Two weeks after her concurrence, after the matter became public, she then recused herself. (Washington Post, 11/11/93)

8. Have laws or rules been violated by White House officials in the handling of Whitewater files that were in the office of White House Deputy Counsel Vincent Foster following his apparent suicide on July 20, 1993, but were not turned over to the Justice Department until January 18, 1994, nearly six months later? And, where are the Whitewater files which James McDougal claimed he personally delivered to the Arkansas Governor's Mansion in 1987 at the request of Hillary Clinton that now apparently cannot be found?

9. How much did the Clintons actually lose or gain in Whitewater Development?

An "audit" prepared for the 1992 Clinton campaign by Denver attorney, and Clinton friend, James Lyon, claimed the Clintons lost $68,900 from their Whitewater investment. However, a recent Time magazine article, and published comments by James McDougal, suggest the loss was much less. Also, the Clintons claimed a $1,000 capital gain from their sale of Whitewater in their 1992 tax return, and never reported a loss in previous returns. (Washington Post, 4/16/93)

10. Why did the Clintons' and McDougals' corporation, Whitewater Development, fail to file tax returns for three years?

During the early months of the Clinton Administration, Vince Foster oversaw the preparation of three years worth of delinquent tax returns, which were filed in June 1993, a fact not made known to the media or the public until after Vince Foster's death.

NEW QUESTIONS ARISE ABOUT MADISON INVESTIGATION

Congressman Jim Leach (R-IA), in his statement to the House of Representatives yesterday, disclosed copies of certain electronic mail messages written by employees of the Resolution Trust Corporation, and correspondence by RTC officials, that raise new questions about the failure and resolution of Madison Guaranty Savings and Loan Association of Arkansas.

This material deals with the criminal referral made to the Department of Justice by the Resolution Trust Corporation about Madison.

These messages seem to indicate that Washington-based appointees involved themselves in monitoring, and perhaps influencing, any Madison investigation.

Why did the Department of Justice in Washington, DC, ask that all correspondence on Madison referrals be copied to the Department of Justice here, with summaries of "sensitivity issues" attached? [RTC-Kansas City employee electronic mail message written September 23, 1993]

Why did the Department of Justice request to have copies of all future Madison referrals? [RTC-Kansas City employee September 29, 1993, electronic mail message]

Why did an RTC-Kansas City employee state that she had been removed as lead investigator on Madison by "The Powers That Be"? [electronic mail message on November 10, 1993]

Why did an RTC Washington lawyer tell the former RTC-Kansas City lead investigator on Madison on February 2, 1994, that "The 'head people' would like to be able to say that Whitewater did not cause a loss to Madison, but the problem is that no one has been able to say that to them"? [Notes of conversation]

What other contacts did regulators and career RTC and Treasury Department employees have with Washington-based bureaucrats and/or political appointees about Madison?

Congress has a responsibility and a duty to look into these and many other questions surrounding the failure and resolution of Madison Guaranty.

Attached is a relevant excerpt on these issues, and others, from Congressman Leach's statement yesterday to the House of Representatives.

STATEMENT OF CONGRESSMAN JIM LEACH, MARCH 24, 1994

Administration Claim: Whitewater caused no losses to Madison.

Fact: As reflected in the minority-developed charts and evidenced by supporting documentation, Madison and affiliated companies transferred significant resources to Whitewater. In addition to being a modest sized real estate company, with a cash flow derived from land sales, Whitewater appears to be one of a dozen so companies with direct or indirect access to Madison and its taxpayer guaranteed deposits.

Administration claim: The Clintons lost money in Whitewater.

Fact: To have lost money in Whitewater implies that the Clintons invested sums which were unrecovered. Their Whitewater partner, James McDougal, claims at most the Clintons over the years put in $13,500 in Whitewater. The Minority has provided evidence that one land transaction alone returned more than this amount to the Clintons and published reports indicate tax deductions of some value were taken. The Lyons report, as well as a review of land sales, indicates substantial sums were taken out of Whitewater over the years. It is not clear how disbursements were arranged. What is clear is that infusions of capital from land sales, from Madison affiliated entities and possibly from others appear to have covered loans the company and the Clintons took out. The company may have had a negative value when the Clintons sold their half interest in 1992, but that neither means the Clintons themselves lost money, nor that questions ought not be asked about how direct or contingent liabilities may have been disposed of as late as 1992.

Adminstration claim: The President and his staff would fully cooperate with Congress.

Fact: The Executive branch is actively working to prevent full disclosure of documents and committee access to witnesses.

Administration claim: It has done nothing wrong in relation to the RTC investigation into the failure of Madison and is fully cooperating with Special Counsel Fiske's probe.

Fact: Officials of an independent regulatory agency (the RTC) immediately notified the White House of the probe of Madison by its Kansas City office and attempted to put in place procedural techniques to undercut the traditional independence of its regional offices.

Fact: In January, 1994 RTC Washington met with Kansas City staff. After the meeting the Kansas City office filed a formal complaint with Washington RTC.

Fact: On February 2, 1994, the day Roger Altman briefed the White House on Madison Guaranty, RTC Senior Attorney, April Breslaw visited the Kansas City office and said that Washington would like to say that Whitewater caused no losses to Madison. Kansas City employees protested that this was not the case.

Fact: On September 29, 1993, before the new criminal referrals were sent to the Justice Department, Treasury General Counsel Jean Hanson briefed White House Counsel on them. Nine days after the meeting, the referrals were sent to the Justice Department. On October 14, Jean Hanson with Secretary Bentsen's Press Secretary and Chief of Staff met with Presidential Advisors ostensibly to discuss press inquiries related to Madison Guaranty.

Fact: On February 2, right after the appointment of Special Counsel Robert Fiske, Roger Altman gave the White House a "heads up" briefing on Madison. At the Senate Oversight Board hearing, Roger Altman revealed his February 2 meeting, but no others Several days later, the September and October White House briefings were revealed. On March 9, the Washington Post reported that there were numerous other contacts between the Treasury and the White House on Madison. After subpoenas are issued it is revealed that there are over 3,500 pages of pages of documentation surrounding these contacts which the White House terms as inconsequential.

Fact: After the appointment of Special Counsel Fiske, Washington RTC officials imposed censorship guidelines on Kansas City RTC employees. NO discussion with Fiske could be made without going through Washington. No meetings between Kansas City office and Fiske could take place without accompaniment of Washington officials. No materials could be forwarded without going through Washington. All information concerning attorney-client privilege was to be redacted, with Washington RTC determing the scope.

Administration claim: No fundraising improprieties occurred.

Fact: On April 4, 1985, Jim McDougal hosted a fundraiser for Governor Clinton. The Clinton's repeatedly asked McDougal to host the fundraiser to pay off the $50,000 personal loan that Clinton had taken out in the final weeks of his 1984 campaign. The question at issue is whether some of the money appears to have been diverted from Madison Guaranty, which would then, with the failure of Madison, imply deferred federal financing of a gubernatorial election. For example, one cashier's check for $3,000 was made in the name of Charles Peacook III, then a 24-year-old college student who disclaims any knowledge of having made a contribution. Mr. Peacock's father was a major Madison borrower and served at one time on Madison's board. Other checks that the RTC is reviewing include a $3,000 check from the late Dean Landrum, an employee of Charles Peacock, and one from Susan McDougal. In the former Governor's defense, candidates are not always in a position to verify their campaign contributions.

Mrs. KASSEBAUM addressed the Chair.

The PRESIDING OFFICER. The Senator from Kansas is recognized.

Mrs. KASSEBAUM. Mr. President, I will be voting in opposition to the conference report accompanying Goals 2000: Educate America Act, and I would like to take this opportunity to explain my reasons for doing so.

As a former school board member, I care deeply about education. Everybody here in this Chamber does. There is simply no question that a sound education, particularly at the elementary and secondary levels, provides the foundation for success for an individual and, indeed, our society.

No one in this Chamber would disagree with that observation. And I know there is no one more dedicated to education than the Secretary of Education, Richard Riley. He brings to his post the experiences that he had as a former Governor of South Carolina. I bring my own less lofty experiences to my views regarding education. However, serving as a school board member, participating in school activities when my own children were going through school, and talking with countless teachers and school officials has reaffirmed to me the critical role which local community commitment plays in assuring educational quality.

We might talk here at great length about designing some initiative for meeting goals, for meeting standards, and for assessing them. However, if there is not a commitment on the part of the family and the community to quality education, and if students themselves do not recognize why it is important, then we simply are not going to improve education with more committees and more guidelines which may make us feel better but will not assure educational quality.

I have encountered situations where outside help intended to improve classroom teaching and the students' education, serves instead to disrupt classroom time and bury teachers in paperwork. The further up the chain of bureaucracy offering the help, the greater the likelihood that the focus will shift from the needs of individual students to the needs of government auditors.

Involving Federal Government in general aid to education requires the establishment of a difficult and delicate balance. This is a balance that I struggled along with others to achieve in working with the Senate bill through the committee and on the floor. It is a balance which, in my view, did not survive the conference between the House and Senate on Goals 2000.

Throughout the conference deliberations, there were repeated expressions of a vision for extensive Federal involvement in education, which I do not share. One needs to draw the line somewhere, and it became increasingly clear to me that I could go no further than the provisions of the Senate bill.

I would like at this point, Mr. President, to say that I know there were many conferees, including the chairman of the Senate Labor Committee, Senator KENNEDY, and Senator PELL, the chairman of the Education Subcommittee, who gave a great deal of thoughtful guidance and effort to that conference to achieve a product which was far better than it might have been.

But I supported the Senate version of this measure with a certain amount of misgiving even at that time, recognizing that the line between welcome support and inappropriate interference could easily be crossed over the long-term.

However, during the course of the Senate consideration of the bill, some important changes were made, particularly eliminating lengthy lists of requirements on the States. Unfortunately, some of the progress made in this area was eroded in conference with the addition of required activities relating to State content and student performance, standards, and assessment.

However, Mr. President, I would like to make sure that people who might be listening to our observations on Goals 2000 understand that the model national standards are drawn up by professional teachers in the area of their expertise. For example, the math standards have been developed by teachers of math. This is not something that is going to be drawn up by somebody working in the bureaucracy

here in Washington. They will be laid out by those who have experience in their own professional fields.

So, while there are many of us who have worried about who would design these standards and whether they would become mandatory, I think it is important to reiterate that the national standards are voluntary. But clearly, there is a line, as I mentioned, that will be very easy to cross. And for me, that became very apparent as this conference progressed.

Another area of real concern for me, which probably is not as much of a concern for others, relates to job skill standards. I was particularly disappointed in the provisions relating to the establishment of the National Skills Standards Board. I worked very hard in the Senate to address some serious concerns about the board.

Frankly , I believe it is a mistake to move headlong into the creation of a national system of skills standards and certification, given that there is little if any evidence to demonstrate they make a difference either for workers or for their employers.

What we do know is that such standards and certification will have no value at all unless they have the support and involvement of employers who are supposed to use them.

I offered a substitute amendment in the Labor Committee which was designed to address at least some of these concerns. My substitute would have strengthened business involvement, and offered an opportunity to review the effectiveness of the effort before it became yet another inconsequential, but entrenched, Washington institution.

That substitute was defeated in committee. But, subsequently, through a series of conversations with Labor Secretary Reich, we agreed to compromise language, which was incorporated in the Senate bill. I believe that was a good compromise. However, it did not survive conference.

I remain concerned, as well, Mr. President, about provisions relating to opportunity-to-learn standards, a subject which does not belong in the bill at all. These standards are of grave concern and overshadowed much of our debate during the conference. Although the bill includes safeguards against the Federal Government's becoming entangled in the complex issues related to the distribution of resources among schools, the fact of the matter is that this clearly is an area of State responsibility.

I feel it is very important that we not allow this to progress to the point where we are developing mandatory opportunity-to-learn standards.

Following the work of the State legislature in my own State of Kansas as they have tackled the school finance issue, I am more convinced than ever that the Federal Government is not in the position to make constructive contributions in this area. So if there are problems and there is a desire to make a change, that is where it can be changed.

The potential danger in having Federal legislation address this subject at all is that Congress will ultimately be unable to resist the temptation to prescribe the remedies and send the bill to the States. This is not to say that I believe the "worst case" scenarios painted about this legislation will materialize.

The real potential danger of this legislation is not that it will lead to a uniform, federally controlled system of education. Clearly, while there are those who would push such an agenda, the majority sentiment in Congress is not to impose education mandates on States and localities. Nor is this the intention of one of the bill's strongest advocates, Secretary of Education Riley who was a real leader in reform of education as Governor of South Carolina, and for whom I have the greatest respect. To me, the most worrisome aspect of this legislation, Mr. President, is that it will distract from the real work on behalf of reform through the institution of endless bureaucracy and the imposition of mindless requirements, none of which bear any relationship to student achievement. I cannot tell you how strongly I feel that all the requirements and paperwork that a teacher will have to engage in will only distract from the ability to educate.

As I was leaving the final conference meeting that we had between the House and Senate on this bill, I expressed my concerns to one of the individuals standing outside the room—an educator —and he said to me, "Don't worry, Senator, you can rest assured that this bill will never make it down to touch one school child in America."

I am concerned that we really will be distracted—teachers, students, educators and administrators—from the real world of day-to-day quality education. To the extent that Goals 2000 is to serve as a framework guiding other Federal education efforts, particularly the Elementary and Secondary Education Act, it should do so as a statement of high expectations. Using it as a foundation upon which to heap additional Federal mandates and to build new bureaucracies will serve none of us well—least of all, our Nation's elementary and secondary students.

Before closing, I want to take a few moments to discuss the school prayer issue, which has dominated much of the debate on the legislation. Many times Members reach the same point, but for very different reasons. That is the case with this bill, and I want to clarify that my opposition is not based on disappointment that the school prayer language included in the Senate bill was substantially modified in the final version.

In fact, I was among the 22 Senators who opposed Senator HELMS' school prayer amendment, because I believed it would put school administrators around the country in a position of having to determine questions of constitutional law.

Again, we are attempting to express a strongly held belief, which I am sure we all share, about the importance of prayer and religion in our lives. The general issue of school prayer is important. I do not believe that because there is opposition to this particular amendment, it means that our country has developed an antagonism toward religion or toward God. Rather, the real question is how, through legislative language, we can design something that will be meaningful to those who have a strong feeling about the importance of faith, their religion, and of prayer.

I believe what this amendment would do is simply tie this issue up in a far more legalistic web than we had ever imagined, further embroiling the issue in the courts. When all is said and done, we would miss the very key element we were trying to address. It is for those reasons, Mr. President, relating to education, that I have serious concerns and will be voting against the Goals 2000 legislation.

THE WITHDRAWAL OF TROOPS FROM SOMALIA

Mrs. KASSEBAUM. Mr. President, over the last few days, we saw the withdrawal of the last of our troops from Somalia. I want to, at this moment, express my deep admiration and respect for the U.S. forces who served in that war-torn country.

When we look back over the past year and a half, it is easy to lose sight of what our troops accomplished in Somalia. Before the arrival of the United States in December of 1992, more than 300,000 Somalis—mostly women and children—had died due to starvation or disease. Another half million were at risk of death.

Now the famine is largely over. Our humanitarian mission accomplished what it had set out to do: Crops have been planted and harvested; feeding centers have been turned into schools in many parts of the country; and despite some banditry the country is much more stable than it was before our troops arrived.

I am sure there are many who would question whether we should have engaged in this mission. We will be debating for years the impact of our mission in Somalia—whether it was the correct thing to do; whether we handled it right; where did it go wrong. But it would be a real disservice not to express our great respect and gratitude for our troops who served in Somalia. These troops served at our request, with resolutions passed in the House

and Senate, as well as under two Commanders in Chief—first President Bush, and then President Clinton. Our forces undertook a difficult mission which achieved much. They fulfilled it with the highest standards of our Armed Forces and did what our country asked of them to do.

So as we reflect on the pluses and minuses of the Somali operation, we must not forget those who went to serve who were asked to go serve there and the great benefit which they accomplished for struggling peoples of a ravaged country.

Thank you, Mr. President.

I yield the floor.

The PRESIDING OFFICER. The Chair recognizes the Senator from Minnesota [Mr. DURENBERGER].

Mr. DURENBERGER. I thank you, Mr. President.

Mrs. KASSEBAUM. Mr. President, I am sorry. I wonder if the Senator from Minnesota will yield for a moment for a request that I have been asked to make for Senator DOMENICI.

Mr. DURENBERGER. I am pleased to yield the floor.

Mrs. KASSEBAUM. I appreciate that.

CONGRESSIONAL BUDGET CONCURRENT RESOLUTION

The Senate continued with the consideration of the concurrent resolution.

AMENDMENT NO. 1601, AS FURTHER MODIFIED

Mrs. KASSEBAUM. Mr. President, I ask unanimous consent that the Nunn amendment (No. 1601) with the substitute language now be sent to the desk.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered. The Nunn amendment will be so modified.

So the amendment (No. 1601) was further modified as follows:

Insert at the appropriate place the following:

SEC. 6A. SENSE OF THE SENATE ON CONTROLLING NON-SOCIAL SECURITY MANDATORY SPENDING.

It is the sense of the Senate that the Congress should

(1) enact, after health care reform legislation is enacted, annual caps on mandatory spending that take effect beginning in fiscal year 1996;

(2) include within such caps all mandatory spending programs except Social Security, deposit insurance and net interest;

(3) provide that the caps shall be set so that programs providing benefits to individuals may grow for inflation, changes in the numbers of beneficiaries, and an additional growth allowance of, 4.0 percent in 1996, 3.5 percent in 1997, 3.0 percent in 1998, and 2.0 percent in 1999 and thereafter; and

(4) provide that the caps shall be adjusted annually in the President's budget for changes in inflation and the number of beneficiaries in mandatory spending programs since the caps were enacted (excluding any changes due to legislation; and

(5) provide that if total mandatory spending exceeds the formula in section (3), the caps shall be enforced by,

(A) requiring the President's budget to comply with the caps, including submission of proposals to reduce mandatory spending to stay within the caps if a breach is expected under current law;

(B) supermajority points-of-order prohibiting the consideration of future budget resolutions or legislation that would breach the caps, and

(C) at the conclusion of each session of Congress, a sequestration procedure that would reduce mandatory spending by the amount of any breach of the cap in the upcoming year by reducing those programs growing faster than inflation, beneficiary changes, and the additional growth allowance for that year.

(6) Provides for a period of not less than 60 days before such sequestration for committees of the House and the Senate with jurisdiction over mandatory programs which are determined to be exceeding these allowable spending levels to report legislation that reduces direct spending in their jurisdiction by an amount sufficient to eliminate the excess spending.

(7) Ensures that reductions in federal spending for mandatory programs required by such legislation is not to be achieved by shifting costs to state and local governments.

Mrs. KASSEBAUM. Mr. President, I appreciate the Senator from Minnesota for yielding.

The PRESIDING OFFICER. The Senator from Minnesota [Mr. DURENBERGER] is recognized.

SOMALIA

Mr. DURENBERGER. Mr. President, I thank the Chair, and I particularly appreciate the comments made by my colleague from Kansas about Somalia and the many sacrifices that Americans have made there.

I would also suggest to my colleagues there are Americans in Somalia today and in neighboring Kenya and other parts of that world who are prepared to make even greater sacrifices in the future.

A number of Members have been involved over the last few months in helping to develop a resource for Somalis called the Somalia Reconciliation and Development Corps. A young man from my State by the name of Jim Killsmier, his wife and family of several children, have moved to Narobi, Kenya, and regularly visit a town called Buburti which is just north of Mogadishu. What we have in mind is a project which will help Somalis reconcile and redevelop their country.

A number of Somali Americans are involved in this effort as well, and it is the hope of those of us who are involved in this particular project that with a little bit of help and a little bit of sacrifice from those of us who do not have to experience firsthand the ravages of hunger and starvation and banditry and the illogic of a nonpolitical system that the Somali people and the new leadership of that country will take responsibility for reconciling that country.

GOALS 2000: EDUCATE AMERICA—CONFERENCE REPORT

The Senate continued with the consideration of the conference report.

Mr. DURENBERGER. Mr. President, on the subject before us, the Goals 2000 legislation, I rise to indicate my support for final passage of the conference committee agreement on the Goals 2000 proposal.

I do so fully aware that a number of members of this body, my very articulate and ranking Member who has just spoken and a person for whom I have such a great deal of respect, have reservations about this bill. I do so also fully aware that many of my constituents in the State of Minnesota have reservations about this bill.

I share at least some of these reservations. But, on balance, I believe several aspects of this bill will offer needed support to education reform initiatives now underway in States and local communities all over America.

And, contrary to its harshest critics, I do not believe this legislation will fundamentally change the historic role of parents and of local communities in the governance and control of our Nation's public schools.

At the same time, I do not share the hopes of the most enthusiastic supporters of this legislation that it will—by itself—result in significant improvements in teaching and learning.

That is not to say that improvements are not necessary. To the contrary, America's schools must do a far better job of preparing America's students for work and for life. And, that will require fundamental changes in how teaching and learning are done.

But, as we try to address that reality, we are not being honest if we believe this legislation—even if fully funded and implemented—will result in the kind of significant improvements that a 21st century America will need.

I say that because this legislation depends mainly on plans and in incremental changes in existing schools.

Real change in behavior, Mr. President, does not come from plans, or by relying just on existing schools. I do agree that setting high standards that focus on results can help offer concrete goals for change.

But, real improvements in what students learn will only come when there's a reason to change. And, just like health care and a lot of other public services, real change will only come when market forces are present that encourage and reward good choice and success.

To get that kind of change, education must be viewed from a consumer standpoint.

That means, Mr. President, that parents and students must have the right to choose which schools their children attend.

In a minute, I am going to make a statement in introduction of a Medi-

care choice act in which I quote President Clinton in one of the great reforms undertaken in our generation the reform of health care in our country, and he says there are six essential elements that must be in the reform of our Nation's health care system: Security, simplicity, savings, choice, quality, and responsibility.

Our current educational system may give someone the sense of security. It may seem simple. It has no savings. It has absolutely no choice. It has questionable quality. And it almost totally lacks responsibility.

All you have to do is go to a school board meeting sometime when they are having a problem and watch them point fingers at the State Capital or the National Capital or mandate or someone else in the system. We know that. There is no responsibility, and without responsibility there is no accountability and without that there is no impact from whatever choice that we make.

That means that teachers and parents and communities must have the right to start and run innovative, new schools; that schools must be as diverse as the needs of today's increasingly diverse students; and, that new forms of accountability must be tested that offer schools and teachers incentives and rewards for improved results.

All over America, Mr. President, States are taking steps to both redesign and redefine public education to implement these and other fundamental reforms.

My own State of Minnesota has been among the leaders by lessening the burdens of input-oriented rules and regulations; by redirecting accountability toward improved results; by making it possible for parents and students to choose which public schools they attend; and, by increasing the range and diversity of public school choices that are available.

I am pleased, Mr. President, that at least several of these strategies for change will be assisted by provisions that I was able to get added to this bill.

For example, on every positive feature in Goals 2000 is the provision allowing States to use State-level improvement funds to support public school choice initiatives, including information and referral programs; and to support the establishment of innovative new public schools, including magnet schools and charter schools.

Under language I suggested, local school districts may now also use a portion of their grant funds to support innovative new public schools.

Finally, I am also pleased that this legislation now includes several significant opportunities for States and local school districts to get out from under the burdens of Federal rules and mandates.

Under an amendment that Senator HATFIELD and I authored, up to six States will be able to seek broad authority to waive both Federal and State mandates—rules and regulations that now stand in the way of doing what teachers, principals, and parents know must be done to improve their schools.

Minnesota is leading the rest of the country in replacing accountability for schools that's now based on inputs—like how many hours students have to be in the classroom and how many days have to be in the school year—with standards that reward schools based on what students actually learn. Reward schools based on results. What do kids actually learn? That is a result. It does not do it on how many hours you are in the school. Nor how many minutes you are in a classroom. Nor how many kids in front of a teacher. Nor how many days of education process is going on. For that reason, I'm very hopeful that Minnesota will be one of the six States chosen to participate in the demonstration Senator HATFIELD and I authored.

I want to emphasize the fact that this legislation places certain fundamental protections off-limits from this waiver authority and also requires that those seeking waivers demonstrate that the underlying objectives of the regulations being waived will not be jeopardized.

To monitor whether that commitment is maintained, we will need a more localized, manageable, and effective alternative accountability mechanism for schools and districts that receive waivers. Ideally, that alternative accountability mechanism will be local and results-oriented.

One such alternative is now embodied in the laws of States that have authorized charter schools. Although these laws vary, they generally allow public schools to operate free of most rules and regulations in exchange for a multi-year, results-oriented performance contact with a State or local education agency or some other public body.

This arrangement keeps accountability with an entity that can provide effective oversight. It keeps the number of deregulated schools that need to be monitored by each oversight agency relatively low. And, it shifts the focus of accountability from input-oriented rules and regulations to contractually agreed-to results.

Clearly, the waiver provisions contained in the Goals 2000 proposal will take some time to fully implement. And, I would hope that, as these provisions are implemented, alternative accountability mechanisms—including an oversight role for State or local education agencies, a clear focus on results, and the use of contracts or other formal agreements between deregulated schools and the State or local education agency—will be given a fair test.

I also hope that the more general subject of the role of Federal waivers in education reform—including how those waivers are granted and administered—will be given additional consideration in this year's reauthorization of the Elementary and Secondary Education Act.

Finally, Mr. President, let me comment briefly on the provisions in this proposal that authorize so-called opportunity-to-learn standards.

As Members of this body know, I have been among the most strident critics of these standards. My preference would have been that they not appear at all in the bill.

I have not been alone. And, I know that the administration, the Nation's Governors, and many others have worked hard to reach agreement on the provisions that remain—to ensure that they do not place additional mandates on States and school districts and divert attention from an increased focus on accountability for results—holding schools accountable for what students actually learn.

I have shared the language in the compromise we have reached with education officials in Minnesota, Mr. President. And, I have been told that my own State's education reform initiatives will not be compromised by the requirement that opportunity-to-learn standards or strategies be adopted—but that actual implementation of those standards or strategies remain an option.

Based on that advice, I will not oppose this bill. But, I do pledge to maintain vigilance over implementation of these provisions to make sure they are not an entre to new and intrusive Federal regulation of the inputs needed to improve teaching and learning in our Nation's schools.

In monitoring implementation of opportunity-to-learn standards, Mr. President, I have identified five important limitations I believe must be respected:

First, compliance with opportunity-to-learn standards must be strictly voluntary. And, there must be no link between achieving such standards and eligibility for Federal education improvement funds or funds authorized by chapter 1 or other Federal programs.

Second, compliance with a uniform and mandatory list of opportunity-to-learn standards must not be considered a prerequisite to being held accountable for tough, results-oriented academic standards.

Third, meeting opportunity-to-learn standards must be viewed as only one of a number of alternative strategies available to State and local education agencies and to schools in achieving academic standards.

Fourth, we must accept the reality that all schools and communities are unique. Therefore, we must recognize that some opportunity-to-learn standards may contribute to achieving per-

formance standards in some schools or communities and other opportunity-to-learn standards may make that contribution in others.

And, finally, States and local districts and schools must be able to decide which opportunity-to-learn standards may contribute to achieving academic standards in their unique circumstances.

I believe these limitations are consistent with the conference agreement now before us, Mr. President. But, I believe all those who oppose new Federal mandates in education must remain vigilant to ensure that these limitations do not get violated as implementation of this legislation goes forward.

Having noted the various improvements that have now been made, Mr. President, I am prepared to vote to approve this conference committee agreement.

I am pleased with the authority it gives States and local school districts to increase parent choices and help start innovative new public schools.

I strongly support the authority this legislation grants the Secretary to grant waivers to States, districts, and schools that are stifled by input-oriented rules and regulations and are now willing to be held accountable for what students actually learn.

And, I believe the compromises that have been made in the provisions dealing opportunity-to-learn standards need not stand in the way of the important reforms now taking place in education all over America.

At the same time, Mr. President, I believe we must realize the limitations of this legislation and the reality that achieving the goals it would make law will require the leadership of States and the dedicated efforts of teachers, parents, students in every community in this Nation.

Real reform in education will not result just from changes in Federal law or Federal programs. But, the conference agreement now before us could help establish a framework within which that real reform can—and must—now take place.

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

Mr. DURENBERGER. Mr. President, I ask unanimous consent that I might proceed as though in morning business on another subject.

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

RON SPEED

Mr. DURENBERGER. Mr. President, I rise today to honor a friend and fellow Minnesotan, Ron Speed. Ron died March 15 at his home in Minneapolis of complications from AIDS.

In many ways, Ron Speed represented the very best of public life in Minnesota. He had worked for more than 25 years for one of our State's largest employers, Honeywell, Inc. At the time of his death, Ron was Honeywell's vice president of corporate, government, and community affairs.

Ron had many talents and many, many friends. He combined his own vision and leadership with the resources of a large company to help build a better community. And, although Minnesota has now lost one of its finest corporate citizens, his memory will continue through the programs and projects to which he gave life.

I first came to know Ron Speed almost 30 years ago when we were both what we then called Young Republicans—young idealists in a political party that succeeded because it offered attractive candidates and practical and progressive ideas that worked.

Ron spent several years here in Washington on the staff of Representative John Zwach. And then, 25 years ago last November, he began a career at Honeywell that would help redefine and reshape the very meaning of corporate public affairs.

Ron and I were colleagues during 7 of those years when I held a similar position at the H.B. Fuller Co. We supported many of the same community programs and projects, and began many of the same initiatives within our own companies, many of which are being adopted across this country.

During his 25 years at Honeywell, Ron started a new division called corporate community affairs.

And, because of his leadership—and the support of others at Honeywell—that division gave new meaning to how a large corporation relates to its community, not just through its business practices, but through its employees, through its corporate and foundation giving, and through the leadership its top executives give to real and needed forces for community change.

Ron was fortunate during his 25 years at Honeywell to have bosses and mentors who created an environment that allowed this vision of corporate public affairs to grow.

Ron worked for some of the true national pioneers in redefining the role of large corporations in society, including five highly gifted CEO—Ed Spencer, Steve Keating, Jim Binger, Jim Renier, and most recently, Michael Bonsignore.

Ron also was blessed with an unusually gifted group of colleagues in what has always been a strong and creative public affairs department, mentors and friends like Russ Laxson, Don Conley, Glen Skovholt, and many, many others.

And, Ron used his vision and what he learned from others to help change the role of employers in society. He was always willing to share that vision with others—informally, and through his membership on the advisory boards of the Center for Ethics at the College of St. Catherine and the Boston College Center for Community Relations.

Two months ago, Mr. President, I had the privilege of joining more than 300 friends, family members and co-workers who attended a celebration to honor Ron for his outstanding community service and to announce the establishment of what will be known as the Ron Speed Award for Public Affairs Leadership.

The mood that evening was somber, yet filled with upbeat celebration. Several mutual friends commented that the event was "pure Ron Speed"—dignified, reflective, yet fun.

Many warm, personal and caring things were said both about and to Ron that night. And, when the time came for his response, Ron did not let his friends down.

He was clearly moved by the genuine outpouring of love and support from a community he had loved and supported in return.

But, Ron's response did not dwell on his illness or pain. Nor did he reminisce about past accomplishments or express regrets about what might have been.

Instead, Ron Speed used his last opportunity to speak publicly to lay down a challenge to his colleagues at Honeywell and to all those who struggle with the role that large, multi-national employers must continue to play in the communities from which they do business.

"One of the things most of us have held dear," Ron told his assembled friends, "is the notion that solutions to problems cannot be found without the participation of everybody in the community."

"And, as the community fights more difficult issues all of the time, and is working—particularly in urban settings—to make life better, it can't be done without the churches, the people, and obviously, the political system."

I ask unanimous consent, Mr. President, that the full text of Ron's challenge be printed in the RECORD at the conclusion of my remarks.

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

(See exhibit 1.)

Mr. DURENBERGER. Mr. President, meeting the challenge Ron spoke of will require the active participation of large employers like Honeywell. But, it will take the active involvement of many others as well.

And, Ron Speed had a unique ability to bring all those forces for change together to benefit the larger community.

Ron worked through the Honeywell Foundation to support programs that could empower communities to tackle problems on their own.

Ron also used programs he started within Honeywell—the Honeywell Retired Executive Project, for example—to put back into the community the time and talents we so desperately need.

And, Ron placed a high priority on programs that help shape the future, especially educational programs supporting children and young adults.

One program to which Ron gave national leadership is Close-Up, a program that has meant a lot to me personally, as well.

Literally thousands of high school students from Minnesota and many other States can thank Ron Speed for his leadership in Close-Up and for the inspiration and knowledge that experience has offered to them at a critical point in their lives.

During his quarter century of public service, Ron also served as chair of the board for the American Refugee Committee, the Minnesota 2000 education reform initiative, and the Business Leadership Council of the Close-Up Foundation. And, he served on the boards of the national Points of Light Foundation, the National Retiree Volunteer Center, Augsburg College, the Minneapolis United Way, and the Minnesota Government Learning Center.

Ron also headed the Business Action Resource Council for the Greater Minneapolis Chamber of Commerce and the program committee for the Minnesota Project on Corporate Responsibility. He was a member of the Minnesota Special Olympics Advisory Council. And he chaired the Management Assistance Project, an agency linking corporate volunteers with nonprofit Twin Cities agencies.

Ron was born February 23, 1943. He is survived by his partner, Jim Macknick; his children, Erika, Kate, and Ryan Speed and their mother, Paulette; his parents; a brother, a sister, several nieces, and a nephew.

Ron Speed will be missed, Mr. President, by his family and friends. And, my heart goes out to them as they try to accept and adjust to his loss.

But, because of what he gave when he was with us, Ron Speed's memory—and his contributions to his community—will live on forever.

EXHIBIT 1

REMARKS BY RON SPEED

Presented at the Announcement of the Ron Speed Award for Public Affairs Leadership—January 7, 1994.

We are all here for a period of time and then go on—and my time in life is short. My hope is that through the creation of this award, we will continue to find specific ways for us all to work together for real action. One of the things most of us have held clear is the notion that solutions to problems cannot be found without the participation of everybody in the community. As the community fights more difficult issues all of the time and is working—particularly in urban settings—to make life better, it can't be done without the churches, the people, and obviously, the political system. In Minnesota, we've been blessed by the fact that corporations are also a big part of the equation. However, this tradition has been challenged mightly, and I think understandably, over the last several years with takeovers, "barbarians at the gate," and greed from Wall Street.

We are now back on a better track. For the most part, companies, like my own, have hung in there with very little change. Though we may have had to cut back on certain staff projects, our work through the Foundation never faltered—and that is one of the things that I admire about Honeywell and Honeywell management. We have always understood that attention to the community is critical.

At Honeywell, we have been increasingly strategic in our efforts to help solve community problems. We did go through an era, probably in the 1970's, when we would adopt a school or take on some small project or do some nice thing for a community agency down the street. And there is a place for that. But, it's also important for us to sit down with county commissioners and to sit down with other companies and community agencies and really try to engage. We've got to get at these problems if they are ever going to be solved and not just talk around the edges. It has be a strategic effort by all of us.

Some of the projects we've talked about tonight are good examples. The Management Assistance Project was an attempt to gather hundreds of executives to take two, three, or four months to work in community agencies on very targeted projects. I think they've worked with more than 2,000 agencies. There's power in that kind of involvement.

Another project mentioned earlier was the Honeywell Retiree Volunteer Project. More than 1,100 individuals have worked on assignments with over 425 agencies. And, HRVP has triggered similar efforts throughout the United States. I think there are lots of other examples we could cite. These efforts take working together, finding the right partners, and finding the talented people within the company who can bring organization and insight.

Ray Hoewing (Public Affairs Council), Don Conley (former Vice President of Public Affairs at Honeywell). Peter Hutchinson (former Vice President of Public Affairs at Dayton Hudson and current Superintendent of Schools in Minneapolis), and I have discussed how important it is not to overly compartmentalize our companies' public affairs efforts. For example, in too many companies, we may lobby at the state capitol or in Washington for specific issues with very little awareness of what is going on with other issues such as housing or education policy. Or, we may make contributions to education, but we don't know what's going on with the public policy side of the issue.

I am very proud of Honeywell, and especially the public affairs department, which over the last several years has worked aggressively with the understanding that we can have more of an impact through shaping public policy than through our dollars alone. For example, our contributions people lobby and work with county commissioners, congressmen, and city government. Our government affairs people work on contribution programs and serve on the Foundation board. I believe it's time for companies to do a better job of integrating and understanding issues so we can be more serious about solving problems. And, at Honeywell, we are convinced we serve our business units more effectively through this strategy.

Jim Renier (former Honeywell Chairman and Chief Executive Officer) is a master of supporting this strategy. For example we included workers compensation, taxes, education, policy and Success by 6 in our legislative program last year. This is a pretty unusual agenda for most companies. It also goes without saying that, as a staff, we have to rely on one another to do the work that we do. In my case, I have certainly relied on Honeywell as the anchor, the partner, the employer for which I work. Honeywell, I think, has been truly one of the magnificent companies in this country.

I've worked under five CEO's. Jim Binger brought a thoughtfulness and a sensitivity about philanthropy and contributions and how it might be done in the most rational way. Today, he demonstrates these skills in his work as a member of the McKnight Foundation board and in the field of international philanthropy.

Steve Keating was an activist chairman who jumped into the middle of a difficult time of race relations, a difficult moment in the 1960's. He co-chaired the Urban Coalition and did lots of other things with the Courage Center and other boards. He made quite an impact in the community, and lots of people followed his example. It should be noted also that Steve started the housing project in the Phillips neighborhood to which we have given almost $2 million in housing assistance over a 20-year period.

The CEO who had the biggest impact on what we're trying to do strategically was Ed Spencer. Ed agreed that a business must act responsibly wherever it operates—whether it's a sales office in Philadelphia, or a regional office in Georgia, or a manufacturing location in Massachusetts. For three to five years, there flourished a network of Honeywell people from all over the country who supported this strategy. We even became serious about moving on public affairs issues internationally; it was no longer something we dabbled in. Prospects for Peacemaking, a dialogue regarding peace issues, and other pioneer initiatives came out of that sort of environment. Acting responsibly became institutionalized—a part of the infrastructure at Honeywell.

Jim Renier brought a whole new dimension to our efforts. He was a real flagship leader. Jim came at a time when he was battling all sorts of other things—takeovers, difficult business times, but he kept the company whole and was able to fight off the "barbarians" at our gate. At the same time, he never wavered in his eagerness to do things for the community. Jim was moved by the difficult reports he had read about small children. And, he understood how up-front work with pregnant mothers, infants, and toddlers could prevent a lot of problems and save money in the long run. Jim eventually jumped in with both feet and became one of the most credible spokespersons in the country on education. We also put together discussions with the Secretaries of Health and Human Services and Education. We got a half-million dollar grant to put into the School Human Services Redesign Project. And, Jim led the United Way's participation in this rather risky new model. I was always a little embarrassed because he seemed to be a little ahead of me on reading or doing more staff work than I was at times.

Now, with Michael Bonsignore, we have an opportunity to spread our wings even further. Mike is a real internationalist and has already asked that each executive in the world take on a key community assignment. And, he, personally has been very involved in a number of important community projects. However, working with Mike will be a little more difficult at the outset because he is swamped. As the new CEO, he has to be everywhere to become known, and he has to focus on strengthening the market.

We've been very fortunate at Honeywell. It is pretty unusual. I believe, to find execu-

tives like ours who have the kind of insight to run a complicated business, support their public affairs people, and really make the machinery in the corporation work for the maximum public good.

In today's environment, there are more and more challenges facing public affairs people. However, I hope we keep at this through thick and thin. And, I hope we can continue working as partners, working in a strategic manner to make a difference in all the communities where we operate.

(The remarks of Mr. DURENBERGER pertaining to the introduction of S. 1996 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

Mr. DURENBERGER. I suggest the absence of a quorum.

The PRESIDING OFFICER (Mrs. BOXER). The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. DURENBERGER addressed the Chair.

Mr. MITCHELL. I object.

The PRESIDING OFFICER. Objection is heard.

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

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

Mr. THURMOND. Madam President, I rise today as a strong supporter of education reform. However, after carefully examining this legislation and considering the views of my constituents, I intend to vote against the conference report to S. 1150, the Goals 2000: Educate America Act.

As you know, I supported this legislation out of the Senate Committee on Labor and Human Resources with a number of concerns. I also voted for the Senate version of this measure, again with a number of reservations. I believed then, as I do now, that we should strive to develop national education goals which describe what our children should know and be able to achieve in school. However, while we work on education reform legislation, we should guard against excessive Federal regulatory requirements, as well as Federal mandates not funded by the Federal Government.

The conference report now mandates specific content and performance requirements which must be included in the States' improvement plans for meeting the national education goals. The Senate version allowed much more flexibility by only requiring the States to establish content and performance strategies that the State felt would meet the National Education Goals. The conference mandate goes to the very heart of my concerns. It takes away the voluntary nature of the States' strategies, and I believe this could be the beginning of the development of a national curriculum, which I oppose.

In a letter written by the Governor from my home State of South Carolina, Governor Campbell, to President Clinton, I observed a number of concerns he has with this legislation, especially in the area of opportunity-to-learn standards. As you know, I do not support federally imposed opportunity-to-learn standards. I believe this is a responsibility that should remain with the States, and I agree with the concerns Governor Campbell raised in his letter.

Unfortunately, the inclusion of content and performance requirements and opportunity-to-learn standards creates the potential for widespread litigation. We are setting the stage for every student who believes they are not getting "a fair opportunity to learn" to bring a lawsuit. A number of studies demonstrate no correlation between spending and educational performance. However, attorneys are lining up in anticipation of suing a school system because its standards are not adequate.

In a hearing before the National Council on Education Standards and Testing, Mr. Jonathan Wilson argued that all he needed to bring a lawsuit is the establishment of standards by which to measure whether the State is properly carrying out its responsibility to provide adequate education. Under this legislation, he will have the standards he needs to sue.

Our schools will not be spending their scarce resources on the necessary tools for education. Instead, our schools will be paying the local attorney to defend it from a barrage of lawsuits filed to equalize or normalize the amount of resources provided to each child. This is not what is intended by education reform.

Madam President, this legislation will establish a National Skill Standards Board for the subsequent development and adoption of national industry-recognized skill standards. I am supportive of the development of voluntary national industry-recognized skill standards in this country, not mandatory ones.

During the previous consideration of this legislation in the Senate, I stated that we should not establish a Board which would undermine or restrict businesses in developing their own skill standards. It is essential that this continues to be an industry led initiative.

I supported the compromise concerning the composition of the Board reached by Senator KASSEBAUM and Labor Secretary Robert Reich. Unfortunately, this compromise was deleted in conference.

The ultimate cost of the bill is a matter of great concern.

Finally, I object to the absence of the Helms' school prayer amendment from this legislation. My good friend and colleague, Senator HELMS, offered an amendment to S. 1150, which was adopted in the Senate by a vote of 75 to 22. The House passed a motion to instruct House conferees to accept the Helms amendment by a vote of 367 to 55. However, the Helms amendment was stripped from this legislation. I believe a return to voluntary prayer in public schools would considerably add to the well-being and character development of America's children.

Madam President, I believe the education we provide to our children and future generations of children is one of the most important gifts we can give them. The Federal Government should facilitate State and local reform efforts and not become an obstacle. However, I am deeply concerned that this bill will wrest the control from the States and local communities, and place it in the hands of Washington bureaucrats. Under the Constitution, Education is primarily the responsibility of the States.

I worked closely with my good friend Secretary Riley on this legislation and commend him for his efforts, however, I cannot support this legislation in its present form.

RESPONSE TO HOUSE OF REPRESENTATIVES VOTE ON VOLUNTARY SCHOOL PRAYER

Madam President, earlier this week, by a vote of 345 to 64, the House of Representatives agreed to withhold Federal education funds from school districts that prohibit students from engaging in voluntary prayer in public school. I applaud my colleagues in the House for this vote and especially commend Congressman JOHNSON of Texas who drafted the language. This amendment should remain in the bill which will provide Federal aid to elementary and secondary school programs.

Also, my good friend and colleague, Senator HELMS, had offered a similar amendment to S. 1150, the Goals 2000, Educate America Act, which was adopted in the Senate by a vote of 75 to 22. However, the House-Senate conference on Goals 2000, in a hasty manner, adopted so-called compromise language on the Helms amendment which completely misses the mark of the original Senate position. Hopefully, this action will not stand and the Senate will have the opportunity to reiterate its position on voluntary prayer in public schools.

Madam President, last year on the first legislative day of the 103d Congress, I introduced Senate Joint Resolution 9 which is a proposed constitutional amendment to allow voluntary school prayer. This bill is essentially the same as legislation which I introduced at the request of President Reagan in March of 1983, during the 98th Congress. I reintroduced this amendment in the 99th, 100th, 101st, and 102d Congress. This proposal would restore the right to pray voluntarily in public schools—a right which was freely exercised under our Constitution for 170 years until the Supreme Court ruled to the contrary.

Until the Supreme Court ruled in the Engel and Abington school district decisions, the establishment clause of the

first amendment was generally understood to prohibit the Federal Government from officially approving, or holding in special favor, any particular faith or denomination. In crafting that clause, our Founding Fathers sought to prevent what had originally caused many colonial Americans to emigrate to this country—an official, state religion. At the same time, they sought, through the free exercise clause, to guarantee to all Americans the freedom to worship God without government interference or restraint. In their wisdom, they recognized that true religious liberty precluded the government from both forcing and preventing worship.

In the 1960's, in one fell swoop, the Supreme Court overturned the long-settled public policies of tens of thousands of communities across the Country. A moment of voluntary prayer at the start of the school day—a policy that had enriched the education of generations of school children since the founding of the Republic—was determined by the Supreme Court to be a menace to the first amendment.

Madam President, every morning we open the Senate and begin our work day with the comfort and stimulus of voluntary prayer. As a Nation, we continue to recognize God in our Pledge of Allegiance by affirming that we are a Nation "under God." Our currency is inscribed with the motto, "In God We Trust." It is time we restored the simple freedom of our citizens to offer prayer in our public schools and institutions. The public expression through prayer and recognition in other ways of our faith in God is a fundamental part of our American heritage. It should not be excluded from our public schools.

Madam President, our liberty springs from and depends upon an abiding faith in God. This has been clear from the time of George Washington, who stated in his farewell address:

> Of all the dispositions and habits which lead to political prosperity, religion and morality are indispensable supports * * *. And let us with caution indulge the supposition that morality can be maintained without religion * * * [R]eason and experience both forbid us to expect that national morality can prevail in exclusion of religious principle.

Madam President, there is much discussion across this Nation on the breakdown of values and morality. There are concerns of violence in schools threatening the safety of teachers and students alike and undermining a sound learning environment. Of course, school prayer is not the panacea to end all problems, but I am confident that it will considerably add to the well-being and character development of America's children.

Again, I commend the recent action by the House of Representatives and believe that we must rededicate our efforts to amending the Constitution to return voluntary prayer to public schools.

Mr. BROWN addressed the Chair.

The PRESIDING OFFICER. The Senator from Colorado.

Mr. BROWN. Madam President, I appreciate the opportunity to share a few thoughts with the Members of this Chamber with regard to the measure before us. What we have is an exercise that this Senator believes is symbolic of a practice that has grown up over the recent years in Congress—that is, of ignoring the wishes of the majority in both the House and the Senate.

Why would I say that with regard to this bill? I think, as all Senators are familiar with, the amendment that was labeled the Helms amendment, passed this body by a large margin. What may not be clear to everyone who listens to us is that that amendment passed the House of Representatives by a very large margin, as well. It passed, as I understand it, in the form of instructions to conferees. Yet, when this matter was considered in conference, even though the Members of both the House and Senate had voted on this specific measure and had both agreed on this specific measure, the members of the conference took a position dramatically different.

The problem with that is that we then find the will of the majority—a majority of the House and Senate—thwarted. Our concept of democracy, representative democracy, is based on the will of the majority prevailing. Yet, we find a very specific instance here where, instead of prevailing, we find that the wishes of the majority were thwarted. It comes on a very sensitive issue. It comes on an issue in which there are strong feelings on both sides. All of us appreciate it. But I think it is fair and reasonable to observe that the members of the conference committee felt differently about the issue than the Members of the body.

The real question that we have to face today and resolve is whether or not people who are appointed to the conference committee can simply ignore the expressed and voted-upon wishes of the majority—not just the wishes of the majority of the people of this country; incidentally, I think the people of this country support the Helms amendment in a clear fashion—but the majority of their elected representatives. Most State legislatures do not have this problem. When I say that, I deal with rules, and I think the rules are important here.

The rules for most State legislatures provide that a conference committee may not go beyond the scope of the differences between the two bills. We, of course, have provisions that speak to that phenomenon in our rules both in the Senate and the House. Our rules are somewhat different than most States.

What we have talked about—going beyond the scope of the differences—in the Senate and the House and the rules our conference committee seemed to operate under, is if a measure is raised and there is no difference between the position of the House and Senate as expressed in their votes, the conference committee still feels free to go beyond the scope of the differences of what has been expressed. In other words, as long as they address the subject, the feeling is that they can do, in some cases, the opposite of the expressed will of the majority. That is clearly not in line with the rules of most legislative bodies or with the concept of democracy, which requires legislative bodies to respond to the will of the majority.

In effect, what we have are rules that allow conference committees to disregard the expressed will of the majority. We allow them to write new legislation in conference committee. We allow them to express ideas and bring to the floor legislation. This problem is compounded by another phenomenon that the rules of this Chamber and that of the House; that is, the provisions that preclude members of the conference committee from developing a minority report, a report that is favored by less than a majority of that conference committee.

Why is that significant? It is significant because if a minority report is put out that is properly before the House and Senate with the conference committee reports then the various Chambers have the ability then to reassert the will of the majority. This dispute could easily have been resolved if simple votes had been allowed or had been in order to let the majority reassert its preference.

In the State legislatures—not all, but most—they allow a minority report from the conference committee. It is a safeguard from a runaway conference committee that disregards the will of the majority. If a conference committee does not reflect the feelings of the majority of either house and does so in the reports they prepare, a minority of that conference committee can indeed write a minority report, and that is available to the various houses to express their preferences. That is the way it works in most legislative bodies. They are designed to make sure that the will of the majority prevails, and our concept of democratic leadership is not thwarted.

Such is not the case with our rules. In the case of our rules, it allows people to go beyond the scope of the real differences in the conference committee, even though we use terminology that suggests they should stay within it. It allows them to draft legislation that is opposite to the wishes of the majority as expressed in votes on the floors of the House and the Senate. And then it allows them to preclude the will of the majority, to come before the various houses in the form of a minority report.

Our rules not only thwart the majority sentiments expressed in the House and Senate, but they thwart the ability to even raise it properly as an alternative conference report. It thus allows the leadership of the bodies, if they wish, to send people to conference committees who do not represent the feelings of this body or of the House of Representatives. It further allows that conference committee to vote in legislation in the conference report that is not representative of the bodies. It further allows them to deny the majority an alternative conference report in which to express their wishes.

Some will say, "That is the way the rules work. That is the way the ball game is played." Madam President, let us not pretend that it is fair. Let us not pretend that it is the way democracy is meant to work in this country. It is an aberration, a way to thwart the will of the majority. It is a way to deny fair democratic process. That is why we find ourselves in the late afternoon and evening talking about a measure that ought to be simply resolved by votes. It is why the Senate finds itself held over in this circumstance, and it is why feelings run so deep.

On the one hand, the determined majority feels they ought to have an opportunity to express their feelings, and a determined minority that controls the process through the appointment in conference committees and an aberration of rules that allow unrepresentative conference reports to come forward. If this is the only time it happened, perhaps you would not have this strong reaction of people suggesting that we stay in session until midnight, or a little beyond, and debate the issue. I suspect there are not the votes to overturn the conference report. I suspect most legislators want to call it a day and head home.

But the principle is at stake here. It is much more important than simply myself, or the distinguished Presiding Officer, or other Members of this Chamber. The principle goes to the very thought and core of democracy. It goes to the aberration, and I think the problems is inherent in the rules. It goes to the ability of the leadership of this Chamber and the other Chamber to thwart the will of the majority.

Madam President, some could say: Senator, when Republicans have held this Chamber, or the Chamber of the House, there were times when their leadership used every tool at their command to thwart the will of the majority. It would be a fair observation and a correct one. Both parties in the past have, at times, used the rules to their advantage and used the rules to thwart the will of the majority. Perhaps we are dealing with human nature, but that does not make it right. They, in turn, have had to answer to the American people, just as those who would thwart the will of the majority here will have to answer to the American people.

The real issue is not just prayer at school. The real issue is whether or not this is a democratic body that honors the obligations it has to people in the country.

It is whether conference reports honor the obligation they have to represent the Chamber. No one suggests that we ought to do away with the concept of conference committees, but what we do suggest is that when there is a clear vote on this subject the conferees from that Chamber should respond to it and should honor it and not simply disregard it.

Also, I think it is a crying need for us to follow the examples of most of our States in this Nation and allow minority reports from conference committees to come forth before the bodies. I see it in regard to many, many other issues, not just prayer in school.

One of the early lessons I found was on appropriation bills where one Chamber would come within budget, spending $9 billion, and another Chamber would come forth with a bill spending $8 billion and a budget and conference committee would come back with a report to spend $12 billion or $13 billion, far beyond the scope of the differences, the scope of the differences between $8 billion and $9 billion. The compromise, of course, was just to accept the spending proposals in both Houses.

Who lost? The taxpayers. It was an aberration of the rules, I think unfair rules if one were to look at it, to ignore the real scope of the difference and say, look, we all talked about these; therefore, they are able to be legislated and we will not only take all the programs of both Chambers but break the budget in the process.

That phenomenon is repeated over and over and over and over again, and the losers have been the American people. The losers have been the American people who end up footing the bill.

It is part and parcel of that phenomenon of the rules as to how this Nation has simply fallen deeper and deeper and deeper into debt. The chart on my right tells the chilling story. It has simply a depiction of the red ink that the taxpayers of this country are responsible for. It is passed on to their children and to their grandchildren and to generations beyond.

It tells several, I think, important things. It tells of an abandonment of the principles of watching the budget and being careful with the taxpayers' money. But it tells more than that. By an alarming explosion in terms of spending we have seen an explosion in terms of deficits. The numbers depicted are nothing more than the amount we owe. They are straight dollar numbers. They use estimates for fiscal 1995.

Madam President, let me observe that at least from my experience the numbers here for 1995 underestimate the debt that we will have. They do not overestimate it. The balance of the chart are actual figures, other than the estimates for the last 2 years.

They tell the story of a burden imposed on the working men and women of this country that make it more and more difficult for us to compete in world markets, make it more and more difficult to prepare for the future of our children and our future generations and leave a lasting legacy of debt. And who is responsible?

In the process we have had people point fingers at everyone else, but the reality is this Congress over those years in question that this Congress has repeatedly voted to exceed budgets.

I want to be specific about that because some have implied that the President of the United States was the one who was responsible for these huge deficits. Let me acknowledge that the President does indeed possess the right to veto legislation, but tragically we have not acknowledged the ability to use a line-item veto. I for one believe a line-item veto is implied in the Constitution.

Senator ARLEN SPECTER of Pennsylvania has done an exhaustive, and I think very thoughtful, work on that subject. He has not only sponsored a constitutional amendment to deal with that subject but his legal research points out that a line-item veto is implicit within the Constitution itself. I commend Senator SPECTER's legal work in that regard for anyone who is interested in that subject. I might simply observe this. The Constitution of the United States mandates a President veto measures with which he or she may not agree. It also mandates that the President has a responsibility to keep this country running and moving forward.

What has happened through many of these years where the debt has exploded is that we have had a President faced with a continuing resolution that includes almost all of the spending oftentimes in the discretionary category. The President is virtually put in the position of shutting down the entire Government of the country as well as defense or in the alternative signing the bill for which he or she may not agree.

That is not within the scope of what the Constitution provided. The Constitution mandates—"shall" is the word, mandatory language, that he veto those measures. Yet if they veto those measures they violate other mandates from the Constitution.

The debate over a line-item veto will await another day, but the results of conference committees ignoring the issues of the various bodies and coming in with reports that are clearly beyond the scope of the difference of the various bodies, even though we interpret the meaning of beyond the differences differently, the result of that has been

disastrous. It is not simply meant to thwart voluntary prayer in school. It has thwarted the financial obligation of this country and the ability to try to deal with it.

I want to go through some numbers. I hope they will be meaningful to the Members of this Chamber as we go through them, because they involve a variety of Presidencies and they involve a variety of actions by this Congress.

In 1981, President Carter submitted a budget to Congress of a $34 billion deficit. Congress when it got through with that budget, gave us a deficit of $79 billion, a full $44 billion more than what the President had recommended.

In fiscal 1982, President Carter submitted a budget recommending the deficit of $46 billion, but Congress ended up appropriating, taxing to a deficit of $128 billion.

In 1983, President Reagan submitted a budget recommending the deficit of $107 billion, but a reluctant Congress gave him a deficit of almost twice that much, $208 billion.

In 1984, President Reagan recommended a deficit of $203 billion, and it came in a little bit less in actual terms, a remarkable achievement primarily attributed to the remarkable turnaround. What is interesting to note, though, in that 1984 budget is that much of it was due not to control of spending in Congress, but to changes in economic assumptions resulting from the dramatic turnaround of the economy. Some attributed that turnaround to the Federal budget deficits resulting from changes in the Tax Code.

But the pattern quickly went back to the same as the years went forward.

In 1985 the President recommended a budget deficit of $195 billion, and Congress came in with one of $212 billion.

In 1986, the President recommended a deficit of $180 billion, and the Congress gave the President a deficit of $221 billion.

In 1987, the President recommended $144 billion, and Congress gave him a deficit of $150 billion.

In 1988, the President recommended a deficit of $108 billion. Congress gave him a deficit of $155 billion.

In 1989, the President recommended a deficit of $130 billion. Congress gave him a deficit of $153 billion.

In 1990, President Bush recommended a deficit of $91 billion. The Congress turned around with a deficit of $220 billion.

In 1991, President Bush recommended a deficit of $63 billion. Congress returned a deficit of $269 billion.

In 1992, President Bush recommended a deficit of $281 billion. Congress gave him $333 billion.

One may hope that this will turn around in the years ahead. My guess is in some years it will. But what is strange through all these years—through President Carter, President Bush, President Reagan—is that Congress itself violated its own budgets. Congress itself ended up spending more money, or at least having higher deficits, than the Congress itself had called for in their own budgets.

One may quarrel, as I did, with the budget recommendations of President Reagan and President Bush, but this Congress violated and exceeded, in terms of the deficit, not only the budget deficits recommended by the President, but the Congress violated its own budgets.

This flood of red ink did not happen by chance. It happened because Congress ignored its own budgets. And it was not just economic assumptions. It was a process of declaring emergencies when none existed. It was a process of finding loopholes and ignoring the budgets that were there. It was a process that saw Congress vote $20 billion a year in spending, on the average, more than what it had called for in its own budgets.

One can understand how a Democratic majority in Congress might disagree with the President of a different party. But it is hard to understand how a Congress would exceed its own budget by an average of $20 billion, and yet that is what indeed has happened over the last 15 years. Congress exceeded the deficits recommended by not only the Presidents but by Congress' own action itself.

Little surprise then that the integrity of the budget process has been called into question. Little surprise that we face an ever-dimmer economic future as the actions we have taken seem to swallow up the potential growth in the economy.

Americans are well aware of those problems, have seen the growth of per capita GDP slow, have seen the growth in productivity slow, and have seen the savings in our country drop from a country which, through much of its history, led the world in terms of the portion of gross domestic product, that was committed to saving and reinvesting in a country, to a place where we are now a little bit above 4 percent of GDP, to a place where that represents the lowest portion of GDP savings and reinvestment of any major industrialized country in the world. Well, that is right. We are the lowest; not the highest as we once were, but the lowest.

And if one looks for responsibility, one need look no further than this Capitol. The Tax Code that has been designed is one that discourages savings, one that penalizes savings, one that discourages both the affluent and the poor from preparing for their future. Oh, yes, it is done with good phrases. Yes, it is done with what blessings we are bestowing on the people by spending their money. Yes, it is done in the name of equalizing the Tax Code, and a variety of others.

But the reality is that the penalties this Congress has put in the Tax Code have acted as a giant disincentive for Americans planning and preparing for the future. What perhaps was good politics, was bad policy. As a reality, we need to give people incentive. The vibrancy, the strength of this country, comes from the individual, from the bottom up, not from Government down.

As we preclude the private sector's ability to plan and prepare and save, we diminish our own country's future and we slow the rate of growth of what could be Federal revenue to deal with the problem. That is why we need a change of policy.

This issue goes far beyond anything that we might wish to talk about with regard to school goals. School goals are but one aspect of this. It is one that is important and one that we ought to move on, but it is not one that we can afford to violate rules and fair play and good common sense.

We ought to be ones that are willing to let the rules work. We ought to be ones that will let the majority will prevail.

As the American people listen in, they will wonder how it is, as we attempt to set goals for our school children across the land, that we would do it through a mechanism that denies a majority the right to make their feelings heard, that denies a majority, clearly expressed and voiced in this chamber and in the House of Representatives, from becoming the law of this land.

How can we pretend to set goals for this Nation and at the same time deny the school children of this country an example of what fair play is all about?

The day may well be won by those who control the mechanisms, the day may well be won by those who have a different view than Senator HELMS does with regard to school prayer. But perhaps as important or more important than that issue, is devising a set of rules that guarantees the people and the citizens of this country that they will have a fair shot at having their will expressed in Congress; that they will have a fair shot of seeing their wishes come into law.

I pointed out just one example of the process that we are suffering from. This flood of red ink is ominous, not simply because we have to pay the debt and we have to pay the interest on this debt. It is ominous because it represents a pattern of behavior in this Chamber and the House of Representatives that indicates we are unwilling to face up to our responsibility, that we are unwilling to set priorities.

The budget resolution that we have acted to approve sets long-term projections, as well, not just for next year that we focus on, but for the following years. What has not, I believe, been clearly enunciated to the American

people is that that budget that passed was not only a long-term plan for spending and revenue for this country—while it provided a small decrease in the coming years in terms of the deficit, primarily because of renewed economic activity—but that the long-term plan it encompassed over the 5 years, and the forecasts that were included by reference for a longer period up to 10 years, shows the deficit not just dropping in the near term but going back up dramatically.

What it was, was a long-term plan for the bankruptcy of this Nation. We need a better long-term plan. We need a stronger commitment, a stronger commitment by this body to reflect the will and the determination of the American people.

Mr. President, I yield to the distinguished Senator from Montana.

The PRESIDING OFFICER (Mr. KOHL). The Chair recognizes Senator BURNS from Montana.

Mr. BURNS. I thank my colleague from Colorado. As we take up this health care issue this year, I think most of us who have been involved in a task force for the last 3 years, trying to answer some of the questions on maybe what Government could do with respect to health care, find it is a much more complex problem than once we had thought, when we delve into some issues.

Although I have a daughter in med school, that is about as close to the medical profession as I have chosen to be in my lifetime. I spent most of my life in agriculture and the business of feeding and clothing this Nation. So we all had to go through the pains of coming up to speed on an issue that we really were not fluent in.

After going through the exercise of the budget resolution again, we have noticed how many different ideas and versions, or directions, I might say, that different people have when it comes to setting the direction of a Government and its spending. I wonder if we had a system that was Government run, how much more difficult it would be again. We are talking about between 7 and 14 percent of the GDP of this country.

I hope the American people will understand really how difficult an issue this is to confront. I congratulate the President for stepping forward, stepping up to bat on this issue. Sure there are areas on which we disagree, but we also disagree with the status quo. We have to look into this situation from a budgetary and monetary standpoint, because we find with current dollars we just cannot stretch them far enough.

There is no plan that has surfaced yet that is like a big broom or big sweeper that encompasses everybody. There are some folks in this country who just cannot, and some who will not, be covered with an insurance plan. We hear the figure of 37 million people who do not have insurance. I would have to agree with that. During the year, at some time or another, there are people always without insurance, who are between jobs and this type thing. But most of those people are people who have chosen the option not to be covered under insurance. They are making payments on a home, saving for a new home, wanting a new automobile—many things. Family gets in the way.

I can remember when I was in my twenties, I did not have any health insurance. I really did not give it much thought. I knew I was as smart as a busload of county agents and had a bulletproof brain. I was invincible. I would never get hurt, never get sick.

So you have that attitude among some of those folks who were not covered by insurance. But if we could logically look at what we really need to do and fix those things we can fix, and build on the system we now have, we can have a health care plan by the end of the year—or by the end of this Congress.

Insurance reform? Yes. If you fix preexisting conditions, then we have fixed portability or job lock. Insurance people say they are ready to come to the table and talk about those issues: ready to talk about administration, paperwork, some things that have to be done in that respect; ready to talk about tort reform. I have not talked to one physician who has not said that is a big part of his operating expense, malpractice insurance—liability. So we can fix those areas.

We can also deal with rural health and inner-city health-care problems, problems of the underserved areas, through taxes. Take my State of Montana, where we have quite a lot of dirt between light bulbs. We have a hard time attracting physicians to rural areas. We have 148,000 square miles and only 800,000 people. It does not give one a great base for investment in education to pay back the student loans it took to get through med school, let alone with a willing heart to serve in rural areas, especially in the medical field. So we have to give them some incentives to do that, and I think that is possible here in this Congress.

So, that debate goes on. Yet it is linked really with the debate we had today with regard to health care, because how much more of a struggle will it be to talk about budget reconciliation with another big program on the books that has to be funded? Reform does have something to do with the budget and income available to this Government.

In States where there is an absence of large holdings, Government holdings of public lands, it is hard to understand rangeland reform. Some would put it in the context of the environment. Some would put it in the context of subsidies. But in those States where there are large holdings of Government land, they regard it as a culture, a way of life.

The Secretary of the Interior has proposed some ranchland reforms that so far have not been met with much pleasure by those who run grazing on public lands or who mine public lands. Nonetheless some reform is due. Some would like to frame the argument in the area of grazing fees, forgetting that there are other areas that need to be addressed, not just fees. So we have some major concerns.

When the Secretary of the Interior came out with his draft outline he released it on Saint Patrick's day. I thought he was confused, because after I looked through it, it looked more like April Fools' Day.

There are some areas of concern, when you take a look at those reforms. Today, the actual language was to be released. I have not received it yet, but I imagine I will in due time. But there are some areas of major concern about those who are in charge of taking care of the public lands, like advisory councils. This is in the area of grazing. Each district has an advisory council and the makeup of those councils is usually people who are in the community, who live in the community, and are also users of that grazing.

The Secretary has proposed to change the makeup of those advisory councils, calling for a little broader mix of representation, of different interests on those public lands. We like local authority; we like local options with most of the decisions being made at the local level. That usually works best. I was a product of local government, county government. I was a Commissioner before being elected to the U.S. Senate. I have found that government closest to the people is usually better for the people. It is more accessible, with options and flexibility to move with the seasons.

In the northern high plains of Montana where weather conditions have more to do with making a profit than anything else, Mother Nature, every now and then, can rear her head. We are just coming out of a 7-year drought. For that to happen, an area does not have to have a great decrease in rain, especially in our part of the country where the average rainfall, including the snow in winter, is only 14 inches a year. So water and moisture become a very, very important thing.

But the local advisory councils call for local people to serve on the council with the exception of the so-called environmental groups. They are given the ability to serve on a council when they may not even live in the neighborhood. They may not even live in the State. They may live somewhere else and serve on an advisory council in such far away places as Garfield County, or Jordan, MT.

Understanding of the range is quite a feat in itself. Back in 1980, we started a

thing called Montana Range Days. I helped finance that, and it attracted some 400 people all the way from age 7 up through adults. It was a 3-day range science adventure, teaching not only about plants but also water quality, water conservation, lay of the land, carrying capacity, and also the effects of drought and, yes, too much rain in that fragile land. That is a very, very fragile part of the country.

So you study that for 3 days. We sort of become experts in the business of running livestock on public lands but also knowing that we are the caretakers of that public land.

So the makeup of that advisory council is very important. Are they people who really understand range and how it serves that community and how it serves us as a society? Those who use and those who live there usually make the right decisions when it comes to the caretaking of that land.

The other concern we have with the proposed reform is the process for setting standards and guidelines. In other words, standards and guidelines could be set in Washington, DC; it could be set in Kansas City; it could be set in Denver. But those standards and guidelines will be based supposedly on science.

If we have seen anything in the management of our public lands, it is that we are attracting young people into the science of range management, and, yes, I would also have to say in forestry, people who have very little background in the actual business of growing things. They went to school and they read it in a book and what the book says, this is the way it is going to be.

The books are not always right. They do not necessarily fit the conditions. You have to be flexible, understanding the relationship of range soil and sunlight.

So when we talk about setting standards and guidelines, do we want those decisions being made here or should those decisions be made upon the land? It would be awfully hard to make whatever kind of a farm or ranch produce if the decisions were not made on that farm or ranch. There are not two alike.

I was raised on a small farm in northwest Missouri. My father made 160 acres of two rocks and one dirt produce, made us all a living, fed us pretty good. It did not make a lot of money, but it kept us fed.

I can remember back in the seventies when that farm was sold to another man, and he had to start the experience all over again of really learning the personality and the makeup of that farm to make it produce because he changed some things and some of them did not work—not like my father made it work, anyway.

We have seen that happen in business when sons inherit a business and they change it from the way dad ran it and then it did not run very good.

So setting standards and guidelines away from somewhere else does not always work or you do not always get the maximum production from that particular piece of land.

Another area of concern: the level of fees and details in the incentive package. What has been proposed is a new fee level, which some would debate, and some economists who live in the country would choose to debate that. But also there is proposed an incentive system; that is, you would be rewarded with lower grazing fees if you comply with the standards and guidelines or you are a good caretaker of that property.

I see no problem with that, except the fact that it takes a long time to prove that your incentive package has worked. We cannot change management of any piece of property, and when you are growing a crop, you cannot change it willy-nilly at any time of the year. They say that a farmer plows with faith and seeds and hope and reaps with charity. But during that growing season, you cannot change your plans. So we would have to see not only the level of fees, but we would have to take a look at the incentive package, because is it a viable option to a producer?

With these public lands and with the lease, certain things were expected of the lessee: water development, fences, some kind of roads, maintenance of reservoirs, pipelines, the way we spread our mineral, the way we scatter our livestock so it does not overgraze in one area and another area is left to grow up.

In order to do those things, we have to put some sort of improvements on there. Remember that when you lease this property, you just get the property, you do not get anything with it. Uncle Sam expects you to put all those improvements on there. Corrals, yes; a way to move livestock, yes. All of those things are paid for by the person who is leasing that property.

Right now they are saying that in this rangeland reform that once a lease changes hands, the improvements on that property go to the Government. Well, that is not very fair. The Government did not pay for putting it there. So how can they assume ownership?

The most contentious issue in the whole reform is how water language is drafted. When you live in a part of the world where there is not very much water and the demands for that water are great, there comes a lot of discussion on who owns it, who controls it, who pays for it and who develops it.

It has been said that if you want to change the culture of the West, you control the finances and you also control the water.

A long time ago, when I first drifted into Montana, I took a look at the streams, the headwaters of the mighty Missouri River, and I said back then that before I am departed from this Earth that water would be Montana's greatest resource, fresh, pure water.

We have worked awfully hard for the last 100 years to maintain that great resource in that State, the Yellowstone River, being the longest free-flowing river without any dams. It just flows out of Yellowstone Park, across the southern borders of Montana, and dumps into the mighty Missouri at Williston, ND. We think it is pretty special.

We think that all the resources around it that evolves in that water are probably the lifeblood of the West. And so we get pretty jealous. It was said at one time that the West would rather be at the head of the ditch than at the head of the church, and that is true when we start talking about water rights, water development, and water conservation.

I do not think there is a representative in this body or the body across the way in the House of Representatives that represents a constituency in the semiarid country of the West that really does not understand that.

I would say that whenever you start talking about controlling the finances and then controlling the water—a long time ago there was an old fellow Montanan who taught me that you do not give the Government the rights to the water. That has to go with the land. It has to stay with the land because a tyrant can make as good a use of water as he can with arms.

So we get pretty touchy and concerned when we start talking about water and how that water language is drafted.

Before it is all over, and maybe even before the turn of the century, those States that do not have great holdings of public lands, and, yes, have conditioned themselves to depend upon the rains that fall—they do not get too concerned about water, but they will because the population will at one time demand a better source of water because it is the lifeblood of this society.

As those rangeland reforms come down, we must make America aware not only of the cultural part of this issue but also what it means to every American and our ability to feed and clothe ourselves, and, yes, produce that material that produces shelter for this great country.

The second thing we do every day—I have a colleague in the Chamber who understands that—the second thing we do every day is we eat, and we eat pretty good, and it is done by the ingenuity of our great American agriculture, those who produce not only for themselves but around 125 other people around the world. He is a producer.

We talked about a budget. Everybody wanted to know how to save money. It might not really surprise you that in our part of the country they want to reintroduce the wolf. It is a nice ani-

mal but not too nice a neighbor to a stockman, however. But for Americans, they should know that we offered to give Canada $6 million to buy some of their wolves to bring them down here and put them in our Yellowstone Park.

If they stay in the park, I have no problems with that. However, I find that those rascals do not read those signs very well. But $6 million? Six million dollars to spend on wolves to bring them down here when we already have them and there is a natural migration of that gray wolf across the line. He does not understand the Canadian boundary and the United States boundary any better than he does a boundary in Yellowstone Park. I think we have that ironed out. It escapes me though why we would spend $6 million to do that. I think we would take that money and spend it in better places for the betterment of this society.

On the other hand, we are going into an area now called the natural biological survey which is going full steam ahead and has not even been authorized by law. I think Americans should know about that. And they wonder why we get excited about the wastefulness in our budgeting and trying to hold things in bounds. We do not set our priorities very well.

Mr. President, I yield to my friend from South Dakota.

The PRESIDING OFFICER. The Chair recognizes the Senator from South Dakota [Mr. PRESSLER].

SOUTH ASIA, THE NEXT KOREA? A PROMISE OF EXTENDED SENATE DEBATE

Mr. PRESSLER. Mr. President, I thank my friend from Montana, and I join in his remarks.

Mr. President, on a separate subject, on Wednesday, the Senator from Ohio, [Mr. GLENN] and I spoke to the Senate about our serious concerns over the Clinton administration's proposal to create a one-time exemption to the restrictions on aid to Pakistan contained in the Pressler amendment. Under the administration's plan, Congress would allow a one-time exemption to the ban on aid to Pakistan to allow for the delivery of F-16 fighter aircraft to that country.

Mr. President, I just want to put my colleagues on notice that not only do I strongly oppose the administration's proposal but that it will not become law without extended debate in this Chamber. This is not a threat. This is a point of fact. My colleagues in this body know I have used this privilege only on the rarest of occasions. I would never do so lightly. However, in this case the stakes simply are too great.

Let me explain exactly why I feel so strongly about this point. Much of this has been said before. However, it bears repeating as it is now apparent that the administration is not getting the message.

I find it ironic that an administration claiming to be committed to nuclear nonproliferation is now attempting to further this worthy goal by providing aircraft capable of delivering nuclear weapons to a country that currently would be hard pressed to reliably and efficiently deliver the nuclear weapons it possesses. Mr. President, I simply do not understand the logic here. As recently as 2 days ago, I asked a senior administration official, Deputy Secretary of State Strobe Talbott, to explain it to me during a Foreign Relations Committee meeting. He could not.

Let me give some background on the Pressler amendment and its prohibition of aid and arms sales to Pakistan.

First of all, I like both India and Pakistan. Over the years, I have traveled to both countries and I like both countries. In the mid-1980's, with the support of Pakistan, an amendment I offered was passed at the time I was chairman of the Arms Control Subcommittee in the Foreign Relations Committee. The amendment stated that aid to Pakistan and military sales would be cut off if the President could not certify that Pakistan did not possess a nuclear explosive device. At the time Pakistan said, "We are not developing one; we support the amendment." This was due in large part to the fact that during this same timeframe Alan Cranston had another amendment that would have cut off aid immediately under the presumption that Pakistan already had a nuclear weapon.

My amendment—offered as a compromise—was adopted. About 4 years passed, and each year Pakistan assured President Reagan, President Bush and our CIA that they were not developing a nuclear weapon. Each year, the President was able to so certify and aid continued to flow to Pakistan. However, in 1990 our CIA and the administration determined that it could no longer certify that Pakistan did not have a nuclear explosive devise. Indeed, there is some evidence that they had not been telling the truth to visiting American Senators or to the President of the United States.

As a result, all American assistance to Pakistan—including a pending sale of F-16's—was cut off. There are now a certain number of F-16's, I believe about 22, down in Arizona that Pakistan has paid for that have not been delivered. The manufacturer, Lockheed, obviously would very much like to complete the contract.

Last fall, the Clinton administration announced that it was going to seek a repeal of the so-called Pressler amendment. However, after several members in this body—Members from both sides of the aisle—protested, the administration withdrew that proposal. Let me add that the House of Representatives overwhelmingly voted in 1991 not to repeal the Pressler amendment.

The Clinton administration's initial proposal was followed within the last few weeks by a proposal that seems almost preposterous. I can only believe that it has come from the Pentagon and the State Department. I do not think President Clinton and Vice President Gore are yet aware of it personally. Whatever the source, the administration now proposes to deliver the F-16's to Pakistan in exchange for an agreement from that country to cap its nuclear weapons arsenal.

Probably never before in history has a country sought to promise 20 to 40 fighter aircraft—one of the functions of which is to deliver nuclear weapons—to a country that has nuclear weapons and say it is doing so in the interest of nuclear nonproliferation. It does not add up at all.

Now, the Pentagon says, "Well, the F-16's will not have nuclear weapons mounts." That is, the mounts necessary to carry a nuclear weapon will not be on the planes as delivered. Mr. President, a third-rate garage mechanic can make those mounts. They are very simple to make. Therefore, what we are talking about here is supplying Pakistan with a large number of F-16's—one of the best ways in which that country could deliver a nuclear bomb to India or elsewhere—and we are told it is to be done in the interest of nuclear nonproliferation. As I have said, that does not add up. What does add up is that southern California and Texas have economic problems. The administration wants to help. This involves Lockheed. It involves jobs. It involves U.S. sales of military aircraft abroad. I can see the desire to do that. On the other hand, it flies in the face of the goal of nuclear nonproliferation.

Mr. President, another part of the administration's proposal that I find very strange is that we are saying to a country that has lied to us and lied to our President for several years, that if you will now agree to cap your nuclear weapons program—not to build anymore—we will give you fighter planes. That does not make sense. The same country that did not tell us the truth for all of these years will not necessarily cap its program based on a promise alone. Indeed, there would be no incentive to do so once the planes are delivered.

The next very disturbing thing about this plan is its potential to create a renewed and very serious arms race in South Asia. For that matter, I am concerned about what it could mean in terms of an arms race throughout Asia. The catalyst for much of what is currently happening on the Korean Peninsula was a Clinton administration policy that sent disastrously mixed signals to the North Korean government. As a result, officials in Pyongyang came to believe the United States was not serious about preventing the proliferation of nuclear weapons in that

part of the world. North Korea postured. The administration waffled. North Korea was emboldened, and today we have an extremely unstable and frightening situation that even the world community may not be able to contain.

Mr. President, we still have a chance to prevent a similar story from playing out in South Asia. At the very least, we do not need to put ourselves in the position of looking back some months from now and realizing that we once again provided the catalyst for destabilization. The warning signs are there. Recently, Pakistan closed its consulate in Bombay. India responded by shuttering its consulate in Karachi. The Indian press is calling America another evil empire and I ask unanimous consent that a recent editorial from the New Delhi "Indian Express" be reprinted in the RECORD immediately following my remarks. Providing F-16's to Islamabad would add extremely volatile fuel to this fire.

If we deliver the F-16's, India certainly will react by escalating its procurement of arms. Tensions will mount. Two countries that have been at war three times since independence in the 1940's once again will find themselves on the brink. Perhaps Kashmir will provide the spark to ignite the fourth war. Only this time, each side will have the ultimate weapon at its disposal. While the world focuses its attention on the Korean Peninsula, South Asia could find itself in a nuclear war.

Mr. President, there is yet another problem with the administration's proposal. If we allow a so-called one-time exemption to the Pressler amendment, we will be certifying and accepting Pakistan as a full nuclear power. We will say, "We will recognize you have nuclear weapons. You are not a signatory of the NPT, you do not allow inspections, but we recognize you as a nuclear power along with China, the U.S., and other nuclear powers." In other words, we would tell Pakistan—and other countries considering a nuclear weapons program—that there is no long-term penalty for going nuclear. We already are faced with a situation that if Korea insists on keeping the bomb, Japan is going to get into the nuclear business. They probably are, already. We have a major nuclear race in Asia which is directly opposed to stated U.S. policy. A one-time exemption to the Pressler amendment would only serve to make matters much worse.

Let me say that our own country is one of the chief proliferators of conventional arms, and I do not agree with that. Under the administration's plan we are now considering becoming a leader in the proliferation of nuclear weapons. We are being asked to wipe the slate clean for a country that has not met the requirements laid down in law almost a decade ago.

If Pakistan wants aid, and if Pakistan wants the planes, it can dismantle its nuclear weapons program, and our CIA and our President would so certify, as they did between 1985 and 1990.

There are still other problems that surround this whole matter. If the administration wants to exchange some form of aid for a nuclear cap—and I am not advocating such a policy—why does it not propose to resume economic aid on a one-time basis, instead of sending military planes on a one-time basis, to test Pakistan's good intentions? Again, I am not saying I would agree with such an approach. I am only saying that it would be a more logical tactic. As it stands, the administration's plan is a very strange policy, indeed.

Mr. President, I have worked on nuclear nonproliferation and conventional nonproliferation issues with great interest and a fair amount of frustration since coming to Congress in 1974. Before that, I was a lawyer at the State Department, and worked on it there.

The Pressler amendment is the only amendment ever passed into law that has teeth in it regarding U.S. nonproliferation policy. If it is repealed, there is little else. Basically letting the delivery of these planes go forward means that the law is being repealed. So I ask my colleagues to take a close look at this. It is an extremely bad deal, to put it as mildly as I can.

I do not know who cooked this up in the Pentagon. I do not know if it is driven by economic needs in southern California or Texas. But it is a very bad policy, and I think we should review it carefully.

Let me say also that I think the people making some of these policies in the State Department and the Pentagon are totally out of touch with President Clinton and Vice President GORE.

I see my colleague from Georgia. I know he wants to speak. So I shall wrap it up, and yield shortly.

The point is that the statements being made by the State Department and the Defense Department are contrary to what has been stated by the President and the Vice President in their campaign. It is a very serious matter.

Mr. President, these are some of the reasons I feel so strongly that the Pressler amendment must remain in force. This also is why I put my colleagues on notice that any attempts to weaken it will be subject to extended debate on the floor of the U.S. Senate.

I am prepared to yield the floor.

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

[From the Delhi Indian Express, Mar. 22, 1994]

ANOTHER EVIL EMPIRE

Only those living in a world of make believe will shrug off the possibility of the world's two largest democracies being on a collision course. The U.S. is still in the process of fully coming to terms with its status as the unchallenged global power. There is, however, one area where there are not only no signs of departure from the old cold war approach, but positive evidence of efforts to perpetuate and even enhance the traditional anti-Indian thrust of American policy in South Asia. This was clearly hinted by the Raphels and Mallots of the State Department last year that they were meant to prepare the way for a clear-cut anti-Indian edge to U.S. policy now seems obvious from the Clinton administration's stubborn reluctance to heed the decision of Congress to persist with the Pressler Amendment. Since then Senator Pressler has found it necessary to reiterate, more vehemently than before, his charge that the administration plans to resume military sales to Pakistan banned by the 1985 amendment to the Foreign Assistance Act. Pressler's assertion that Pentagon is trying to achieve the aim of effectively removing the amendment through the backdoor, namely, by making a "one-time exception" has now been confirmed by Robin Raphel in her deposition before the Ackerman sub-committee. The "exception" aims to clear the long-standing proposal to sell 71 F-16 fighter aircraft to Pakistan. Pressler has warned that the withdrawal of the only piece of non-proliferation legislation will have disastrous consequences.

Before the Soviet Union crumbled in a heap, the rationale behind U.S. molly-coddling of successive Pakistani military dictators was a blind hatred of the "evil empire" that played footsie with socialists in New Delhi. It would have been logical if in today's unipolar context, Washington no longer found it worth its while to accord preferential status to Pakistan. After all, in purely economic terms the lure of an untapped Indian market is worth more than the price of courting one Benazir Bhutto. However, precisely the opposite is happening.

It is to be hoped that no security wiseacre will emerge in New Delhi to underplay the proposed sabotage of the Pressler Amendment as nothing but a ploy to prevent Lockheed, the manufacturers of F-16, from going under. It is some reassurance that Narasimha Rao bluntly told Senator Pressler last month that the removal of the Amendment would force India to review its defence policy. The Prime Minister was, however, being characteristically mild. The antics of the Clinton administration call for an entire revision of Indian foreign policy to take into account the threat from a democratic, but no less "evil empire." Diplomacy is one facet of the counter-offensive, but New Delhi may also find it prudent to retaliate in other ways, namely by curbing its slavish endorsement of U.S. economic hegemonism. There are risks, but India must be prepared to take them.

Mr. COVERDELL addressed the Chair.

The PRESIDING OFFICER. The Senator from Georgia [Mr. COVERDELL].

U.S. POSTAL SERVICE AUDITS

Mr. COVERDELL. Mr. President, not long ago the Senate adopted a very important amendment that was offered by myself and Senator PRYOR of Arkansas. That amendment dealt with a very important subject to the people of the United States that specifically

dealt with the actions on the part of the U.S. Postal Service and the procedures by which it was interacting with private businesses in our country.

I am pleased to be here this evening to report on a major event that relates to the resolution that was adopted by the Senate. The Senate said that it was its sense that the U.S. Postal Service should cease and desist from a practice by which the Postal Service was sending out auditors. And "they were," the Postal Service says, "in a voluntary interaction between businesses and the Postal Service."

Many of these private companies felt otherwise. They saw it as an intimidating practice to audit the business about its practices of using private carriers. We all know who those are. We have seen the purple plane, Federal Express, and the brown and gold of UPS—and there are hundreds of others of them.

The Postal Service was saying that you could only use this private carrier if it was urgent. It had to be an urgent matter to use the private carrier. And you had to pay more for it. They were claiming that these private companies were not meeting that standard, and they were charging them, they say, prospectively. The bottom line, it is a fine. It was a punishment in the judgment of the Postal Service. They were the sole determinant as to whether or not the matter being mailed was urgent or not.

I thought that was inappropriate. I did not believe the Postal Service had the authority to do this under the law. It was a judgment on their part of expanded regulation. I thought it was exceedingly complicated for a private carrier to know what these rules were or were not. I did not believe the Postal Service had done anything to educate the public with regard to this standard that they are were imposing.

After inquiry, we asked just how many of they companies have been audited. It turns out it was about 41 over the past 5 years that they had levied, I call it fines, against. They called it agreed-to sums of over $1 million. I just did not think they had the authority. When you look at the amount of money that they had raised from the audits, it was insignificant in terms of their revenues. So about the only thing the Postal Service was accomplishing was a black eye.

The Postal Service was damaging its own public relations. Obviously, it did not have the money nationwide to conduct broad audits. It was not raising enough money from the fines to make any difference, and the only thing that happened was the American public had one more reason to lose confidence in the U.S. Postal Service.

So the resolution said—the Senate said: Stop doing that until we can take a look at it, us, the Congress, to see whether we can verify for ourselves that, yes, you have the right or, no, you do not. So this week Senator PRYOR of Arkansas, who chairs the Subcommittee on Federal Services, which includes Post Office and Civil Service—and the ranking Member on our side is Senator STEVENS of Alaska—was holding their annual meeting to hear from the Postal Service. The Postmaster General, Marvin Runyon, was present.

I outlined my concerns that you do not have the authority, you are not earning enough revenue, you have not educated the public, and this is a practice that should be stopped. Then came the turn of Mr. Runyon to express himself. I think that it is important to the Senate and to the American public that Mr. Runyon said that the Postal Service would no longer instigate in its enforcement division these types of audits.

So the effort on the part of the Senate, without legislation, has indeed resulted in a very positive event, a positive decision on the part of the U.S. Postal Service, so American business can now concentrate on running its businesses and not on trying to understand all the ramifications and implications of remote regulations to try to determine for a business whether or not its mail was urgent or not.

I want to publicly thank the Postmaster General and his colleagues for hearing and adhering to the sense of the Senate, for thinking this through, and for coming to a very appropriate and valid decision, whereby everybody will be a winner. Their public relations will improve, they can concentrate on what they need to be working on, and they can get about the business of doing business.

One of the reasons that I felt they should cease and desist from the activity is because I thought it was virtually moot and that they were behind the curve in terms of the way people communicate. In our exchange, I pointed out that in my Senate office, we receive 500 to 1,000 letters a day. But, equally important, I receive almost 1,000 faxes a day. And we receive hundreds of computer messages a week. I asked the Postmaster General during the discussion, Mr. President, was he going to put a meter on fax machines. Were we going to find some gadget that we wire to a computer on networking or E-mail throughout the country that would somehow monitor whether it was a personal message, whether it was urgent or not and, therefore, whether the Postal Service was supposed to receive some revenue?

The point is that the delivery of personal messages or business messages that are written on a piece of paper, folded up and put in an envelope with a stamp, are probably, in terms of history, only moments away from being moot. And what the Postal Service ought to be focusing on is how to adapt technology so that the Postal Service is in front of this communication curve.

I was encouraged by statements of the Postmaster General because, indeed, he focused on this type of activity. A good part of his remarks dealt with the fact that they knew they were facing massive changes in the ways in which Americans communicate, one to the other, individual to individual, business to business.

So it was encouraging. You do not have many days like that in this town. It was encouraging to see that the legislative branch and this semi-autonomous monopoly were able to engage in the activity, work it through, and come up with a reasonable answer. And the stunning part of it is that it was done in less than a year.

So I commend the Postmaster General for taking these steps that I believe will help the Postal Service and all American businesses and citizens in our country.

HEALTH CARE REFORM

Mr. COVERDELL. Mr. President, there is an item I want to mention here this evening that has received very little public attention. We have now been talking for over a year about massive reform for health care.

The President and First Lady have come forward with a very broad, sweeping change in the current health care system. For the last year, there has been enormous speculation about whether or not this would be successful and what were the fortunes of the President's proposal. After the address he gave to the joint session of Congress, the numbers swelled in terms of support for that proposal. But since that time, with each passing day, each passing hour, support for that plan has begun to diminish.

Why is that? Well, one gentleman—I will leave him nameless this evening—who has been an advisor from time to time to the President and First Lady, said that in the final analysis, the reason people were moving away and stepping back from this plan was because of its complexity. There are 1,346 pages, I think. It talks about massive new Federal Government regulation and expanded costs. But the most important ingredient, according to this gentleman, was the fact that it was terribly complicated and left everybody wondering: What in the world does that mean to me?

The specific event to which I am referring occurred within the last 10 days: The Ways and Means Subcommittee on Health recently took a vote—we have had a lot of votes over there in these health committees. This, I think, received about four lines in the Washington Post at the bottom of the article. If you are a headline reader, you are never going to get to this news.

In fact, you have to be a very thorough reader to get to it. But they had a vote on the President's proposal for health care reform in the Ways and Means Subcommittee on Health. There are six Members of the President's party, six Democrats on that committee, and four minority Members, four Republicans.

I just found the vote absolutely breathtaking. The vote in that subcommittee was this: every Member of the President's party refused to vote on the President's proposal, and the four Republicans voted against it.

So in a vote on the President's proposal for health care reform in the Subcommittee on Health not one Member of the President's party would vote for it.

Now why? Mr. President, that is a remarkable public statement, absolutely remarkable.

I would suggest that the reason is not unlike the adviser. The reason for this vote is because people are perceiving that that plan for reform destabilizes too many people. It takes a program that everybody agrees has significant problems and problems that need attention, but instead of focusing on those problems, instead turns the lights out on health care in the United States, turns all the lights out and tries to create a new program and turn the lights on in an entirely new way.

Everybody gets asked a lot of questions about health care reform, and I am no different from the rest, but I always point to this analogy. I do not know anybody who has never confronted a leak in their roof. Everybody has had a leak in their roof. It is serious. No one ignores a leak in their roof. I have never seen anybody that did. You are running around trying to salvage an important heirloom table, your grandmother's table, your new drapes you just put up are being soiled, the water is coming near an electrical socket that is going to create a fire. It is a serious problem, and you do something about it and you do it quickly. You know, Mr. President, I have never met an American yet who tore his or her house down to the foundation and rebuilt it to fix a leak.

Mr. President, everybody I know fixes the gable or maybe they need new shingles. Maybe they need to remove the wood rot. But they target right in on what needs attention. No one tears the house down and starts over.

Mr. President, I personally believe too many of the proposals do just that. They have been written and designed by people who have never been in the medical system, never been a doctor, never had to confront some of the issues directly, and as a result we get suggestions that simply are not pragmatic.

I would suggest to you, Mr. President, that that is why this vote that we did not hear near enough about because it is a very important one, every Member of the President's party refused to vote on the first real test on that plan.

Mr. President, I yield the floor to the distinguished senior Senator and colleague from South Carolina.

The PRESIDING OFFICER (Mr. EXON). The Chair recognizes the Senator from South Carolina [Mr. THURMOND].

LET US PRAY

Mr. THURMOND. Mr. President, there has been an article in the Reader's Digest in November 1992 entitled "Let Us Pray" by Eugene H. Methvin. At the top of the article it says, "Why can't the voice of the people be heard on prayer in schools?"

The article is very interesting, and I would like to present it to the Senate.

[From Reader's Digest, November 1992]

LET US PRAY

When James Todd of San Diego went to school in the 1930s, students read from the Bible and recited a prayer at the beginning of each day. "Now they teach them about sex and give them condoms and don't mention the Bible," Todd says. "It would be nice to teach moral values also."

This opinion is widely and strongly held across the country, a Reader's Digest poll reveals, putting the American people at sharp odds with the Supreme Court—and the nation's cultural establishment. Three-fourths of those interviewed, for example, favor prayer in public schools, which the Court considers unconstitutional.

"Who are they to tell us when we can pray?" asks Jeanne Pepper of Bloomfield, Mo., reflecting the sentiment of many in the survey. "Let the children decide, and let those who don't want to participate sit quietly and respectfully. That's their right."

The Reader's Digest poll, conducted by The Wirthlin Group, pinpointed other fissures between the people and the Court.

Eighty percent of Americans disapprove of the Supreme Court's ruling this year that banned prayers at graduation ceremonies. "I don't think the Supreme Court should tell us what we can and cannot do on this issue," says Joyce Sykora of Wellsville, N.Y.

Seventy-six percent say it's right for a school to put up a manger scene or a menorah during the holiday season. Says Carol Moro of San Francisco: "All religions should be treated equally. If a child says, 'My religion is not represented,' then it should be."

Over half, 53 percent, agree that it's right for a school to post the Ten Commandments in classrooms. "Children should be exposed to religious training, and some do not get it at home," says Louise Tatum of Stuart, Va.

These opinions were expressed by Democrats and Republicans, blacks and whites, rich and poor, high-school dropouts and college graduates—reflecting a profound disparity between the citizenry and the Court.

"There is no issue in American life in which the public will is so clear and the political establishment is so heedless," says scholar Michael Novak of the American Enterprise Institute. "The cultural and political elites have simply ignored the overwhelming support of the American people for voluntary school prayer—indeed for the role of religion and faith in the nation's life."

The voice of the people, however, may well be heard in the voting booth. Most of those surveyed—59 percent—say they would be more likely to vote for a candidate for President or Congress who favored public-school prayer; 23 percent said it would make no difference. "I would definitely be more likely to vote for someone who favors prayer in schools," says Charles Topping of Falmouth, Mass., who classifies himself as a liberal. "Religion has been around a heck of a lot longer than the Supreme Court."

Indeed, the Supreme Court's interpretations of the Constitution in recent years might astonish those who in 1789 declared, in the First Amendment, that "Congress shall make no law respecting an establishment of religion, or prohibiting the free exercise thereof."

The justices claim this amendment empowers them to do just the opposite of what the men who framed it thought they were doing: forbidding the new national government from meddling in the religious accommodations worked out by states and communities.

Consider the historical record. The Congress that wrote the First Amendment also elected chaplains and paid them, voted to provide land "for the Society of the United Brethren for propagating the Gospel among the Heathen" and said, in providing for the formation of new states, "Religion, morality, and knowledge being necessary to good government and the happiness of mankind, schools and the means of education shall forever be encouraged."

In 1962, however, the Court decided that prayer in classrooms is unconstitutional. Since then, with the federal judiciary as their guide, school authorities have told youngsters they cannot sit together at their lunch hour and read the Bible, say grace over their meals or discuss religion. A handicapped girl in Texas was ordered not to use her rosary on a school bus. A Denver teacher was ordered to cease reading his Bible silently during his class reading period and to remove the book from his desk.

Five Supreme Court justices ruled that Kentucky's legislature violated the Constitution by ordering the posting of the Ten Commandments in public-school classrooms.

And at the North Clayton (GA) Junior High School, drama, math, science and chess clubs assembled. But the 60-member Youth for Christ Club, which always met after school, was expelled from campus after a lawsuit was filed through the American Civil Liberties Union (ACLU). Student Council president Stuart Kennedy, a ninth-grader, showed a better grasp of U.S. constitutional history than has the Supreme Court when he protested that the ruling "infringes upon my rights as a citizen instead of defending them."

In light of these decisions, it is ironic that the Supreme Court begins each session with a bailiff's intoning the prayer: "God save the United States and this Honorable Court."

The latest case arose in Providence, RI, when Rabbi Leslie Gutterman gave an invocation and benediction at an eighth-grade graduation ceremony. His prayers thanked the "God of the free, hope of the brave" for "the legacy of America, where diversity is celebrated and the rights of minorities are protected."

With the help of ACLU lawyers, a parent sued. This past June, Justice Anthony M. Kennedy declared that asking the students to stand for an invocation and benediction "compelled attendance and participation in an explicit religious exercise." Justices Sandra Day O'Connor, David Souter, Harry Blackmum and John Paul Stevens agreed.

Justice Antonin Scalia wrote a scorching dissent, which was joined by Chief Justice William Rehnquist and Justices Byron White and Clarence Thomas: "The Court lays waste a longstanding American tradition of nonsectarian prayer to God at public celebrations. . . . There is simply no support for the proposition that the officially sponsored nondenominational invocation and benediction read by Rabbi Gutterman—with no one legally coerced to recite them—violated the Constitution of the United States. To the contrary, they are so characteristically American they could have come from the pen of George Washington or Abraham Lincoln himself."

Moreover, the four dissenters, including Chief Justice Rehnquist, contend that invocations and benedictions can still be offered, provided schools include a note in the commencement program to the effect that participation is voluntary.

"That obvious fact recited," the four dissenters said, the graduates and their parents may proceed to thank God, as Americans have always done, for the blessings He has generously bestowed on them and their country."

Such a course may not be necessary if Americans cast their votes for candidates who will challenge the Supreme Court. When justices disregard the bounds of precedent and tradition, the Constitution does offer remedies. Article III empowers Congress to remove whole classes of cases from the Court's appellate jurisdiction.

Further, the 14th Amendment provides that "The Congress shall have power to enforce, by appropriate legislation," the rights the amendment creates. So if the legislators disapprove of the Court's rulings, presumably they can pass statutes substituting their own rules. The Congress did this in 1984, enacting a law permitting student religious groups to meet in schools. How has such overwhelming public support for school prayer, as shown in the Reader's Digest poll, been denied for 30 years?

"Beginning in the 1960s, a gulf opened between popular and elite opinion on a wide range of issues, particularly those that relate to community standards," says political theorist Jeffrey Bell, author of the acclaimed new book Populism and Elitism. "This gulf shows no sign of closing. As long as judicial and other elites deny the people the right to set their own standards on issues like school prayer, our social fabric will keep eroding."

Mr. President, that was the article from the Reader's Digest, as I just stated.

Now the Reader's Digest has another article that came out in the November 1992 edition that is very interesting. It is headed "The Case for Religion in Schools," Condensed from "The De-Valuing of America," by William J Bennett.

At the top of the article it stated, "Why hide the important of this cornerstone of American culture?"

The article goes on and states this:

God and Religion: these two words will bring the most levelheaded academic to a state of extreme agitation, if not frenzy. During my tenure as U.S. Secretary of Education, nothing I said seemed more unforgivable than my good words about religion.

Religion has a crucial role in the founding of this country, and it maintains a prominent place in the lives of many citizens. Yet, in too many places in American public education, religion has been ignored, banned or shunned. Some teachers and principals seem to think that, since schools must not encourage people to be members of one religious faith or another, the whole subject of religion in our society is out of bounds. That is wrongheaded and silly.

The extreme to which educators go to deny the place of religion in American life is mind-boggling. A study by New York University professor Paul Vitz found that most elementary and high-school textbooks take extraordinary steps to avoid any references to religion. One sixth-grade reader, for example, includes the story "Zlateh the Goat" by the late Nobel laureate Isaac Bashevis Singer. In it, a boy named Aaron takes Zlateh, the family goat, to a butcher in the village to be sold. When Aaron and Zlateh get lost in the blizzard, Singer writes: "Aaron began to pray to God for himself and for the innocent animal." In the textbook this has been changed to: "Aaron began to pray for himself and for the innocent animal." Later, after Aaron and Zlateh have found shelter in a haystack, Singer writes: "Thank God that in the hay it was not cold." But in the book "God" had been changed to "goodness."

This would be funny if it were not so serious. Professor Vitz documents case after case of exclusions and distortions. One world-history book completely ignores the Reformation. A U.S. history textbook defines Pilgrims as "people who make long trips." Another defines fundamentalists as rural people who "follow the values or traditions of an earlier period." A study by the liberal People For the American Way found that junior-high-school history textbooks typically "treat religion by exclusion or by brief and simplistic reference."

The story of America is the story of the highest aspirations and proudest accomplishments of mankind. To understand those achievements, we must understand the religious roots from which they sprang. We must tell our schoolchildren about the Puritans, who founded a "city upon a hill" with a sacred mission: to be a beacon unto the nations and to lead a community of saints to the New Jerusalem; about Benjamin Franklin, who proposed that the Great Seal of the United States depict Moses leading the chosen people from the wilderness to the Promised Land; about Abraham Lincoln, who saw the Civil War as a divine punishment for the sin of slavery; about the Rev. Martin Luther King, Jr., who carried the "gospel of freedom" to the mountaintop.

Everyone, including agnostics and atheists, must concede that the Judeo-Christian tradition is a major formative influence on American life, law, ideals and principles. George Washington warned in his Farewell Address, "Of all the dispositions and habits which lead to political prosperity, religion and morality are indispensable supports. And let us with caution indulge the supposition that morality can be maintained without religion."

The Founding Fathers intended religion to provide a moral anchor for our democracy. All would be puzzled were they to return to modern-day America to find, among elite circles in academia and the media, a scorn for the public expression of religious values.

The irony of this situation is that we are among the most religious people in the world. A City University of New York study in 1991 revealed that nearly 90 percent of the American people identify themselves religiously as Christians or Jews, while only 7.5 percent claim no religion.

Yet again and again as Education Secretary, I was criticized for my views on the church-state debate. I was attacked as an "ayatollah" when I supported voluntary school prayer—and the posting of the Ten Commandments in schools. But it was important to re-establish what was believed by almost everybody for a very long time, that people do not give up their First Amendment rights when they enter a classroom.

Many "sophisticated" political and social commentators complain that issues like school prayer are "distractions" having nothing to do with today's most pressing issues. What they fail to recognize is that a people's faith is intertwined with the issues of the day. Religion is a wellspring of civic virtues that democracy requires in order to flourish. It promotes hard work and responsibility. It lifts each citizen outside himself and inspires concern for community and country. It is a call to kindness, decency and forgiveness.

The real danger of showing disdain for religion is an impoverishment of our public life. G.K. Chesterton pointed out that the trouble when people stop believing in God is that they thereafter believe in anything. Neutrality to religin guarantees neutrality to those very values that issue from religion.

As Justice William O. Douglas put it 40 years ago, if "in every and all respects there shall be a separation of church and state," then "the state and religion would be aliens to each other—hostile, suspicious and even unfriendly."

We cannot deny in our public schools that from the Judeo-Christian tradition come our values, our principles and the spirit of our institutions. That tradition and the American tradition are wedded. When we have disdain for our religious tradition, we have disdain for ourselves.

Mr. President, I was very much impressed with an article written by one of our colleagues, the distinguished Senator from New Hampshire, Senator JUDD GREGG. It is entitled, "A Federal Grab for Control of Schools." I would like to present that to the Senate.

[From the Washington Times, Jan. 31, 1994]

A FEDERAL GRAB FOR CONTROL OF SCHOOLS

(By Judd Gregg)

Image a Czar of Curriculum in Washington. Crazy? How about a National Bureau of Standards of Schools. Far-fetched? This may sound like a bad dream at first, but it could become reality if the Senate passes President Clinton's plan for education reform called Goals 2000.

It is important to understand that although the title is innocuous, the administration's initiative is far-reaching. It is aimed at restructuring the way education is managed in America. No one suggests that our educational system is all it can be. But the answer is not putting education in the hands of the new federal bureaucracy created by this Clinton initiative.

The Clinton plan will specifically shift a significant amount of the control of curriculum and management of elementary and secondary schools from local communities and states to the federal government. It is, therefore, important to highlight some of the problems with this legislation.

A series of new federal bureaucracies. The concept of this legislation is to lay the management of education in the arms of two small, but extremely powerful, federal entities. The first is know as the national Education Standards and Improvement Council

(NESIC) and is charged with certifying national content and performance standards. These standards will basically address all areas affecting the way elementary and secondary schools are operated.

The second is called the National Education Goals Panel. NESIC refers its work to this Goals Panel, which passes judgment on its acceptability. The operation of these two entities will basically set out a national agenda that will cover all functions of elementary and secondary school education, including curriculum.

For the first time in the history of this country, the federal bureaucracy will be defining how education should be delivered on Main Street anywhere in America. The traditional role of limiting federal direction in education to narrow areas, such as special education, will have been abandoned, as the federal role moves to defining how elementary and secondary school education should be delivered across the country.

Voluntary standards. Throughout the legislation the term "voluntary" is used aggressively. The standards are, for example, "voluntary." The state's participation is "voluntary." The National Opportunity to Learn standards are "voluntary." The assessment system is "voluntary."

Methinks the plan doth protest too much. There is very little that is voluntary about this initiative. In fact, the only thing voluntary in this bill is the word itself. In order to qualify for access to a $400 million pot of funds, states must produce plans that conform to the content and performance standards set out by the national panels cited above. The argument, of course, is that if the states do not want the money, they do not have to participate in setting up such standards; therefore, everything is "voluntary." However, the structure is such that it is unlikely that the political leadership of the states will be able to resist the financial and legal pressure to participate in this program. Also, as we have seen in the past, this is the "camel's-nose-under-the-tent" approach. One can expect that when this initiative is up and running, obtaining so much as a nickel in federal funds for current programs, such as for special education, will likely require compliance with the performance and content standards that have been certified by NESIC under this act.

Lawsuits. It is obvious that one of the purposes of the act is to create a litigious atmosphere—along much the same lines as has occurred in environmental policy. The standards to be developed in compliance with this law—relative to teachers' workload, special treatment of students with special needs and a myriad of local education functions—will quickly become the hammer for activist lawsuits. This will be true whether a state adopts a plan that meets the directives of the national standards for content and performance or not. The long-cherished principle of community control of education will be lost to the courts.

A straitjacket at the local level. Control over education at the state and local level has been maintained in part by flexibility in complying with federal regulations. Goals 2000 moves in the opposite direction. It limits flexibility and expands and centralizes control at the federal level. It defines content and thus controls input rather than focusing on results.

Of course, this unwillingness to push for results standards is a reflection of the influence of the National Education Association and other labor unions. The unions do not wish to be held to such standards, preferring instead an approach regulating input. That approach, of course, avoids accountability and precludes effective comparisons.

As the Vermont commissioner of education recently stated: "The bill defines a radically different federal role in education: The Goals Panel will set the goals, the Standards and Improvement Council will certify the standards to measure progress toward the goals, and the Secretary will oversee a state and local planning process to reach the goals. While the federal government requires plans now, they govern only a part of education. . . . This bill will assert federal oversight over the whole educational program in a state or community."

This bill is another in what is becoming a long list of initiatives by the Clinton administration. that fall into the category of "we know what is best for you" legislation. It is an attempt by a group of recycled 1960s utopian academics to enforce their view of the world and in this case, their views on education, on all the misguided folks out there in America who really do not know what is appropriate for their children. In case you didn't know, that's you.

Mr. President, I have an article by David M. Ackerman, which I think would be of interest to the Senate, on the subject of amendments to S. 1150 relating to school prayer.

During debate in early February on S. 1150, the "Goals 2000; Educate America Act," the Senate adopted three amendments relating to school prayer. This memorandum provides a brief analysis of their legal and constitutional implications.

TEXT OF THE AMENDMENTS

On February 3, 1994, the Senate adopted an amendment sponsored by Senators Helms, and Lott to S. 1150, the "Goals 2000: Educate America Act." The amendment, which was approved by a vote of 75–22, provides as follows:

No funds made available through the Department of Education under this Act, or any other Act, shall be available to any state or local educational agency which has a policy of denying, or which effectively prevents participation in, constitutionally protected prayer in public schools by individuals on a voluntary basis. Neither the United States nor any state nor any local educational agency shall require any person to participate in prayer or influence the form of content of any constitutionally protected prayer in such public school.

The words "constitutionally protected" were not included in the amendment as first propounded but were added by unanimous consent after an extended colloquy between Senators Helms, Packwood, and Danforth.

On February 4 and 8, 1994, respectively, the Senate adopted two more amendments generally relating to the issue of school prayer—a sense of the Senate amendment sponsored by Senators Danforth, Chafee, and Kassebaum and an amendment by Senator Levin. The sense of the Senate amendment, which was adopted by a vote of 78–8, provides as follows:

It is the sense of the Senate that local educational agencies should encourage a brief period of daily silence for students for the purpose of contemplating their aspirations; for considering what they hope and plan to accomplish that day; for considering how their own actions of that day will effect (sic) themselves and others around them, including their schoolmates, friends and families; for drawing strength from whatever personal, moral or religious beliefs or positive values they hold; and for such other introspection and reflection as will help them develop and prepare them for achieving the goals of this bill.

Finally, the Levin amendment, which was adopted by voice vote, provides as follows:

Notwithstanding any other provision of this Act, no funds made available through the Department of Education under this Act, or any other Act, shall be denied to any State or local educational agency because it has adopted a constitutional policy relative to prayer in public schools.

LEGAL EFFECT OF THE AMENDMENTS

While the amendment concerning a brief period of daily silence is, as a statement of the sense of the Senate, purely hortatory, both the Helms-Lott and the Levin amendments would have substantive legal effect. The Helms-Lott amendment would bar the Department of Education from making funds available to any State educational agency (SEA) or local educational agency (LEA) that had "a policy of denying, or which effectively prevents participation in, constitutionally protected prayer in public schools by individuals on a voluntary basis." The Levin amendment, conversely, would prohibit the Department from denying funds to any SEA or LEA which had "a constitutional policy relative to prayer in public school." It is not clear that that prohibition accomplishes anything that would not otherwise be the case, but the prohibition, nonetheless, would be a binding legal mandate.

The amendments raise at least five issues relating to their legal effect. First, are the amendments compatible, or contradictory? Second, would the Helms-Lott amendment cut off all Federal funds flowing to SEAs and LEAs that violate its prescription, or just funding provided through the Department of Education? Third, what does the phrase "constitutionally protected prayer in public schools by individuals on a voluntary basis" in the Helms-Lott amendment mean? Fourth, what does the counterpart phrase in the Levin amendment—"a constitutional policy relative to prayer in public school"—mean? Fifth, would any of the amendments violate the Constitution?

(1) Are the amendments compatible, or contradictory? The amendments appear to be compatible. The Helms-Lott amendment would require that Federal education funds be cut off under certain circumstances, while the Levin amendment would prohibit the cutoff of Federal education funds under certain circumstances. But under both the Helms-Lott and Levin amendments an SEA or LEA that had a constitutional policy relative to prayer in the public schools would be eligible for Federal education funds. Only in the circumstance that an SEA or LEA prevented participation in constitutionally protected prayer, i.e., had an unconstitutional policy relative to prayer in the public schools, would the Helms-Lott amendment require that funds be cut off. The Levin amendment would not proscribe that cutoff. The Danforth amendment, as a statement of the sense of the Senate regarding a brief period of silence in the public schools, is, as previously noted, purely hortatory. But because the policy it recommends is arguably constitutional, it, too, appears to be compatible with the Helms-Lott and Levin amendments.

(2) Would the Helms-Lott amendment cut off all Federal funds flowing to SEAs and LEAs that violate its prescription, or just funding provided through the Department of Education? This issue arose during debate on the Helms-Lott amendment but does not ap-

pear to have been clearly resolved. The language of the Helms-Lott amendment states "No funds made available through the Department of Education under this Act, or any other Act, shall be available to any state or local educational agency. . . ." Sen. Jeffords, an opponent of the amendment, twice asserted during debate that this language meant that the cutoff of funds under the amendment would apply not only to funds under S. 1150 and not only to other funds that go through the Department of Education but also to all other Federal funds going to SEAs and LEAs, such as school lunch and breakfast monies from the Department of Agriculture, National Science Foundation grants, NASA grants, and Medicaid funds through the Department of Health and Human Services. No rebuttal of this allegation was made by proponents of the amendment. Sen. Helms did introduce a legal memorandum from the American Center for Law and Justice several days later which described the funding cutoff of his amendment as applying to "funding under the Goals legislation, and funding under any other act, which is provided through the Department of Education. . . ." But early in the debate he had stated that under his amendment a school district could "lose its Federal funding." The same language appears in the Levin amendment.

The grammatical structure of the language would seem to intend that the phrase "through the Department of Education" applies not only to "under this Act" but also to ", or any other Act,". But any uncertainty in this regard would be eliminated if the commas were eliminated and the word "Act" were used but once: "No funds made available through the Department of Education under this or any other Act. . . ."

(3) What does the phrase "constitutionally protected prayer in public schools by individuals on a voluntary basis" in the Helms-Lott amendment mean? This phrase states the prescriptive standard of the Helms-Lott amendment, interference with which would cause a cutoff of Federal funds. The meaning of that phrase, thus, is critically important.

Mr. President, I understand that the distinguished Senator from Virginia is seeking the floor. I will be glad to yield to him at this time.

Mr. WARNER addressed the Chair.

The PRESIDING OFFICER. The Senator from Virginia.

Mr. WARNER. Mr. President, I thank my distinguished colleague and longtime friend, the senior Senator from South Carolina. I have had the privilege of serving in the Senate now, it being my 16th year, with Senator THURMOND, and we look upon him as a role model in many, many respects. I enjoy so much my work with him on the Armed Services Committee. And each Tuesday when he addresses our caucus, he always raises subjects of interest to all and presents them in a very cogent manner.

Mr. President, I ask unanimous consent that a letter from the office of the Governor, George Allen, relating to the subject matter of the underlying legislation, together with other statements, be printed in the RECORD.

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

COMMONWEALTH OF VIRGINIA,
OFFICE OF THE GOVERNOR,
Richmond, VA, February 2, 1994.

Hon. JOHN WARNER,
U.S. Senate,
Washington, DC.

DEAR SENATOR WARNER: I understand that S. 1150 is scheduled for a vote today. I once again ask that you please vote 'no' on this bill.

This Administration is working hard to create scholastic standards for grades K–12 and we want the opportunity to implement them in a way that best suits the children of our Commonwealth. Should S. 1150 pass, we would be robbed of the privilege of determining what is best for our own children.

Please do not let another layer of intrusive federal legislation further harm public education in this country.

Sincerely,

BEVERELY H. SGRO.

COMMONWEALTH OF VIRGINIA,
DEPARTMENT OF EDUCATION,
Richmond, VA, January 27, 1994.

Hon. JOHN WARNER,
U.S. Senate,
Washington, DC.

DEAR SENATOR WARNER: You will soon be asked to vote on S. 1150. I would ask that you vote no. Last month, I visited the U.S. Department of Education and met with Mike Cohen regarding this bill. He was very helpful; however, I fear that future funding will be contingent upon the "restructuring plan", fundamentally this proposal. Even though I am getting oriented to my new work as Superintendent of Public Instruction for Virginia, I am well aware of your commitment to local concerns and decision-making. A vote of no on S. 1150 will help us to maintain this autonomy and responsibility.

Sincerely,

WILLIAM C. BOSHER, Jr.,
Superintendent of Public Instruction.

POLICY CONCERNS—GOALS 2000: THE NATIONAL TAKEOVER OF EDUCATION BILL

Goals 2000 will be another power grab by the federal government.

Rhetoric: Goals 2000 maximizes local control over education.

Reality: This legislation serves as another example of a government power grab by establishing strong national control over education. Goals 2000 calls for top-down management, thereby taking power away from state and local school districts. For the first time in U.S. education history, it would give Washington, DC, the power to directly set national academic standards. The bill itself discredits the notion of "voluntary" standards by its repeated emphasis on the certification roles of the National Goals Panel and the National Education Standards and Improvement Council (NESIC).

"I have great reservations about national standards, frankly," said Mr. Cavazos, who served as Secretary of Education under the Reagan and Bush Administrations. "I think that once you establish a standard, although it's voluntary and we can change it and people do not have to accept it—I have seen too many volunteer things started out in Washington that subsequently became law" (Education Week, January 12, 1994).

Federalization of education would be encouraged by the "opportunity-to-learn" standards as defined by NESIC. The NESIC would create an unprecedented federal role in promoting national standards and curriculum. These standards are defined in the bill as conditions necessary for all students to have a fair opportunity to learn. However, equalization of inputs does not ensure academic achievement. Pouring more taxpayer dollars into a bureaucratic labyrinth has proven not to solve our education problem.

Barbara Lerner of the Philadelphia Inquirer has described the Goals 2000 bill as creating "a massively intrusive bureaucratic nightmare."

Rhetoric: Goals 2000 does not impose mandates on states to comply with the national goals and standards.

Reality: As the bill is currently written, the development of goals, standards and assessments are voluntary for a state or local community to receive federal funding. In practice, however, states would receive pressure to adopt the federal government's standards. (Already, states are rushing to fundamentally restructure educational systems—some of which is being encouraged by federal dollars—in fear of the coming national standards.)

Attorney Jonathan Wilson, an advisor to the Implementation Task Force of the National Council on Education Standards and Testing, explains,

"You can say that it's voluntary, but it won't be. I'm a lawyer * * * all I need from you to get me in court that I don't have now is [school delivery or opportunity-to-learn standards]. Because I have got state law that constitutionally says that you have got to provide an adequate education, and the thing that keeps me from going to court is I don't have a measure for what that is. You give it to me, and I'll get things required—not voluntary". (October 30, 1991, minutes of the National Council on Education Standards and Testing, Implementation Task Force, pp. 72–3).

Education Week reports in its January 19, 1994 issue that "* * * while the standards are voluntary, the hope is that every state and school district will make them part of its own goals for education."

Under Title I of Goals 2000, the bill's purpose is defined as "providing a framework for the reauthorization of all Federal education programs. * * *" This definition squares with the reauthorization of the Elementary and Secondary Education Act (ESEA) which cites the national standards provided by the National Goals Panel.

The Administration seeks to make federal aid to elementary and secondary schools contingent upon state adoption of national goals and standards. According to the September 11, 1993 Congressional Quarterly, the reauthorization of ESEA would effectively force states to comply with the national standards and goals outlined in Goals 2000. Thomas Payzant, the Education Department's assistant secretary for elementary and secondary education, stated that ESEA will "pick states up where they are and provide support and encouragement for them to keep moving" in the direction of standards and goals.

The content and performance standards mandated in the ESEA Chapter 1 program provide the link with the so-called voluntary standards of Goals 2000. (Chapter 1 is a government-funded assistance program for disadvantaged children, providing funds to about ninety-five percent of all school districts.) ESEA would require states to submit plans to the U.S. Department of Education describing content and performance standards of what children are "expected to know and do." Therefore, in order for states to receive the coveted federal funds, they would have to submit their pre-approved standards to the NESIC at the U.S. Department of Education.

Indeed, an analysis provided by the U.S. Department of Education (Summary Sheets, September 13, 1993) again outlines the intrinsic connection between Goals 2000 and the reauthorization of the Elementary and Secondary Education Act.

Goals 2000 extends the power of the federal government to intrude into the realm of education which traditionally (and constitutionally) has been within the domain of states and localities. The "opportunity-to-learn" standards are nothing less than federal mandates that would direct: national standards for spending; uniform material requirements for schools; curriculum; and class size.

"States and localities don't want a federal mandate of what a classroom should look like."—National Governors Association (NGA) policy analyst Patricia Sullivan.

"The standards-driven approach * * * could conceivably hurt our efforts at improving education in our state by forcing the state to adopt federal priorities and to redirect resources away from ongoing state efforts * * * to meet national content and delivery standards."—Senator Orrin Hatch (R-UT), Education Daily, May 5, 1993.

"(T)he federal government will be taking over education. They say they won't, but they're riding down a slippery slope."—Carroll Campbell, Governor of South Carolina, The News, (Greenville, S.C.) April 22, 1993.

Family will no longer be seen as the primary nurturer for the child.

Rhetoric: Goals 2000 will further empower parents to direct their children's education.

Reality: Concerned Women for America has actively worked to promote parental participation and input in primary and secondary education across the U.S. However, Goals 2000 departs from this traditional concept by embracing a more directive approach for "parental involvement." Rather than affirm the authority of parents over curricular content, "parental involvement" will be defined and implemented by the educational system.

The entire tenor of "educational restructuring" has called for the integration of social services into the public school system. Educational reforms frequently cite transforming the public school into the new "village commons" where social, health, and psychological services would be administered regardless of income eligibility. This universalized approach to government services is not only a radical (and expensive) idea, but that which necessarily robs families of greater time and authority over their children by placing family responsibilities into the hands of surrogates.

Sweden's new education minister, Beatrice Ask, seeks to dismantle Sweden's failed education policies that incorporated the delivery of social services into the schools: "Swedish schools have diluted the quality of education by trying to do too much" (Wall Street Journal, April 7, 1992).

A seventh goal has been added to the current six national educational goals. This newest one could allow federal funding for the controversial program, "Parents As Teachers." The goal states:

"(B)y the year 2000, every school will promote partnerships that will increase parental involvement and participation in promoting the social, emotional and academic growth of children."

No one has raised the important question of when it became the government's job to promote the "emotional growth" of children. In fact, one of Secretary Riley's "ready to learn" recommendations calls for states to implement comprehensive parent education programs. A recent Parents as Teachers bill called for the establishment of a federal program which envisioned ten home visits per year by social workers to check on the progress of families in complying with the P.A.T. guidelines. Parents from all ideological persuasions would justifiably raise privacy concerns about such government intrusion.

While it is widely acknowledged that a small percentage of families may require government intervention in the face of documented evidence of child abuse, this by no means justifies embarking upon a widespread federal government program to reeducate America's parents in "proper" childrearing practices, as determined by social workers.

Rhetoric: Goals 2000 does not create a national curriculum.

Reality: The opportunity-to-learn standards in Goals 2000 will pave the way for a national curriculum. The House version reads that the "curriculum [must be] . . . aligned to content standards." Clearly, this projects the establishment of a national curriculum far from the interests of parents and teachers in local communities. According to education researchers,

"Instead of raising student achievement * * * [a national curriculum] could end up * * * creating a costly bureaucracy that would take away funds from instruction." (Robert Rothman, "Researchers Wave Caution Flag Over National Curriculum," Education Week, June 23, 1993, p.5).

An opponent of the Goals 2000 bill, Congresswoman Marge Roukema (R-NJ), has predicted that the bill "will inevitably lead, as night follows day, to a national curriculum and national funding standards" (Educational Daily, April 23, 1993).

"The further the bureaucracy is from the classroom, the less relevant it is for education."—John Norquist, Democratic Mayor of Milwaukee, Wisconsin.

Rhetoric: Goals 2000 will help teachers do their job in the classroom.

Reality: A recent Education Week article revealed that many teachers are overwhelmed by the already-cumbersome national standards underway in certain subject areas:

"As the standards-setting movement continues to gain momentum, worries that the documents may turn out to be too numerous, too lengthy, too much to teach, and too different from one another are being voiced with increasing frequency. And, in the end, [Richard] Aieta fears, it may be educators like himself at the local level—curriculum supervisors and department heads and teachers—who must try to put it all together.

"And God help the elementary school teacher when all of this is going to come down on them," Aieta adds. Those teachers, who are responsible for instructing their students in eight or more subjects, could face a stack of standards a foot or more thick." (Education Week, January 18, 1994).

Concerned Women for America urges Congress to carefully examine the wisdom of rushing headlong into fundamental restructuring of American education at all levels by federal government bureaucrats. Serious concerns are being raised at the classroom level and school district level about the nature of certain "reforms" underway by education experts.

SOME OF THE SUBJECTS RECEIVING ATTENTION

Mr. WARNER. Mr. President, tonight I would like to talk about several subjects which many Senators, including myself, have been engaged in in the past few days in the Senate. The first subject involves the Safe Drinking Water Act. Under the leadership of Senators BAUCUS and CHAFEE, the Environment and Public Works Committee had a markup this week of this important piece of legislation.

I had considerable doubt, as did other Republican Senators on this committee, that we would achieve a bill and report it to the floor. But through the diligence and cooperation of all members of the committee on both sides of the aisle, we did achieve that goal and reported out a bill this past week. I would like to share with the Senate some of the highlights of this very important piece of legislation.

There are not a lot of us that do not desire that all Americans have the finest drinking water that is obtainable. The name of the act itself implies that desire: Safe Drinking Water Act. However, there are a number of economic concerns that must be faced by communities all across this country. Eighty-seven percent of the communities in America are under 10,000 people. And quite frankly, they cannot afford—it is beyond the budgets of their communities to achieve certain standards. That factor was taken into consideration by the committee in its work this week.

So I would like now to discuss the work of this committee. I will start off by giving a little history.

In 1974, the Safe Drinking Water Act, Public Law 93-523, was enacted to ensure that public drinking water systems throughout the Nation provide water that is free of harmful contaminants. Previously, the Public Health Service set standards for drinking water which were used as a voluntary reference for drinking water systems. The drinking water program was transferred to EPA when that agency was created in 1970. The SDWA requires EPA to establish drinking water regulations to protect public health. EPA established a maximum contaminant level goal. That is referred to as MCLG, which is a level at which no known or anticipated effects on the health of persons occur, and allows an adequate margin of safety.

EPA then sets a maximum contaminant level, MCL, which is the enforceable level set as close to the goal as is feasible. Feasible means the application of the best available treatment technology taking costs into consideration.

The regulations apply to both privately and publicly owned systems which serve at least 25 people or 15 connections. There are approximately 60,000 community water systems in this country. There are another 140,000 noncommunity water systems, including hospitals, schools, and campgrounds that serve more than 25 people regu-

larly, and are regulated under the act as written in 1974.

While the national drinking water program is based on Federal law, States have primary enforceable responsibility for implementing the act within their borders. The act authorizes EPA to provide grants to assist the States in developing their programs funded by $60 million, and that was the level of funding in 1993.

A key aspect of the drinking water program is the variability in size of drinking water systems. Eighty percent, as I said, of the population receive their drinking water from large systems operated by major cities or private utilities. These systems can afford to monitor and to treat the water at a relatively small cost to consumers. There are a large number of very small systems serving only a few hundred people. Sixty-two percent—this was the forecast in 1974—of systems serve less than 500 persons.

These systems often lack sufficient resources and expertise to comply with the regulations. Available technology in monitoring requirements that EPA sets are established to reflect the capabilities of large systems, not small ones.

Let us look at the legislation since 1972. The Safe Drinking Water Act was last reauthorized in June of 1986. And appropriations are authorized through fiscal year 1991. The 1986 amendments established the schedule for issuing additional MCLs. Many in Congress felt that the regulatory process should be streamlined, and that EPA was not developing revised regulations quickly enough. In 1986, only 23 contaminants had standards.

Consequently, the 1986 amendments redesignated the remaining 23 interim regulations as promulgated primary regulations and set a 3-year deadline for EPA to develop primary drinking water regulations for 83, including the 23 already-regulated specified contaminants.

In addition, the 1986 amendments required EPA to add 25 contaminants every 3 years after the standards for the initial 83 contaminants had been issued. In other words, aggressively through research add the additional contaminants so as to further improve our water systems.

The 1986 amendments also created two new programs that focused on ground water protection: grants for sole source aquifer demonstrations and the Well-Head Protection Program.

In the past several years there has been a growing controversy over the new drinking water regulations issued by the EPA, and the cost of monitoring and treatment to meet these new regulations. Senator LAUTENBERG, a member of the Environment and Public Works Committee, a man who has taken a great deal of interest in the Superfund legislation—and I worked with him on that, as I have on many other programs. Senator LAUTENBERG held a general oversight hearing on the Safe Drinking Water Act in May of 1991 to review progress in implementing the program and evaluate concerns about the costs of the program.

In July of 1992, the Senate passed a Chafee-Lautenberg second-degree amendment to a Domenici amendment addressing the safe drinking water. The Domenici amendment would have suspended several promulgated drinking water standards and prevented EPA from issuing new standards until reauthorization of the act. The Chafee-Lautenberg amendment called for a study of the whole act; extended the deadline for radon in drinking water regulations; and reduced the requirement for monitoring small systems from 4 times every 3 years to just once.

Mr. President, that invoked quite a considerable savings to these small communities. The small communities were quite anxious to comply. But, again, it is a matter of economics. Oftentimes, the costs associated with complying with the various regulations of the Safe Drinking Water Act is as big as their whole budget for law enforcement, and their whole budget for health care in their community. Therefore, we have to be very cautious as we mandate these regulations down on these small communities. That is what we are doing now as we are working on our rewrite for this year of the Safe Drinking Water Act.

In early 1993, President Clinton proposed a major new initiative to establish State revolving loan funds, called SRFs, to help communities comply with drinking water standards, modeled after a similar loan program under the Clean Water Act, and authorized the $600 million in fiscal year 1993, and $1 billion per year in fiscal year 1994 and fiscal year 1997.

Last year, the Energy and Commerce and Public Works Committees in the House reported legislation authorizing drinking water loan funds. The HUD appropriations bill for fiscal year 1994 reserved $600 million for the drinking water loan funds pending enactment of legislation authorizing the funds.

The HUD bill also extends the deadline for issuing the radon drinking water standard until the end of 1994 for the reauthorization of the Safe Drinking Water Act, or whichever occurs first.

In September 1993, EPA issued a major report to Congress on the drinking water program. The report views the key elements of the program, and includes 10 major recommendations for changes to the act. On October 14, 1993, Senator BAUCUS introduced comprehensive legislation to amend the Safe Drinking Water Act, S. 1547. The bill authorizes the State loan fund—that is the new feature—and makes significant changes to the regulatory provisions of the previous act. The Environment and Public Works Committee held a hearing on the act and proposed legislation in October of last year, 1993.

Drinking water issues, the Chairman's marks: A few comments on that.

Drinking water systems and States argue costs of meeting drinking water standards is an unfunded Federal mandate. While the Clean Water Act provided funds to help communities meet clean water goals, the Drinking Water Act never included funding for meeting drinking water standards.

Current law provides for grants to States to manage the program. The fiscal year 1993 appropriations for State grants is $60 million. States argue that this is far less than they need to run the program. The EPA estimates that States need an additional $162 million to cover program costs. The chairman's mark authorizes an SRF for drinking water at $600 million for 1994 and $1 billion for fiscal year 1995 through the turn of the century—2000.

States may use a percentage of the SRF to pay for program costs—50 percent in 1995, 100 percent in 1996 through 1998, and 50 percent in 1999.

If the State lacks adequate funding, EPA may withdraw delegation of the program and have authority to impose a Federal drinking water fee to pay the cost of the program. In addition, the authorization level for the PWSS grants is increased from $40 million to $100 million.

Let us talk about the small systems, Mr. President. Many small systems face very high user charges when complying with the drinking water regulations because of the limited economies of scale. These systems argue that they need financial help to keep costs down, or authority to reduce expected treatment.

In addition, small systems argue that they are unable to afford or manage the monitoring requirements of the act. The chairman's mark directs EPA to develop small-system best-available technology. Any system serving under 3,300 persons is eligible for a variance if—I repeat if—in addition, small systems argue they are unable to afford or manage the monitoring requirements of the act. The chairman's mark directs EPA to develop small-system best-available technology.

Any system serving under 3,300 persons is eligible for a variance if it cannot afford to comply with current regulations through conventional treatment system restructuring or finding an alternative source of water. This determination is made by the State.

Mr. President, I am going to digress from the comments I have on the Safe Drinking Water Act to a second subject. I worked on it this week, together with 43 other Senators on this side of the aisle.

Today, all 44 Republican Senators are sending to the President of the United States the following letter:

DEAR MR. PRESIDENT:

We are writing regarding negotiations that the administration has entered into on the future of the ABM Treaty and the potential impact that any resultant agreement might have on U.S. theater missile defense (TMD) programs.

Over the last several years, the Senate has taken a very active role in promoting the resolution of this issue. The Missile Defense Act of 1991—

A piece of legislation which I and several others had a hand in drawing up

as amended, directs the executive branch to clarify the distinctions between permitted TMD systems and precluded ABM systems. During the Senate's consideration of the fiscal year 1994 defense authorization bill, this issue was again debated at length. The Senate subsequently adopted a congressional finding, now codified in law, section 234 (a)(7), of Pub. L. 103-160, that states that the ABM Treaty does not apply to the TMD systems unless such systems are "tested against or have demonstrated capabilities to counter modern strategic ballistic missiles."

As you know, there is an emerging consensus in the Senate that any agreement to substantively modify the ABM Treaty should be submitted by the administration for Senate advise and consent. We agree with this view and look forward to reviewing the final agreements on ABM Treaty succession and TMD demarcation.

To date we have been encouraged by the administration's handling of the TMD demarcation issue. The U.S. proposal tabled at the Standing Consultative Commission (SCC) in November 1993—that any TMD system not tested against a ballistic missile target with a maximum speed in excess of 5 km/sec be deemed compliant with the ABM Teaty—was an important and positive step. We believe that this proposal is consistent with the "demonstrated standard" contained in last year's Congressional finding would not constrain currently planned U.S. TMD development or deployment efforts.

As a new round of discussions in the SCC begins, we urge you to adhere to the "demonstrated standard." In this regard, we are particularly concerned by the reported Russian counter-proposal to add constraints on TMD interceptor and sensor characteristics. This would undermine the "demonstrated standard" and likely preclude several promising U.S. TMD efforts. By so precluding a class of TMD systems, the U.S. would assume new legal obligations under the AMB Treaty—constraints that were not envisioned or intended when the treaty was ratified. It is unlikely that we would be able to support any such agreement.

At a time when the ballistic missile threat is dramatically expanding—as highlighted by the news that North Korea is developing three new standard-range ballistic missiles—we should do everything possible to maximize the capabilities of our TMD programs.

The administration has done an excellent job in formulating the TMD demarcation issue to date. We respectfully urge you to stay the course and resist efforts to erode the position.

Signed by myself, Senator THURMOND, ranking member of the Armed Services Committee, and 42—all of our Republican colleagues.

I am quite certain that, given the opportunity, there are many colleagues on the other side of the aisle that would likewise be in support of our position.

I would like to amplify our position. I would like to go back just for a personal recollection, Mr. President.

During the course of the gulf war, I and many colleagues here made trips to the gulf theater of operations, and I remember one trip very vividly. I was accompanied this time by the chairman of the Armed Services Committee, Senator NUNN, Senator INOUYE, and Senator STEVENS. The four of us constituted a codel of the then leadership of the Appropriations Subcommittee over which the Presiding Officer is the chairman, the Acting President of the Senate, and the Senate Armed Services Committee chairman, Mr. NUNN, and myself. We visited the gulf theater of operations and felt it very important that we, on our return leg home, visit Israel.

The people of Israel had shown remarkable courage during the gulf war in many ways not the least of which to withstand repeated attacks by Saddam Hussein and the Iraqi military, repeated Scud missile attacks. These weapons were fired indiscriminately—indiscriminately—at the helpless, innocent people of Israel. There was no military reason for firing those missiles. It was pure politics. It was an act of terrorism.

That night, when we arrived in Israel, we were taken to the office of the Defense Minister where we immediately proceeded to have an indepth meeting respecting our report of the mission to the gulf operations, our visit with General Schwarzkopf and his commanders.

We made it very clear on behalf of the Senate, on behalf of the Congress, on behalf of the President and the people of the United States how much we admired the courage of the people of Israel and its leadership in their forbearance from striking back against Iraq.

Had Israel taken an active military role in that operation, there would have been, in all likelihood, complications with respect to the very fragile coalition of forces put together by the President and other leaders of the Western World and, indeed, other gulf states, Arab nations in putting together an extraordinarily able, competent, fighting force to repel the Iraqi invaders.

During the course of our meeting at the Defense Ministry, we were advised that a Scud had been launched at Tel Aviv. I remember so well the calmness with which the Defense Minister and all present received that news and the careful manner in which they proceeded to take precautions in the Defense Ministry and the fact that all televisions in Tel Aviv suddenly switched from their programming that evening to a repetition of what they played many times before; namely, instructions as to how to handle gas masks, how to deal with children, and other precautions such that they could hopefully survive this terrorist attack of a Scud missile.

The Defense Minister knew exactly, almost to the second, as to whether there would be impact from that missile. They could not predict where in Tel Aviv it would fall, but they knew basically the timing, and in due course we did hear a very clear and loud and sensed the impact of the incoming missile.

We resumed our meeting, and the next day the delegation went out to view the area of impact and give our condolences to the people in the region who had suffered certain loss—of damage and other losses. It was a tragic situation, but it was a remarkable hour for the people of Israel to show that strength, to take and endure those terrorists attacks and to not take an active role of intervention.

Mr. President, that evening left an indelible recollection in this Senator's mind, as it did my three colleagues. It is for that reason that I, along with many others, have taken a great interest in seeing that the United States of America takes every step we can to research and develop systems to protect our troops, to protect our allies, troops of our allies, to protect others against these short-range intermediate theater missiles. And under the leadership of President Clinton and the Defense Department and other departments, we are doing that.

Nevertheless, this group of 44 colleagues became concerned that we should give the President our best advice, that we did not want the current rounds of consultation through the SCC in any way to inhibit this country as we proceed with the research and development and upgrading.

For instance, we are in an upgrade with the Patriot system, the only system we had at that time to defend against these missiles, a system that we quickly sent to Israel and which effectively, in many instances, prevented greater damage from Scuds in Israel.

The system was effective in protecting some of our troops; regrettably not all. The largest number of casualties from a weapons system in that Gulf operation resulted from the Scud attacks.

So, Mr. President, today I address the Senate about an important letter, as I said, sent to the President of the United States on the relationship between theater missiles defense systems and antiballistic missiles, the ABM treaty.

Currently, there is no agreed-upon understanding of what defines a strategic defense system, to which the limits of the ABM Treaty apply, and what defines a theater ballistic defense, not subject to the treaty. The reason for this lack of understanding is that at the time the treaty was negotiated in the early 1970's, the drafters did not anticipate a threat from theater ballistic missiles. Such systems were not even on the drawing board.

In other words, people were not, at the time of the negotiation of the ABM Treaty, envisioning the advancement of weaponry to where we had these short range systems. Therefore, the drafters of the treaty, the signatories to the treaty—and, incidentally Mr. President, if I may say, I was present in Moscow. I was a part of the delegation to the signing of the ABM Treaty, as well as SALT I. I was then privileged to serve as Secretary of the Navy and had been part of the delegation for the purpose of signing the Incidents at Sea agreement, an agreement which I negotiated and executed on behalf of the United States in May 1972, the day before the signing of the ABM Treaty.

But my point is that the ABM was never envisioned to cover the short range theater ballistic systems. Therefore, as we begin to look through how this ABM should be revised, it should not apply in any way to America's ability to proceed to protect our own interest against future attacks by these short range systems.

Until the definitional problem is resolved, we cannot proceed with the development of an effective, treaty-complaint theater missile defense.

Mr. President, as the United States engages in a new round of negotiations to clarify the intent of the ABM treaty, all 44 signatories to this letter propose a reasonable solution to this problem. The solution we advocate maintains the integrity of the ABM treaty while insuring the development of an effective defense against theater ballistic missiles. It is the administration's current position, and we simply ask that this position not be changed during the negotiations.

Mr. President, allow me to begin with some background. We all remember the Persian Gulf war. During the war, our Patriot system was the premier defense against Iraqi Scud missile attacks—attacks which terrorized our forces and our close friend Israel. The Patriot system was not designed to defend against missiles, but the Iraqi Scuds were not very well advanced in technology, and this Patriot system had a measure of effectiveness. Thus, the Patriot proved successful at intercepting a number of the Scud missiles fired upon the Allied forces in the Gulf and to help the people of Israel.

In the future, we will not have this luxury—that is perhaps because of the advancement in missiles technology, we will not have a system; certainly the Patriot cannot keep up in many respects with the advanced technology of the missiles—and, therefore, we must be better prepared, and that requires intensive research and development of advanced systems to deter and defend against these missiles.

Our Nation's most immediate concern is with the proliferation of advanced weapons, including modern theater ballistic missiles. The threat from such missiles is real and growing, with more and more countries capable of launching them. The recent announcement by James Woolsey, the director of Central Intelligence, that North Korea is developing several variants of medium range missiles—the No-Dong 1, the Taepo Dong 1, and the Taepo Dong 2—capable of striking all of South Korea, the Japanese mainland, and perhaps as far south as Southeast Asia—is simply the latest reminder of the seriousness of this threat, and the proliferation of these weapons. And now we know that North Korea is selling these weapons to buyers throughout the world.

The theater missile threat is not simply a conventional threat. These missiles can carry nuclear, chemical, or biological explosives, thus significantly increasing the danger faced by our troops.

Now I have been present at meetings in the White House when President Clinton has spoken about this problem. He understands this problem very clearly, Mr. President. I say to my colleagues, he understands the proliferation of weapons of mass destruction, he understands their delivery systems.

I commend the President and his administration for having taken a position on this prior to the opening of these talks on the ABM Treaty. He has called it the most serious security threat facing America today, and I agree with the President. As legislators, we are compelled to do everything in our power to protect American, allied, and friendly nations against attack from such missiles.

In order to develop the best possible defense against theater ballistic missiles, the United States, Russia, and other potential successor states to the Aanti-Ballistic Missile [ABM] Treaty must agree upon precisely what constitutes a theater ballistic missile. As we are all aware, the ABM Treaty places a limit of 100 on the number of ABM interceptors each side can possess and limits the location of these interceptors to a single site on the signatories' territory. The treaty does not apply to theater missile defenses. Unfortunately, the treaty does not clearly define the difference between a strategic missile, to which its provisions would apply, and a theater missile, to which its provisions would not apply.

It is clear, Mr. President, that because there is no agreed upon demarcation line between theater and strategic missiles among the signatories, we have no way of knowing for sure whether or not a theater ballistic missile defense program is compliant with the ABM Treaty. At first glance, the common sense solution would seem to be range, but let me address that issue. A strategic missile is a missile that can travel say 5,000 miles and a theater missile is one that can travel far less. However, an interceptor that can take out a missile traveling 2,000 miles can also take out a missile traveling 5,000 miles. Conceivably, a country could manufacture hundreds or thousands of interceptors capable of intercepting strategic missiles, declare them theater missile defense interceptors, and thereby claim compliance with the ABM Treaty. Clearly, range is not a workable criteria.

In order to deal with this difficult definitional problem, Congress last year passed an amendment to the fiscal year 1994 defense authorization bill, which expressed the sense of the Congress that a theater missile defense system is compliant with the ABM Treaty unless it has a demonstrated capability against strategic ballistic missiles. After extensive consultation within the administration, between the administration and Congress, and with outside experts, the administration very wisely—this is the Clinton administration—adopted a concrete proposal, consistent with the overall guidance provided by Congress, which stated that a theater ballistic missile defense is compliant with the ABM Treaty if—and I ask my colleagues to listen carefully—if it can destroy an incoming missile traveling no faster than 5 kilometers per second. That is the criteria. In effect, any missile traveling faster is deemed a strategic missile and any missile traveling slower is deemed a theater missile.

There are practical reasons why this formula makes sense. In general, missiles that travel farther must travel faster to achieve the distance; missiles that travel shorter distances travel slower to limit the distance traveled. Overcoming this fact of physics requires an increase in missile complexity and in missile cost that no country has been willing to pay. All modern strategic missiles travel much faster than 5 km/sec, while all current and foreseeable theater missiles travel 5 km/sec or less. Thus, for the time being a 5 km/sec standard is a reasonable one. The Clinton administration devised this formula, and it is the correct one. We hope that the administration does not agree to Russian counterproposals to further constrain the performance characteristics of theater missile defense systems.

Mr. President, the bottom line is this. Adopting the 5 km/sec standard will allow the United States to proceed with development of an effective theater missile defense. The integrity of the ABM Treaty will be preserved, our forward-deployed troops will be better protected in the future, and our tax dollars will be spent more wisely.

Mr. President, every Republican Senator has signed my letter, and thus this letter stakes out a clear Republican position on the issue of theater missile defense. For years, the Republicans have advocated the development of an effective national and theater defense

against the threat of ballistic missile attack. We continue to do so today with this letter, and we look forward to reviewing the final outcome of the current negotiations.

Mr. President, it is my hope that this brief statement explains a complicated but important letter. By remaining faithful to the 5 km/sec demarcation line, we can be sure that we can build the best possible theater missile defense systems to protect our troops, allies, and friendly nations from any foreseeable theater missile threat. We should do no less.

UNANIMOUS CONSENT AGREEMENT

Mr. MITCHELL. Mr. President, I will propound a unanimous consent request that has been cleared with the Republican leader. Then I will file some additional cloture motions.

Mr. President, I ask unanimous consent that at 11 p.m. today, the Senate stand in recess until 12:01 a.m. on Saturday, March 26, and that at that time the Senate begin the live quorum, as provided under rule XXII.

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

CLOTURE MOTION

Mr. MITCHELL. Mr. President, I send a cloture motion to the desk and ask for its immediate consideration.

The PRESIDENT pro tempore. The cloture motion having been presented under rule XXII, the Chair directs the clerk to read the motion.

The legislative clerk read as follows:

CLOTURE MOTION

We, the undersigned Senators, in accordance with the provisions of rule XXII of the Standing Rules of the Senate, hereby move to bring to a close the debate on the conference report accompanying H.R. 1804, Goals 2000: Educate America.

Byron L. Dorgan, Paul Wellstone, Edward M. Kennedy, Harlan Mathews, Jeff Bingaman, Barbara Boxer, Pat Leahy, John F. Kerry, B. Mikulski, John Glenn, Frank R. Lautenberg, Bill Bradley, J. Lieberman, D. Pryor, Patty Murray, Harris Wofford.

CLOTURE MOTION

Mr. MITCHELL. Mr. President, I send a second cloture motion to the desk and I ask it be stated by the clerk.

The PRESIDENT pro tempore. The cloture motion having been presented under rule XXII, the Chair directs the clerk to read the motion.

The legislative clerk read as follows:

CLOTURE MOTION

We, the undersigned Senators, in accordance with the provisions of rule XXII of the Standing Rules of the Senate, hereby move to bring to a close the debate on the conference report accompanying H.R. 1804, Goals 2000: Educate America.

Byron L. Dorgan, Paul Wellstone, Edward M. Kennedy, Harlan Mathews, Jeff Bingaman, Barbara Boxer, Pat Leahy, John F. Kerry, B. Mikulski, John Glenn, Frank R. Lautenberg, Bill Bradley, J. Lieberman, D. Pryor, Patty Murray, Harris Wofford.

ORDER OF PROCEDURE

Mr. MITCHELL. Mr. President, pursuant to the prior agreement, the Senate will stand in recess beginning at 11 p.m. this evening and continuing until 12:01 tomorrow morning, at which time the live quorum will commence as under rule XXII.

I therefore anticipate that there will be a vote on a motion to instruct the Sergeant at Arms to request the presence of absent Senators, to be followed by the cloture vote. Although I am uncertain at this moment of the precise time, I suspect, therefore, the cloture vote will occur sometime between 12:30 a.m., and 1 a.m. tomorrow.

If cloture is not obtained on the first vote, there will be a second cloture vote tomorrow morning, shortly after the first one. And if cloture is not obtained then, the two cloture motions which I filed will ripen on Monday, and it would be my intention to reconvene the Senate on Monday for votes on those two cloture votes. There may, indeed there will almost certainly, be additional votes beside the cloture votes, both tomorrow morning and Monday in the event cloture is not obtained on the first vote —either early tomorrow morning, or on Monday.

The PRESIDENT pro tempore. The Senator from Nebraska is recognized.

Mr. EXON. I thank the Chair.

(The remarks of Mr. EXON pertaining to the introduction of S. 2002 are located in today's RECORD under "Statements on Introduced Bill and Joint Resolutions.")

The PRESIDENT pro tempore. The Senator from Colorado, Mr. BROWN.

GOALS 2000: EDUCATE AMERICA ACT—CONFERENCE REPORT

The Senate continued with consideration of the conference report.

Mr. BROWN. Mr. President, I rise to address concerns about Goals 2000. While there will be differing views as to whether or not to include the provision with regard to prayer, I am sure every Senator in this body joins me in looking for a dramatic change in the way our education system works.

Everyone must have asked themselves why Americans seem to fall behind in this category. It is particularly amazing because the American experience is one which has resulted in excellence in almost every discipline. Indeed, our educational achievements at the graduate level and postgraduate level are remarkable and lead the world. The United States remains the place to come for graduate school and advanced degrees. Yet, for some reason our K–12 education experience has not remained competitive with many other countries around the world, some of the same countries that supplied the population that makes up America.

Do people lose intellectual capacity when they cross the water to come to America? I think not. Is there something inferior about this Nation that would result in the lack of achievement in the K–12 area? I think not, Mr. President. Everything we can look at seems to indicate exactly the opposite. The freedom and democracy that has blessed this shore has showered achievement in almost every area of human endeavor. To be sure, it has brought out the best in all of us.

Then why the failure of achievement in the K–12 area? Many of the comparative studies seem to indicate that our high school graduates may be as much as 2 years behind their counterparts in Europe or Japan or China or other countries around the world. Some would say it is because we attempt to educate the entire population while others are more restrictive and selective. Yet the figures do not seem to bear that out. While that may well be a factor, it is not by any means the only factor. In fact, there are some studies that show that other countries have very broad educational policies as well. No, the answer lies somewhere else. I do not pretend to be the Nation's expert in this area, but the studies have shown some differences in the K–12 area, and I think those differences are worth looking at.

The first is the number of school days. Quite simply, how many days a year do our children go to school and how does that compare with their competitors around the world? The studies are very dramatic and quite clear. Our children go to school a significantly fewer number of days per year than other students around the world. Could this be part of the explanation? I think so. We simply are not going to have the same educational achievement if our students are not in school.

One of the things that clearly needs to change if we are to become competitive again is that the length of the school year must be extended. We must be competitive in the length of time our students commit to education if we are to be competitive in their achievement levels.

The second dramatic difference between the American schools and others is the length of the school day. Several months ago I had the privilege of chatting with a young man in a school in Adams County, CO. He had endured difficult problems. Indeed, he was a year behind those people in school of similar age. At one point, he had dropped out. Thanks to what I thought was a very progressive program, he had been recruited to come back to school and was finishing the 8th grade.

He is a delightful young man. When I chatted with him about the program, he expressed optimism about his future because of the special attention he received. I asked him many questions about the program, but I remember one of his answers particularly well. I asked him when his school day was completed. He finished school at 1:15 in the afternoon.

He attended somewhere around 4 hours of classroom instruction a day and he was free from 1:15 p.m. on. Interestingly, he did not have homework, or at least any significant amount he felt compelled to spend a meaningful amount of time doing. His day, in terms of academic preparation, ended at 1:15 in the afternoon. His mother did not get home until 6 o'clock. While he was clearly an active, vigorous young man with lots of energy, he led an unstructured and unsupervised life between 1:15 and 6 o'clock.

That is the comparison between ourselves and other countries. Their school days are longer. One of the reasons we do not achieve the same way other countries achieve is simply because we ask our children to stay in school a shorter amount of time. Can we learn more on less time, fewer hours? I think not. As creative and productive as Americans are, they still have to put in the time and the effort to compete. So, the second difference is not simply matching our competitors with the number of school days, but it has to be asking our children to put in the same amount of time during the school day.

Mr. President, I particularly believe that length of time in the school day is extremely important. Young men and women who are going through our school system are filled with energy and enthusiasm, and if their time is not filled with productive pursuits, it may well be filled with pursuits that result in trouble and, yes, even crime.

The explosion of violence in our society and the increase in the number of gangs is in part related to the fact that there are not productive, active pursuits available for our children during the daytime. This particular young man is free from 1:15 to 6 o'clock. He is filled with energy and excitement. He has the potential for getting into trouble.

We have restricted children from working part-time jobs, even ones that would help them when their family needs help, even ones that would help fill time in productive pursuit. Perhaps there is something we can do to allow young men and women who want to work part time to fill their time with work. Perhaps we ought to look at the restrictions we have on such jobs. I, for one, am convinced that good healthy work can help fill time in a productive way and serve a useful productive function for our society. It can also constitute the some of the strongest and best training that a young person can receive. Learning how to work is every bit as important as any single academic enterprise that we have. Tragically, some of our laws at the State level, perhaps even at the national level, restrict that opportunity.

Mr. President, there was another difference between our schools and those of our competitors, that is the lack of homework in American schools. While we have some schools that provide significant and meaningful homework responsibilities and assignments, a large majority of our public schools simply do not have purposeful, challenging homework assignments for our students. However, I can guarantee you the Japanese do. The Japanese care about their children; they care about their academic success. And part of that caring is the assignment of homework that both challenges the student and brings out the best in them.

There is nothing wrong with Americans. We can compete with the best in the world. But we cannot compete if we do not show up for the race, and we are not showing up for the race when there is no homework.

A fourth area that I am convinced is very important is discipline. It is clear that while levels of discipline and methods of discipline vary dramatically around the world, the United States may be at the bottom rung in terms of imposing discipline upon their students. Certainly discipline is a function that must go far deeper than our schools. It must begin with the family and parents; it must involve society as a whole. But our schools have a part to play, and tying the disciplinary hands of the teachers and the principals, who are required to administer those schools, is a disservice to the students. No one would accept cruel or hateful treatment of our students, and there is no question that discipline can be overdone. But it also can be underdone. Lack of discipline invites chaos in many of our schools.

Those are four differences, Mr. President, that I think make a difference in American education. As we talk about the future of education, we see many plans drawn up and many suggestions made. That is part of the richness of this country. It is part of the value I hope will come forth. But this Senator believes that until we deal with these four basic fundamental differences between our schools and our competitors' schools, we will not have addressed the reason why Americans fall behind in K–12 education.

I am one who believes that there is nothing wrong with Americans; that we are capable of competing and excelling. We have the ability not only to catch up with the rest of the world in K–12 education, but to outshine them all as, indeed, we have through much of our history. But it must involve fundamental changes and, at a minimum, it must involve a longer school year, a longer school day, more homework and stronger discipline. Those four pillars will help support a resurgence of education in this Nation.

Mr. President, I cannot help but recollect the very enlightening and helpful discussions that you have brought to this Chamber in your discussions of the history of Rome and of world history. The University of Colorado library has chiseled over it a saying I think is particularly appropriate, particularly since I have had the pleasure of listening to your many eloquent talks on the floor concerning Roman history. It says: "He who knows only his own generation remains always a child." Indeed, I believe it is so.

As America faces troubling times, it perhaps is worthwhile for us to take a moment to look back at the lessons of history.

One particular interesting story from William Durant I want to relate. It involves a period of French history just prior to the French Revolution. These were tumultuous times not only for France but also, as the President knows well, the United States. This was a time, during and after our revolution, where we held the torch of liberty aloft for all to see. And those stirrings of independence and liberty swept the European continent as well. No, they did not change governments immediately, but they did something just as important or perhaps more important. They influenced and impacted the minds of the men and women who would direct the future.

France had enormous problems during this period. They had a runaway budget deficit. Expenditures exceeded income in dramatic fashion. They had a huge military. They had a queen that, while beautiful, was extravagant. The annual budget for jewelry was a horrendous sum by any measurement.

They had tolls on the roads, ones that restricted commerce and industry throughout France. Those tolls made it more difficult for imports and exports to go through the country, made it much more difficult for farmers and merchants to deliver their goods and compete throughout the country. They had enormous trade barriers. So, as a result, many of their industries were not competitive.

Further, the guilds within Paris and other parts of France restricted competition; restricted competition not just for the benefit of the guilds but to the detriment of consumers. Moreover, the French found it more and more difficult to compete in world markets, such as they were at that time, because lack of competition within the country made it more difficult for them to compete outside the country.

The French also had a tax code that was dreadful by any measurement. It imposed on the working men and women of the country a horrendous

burden. Yet the church lands, which were numerous and significant, and the royalty of the country were largely exempt from paying taxes. The burden paying fell on those who could least afford it and on those who were called upon to do the work.

The country went from bad to worse. The deficit skyrocketed. Unable to face the various interest groups that plagued them even in that day, the problems rolled on and grew. Finally, the French had incurred such horrendous problems in financing their debt that they were forced to go to the Dutch to refinance it. They got to the point where, to finance that debt, as Durant relates, they drew interest rates of 12 percent, 14 percent, and even 16 percent as the problem spiraled out of control.

In desperation, the King turned to a new finance minister, and gave him very broad powers. Turgot was brought in as finance minister and given wide powers to deal with the economic and fiscal problems of the country. What he did was to bring tough medicine to France. But he established a model for what one must do to bring an economy in line and to straighten out a country's fiscal crisis.

What Turgot did was address the problems. He took on all of the interest groups. The toughest interest group of all was the Queen. He eliminated her budget for jewelry; it was a major item, and it was not unnoticed by the King and the Queen. He cut back on household expenses for the King. He went to the military and cut it back significantly. He eliminated the tolls on the roads so competition and commerce could expand. He eliminated the trade barriers and, indeed, while they received many imports from England, they were able to export more wine and other products.

France, when they eliminated their trade barriers, instead of becoming less competitive, became more competitive. Turgot restricted the ability of the guilds to corner markets and restrict trade. He was an early forerunner of our antimonopoly concept, pioneered by Americans. It was not called that. Trusts were not involved. But Turgot quickly understood that the concentration of economic powers under the guild system harmed and dramatically injured the competitiveness of the French economy.

Turgot took on the exempt areas of taxation and, indeed, insisted that the royalty pay taxes. At any rate, he took on many of the exemptions that they held. And while he did not go as far as he wished, he did make some progress in broadening the tax base.

In short, in 18 or 19 months Turgot was able to balance the budget, a task that people had thought impossible. He was able to dramatically reduce the trade deficit. He was able to significantly spur and increase the competitiveness of their economy. He was able to refinance the debt. Astoundingly, a debt that was loaned or borrowed at 12, 14, and 16 percent was refinanced at 4½ percent after only 18 or 19 months.

After he achieved the refinancing, he found that every single interest group that he had offended, or taken on, had teamed up against him. The Queen, the military, those who owned the toll highways, the guilds, the royalty, even the church, they took Turgot and threw him out of office. Within a brief time, the French Revolution occurred.

There are many reasons the French Revolution occurred. I do not mean to pretend that the return to the old ways of tax and spend were the only ones, or the unwillingness to live with competitiveness, or the unwillingness to curb appetites for military, jewels, and other household trappings. But one has to wonder how different history might have been if Turgot had not been thrown out of office but had stayed.

What happened, of course, is the inflation that Turgot had quieted returned; inflation came back, the economic instability returned, shortages occurred, and the economic crisis facilitated a political crisis.

The reality was that Turgot had the right answers. Turgot's instinct or willingness to make sacrifices and to bring budgets into line, his willingness to make tough choices, his willingness to take on special interests, his willingness to broaden the tax base, his willingness to stand up for good, for what his country was and for what the special interests were against, could have saved France a bloodbath.

Perhaps, in all, the democracy that eventually came to France was worth it. But one has to wonder if there was not a better way. One wonders if Turgot 's vision and foresight and courage could not have saved many lives and meant a different destiny for Europe than the years of bloody wars brought on by Napoleon and the instability that spread far beyond French borders. It is an answer no one will know, but I cannot help but think this country, with our inability and our unwillingness to face up to the terrible budget deficits that lie before us, does not face great instability as well.

The blessing of liberty and the enormous outpouring of spirit and creativity that have come from the American people are part and parcel of what I believe our freedom is all about. And yet this last year we had over 70,000 pages of new regulations published in the Federal Register. We have adopted a form of central planning in this Nation which may be more efficient than any country in the world has ever placed upon its people. It may be more efficient because it is more numerous and more detailed with stricter enforcement.

The creative spirit of this country will not be dampened by thousands of pages of new regulations, or even 70,000 pages of new regulations, or even 20 years of 70,000 pages of new regulation per year. But it will be impacted. The spirit and the enterprise of this country will not be eliminated by taxes that rise higher and higher and penalize people for working harder and harder. But it will be affected by it. The willingness of our citizens to save and plan for the future and prepare for their children will not be eliminated by a Tax Code that penalizes savings, but it will be impacted.

The fact that we have the lowest net savings rate of any major industrialized country in the world speaks volumes about what we have done to incentives in America. There are those in this Congress who come here with a deep and abiding commitment to make sure that the wealth of the Nation is redivided in a way that gives all a chance and, indeed, this Nation is committed to make sure each one has a chance.

But in our enthusiasm to redivide the wealth in the Nation, we must never forget the engine that drives America is that spirit of free enterprise. It is that ability to keep a fair share of what one produces for themselves and their family, that ability to make decisions about their own lives—yes, even when they might make mistakes. We do not want to kill off the engine that sparks this Nation, that drives this Nation, that makes this a creative phenomenon, with our enthusiasm for giving all a chance.

In the last analysis, giving all a chance is a valuable and important goal, but it is dramatically different than making everyone equal in the final result. Our Founding Fathers and our leaders, since the time this Republic began, believed that America was all about giving everyone a chance and an opportunity. Our commitment to education is part and parcel of that concern. We have long believed, and I believe rightly so, that education should be available to all of this land because it is fundamental to having a chance to make it up the rungs of the ladder of success, to climb the rungs that provide greater opportunity.

But making all come out the same, is not making them the same. Those who work harder deserve to live better, and if they do not, we send a message that hard work and achievement are not to be rewarded in America. Have we gone too far? Have we begun to slow the engine of creativity of progress? The numbers sometimes tell the story.

Our rate of growth of productivity has lagged and lagged for many years now. True, we are still the most productive people on the face of the Earth. But the rate of our productivity growth is slow when you look at it over the long-term. That has to be reversed. Our rate of savings has fallen from one of the highest in the world to one of

the lowest in terms of the large industrialized nations.

Our willingness to face up to tough problems has also suffered in recent years. The reality is that those who would be concerned about America's future and draw from the lessons of history should be concerned about our failure to deal with the problems that are before us.

I would add this: That the observations of Polybius and Cicero about the cycles of government can apply to America just as they applied to ancient Greece and to ancient Rome. The observation is that the tendency toward a greater and greater concentration of power occurred both in Greece and later in Rome. Now it indeed applies to the United States. We have gone from a country where power was widely spread to where it has become more and more and more concentrated in the hands of a few.

When Washington begins to control the details of our daily lives, when a small number of men and women take on the power to spend the fruits of what working men and women produce in our country, when they take on the power to decide how we live our daily lives in detail, when they issue 70,000 pages of new regulations in the Federal Register last year, we begin to see a society where the power of the Nation is taken from the individual citizens and concentrated more and more in the hands of a few elite in Washington, DC.

Polybius and Cicero knew what was going on when they saw the same tendencies and the same cycles appear in their societies. They also saw the danger and the lack of vigor, trust, and creativity result when a few try and control the majority.

I, for one, am convinced that the tendency of our Government in Washington to concentrate the power of this Nation in the hands of a few in this city is a great mistake. There is a valuable and important purpose for our levels of local and State government, there is a valuable reason for the tenth amendment of the Constitution. The best repository of our power and our strength is in the hands of the individual citizen, not in the hands of the elite who decide how their money is spent, how they live their daily lives and the details of their daily work.

My impression is that the economy shows that same tendency. Giant businesses are often not as competitive as ones of individual entrepreneurs, who have the flexibility and creativity to move quickly on opportunity and with the motivation coming from having your own destiny in your own hands.

THE FEDERAL GOVERNMENT BUYOUT

Mr. BROWN. Mr. President, we acted earlier this week to create a buyout for Federal employees. It involves in so many cases, a modest amount of money, a sum up to $25,000, for people who have dedicated their lives as civil servants for Federal Government. It was associated with what I consider to be a very responsible and a sincere effort on the part of the President to reduce the Federal payrolls. It is one strongly endorsed and joined by Members of this Congress, both the Democrats and Republicans, to see if there is not a way we can save funding through reduced payrolls.

I believe that many of these areas of Government will be able to be performed well and perhaps even more efficiently with fewer people. As we go through that difficult process, I believe that effort will have strong bipartisan support. It will have support because it means that we will not only save money, but we will focus our resources on better alternatives.

However, I am concerned about the bill that was before us. It received overwhelming support from this Chamber, so its passage was never in doubt. Part of the reason it had such overwhelming support is it not only provided welcome financial assistance to Federal civil servants who will be leaving their jobs, but it also was accompanied by revenue and budget estimates which indicated that it would ultimately save this country money.

Those estimates were done by sincere people who honestly believed in the results. However, I was concerned about those estimates and came to the conclusion that they were not ultimately accurate. Far from ultimately saving money, there is a chance the program, the way it was framed, could well have the opposite impact. While that feeling was not widespread, it was indeed sincerely felt by me. I thought two areas are of particular concern.

First of all, one phenomenon that we saw is that when this proposal was aired, people who would have normally retired did not take their retirement and move on to other jobs. They were, in effect, encouraged to stay to wait to see if indeed Congress would pass a buyout package. In other words, we had a phenomenon of a delay. The immediate impact of consideration of the buyout was not to encourage people to retire, but to discourage them from retiring.

It is not an illogical move for many people. If you retire immediately, and receive no bonus, you are not as well off as if you stay a while longer and receive a bonus for what you would do anyway.

I believe the initial impacts of consideration of this measure have had that phenomenon. It is not recorded specifically in the numbers that this Congress looked at. But I believe part of the impact of this discussion was to delay normal retirements, and delay a reduction of personnel that would have occurred naturally.

This significantly affects the numbers, if you look at them. If, instead, Congress had turned it down and made it clear that there were no special buyout provisions, my guess is people would have not waited solely because they thought a buyout would come, but they would have done what they planned, and that is retire.

The second factor that I think was not fully taken into account was the fact that our senior civil servants, ones eligible for retirement with many years of service, may in some respects be our least expensive employees. How is that possible? Most of our pay scales indicate that they end up with the higher salaries. The higher salaries are primarily related to the positions they hold. Obviously, length of service is a factor as well. But if someone who is near retirement, or at retirement, and has long service continues to serve, there is a marginal cost difference that is not as large as their salary. Let me be specific.

By delaying or giving up their right to immediate retirement, they give up that retirement pay. Thus, the marginal cost of having them retained in active civil service duty is less than their full salaries because while they receive that salary, they are not receiving the retirement pay to which they might be entitled.

Replacing senior people with junior people, who would not be eligible for retirement, will mean a marginal increase in cost in some areas. It does not represent a marginal decrease because the senior person will begin to draw their retirement and the junior person, who is not giving up retirement, is elevated to that same spot with the higher salary. The higher salary is there. But the offset before retirement is not.

One could well say, "Wait a minute. The person who stays on is indeed building up the retirement for the future." Of course, that is correct. But my concern was that in the estimates put together for this Congress we did not fully account for the phenomenon of the offset of retirement forgone.

It also seems to me there was a third factor that called into question the estimated savings put forth with regard to the buyout bill. That is the potential future impact. If indeed Federal employees come to believe that this sets a precedent, then indeed it will have the wrong kind of impact in future years.

Instead of having a normal turnover, which will enable us to provide jobs for people that wish to join the Federal service, it is quite likely that we will end up having a slowdown, a slowdown of retirement, when anybody seems to think there is a chance of another buyout coming. So the anticipation of future buyouts could well offset any savings which could be achieved.

Those factors, obviously, did not control the vote and did not influence the

vote. The overwhelming number of Members of Congress felt that this was good and responsible policy.

But this Member, at least, feels that the estimates that we looked at did not include all of the factors, and that it set the kind of precedent that could well be very costly for this country in the future.

WELFARE REFORM NEGOTIATIONS

Mr. BROWN. Mr. President, I want to share a few thoughts with the Chamber with regard to our welfare reform efforts.

The President has indicated, from the first start of his campaign, that he was interested in welfare reform. Indeed, in his campaign he mentioned it often and, I thought, made strong points. The President is not a newcomer to the subject of welfare reform. He was active as a Governor, as all Members know. He was involved with it when the 1988 welfare reform bill passed.

I had an opportunity to work on that measure as the ranking member on the subcommittee that dealt with the subject in the House Ways and Means Committee. I was active in the conference committee that ultimately designed the final version of the bill. I have also been a sponsor of a number of measures that change welfare, both in the House and in the Senate. It is something that I offered amendments and bills on in 1990, 1991, 1992, and 1993. Again in 1994, I will be joining others to reform our welfare system.

Our welfare system is a human tragedy that must be changed. The good men and women who wrote the laws regarding it, on behalf of the less fortunate among us, had goals that have not been met. If anyone had forecast what would have happened to the rate of illegitimate births in this country, nobody would have believed it or imagined it possible. It is not fair to attribute it only to the Federal programs. Clearly, many other factors are involved. But it is quite clear that the Federal programs have not met the expectations and the hopes that all of us would have.

Far from helping many people, the welfare system has been an impediment to many families. I, for one, believe that there is ample room for both Republican and Democratic Members to agree on a welfare reform package. I think all are aware that the President has not been able to draft a package to send to Congress, even though this project has been underway for a year and a half.

I, along with 18 other Republican Senators, introduced a welfare reform bill several months ago. I have joined Senator KASSEBAUM in her welfare reform bill, and I am talking with Senator FAIRCLOTH on another welfare reform bill with a different purpose.

Mr. President, I think we have to address this subject. One of the things we have done is ask the President to join with Republicans to draft a bill so that we can move ahead quickly on a bipartisan measure. There is a lot to agree on.

What can we agree on?

One, I think we can agree to eliminate the prohibitions on referring people to jobs, a restriction which now stands in the current law. The 1988 welfare reform bill included a tragic provision, a provision that literally made it illegal to refer welfare recipients to a job, even though they want the job and want to be referred to the job, and even though there was an opening. For them to be referred to a job, it had to be a job that involved a new position. It could not be a simple existing opening in a local agency. By restricting job referrals, we have dramatically restricted the ability to place welfare recipients into jobs where they can learn and earn and change their lives. This restriction simply must be repealed.

Second, there is an enormous amount on which Republicans and Democrats that can agree in paternity establishment and child support enforcement. Our bill requires the welfare recipient mother to name a father. It involves strong sanctions if she is able to name the father and refuses.

Why is there an insistence on identifying the father? We think it is a vital part of any welfare reform to insist that the father accept responsibility for his own child. By identifying the father, it is possible to insist that he help make payments to support the child. We think it is also a fundamental step in helping that father to take responsibility for the child he has played a part in bringing into this world. It is not simply the money, but the chance of ensuring attachment and responsibility, all of which can be lost if the father is not required to meet his responsibilities in this area.

In addition to requiring the naming of the father, the measure includes very strong language to enhance the enforcement of child support payments. This, I think, is fundamental. Our bill addresses the problem of a father leaving the State, going to another State and simply dodging his responsibility to make child support payments—partly because of the difficulty of enforcing child support orders across State lines.

The Republican welfare reform measure, which I believe will receive strong Democratic support, at least in many areas, enhances our ability to obtain enforcement of child support orders across State lines. That has several impacts. One of the impacts is to ensure that costs are reduced, that fathers who are able to pay will indeed pay. That has a significant impact on the cost of welfare. However, much more important than that, I believe it also helps ensure that the father continues to have a responsibility to that child. The fact that they make payments makes it much more likely that they will continue their responsibility to the child in other areas.

So identifying the father, enforcing child support orders across State lines, and repealing the prohibitions on work, all are factors that I think can achieve bipartisan support and make a great deal of difference.

There are also strong new measures to break the cycle of poverty included in the bill. One of the more significant of these is an effort to deal with the problem and the phenomenon of children having children—when a 14- or 15- or 16-year-old child has a child out of wedlock. Under our current system, sometimes these children have been able to establish their own households and get their own food stamps, their own AFDC payments, and their own section 8 housing.

Of the 78 need-based programs we have on the books, many are available in this circumstance. What we are literally saying to children is: if you have a child out of wedlock, you can leave home, you can get your own apartment, you can get your own food stamps, you can get your own AFDC payment, and you can leave the problems at the household where you are, and also leave whatever discipline you may have at home.

Mr. President, what this policy has done is break up families. The Republican welfare bill changes that. It suggests that in the future children who have children will have their options restricted. They will be required to live at home under parental supervision. If for some reason that is inappropriate and, of course, we can imagine circumstances where that could be the case, for example, where there is abuse of the child in the home or other personal tragedy, the teen would have to live in supervised housing. Supervision, we believe, particularly for a troubled child, is a vitally important factor. We must institute policies helping them, rather than simply throwing them out in the world without supervision and with the series of welfare checks that lets them avoid facing the reality of their acts.

The fact is that for far too long our system has encouraged and rewarded behavior which we ought to discourage. This is one change we think worthy of bipartisan support and one we think the President will ultimately endorse.

We think fundamental change in welfare must occur through changing the chemistry that makes it so difficult for people to leave welfare. One way the Brown/Dole bill proposes to help welfare recipients change their lives is a voucher program. The voucher works this way. It says to the welfare recipient if you wish as an option, only as an option, to take a voucher for next

month's welfare payments—food stamps and AFDC—you may. We will give your voucher for next month's benefits in advance. You may take it to an employer and you can trade it to the employer for a job. The employer literally gets the money from the voucher, and the employee or the welfare recipient gets a job. That job has to be a real job and it has to pay double the amount of the voucher. But it means opening up doors to welfare recipients to get real training and real jobs.

What is the fiscal impact? The welfare recipient is significantly better off. They receive double the amount of their welfare payments in a paycheck. Many of you will note that the paycheck is diminished by taxes. Yes, indeed, that is true. There are Social Security taxes, unemployment taxes, and others. But the bottom line is the welfare recipient is significantly better off than with their welfare benefits.

The employer is better off because while they have an employee that they might not have hired otherwise, the employer has some assistance for training that person; reimbursement for training that person comes from the voucher. So the employer has a real incentive to give them a chance, give them an opportunity, and a portion of the costs of training them is taken care of.

What about the Government? The Government is, indeed, out the cost of the voucher, but the Government was going to pay the welfare payments in any case. In reality, the Government is better off as well. While the Government has put out the money for the voucher, which they would have put out anyway, they have gained some revenue from the variety of taxes that are paid, the Social Security taxes that are generated, the income taxes that are paid, unemployment taxes that are paid, and a variety of others.

We literally have a situation where all three parties to the transaction are better off and the cost to the Government is reduced.

Mr. President, I cannot help but think that this will have bipartisan support. Many, many welfare recipients want to turn they lives around. They want an opportunity to change. They do not want to stay on welfare year after year after year. They do not want to surrender their potential for moving up the ladder of success. Part of what keeps them down and keeps them in poverty is the fact that they are forced into a circumstance where they simply cannot afford to leave welfare where the amount they might get for a bottom-rung job is less in aftertax dollars than what they get under welfare. It does not mean they are getting rich under welfare. They are not. It does mean that to take a job at the bottom rung to get started up the ladder of success sometimes causes them to take less in aftertax pay than they would receive in welfare benefits.

Is that their fault? Well, perhaps in a way it is. But it is also our fault, too. We should be smart enough to figure out a system where you are better off working in America than if you are not working. I think that this option for welfare recipients, not a mandate but an option for them, is one that will generate bipartisan support as well.

My hope is that we will also change welfare to expand the State options in dealing with welfare. This is an avenue Senator KASSEBAUM deals with in her bill, and it is a superb bill. It may well be the best bill that is brought before this Congress. What the Senator from Kansas says is we will pay for Medicaid and we will give the top three welfare programs back to the States in terms of a dollar exchange. The dollars are about the same, it is about even-Steven. What it does do is give the States full control over the three programs, and let the States design their own way of dealing with them. It is a way around the maze of Federal red tape that so encumbers our effort to help the poor among us.

The Brown-Dole bill does not do that, although I am a great admirer of the Kassebaum bill and am a cosponsor. What the Brown-Dole bill does do is provide our States with broad new discretionary ability to deal with welfare programs. It gives them broad discretion in designing their own programs, and in waiving federal rules and regulations. It, I think, offers bright hope to the creativity on the State level that can come into play in terms of changing people's lives.

As one looks through at the various features of the welfare system, there is near universal accord that what we are doing now simply does not work.

I want to pay tribute to the President of the United States for what he has done in terms of granting waivers to the States. As a Republican, I must admit that President Bush did not grant waivers when he should have. I think the Members of this Chamber can take pride in the fact that President Clinton has begun to grant waivers that are not only justified under the law but I think are very helpful.

I hope we will expand that power, and that is part of the Brown-Dole bill. Our welfare reform expands the ability of the States to design their own programs. Will they always do everything right? No. Will everything they do be perfect? No. But, I think ultimately we are much more likely to see programs designed to help people if we grant that discretionary power to the States. I think this is a fundamental part of welfare reform.

Mr. President, there is another part of welfare reform that I think is crucial, perhaps more important than the dollar signs that we deal with, or the outlays, or the pages of legislation. It is the process of caring about people, of helping people turn their lives around.

We have created a bureaucratic nightmare that deals with people in an impersonal way. We have set up stiff bureaucracies and strict rules and regulatory guidelines. Sometimes this Nation in its zeal to help those less fortunate has put in effect a very impersonal, uncaring, unsupportive system. Of all things we must accomplish, we must change the incentives in the system so that men and women who find themselves down and out, who are in need, will find not only financial resources to help them turn their lives around but a system that helps them find caring friends that will help them change their lives as well.

This is one of the reasons I feel so strongly about the voucher program. One of the things that the businesses across this country can do is reach out to help people who are unemployed and on welfare to change their lives. I believe the voucher system will encourage people to do it. It is more than simply offering a job. It is offering a caring hand. Business that says we care about you, not just because you will fill a job, but because you are a human being we want to invest in, a human being we are convinced can make it.

The company I worked for 11 years before I ran for Congress had such a program. They had it, not because it helped the bottom line, although I cannot help but think that it must have had rewards, but because the head of the company cared about people.

Every month the company made it a policy to reach out and hire someone who was an ex-convict, someone who had violated the law, oftentimes serious offenses, but who had paid their debt to society, at least in terms of prison time, and now needed a job.

Oftentimes these people, who had the most desire to work and the most reasons to want to turn their lives around, found it the most difficult to get anyone to take a chance on them. So what the company did was pretty basic.

They not only would give them a chance with a job, but they would assign someone who would, in effect, be their big brother or their big sister. They were the ones in the first months who would watch to see if they would come to work, if they had the kind of utensils and equipment that they needed, if they were in the kind of shape they needed to be in to do the job. It was more than being someone's supervisor. It was a matter of calling them and getting them out of bed if they did not show up for work. It was a matter of leaving work and going over to the house and shaking them by the shoulder and getting them to work. It was more than just going the extra mile. It was assigning someone who cared about you and took an interest in you.

We will be on the way to solving the welfare problem if we find a way to tap

the energy and the caring and the love that Americans have for each other.

I do not know if the voucher system is the right way to do it, but I know it is worth trying. I know that the key to success is not simply a bureaucracy that thinks you are a number or a form to fill out. The key to success is involving volunteers across this Nation in every job and work center in the country. People who care about the people they deal with and feel some identity with them and believe in their ability to pull themselves out of welfare and out of dependency upon others.

The reality is most welfare recipients have a good attitude and they want to change their lives. A good number of people on welfare get off of welfare. It is true that a substantial number of the people on welfare stay on for 8 years or more. But the majority of the people on welfare at any one time cycle and turn over and often turn over fairly rapidly. For them the system works as it should; that is, temporary help when they need a helping hand to get back on their feet and then they go on to be self-supporting.

But for those who welfare has become a way of life, we have to change things. We have to help them find a system that brings out the best in them; help them find a system that develops their own ability; help them find a system that gets them started on the ladder of success, instead of blocking them from moving up.

One thing is for sure. Keeping people on welfare generation after generation after generation is not a sign of caring for them. It is a sign of callousness. It is a sign of disregard. It is a sign of a lack of faith in them and their abilities and their opportunities. It is a way of making them dependent on Government instead of helping them realize their abilities and their dreams and their independence.

We have to do better, and I am convinced we can do better. But we cannot do better if we do not change the system.

Mr. President, I confess I am deeply disappointed that it has taken so long for the administration to come up with a plan. I understand the difficulties. I have been through the process, as well. But I hope it will be a top priority for the administration to move forward with.

We may not be able to agree on a comprehensive welfare reform bill. We may not be able to agree on a comprehensive health reform bill. But we have to try.

The tragedy of welfare, as it is now structured, affects millions of Americans and darkens their future. I know this Congress, both Democrats and Republicans, has a lot to agree on which can help them turn their lives around and make them independent. I know that if we will set our minds to it, we can move forward.

My hope has been that the Finance Committee would move forward by themselves without waiting for the administration to consider the many fine ideas being put forth by both Democratic and Republican Members in this Chamber. I remain convinced that we can reach an accord that lets every Member of this body say with pride that he or she voted for meaningful welfare reform.

To hold up the welfare reform measure for an administration bill that may be months and months in coming I think is a mistake. I would like to see us move on with the project and move on with it quickly

Mr. President, I see my colleague from Oklahoma is here in the Chamber and I yield the floor

Mr. NICKLES addressed the Chair.

The PRESIDENT pro tempore. The Senator from Oklahoma [Mr. NICKLES].

Mr. NICKLES. Mr. President, I had the pleasure of listening to part of the comments by my friend and colleague, the Senator from Colorado. I wish to compliment him. His statement concluded talking about welfare reform. He has done yeoman's work in the area of welfare reform and I congratulate him for it.

I hope, Mr. President, that welfare reform is one issue that we can work together on in a bipartisan fashion. I think Democrats and Republicans alike would agree that the present welfare system that we have has not been a success. In many cases, it has been a dismal failure.

We have spent, I think, since the inception of a lot of the Great Society programs, in welfare about $5 trillion. It is interesting to note we have the same percentage of the population defined as welfare or under the poverty level today as we did in 1965. So we spent a lot of money. Unfortunately, we have not had a lot of success.

It is also troubling to me to find that we have actually many families that have become so dependent on welfare.

Again, I compliment my friend and colleague, Senator BROWN from Colorado, for his leadership. I really do hope that this would be one area that we would take heed of the President's words when he said he wanted to end welfare as we know it. I hope that we do. I hope we change it.

Let us give some real incentives for people to get off welfare to go to work. Let us restore this idea of pride in family and families taking care of those who are less fortunate. I think that would be very positive.

Let us break this welfare dependency cycle, where you have generation after generation becoming welfare dependent and where we have children who are basically teenagers having babies out of wedlock. And that is becoming more prevalent all the time, and the percentages of that have become staggering.

I remember at one of the prayer breakfasts that we had, one of our colleagues started giving statistics on how that has risen in all populations, in all groups. If I remember the statistic—and I am stretching my memory and I hope I am correct—but 20 years ago, in the Caucasian population, the number of children born with one parent or born out of wedlock with a single parent family, was around 5 percent. Today that figure is over 20 some percent.

And in the number of minority youths, black youths, that were born in a single parent family, 20 years ago, it was around 20 percent; today it is almost two-thirds, right at 66 percent.

That is frightening, staggering statistics. If you look at all the U.S. population, the percentage of children who were born in a single parent family and raised in a single parent family is around 30 percent. And that figure is growing.

That is a serious problem. Those kids have a serious, serious challenge to overcome. They need a two-parent family. They need the role models of fathers. And, unfortunately, there are too many families where the fathers are absent and not providing the role model that is so desperate and so needed today.

So, again, I thank my friend for his leadership.

I am hopeful that we will work together in Congress this session—this session—to enact some needed reforms, needed reforms like workfare, where we really restore incentives and we tell people, "Yes, if you are going to receive welfare, you have to do something."

Certainly, if they are able bodied and their kids are older, they can do something. Maybe, if it is an able-bodied man, they could do some work. Maybe it is cleaning up a park. Maybe it is cleaning up graffiti. If they are a female, maybe it is working in a day care center or maybe it is helping teach some other child to read.

There also should be some requirements for them to receive the welfare. If they are going to receive a welfare check they should make sure their children are in school. That is one of the requirements we tried to push. We called it Learnfare. Let us make sure welfare recipients meet some obligations, and one of those obligations should be to make sure their children are in school.

You hate to think it, but I find it to be the case. I even stopped off in some Government housing projects, low-income housing projects, and I went in and visited with a young single mother with three or four kids. The older kids were not in school and I said, Why?

"Well, I did not get around to get them in school."

I think that is an obligation and responsibility for which they should be held accountable. They should get their kids in school. They should make

sure their kids get vaccinations. Again, that responsibility to take care of their kids. We should put in those requirements. I think it would be very positive. We should do a lot of things to help break this very terrible cycle of welfare dependency.

WHITEWATER

Mr. NICKLES. Mr. President, I wish to speak this evening on a couple of issues, one of which is a subject that has received a lot of attention, and that deals with Whitewater and the fact that there are a lot of questions that have not been answered.

I spoke some time ago about many questions that have been asked by the media, by other organizations, by Republicans, by concerned individuals—some questions on Whitewater. The President may have touched on one of those last night, but there are a lot of questions that still have not been answered that need to be answered.

I will refer to the meeting on February 2 that was arranged by Mr. Altman, the acting head of the Resolution Trust Corp., to give the White House a Heads-up about RTC's criminal referring of Madison Guaranty.

Instead of answers we received accusations, accusations of partisanship. Instead of being forthcoming with answers and information, the President accused Republicans of "an overriding-negative, intensely personal, devoid-of-principle attack." Those are the President's words.

Having engaged in a little political combat now and then, the President's comments remind me of an old political tactic. When you cannot respond or do not want to respond to an accusation, then attack the accuser. That is what he did in this case.

Not a single Republican Member of the Senate, to my knowledge, has accused the President of any wrongdoing or any criminal activity. What we have asked for is the appointment of a special counsel, which finally was agreed upon, and also for a congressional investigation, to which, I am glad to say now, that the Members of both the House and the Senate have agreed. We have not set the time. The reason we have asked for congressional hearings is just to get the facts. It is not to put anybody in jail. It is to find out answers to questions. In my opinion that is not partisanship, that is called doing our job.

Between the years 1980 and 1992—I was elected in 1980—Congress conducted investigations, conducted hearings, including hearings and investigations into 25 specific allegations of wrongdoing within the administration. On four occasions those investigations were instigated by a Republican majority in the Senate.

Many of my colleagues on the other side of the aisle said we should not hold hearings because it might interfere with the work of the special counsel. The special counsel has also expressed concern about the effect that hearings might have on his investigation. I find it quite ironic that some of my colleagues oppose hearings. If history has taught us anything in recent years, it is that congressional hearings actually help, not hinder, the work of the special counsel.

Take the Watergate scandal, for example. It was at a congressional hearing that we learned of the presence of the White House tapes. The contents of those tapes eventually led to President Nixon's resignation. And it was an RTC oversight hearing by the Banking Committee, chaired by Chairman RIEGLE, and by the ranking member, Senator D'AMATO, that revealed the February 2 meeting between RTC officials and the White House that was clearly improper. The meeting is also now being investigated by the special counsel, thanks to the information revealed at that hearing.

On three occasions during the 1980's, this Congress held hearings or conducted investigations concurrent with investigations by an independent counsel. But the most important reason for hearings is because it is our constitutional responsibility to provide a check and balance over the executive branch.

We have also heard the President say, "We are not covering up. We are opening up. We are disclosing. We are giving you information." He said that at a White House press conference in response to a reporter's question. He alluded to it last night.

Why, then, does the President refuse to disclose the information that was held in Mr. Foster's office after his death for almost 6 months? That information has now been turned over to the special counsel, but it has not been released to the public. Those are Whitewater files. Those are files that have direct bearing on this entire issue that now the media and everyone is so concerned about. It would answer a lot of the questions I am going to be raising tonight. But it still has not been disclosed.

What about the issue of taxes? The President just released today his tax returns for 1978 and 1979. He did so under pressure, because people were asking questions. And finally he released them.

What about the income tax forms? I wonder if most people are aware that Whitewater did not file income tax returns for 3 years?

Filing your income tax, if you are a corporation, if you are a company, if you are an individual, is not an optional issue. You have to file your income tax. But the Whitewater corporation did not file its income tax.

Who owned Whitewater? The McDougals and the Clintons. We understand the Clintons owned half of Whitewater, but they never have said how much money they invested in the corporation. Again, this is information we need to find out.

How much did they invest? Is that a Republican question? No, that question was asked by the New York Times. How much money was invested and how much money was lost? The President alluded to it last night. He said we lost $20,000 less than what Mr. Lyons' report—that was done in 1992—said we lost. It said the Clintons lost about $69,000. Mr. Clinton said it was $20,000 less than that, but still never said how much money was invested.

How much money did they make? How much money did they lose? Those facts have not come out and they need to come out.

We need to get the information on those files. That information, presumably, was in Mr. Foster's office, because he filed income tax returns.

We had 3 years that Whitewater corporation did not file income tax returns. Mr. Lyons' report did not reveal that. Mr. Lyons' report was done, presumably, to put Whitewater behind candidate Bill Clinton in 1992. But he forgot to mention the fact that Whitewater did not file income tax returns for 3 years. And maybe for good reason, I do not know. But I do not think there is a good reason. It happens to be against the law not to file income tax returns.

I do not like filing them. You are going to have a lot of constituents in West Virginia and Oklahoma and in a lot of places that kind of get in a bad mood because it is income tax time. We are rolling into income tax time. I have a brother-in-law who is a CPA. This is a busy time for him. People have to file their income tax, or at least get an extension, but they did not get an extension in Whitewater. They just did not file them for 3 years. As a matter of fact, Mr. Foster, who was working in the White House, filed the delinquent returns. That was one of the things he did shortly before his death. As a matter of fact he was working on Whitewater, according to news reports, on the day that he died.

So there was a lot of Whitewater information that was in Mr. Foster's office that was not revealed to the public; as a matter of fact, supposedly was held by the White House for several months before it was even disclosed. Keep in mind, the U.S. attorney in Arkansas was conducting an investigation on Whitewater, but this information was never turned over to the U.S. attorney until there was a hue and cry from a lot of people saying this information should be made public.

President Clinton, in the middle of December said, "Well, we will turn it over." But he did not turn it over until January 18. Then he only turned it over under the disguise, I guess, of a subpoena so that information would not be

made public. He turned thousands of pages of documents concerning Whitewater over to the special counsel, but under the form of a subpoena, therefore, the information would not be made public and it is still not made public.

That is one of the things that should be made public. People need to find out in the Whitewater files how much money was invested; how much money was made; how much money was lost; was there coercion?

Mr. Hale, David Hale, has testified that Governor Clinton put pressure on him to make a $300,000 loan to Mrs. McDougal who was a partner in Whitewater. He was head of a corporation, of a capital company that was supposed to make loans to low-income groups, an SBA-type loan, making loans to individuals that could not get money from ordinary banks to help disadvantaged people. That was the purpose of the SBA-type loans.

Frankly, the McDougals nor the Clintons would qualify. As a matter of fact, Mrs. Clinton, according to news reports, made right at $100,000 dealing with commodities, so certainly would not qualify for low-income or a disadvantaged-type loan, but yet he did loan them $300,000. He loaned Mrs. McDougal $300,000; $100,000 of that money ended up in Whitewater Corp. which was owned, according to the press, 50 percent by the Clintons. Neither the Clintons nor the McDougals are eligible to participate in that loan. Mr. Hale says he was pressured by Governor Clinton to make that loan. He stated it such.

Questions need to be answered. Those questions have been raised, they need to be answered. They have not been answered yet.

Mr. President, the New York Times on February 27 raised another fundamental question arising from the review of transactions involving Madison Guaranty and Whitewater: Was Madison used to convert campaign funds to personal funds? That is a good question. We need an answer.

Mr. President, the President downplays the whole Whitewater matter by insisting that, and I quote, "there is no credible evidence and no credible charge" that he violated any criminal or civil Federal law.

That is a very artfully worded sentence, Mr. President. The words "credible evidence" and "credible charge" are carefully chosen, but serious allegations and questions have been raised, not by the President but by former political associates of the President and by news organizations.

It was the New York Times, not Republicans, who asked whether Madison was used to convert campaign funds to personal funds for then Gov. Bill Clinton.

It was the New York Times, not Republicans, who asked whether Bill Clinton paid the same amount of money for their half share of Whitewater that their partner, James McDougal, paid for his.

It was the New York Times, not Republicans, who asked about possible improprieties involving Hillary Rodham Clinton and the Rose law firm.

Mr. President, I do not think any of my colleagues believe the New York Times editorial staff is in the back pocket of Republicans.

If the President and the White House is opening up, as they claim, then why are these questions not being answered? That is why we need hearings. President Clinton has done a good job coming to the defense of the First Lady, but laying politics aside, there are serious questions about her role in this matter that should be looked into by this Congress, questions not raised by Republicans but by credible news organizations, including the Washington Post.

Did Mrs. Clinton's efforts on behalf of Madison help prompt Arkansas State regulators to go easy on that failing savings and loan?

Did Mrs. Clinton get the power of attorney she was looking for over all Whitewater affairs back in 1987?

And what happened to all the Whitewater records that she asked be delivered to the Governor's mansion in 1987? I might mention that Mr. McDougal said that he sent all the papers to the Governor's mansion, but yet those papers have not been made public, and we continue to hear, "Well, those papers aren't available," or "They can't be found."

This is not a partisan issue. Growing numbers of Americans believe the President did something seriously wrong in Whitewater. The same is true for Mrs. Clinton. The White House and Treasury Department aides have been subpoenaed by the special counsel. I fear, as the President probably does or obviously does, that this matter will preoccupy the White House and the country at the expense of issues that matter to real Americans, issues like crime and health care, welfare reform, and the need to get our Federal deficit under control.

I think it is important that we do work together. I think it is important that we work together on issues that are important, but we need some answers to questions.

Here is a Wall Street Journal article of March 14 that asks several different questions. These questions have yet to be answered. They were not answered last night by President Clinton and they have not been answered yet. I will include them into the RECORD.

Our colleague, Congressman JIM LEACH yesterday made a speech where he asked a lot of questions, where he made statements, where he raised concerns and also made some comments concerning facts. I will take a few excerpts from his speech. He made a very lengthy speech and I will not put that in its entirety into the RECORD, but I will raise some of the highlights that have been mentioned by Congressman LEACH.

He said:

Perhaps laws have not been broken, but seldom have private and public ethics of professionals in the White House and executive departments and branch agencies been so thoroughly devalued.

The point of all this is that there is a disjunction in this administration between public policy and private ethics. What is also extraordinary is the absence of simple truth.

Administration claim: Whitewater caused no losses to Madison.

Fact: As reflected in the minority-developed charts and evidence by supporting documentation, Madison and affiliated companies transferred significant resources to Whitewater. In addition to being a modest sized real estate company, with a cash flow derived from land sales, Whitewater appears to be one of a dozen so companies with direct or indirect access to Madison and its taxpayer guaranteed deposits.

Administration claim: The Clinton's lost money in Whitewater.

President Clinton mentioned this last night, although he did say he did not lose as much as previously reported. Again, this is Congressman LEACH'S statement.

Fact: To have lost money in Whitewater implies that the Clintons invested sums which were unrecovered. Their Whitewater partner, James McDougal, claims at most the Clintons over the years put in $13,500 in Whitewater. The minority has provided evidence that one land transaction alone returned more than this amount to the Clintons and published reports indicate tax deductions of some value were taken. The Lyons report, as well as the review of the land sales, indicates substantial sums were taken out of Whitewater over the years.

Administration claim: The President and his staff would fully cooperate with Congress.

Fact: The executive branch is actively working to prevent full disclosure of documents and committee access to witnesses.

Administration claim: It has done nothing done in relation to the RTC investigation into the failure of Madison and is fully cooperating with Special Counsel Fiske's probe.

Fact: Officials of an independent regulatory agency (the RTC) immediately notified the White House of the probe of Madison by its Kansas City office and attempted to put in place procedural techniques to undercut the traditional independence of its regional offices.

Fact: On September 29, 1993, before the new criminal referrals were sent to the Justice Department, Treasury General Counsel Jean Hanson briefed the White House counsel on them. Nine days after the meeting, the referrals were sent to the Justice Department. On October 14, Jean Hanson with Secretary Bentsen's press secretary and chief of staff met with Presidential advisers ostensibly to discuss press inquiries related to Madison Guaranty.

Fact: On February 2, right after the appointment of Special Counsel Robert Fiske, Roger Altman gave the White House a "heads up" briefing on Madison. At the Senate oversight board hearing, Roger Altman

revealed his February 2 meeting, but no others.

Fact: After the appointment of Special Counsel Fiske, Washington RTC officials imposed censorship guidelines on Kansas RTC employees. No discussion with Fiske could be made without going through Washington. No meetings between Kansas City office and Fiske could take place without accompaniment of Washington officials. No materials could be forwarded without going through Washington. All information concerning the attorney-client privilege was to be redacted, with Washington RTC determining the scope.

Administration claim: No fund raising improprieties occurred.

Fact: On April 4, 1985, Jim McDougal hosted a fundraiser for Governor Clinton. The Clintons repeatedly asked McDougal to host the fundraiser to pay off the $50,000 personal loan that Clinton had taken out in the final weeks of his 1984 campaign. The question at issue is whether some of the money appears to have been diverted from Madison Guaranty, which would then, with the failure of Madison, imply deferred Federal financing of gubernatorial election. For example, one cashier's check for $3,000 was made in the name of Charles Peacock III, then a 24-year-old college student who disclaims any knowledge of having made the contribution. Mr. Peacock's father was a major Madison borrower and served at one time on Madison's board.

Mr. President, I could continue. I will enter these two pages concerning Mr. Leach's statement. But my point is there are a lot of questions that have been raised. The President gave a very eloquent performance last night, but he did not answer hardly any of the questions. Maybe it is not possible to do that in 30 minutes. But these questions need to be answered. They need to be resolved. The American people are entitled to have answers to these very important questions.

Mr. President, I ask unanimous consent to insert these two pages to which I have referred, as well as the questions in the Wall Street Journal article, in the RECORD.

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

IN A NUTSHELL, WHITEWATER IS ABOUT THE ARROGANCE OF POWER

Excerpts from the statement by Rep. Jim Leach, Iowa Republican, on the House floor yesterday.

"Constitutionally, it is the duty of Congress to oversee breaches of law or public ethics in the executive branch. . . .

If the majority party refuses to uphold its responsibilities because of political embarrassment to its party's top elected official, the minority party is left with the choice either of joining in a complicity of silence or pursuing investigations that run the danger of being partisan. . . .

On the landscape of political scandals Whitewater may be a bump, but it speaks mountains about me-generation public ethics as well as single party control of certain states and the U.S. Congress.

In a nutshell, Whitewater is about the arrogance of power—Machiavellian machinations of single-party government. It all began in the late 1970s when a budding S&L owner named James McDougal formed a 50-50 real estate venture with a young politician, the then-attorney general of Arkansas, Bill Clinton. In this venture called Whitewater, the S&L owner and S&L affiliated entities provided virtually all, perhaps all, the money; the governor-in-the-making provided his name.

Over the years, the company received infusions of cash from the S&L as well as from a small business investment corporation which diverted, allegedly at the governor's request, federally guaranteed funds from a program designed for socially and economically disadvantaged people to the governor's partners and thence, in part, to Whitewater.

Some of these funds were used to pay off personal and campaign liabilities of the governor; some to purchase a tract of land from a company to which the state had just given a significant tax break. Whitewater records have apparently been largely lost.

A review of the numerous land transactions, however, raises questions of what happened to the money that came into the company and a review of the president's tax records raises questions about tax deductions that were taken and income that may not have been declared.

Under the governorship of Bill Clinton. Jim McDougal was named a gubernatorial aide to serve principally as liaison to the Economic Development, Commerce, and Highway and Transportation departments; the first lady of Arkansas was hired to represent the S&L before state regulators; the president of the S&L was placed on the state S&L commission; and attorney who represented the S&L was named the state S&L regulator; the S&L received rent from state agencies; Whitewater had roads constructed using a state agency program and state funds; and the S&L was allowed to operate, despite being insolvent for an extended period, providing millions in loans and investment dollars to insiders and the Arkansas political establishment.

Under the governorship of Bill Clinton, the S&L was allowed to grow 25-fold until federal regulators forced its closing, at which time taxpayers picked up the tab for losses that amounted to approximately 50 percent to the institution's deposit base. * * *

The story of Whitewater is thus part and parcel the story of the greatest domestic policy mistake of the century—the quarter trillion dollar S&L debacle. It is the story of a company which in one sense was a simple real estate development venture, but in another was a vehicle used to spirit federally insured deposits from an S&L and compromise a significant political figure. * * *

In our kind of democracy ends simply don't justify means. Just as a conservative, who may despise government, has no ethical right not to pay taxes, a liberal has not ethical basis to put the public's money in his own or his campaign's pocket just because he may have the arrogance to believe his is advancing a political creed that is in the public's interest. * * *

Much press attention has centered in recent weeks on the revelations of improper contact between employees of independent federal agencies and the White House. The question of whether a "heads up" was appropriate is of significance. More so, is whether the line between a "heads up" and "cover-up" was crossed.

By background, for several years a group of criminal investigators for the RTC in Kansas City [Mo.] reviewed the failure of Madison Guaranty Savings and Loan in Little Rock and came to the conclusion criminal referrals were appropriate. In the last week of September 1993, they sent copies of their referrals to Washington. Within a few days of receipt of the referrals from the Kansas City office, RTC Washington officials visited the White House.

Within a few weeks, in an unprecedented change of procedure, Washington demanded to review all Madison referrals. Within a few months, a senior Kansas City criminal investigator was removed from the case. Within a few more months, officials from RTC Washington visited Kansas City to pass on the determined message that senior RTC officials in Washington wanted it understood that they wished to claim Whitewater was not responsible for any losses at Madison.

The briefing of the White House by high-ranking Department of Treasury and RTC employees must be understood in the context of the development and transmittal to the Justice Department of these referrals and in the context of the possibility Kansas City was in the process of developing further referrals. * * *

The revelations that U.S. government officials briefed key White House aides on potential legal actions which independent regulatory agencies might be obligated to take implicating but not charging the president and first lady subvert one of the fundamental premises of American democracy—that this is a country of laws and not men.

In America no individual, whatever his or her rank, is privileged in the eyes of the law. No public official has the right to influence possible legal actions against him or herself. For this reason, agencies of the government as well as the White House have precise rules governing employees. * * *

Perhaps laws have not been broken, but seldom have the public and private ethics of professionals in the White House and executive departments and branch agencies been so thoroughly devalued.

The point of all this is that there is a disjunction in this administration between public policy and private ethics.

What is also extraordinary is the absence of simple truth.

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Fact: As reflected in the minority-developed charts and evidenced by supporting documentation, Madison and affiliated companies transferred significant resources to Whitewater. In addition to being a modest-sized real estate company, with a cash flow derived from land sales. Whitewater appears to be one of a dozen [or] so companies with direct or indirect access to Madison and its taxpayers guaranteed deposits.

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Fact: On Sept. 29, 1993, before the new criminal referrals were sent to the Justice Department, Treasury General Counsel Jean Hanson briefed White House Counsel on them. Nine days after the meeting, the referrals were sent to the Justice Department. On Oct. 14, Jean Hanson, with [Treasury] Secretary [Lloyd] Bentsen's press secretary and chief of staff, met with presidential advisers ostensibly to discuss press inquiries related to Madison Guaranty.

Fact: On Feb. 2, right after the appointment of Special Counsel Robert Fiske, Roger Altman gave the White House a "heads up" briefing on Madison. At the Senate Oversight Board hearing, Roger Altman revealed his Feb. 2 meeting, but no others.

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Fact: On April 4, 1985, Jim McDougal hosted a fund-raiser for Gov. Clinton. The Clinton's repeatedly asked McDougal to host the fund-raiser to pay off the $50,000 personal loan that Clinton had taken out the final weeks of his 1984 campaign.

The question at issue is whether some of the money appears to have been diverted from Madison Guaranty, which would then, with the failure of Madison, imply deferred federal financing of a gubernatorial election. For example, one cashier's check for $3,000 was made in the name of Charles Peacock III, then a 24-year-old college student who disclaims any knowledge of having made a contribution. Mr. Peacock's father was a major Madison borrower and served at one time on Madison's board.

Mr. Speaker, the president's former partner, Jim McDougal, in a number of occasions has contested the assertion that no resources were taken from Madison Guaranty and its related entities and given to Whitewater. . . . Mr. McDougal gives great credence to the circumstance that at some point Madison Marketing may have been operating as an intended proprietorship of his wife, but, whether this is true, this appears to be a distinction without a difference, form over substance.

This view is in discordance with that of the United States government. . . . It is also in discordance with a contemporaneous view of the legal situation as defined and described by Mr. McDougal in a July 1, 1986, memorandum from him to Madison Guaranty's president, Mr. John Latham. . . .

This evidentiary material coupled with the April 17, 1985, minutes of Madison Financial's board authorizing a transfer of $30,000 from Madison Financial to Whitewater, the memo of L. Jean Lewis of the Kansas City RTC office showing over a six-month period reviewed that approximately $70,000 was transferred from Madison or affiliated entities to Whitewater, plus other more confidential RTC material in our possession indicates there is every credible reason to believe that Madison Guaranty through affiliated entities did transfer money to Whitewater.

Furthermore, records filed with the Arkansas secretary of state's office show that Mr. McDougal, as president of Madison Financial Corp. [A subsidiary of Madison Guaranty] on July 26, 1986, filed an application for registration of fictitious name. The application was for Madison Financial to do business as "Madison Marketing".

The effect of this statement with its supporting documentation is to evidence that:

1. Whitewater may have begun as a legitimate real estate venture, but it came to be used to skim, directly or indirectly, federally insured deposits from an S&L and a small business investment corporation. When each failed, the U.S. taxpayer became obligated to pick up the tab.

2. The family of the former governor of Arkansas received value from Whitewater in excess of resources invested.

3. Taxpayer-guaranteed funds were in all likelihood used to benefit the campaign of a former governor.

4. The independence of the U.S. government's regulatory system has been flagrantly violated in an effort to protect a single American citizen.

5. Congress and the executive are employing closed-society techniques to resist full disclosure of an embarrassing circumstance, with unfortunate precedent setting ramifications. . . .

Whitewater is less about the issues of the day than it is the ethics of our time. It is a central issue not because it is big, but precisely because it is small."

FRESH QUESTIONS MAKING WHITEWATER AN AFFAIR HARD TO FORGET

(By R. W. Apple Jr.)

Washington, March 24—Representative Jim Leach of Iowa dropped his blockbuster this afternoon, but whether it will inflict heavy political damage remains to be seen.

For weeks and months, there have been allegations of irregularities, even shulduggery, in an Arkansas real estate deal involving Bill Clinton and his wife 15 years ago. But to most Americans, it seemed like much ado about not very much, and the whole thing took place long ago and far away, anyway.

Suggestions earlier this month that those who were supposed to be investigating the matter had improperly briefed people in the White House several times brought the controversy into the here and now—out of Arkansas and into Washington, out of the 1970's and into the 1990's. Subpoenas were issued to several top-level Presidential aides (two of them, George Stephanopoulos and Bruce Lindsey, testified today), and President Clinton conceded at the time that "it would be better if the meetings and conversations hadn't occurred."

But until Mr. Leach made his charges on the floor of the House of Representatives today, and backed some of them with detailed documents, no one with any credibility to speak of had actually accused anyone in the Administration of trying to interfere with the investigation or cover something up.

Mr. Leach did that.

He has a formidable reputation for independence and rectitude matched by few people on Capitol Hill, and that gave weight to what he said. But his charges remain unproven, and Mr. Clinton categorically denied at his news conference tonight any knowledge of the actions of which Mr. Leach spoke. If anybody interfered, he implied, it was probably Republican appointees.

FRESH QUESTIONS TO ANSWER

The President also took several further steps tonight in his campaign to demonstrate that he and Mrs. Clinton have nothing to hide, pledging to release tax returns he had previously kept confidential and conceding that his original estimates of their losses on Whitewater might be wrong.

Nevertheless, fresh questions permeate the political atmosphere here: Which officials of the Resolution Trust Corporation oversaw the investigation of the failure of Madison Guaranty Savings and Loan and any potential connection with the Whitewater land deal? Did they, as charged, try to steer the inquiry away from Whitewater and the Clintons? If so, who, if anyone—in the Treasury Department? in the White House?—told them to do it? Who in the White House, if anyone, learned of it after the fact? What did they do then?

The Iowa Republican has handed over his evidence to the special counsel in the case, Robert B. Fiske, Jr., who will have to try to figure out the answers. But politics dispenses a rough justice of its own, and today was no exception.

Mr. Clinton's standing in the polls which has been slipping in the last few days, will almost certainly slip further now. In the latest survey by the Los Angeles Times, two-thirds of the respondents said they thought the Clintons were guilty of some wrongdoing, and half said they thought the White House had concealed damaging information—all before Mr. Leach spoke.

But the Times poll also showed that four of five Americans think the White House affair is disrupting the Government's effectiveness. The President and his advisers clearly think that finding, at a time when the public seems to want action by the Government, can be turned to Mr. Clinton's advantage.

He scheduled tonight's prime-time news conference, only the second of his Administration, to try to regain the offensive, to turn people's minds back to health care, crime and other issues, but Mr. Leach prevented that. The news conference was about Whitewater, and the President looked beleaguered if still a scrappy advocate of his own position as he defended his and his wife's ethical sensitivity and commitment to public service.

"Since we came here, our country has been moving in the right direction," he said, rattling off a list of issues he has driven to the top of the national agenda and bills he predicted Congress would pass this year. "I know that many people around America must believe that Washington is overwhelming preoccupied by the Whitewater matter. But our Administration is preoccupied with the business we were sent here to do for the American people."

He argued that Whitewater would ultimately matter little "in the light of history" compared with "the fact that by common consensus we had the most productive first year of a Presidency last year of anyone in a generation."

The White House strategy is to portray Mr. Clinton as the high-minded statesman, concerned for the nation but harassed by Republicans acting out of the basest of motives and by the equally selfish, headline-hungry news media. Dee Dee Myers, the White House

press secretary, actually said on television this afternoon that while others reveled in imagined scandal, Mr. Clinton was doing his best "to make sure that the world is safe for democracy."

She and others close to the Clintons have been making the argument for several weeks now that the people with whom the Clintons associated before they came to Washington were being pilloried because they came from Arkansas. Last weekend, for example, a cabinet member told a reporter: "You would never pick on these people if they had grown up in Boston or Washington and gone to Harvard or Yale. You all have a contempt for the South and for Arkansas."

APPREHENSIVE DEMOCRATS

Much of the same populist tactic was employed in defense of President Jimmy Carter when he came under fire. It failed to stop his slide in the polls.

The Easter Congressional recess, which begins this weekend and runs through April 11, now looms large for Mr. Clinton. While he takes a brief vacation in California and works on his regular Joe image by attending University of Arkansas basketball games, the denizens of Capitol Hill will be busy taking soundings back home.

Already, many are worried, especially Democrats, who are fearful of heavy losses in November. Their apprehension is pushing them ineluctably toward the hearings they have so strongly opposed, lest their constituents consider them part of a cover-up. Senator Bob Dole, the Republican leader, said today that he expects hearings soon, probably by June, and many Democrats are starting to argue that it would be better to get them out of the way.

The trouble with that approach is that few on the Hill even pretend to know the truth about the charges. As Ted Van Dyk, a longtime Democratic strategist, said this week, "No Congressional Democrat wants to dispute charges made against the Clintons only to find the following day that they are true or that new ones have surfaced."

Presumably acting on the advice of his new counsel, Lloyd N. Cutler, Mr. Clinton moved quickly on Wednesday to demote yet another aide who had become a symbol of ethical slovenliness, William H. Kennedy 3d, a former member of Mrs. Clinton's law firm who had been in charge of checking the backgrounds of potential Federal nominees.

In the face of Mr. Leach's charges, the President will have to continue, as he did tonight, to answer questions on Whitewater as they come, and to do everything possible to assure the public that he is cooperating with the special counsel. To do otherwise would revive talk of a bunker mentality and tempt the Congressional Democrats to edge away from Mr. Clinton in an effort to save their political skins.

That is something the President can ill afford as he scours for every vote in his bid to pass what he considers the centerpiece of what he hopes will be the first of two terms.

[From the Wall Street Journal, Mar. 14, 1994]

FISKE GETS OFF TO FAST START IN WHITEWATER PROBE BY MOVING FORWARD AGGRESSIVELY ON ALL FRONTS

(By Ellen Joan Pollock)

After only six weeks on the job, special counsel Robert Fiske has launched aggressive probes on all fronts of the tangled Whitewater controversy.

His opening salvo was a stern warning to the White House, Congress and Hillary Rodham Clinton's former law firm that he won't tolerate anything that impedes his investigation. In a show of prosecutorial muscle, Mr. Fiske came to Washington last week from his Little Rock, Ark., headquarters to urge lawmakers to delay hearings. He also questioned White House aides before a grand jury to see if there were improper contacts with Treasury officials about a criminal inquiry into a failed thrift once owned by a Clinton business partner.

The fulcrum of the investigation will soon shift again to Little Rock, where a small band of lawyers and FBI agents has been poring over records of Madison Guaranty Savings & Loan and preparing to question witnesses before a special grand jury set to convene on March 23.

So far, Mr. Fiske, a Republican, is getting good marks from veterans of other investigations, including Iran-Contra prosecutor Lawrence Walsh. But Thomas Puccio, who prosecuted the Abscam corruption cases, says it was a waste of time to subpoena White House officials to testify about how they learned of the impending Madison investigation because the Justice Department would have eventually told them about it anyway.

Mr. Fiske has a reputation for fierce independence and is staying clear of the web of social and professional connections that helped spawn the Whitewater controversy in the first place.

Shortly after his appointment in January, Mr. Fiske received a friendly note from Little Rock lawyer Alston Jennings Sr., who like Mr. Fiske is a former president of the prestigious American College of Trial Lawyers. Mr. Jennings represents Seth Ward, a former Madison consultant and father-in-law of Associate Attorney General Webster Hubbell. But when Mr. Jennings followed up with a call, he got a polite brushoff from Mr. Fiske. "He obviously didn't want to be seen anywhere with me," Mr. Jennings said.

Mr. Fiske, a New York litigator on leave from the Wall Street law firm of Davis, Polk & Wardwell, is pursuing a number of different investigative threads at once.

THE MCDOUGALS AND THE CLINTONS

The heart of the Whitewater controversy centers on the Clinton's business relationship with Arkansas businessman James McDougal, who owned Madison, and his ex-wife, Susan. The Clintons and McDouglas were partners in Whitewater Development Co., a 230-acre real estate venture on Arkansas's White River, in which President Clinton and the first lady say they lost money. Unsorting the tangled business dealings between the Clintons and the McDougals is one of the central preoccupations of Mr. Fiske's squad of investigators in Little Rock.

Mr. McDougal, a highflying deal-maker with connections to prominent members of Little Rock's business and political communities, ran Madison as his own financial fiefdom. In 1985, Mr. Clinton asked him to host a fund-raiser to help retire a $50,000 campaign loan. At the fund-raiser, which then-Gov. Clinton didn't attend. Mr. McDougal raised $30,000. But there is evidence that some of the money may not have come from contributors but from Madison accounts.

The Fiske staff hopes that documents involving Madison, a Cherry Valley, Ark., bank that furnished the 1984 campaign loan, and the Clinton campaign, will shed light on that flow of money.

Mr. Fiske is expected to investigate allegations that Mr. McDougal "carried" the Clintons in the Whitewater venture, launched with $203,000 in loans. There is evidence that the McDougals shouldered more of the financial burden in the investment than the Clintons even though the two couples had an equal stake. Mr. Fiske will also question why Mr. McDougal and President Clinton have conflicting accounts of their investment. For example, the Clintons say they lost almost $69,000 in Whitewater but Mr. McDougal says they lost only about $9,000. The Clintons didn't claim any Whitewater loss on their tax returns. Cash also inexplicably move between Whitewater's account and other accounts at Madison, which failed in 1989.

The investigators already have voluminous documents involving the McDougals' business interests. James Lyons, a Denver lawyer who prepared a report on Whitewater for the Clinton presidential campaign, has also turned over documents.

MADISON'S FAILURE

Mr. Fiske is trying to discover whether the Clintons improperly used their influence to bolster Madison's sagging fortunes. In 1985, Madison hired Mrs. Clinton and the Rose Law Firm to help it get authorization for a stock offering. The Arkansas securities department, which had to approve the plan, was headed by Beverly Bassett Schaffer, a Clinton appointee.

Mr. Fiske recently subpoenaed the commission's records. Mrs. Schaffer, a lawyer now in private practice, has turned over her private calendars for that time, according to her husband. Mr. Fiske has subpoenaed files from the Rose Law Firm as well.

Also on Mr. Fiske's agenda is an examination of the webb of Mr. McDougal's failed business and real-estate interests. Mr. McDougal had business relationships with many people prominent in business and in politics, including current Arkansas Gov. Jim Guy Tucker. Gov. Tucker received a grand jury subpoena before Mr. Fiske was appointed special counsel. Mr. McDougal has complained that allegations of mismanagement at his S&L are being recycled from a 1990 federal fraud trial in which he was acquitted.

THE ROSE LAW FIRM

The Rose firm meanwhile, has become tangled in the Whitewater controversy on several levels. Mr. Fiske is expected to examine whether the firm had conflicts of interest when it represented the Resolution Trust Corp., after it took over Madison, in litigation against the thrift's auditor. A grand jury has subpoenaed documents involving Seth Ward, Mr. Hubbell's father-in-law, who sued Madison for commissions stemming from real-estate transactions.

Ronald Clark. Rose managing partner, says the firm is cooperating fully with Mr. Fiske. Several rooms at the firm are devoted to culling documents to ensure that client confidences are not divulged as documents are turned over. Mr. Clark also insists that any documents that may have been shredded have nothing to do with Mr. Fiske's inquiry.

DAVID HALE

Later this month, Mr. Fiske will prosecute David Hale on charges of defrauding the Small Business Administration, which had licensed him to grant loans through his Capital Management Services. On the face of it, this case has nothing to do with Whitewater. But Mr. Hale, a former municipal judge, has alleged that Mr. Clinton, when he was governor, pressured him into making a $300,000 loan to a firm owned by Mr. McDougal's wife, Susan. Some of that loan was allegedly diverted to Whitewater.

When Mr. Fiske replaced other federal prosecutors in the Hale case last month. Mr.

Hale's co-defendants objected strenuously because they didn't want to be pulled into the Whitewater controversy. But Mr. Fiske's lawyers prevailed. The trial is set for March 28.

THE DEATH OF VINCENT FOSTER

Mr. Fiske has assigned a deputy, Roderick Lankler, to take charge of the most sensitive corner of his investigation, a full-scale probe of the death of Vincent Foster.

The goal is to solve the mystery of why Mr. Foster killed himself and whether the Whitewater controversy contributed to his despondent mood. Even if a definitive answer can't be found, investigators hope to quash some of the zanier conspiracy theories. They don't believe speculation, rampant in the tabloid press, that Mr. Foster was murdered. Forensic experts and pathologists will examine documents already turned over by the U.S. Park Service, which investigated Mr. Foster's death, and Mr. Lankler is considering retaining a psychiatrist to evaluate Mr. Foster's mood before he died.

Under the supervision of Mr. Lankler, who once prosecuted homicide cases in the Manhattan District Attorney's office, investigators are also looking into allegations that White House officials may have impeded the park-police investigation. In the aftermath of the suicide, a file containing Whitewater documents was found in Mr. Foster's office and turned over by White House counsel Bernard Nussbaum to the Clintons' personal lawyer. The file has not been turned over to Mr. Fiske. According to White House accounts, Mr. Foster had the Whitewater file in his office because he was preparing delinquent tax returns for the partnership.

HEALTH CARE REFORM

Mr. NICKLES. Mr. President, I wish to address the Senate on another issue not related to Whitewater but, I will say, probably more important to most American people, and that is on the issue of health care.

Mr. President, we have a lot of challenges in health care. President and Mrs. Clinton undoubtedly deserve some credit for bringing the health care issue to the forefront. They have come up with a very comprehensive proposal, very extensive proposal, 1,342 pages, a health care proposal that I think the more one finds out about, the more questions, the more problems most people have with it.

I, for one, would like to see Congress work together to pass a real, significant, quality, health care bill this year, one that will expand access to a lot of people who do not have it, one that will bring health care costs down.

The President has a proposal. Many of us also have counterproposals. I have looked at the President's proposal from several different perspectives, one as an employer. I used to be an employer. And I see several major serious problems in President and Mrs. Clinton's proposal. I will address those.

Then I would like to address, just for a moment, some counteralternatives or countersuggestions I think would make significant improvements.

Ms. MIKULSKI. Will the Senator from Oklahoma yield for a question?

Mr. NICKLES. I will be happy to yield.

Ms. MIKULSKI. How long does the Senator from Oklahoma intend to expand his views on what should be a national framework for health insurance reform?

Mr. NICKLES. I could talk as long as necessary, but I will be happy to yield some time to my colleague; or I will talk for 10 minutes and I will yield the floor and allow my friend and colleague from Maryland to have the floor.

Ms. MIKULSKI. I would encourage the Senator to expand his views; 10 minutes would be sufficient. I thank the Senator for his courtesy.

Mr. NICKLES. I will be happy to. I did not realize my colleague was wanting the floor. I will try to do it in 10 minutes.

Mr. President, I mentioned as an employer I had several problems with the President's package, one of which I guess would be obvious—an employer mandate. But that is just the start. The President's package has an employer mandate. It says, employers, you have to pay 80 percent of the health care package.

That sounds simple. A lot of people say, well, why not?

Well, the President's package is a very expensive package. A lot of people in America do not know that the Congressional Budget Office has estimated that the cost of the President's package for a family in West Virginia, Oklahoma, Illinois, and nationwide is about $5,565 per family. That is a very expensive package. It has been estimated at about $6,000—$5,950 in 1994 and it escalates every year. So basically a $6,000 package per family.

If you mandate that employers have to pay 80 percent of that, that is a big hit. I daresay there are a lot of employers in West Virginia, Oklahoma, and every State in the Nation that cannot afford that kind of mandate. And if you put that kind of a burden on employers, you are going to be putting a lot of people out of work.

I can speak from experience. I used to run a manufacturing plant. We have quite a few employees to whom we provide a health and accident plan right now, and it is a lot less expensive than the President's package. We are covering our employees. And we have worked and negotiated with our employees to find something that is mutually beneficial, and it costs less than half of what the President is going to mandate.

Why should our plan be banned? Most people are not aware of the fact—this is another major, major problem with the President's proposal—it will outlaw 99 percent of the plans in America—outlaw, ban, prohibit, replace. In other words, all those plans are not good enough. They are going to be replaced with a Government-knows-best plan. It is going to be replaced with a plan designed by Washington, DC. The benefits are going to be set in Washington, DC.

Under the President's plan, he has a benefit advisory board appointed by the President. They are going to determine what benefits have to be in every single plan in America. And they may have a lot of benefits that maybe some people do not have. It may have benefits that some people already have, and they might not be included in the President's plan.

My point is that it is a Government-knows-best plan. It is saying every plan in America, you are out. We are going to replace you with a Government plan.

Now, you could keep your own plan if you had over 5,000 employees. I do not have many employers in my State of Oklahoma that have over 5,000 employees. And even if they did, they would have to subscribe, at least have all these benefits the Government says should be in this plan. And for that privilege they also have to pay 1 percent of their payroll which, if they have 5,000 employees, is a significant contribution as well.

But I have a real problem, and I asked Mrs. Clinton this in one of her meetings—and I appreciate the fact that they have invited me and many of our colleagues to health care meetings and discussions—but I asked her a question. I said, "Mrs. Clinton, my company, Nickles Machine Corp., self-insures for the first several thousand, and then we buy a policy to cover the more expensive claims. Can we continue that plan?" She said, "No." Every self-insured plan that is out there would be outlawed, would be banned. You could not do it. You could not do it if you want to.

Under the President's package, there is another little provision called mandatory alliances. You have to buy your health care from a health care alliance.

Basically, I have heard people say, well, that is a cooperative. I have heard people call them a health-type cooperative, purchasing cooperative, but it is a Government-controlled entity. If you have the standard benefit package where the Government says here is what every plan in America has to provide, and then you have a situation where the Government says, well, you paid for this by a payroll tax as proposed under the President's package or some other method, cigarette tax—and God bless the smokers; they are going to have to smoke a lot to pay for this package because the President has proposed a lot of new expensive programs. I know my friend and colleague from West Virginia and I have talked time and time again about the explosive costs of entitlements.

I will just tell my friend from West Virginia that we have not seen anything yet, because the President has at least four new expensive entitlements that will explode in cost, and he does

not have near enough money in the Presidential package to pay for them. I will just mention a couple of them. Most everybody is aware of them.

Early retirement benefits. Under the President's package, we are going to have the Federal Government pick up 80 percent of the health care costs for people who retire early, between the ages of 55 and 65. I do not know why. That has never been an obligation of the Federal Government before. If you read the Constitution, it does not say we should pick up 80 percent or 85 percent of the cost of early retirees. It is a new obligation proposed by President and Mrs. Clinton. I think it is ridiculous, and I think the cost of that will only explode.

It does not take anybody who studies this issue very long to see that people between the ages of 55 and 65 have very expensive health care.

So if they are not paying for it, the Government is going to pay 80 percent of that cost. That means we are going to have to raise taxes or the other producers in society, the workers, are going to have to contribute a lot more to pay for it.

Then I have had some people say, "This is a benefit that was put in to help the big auto companies," or the big steel companies or whatever. I asked the question. My company that I worked with, Nickles Machine, we have not made any money. We have been a nonprofit organization, not by design, but we have not made any money for the last few years. Our employees have really not gotten any raises, hardly any, over the last several years. Their average wage is a lot less than what a UAW worker working for Ford Motor Co., makes retired.

We are going to raise the taxes on some of those employees to pay 80 percent of the health care costs for retirees? I do not think so. I will tell my friends and colleagues that I will speak for a long time before we allow that to happen because I think that is grossly unfair. That is just one little entitlement.

We have the Medicare Program that says, well, beyond 65, we will pick up health care costs. Now the President's proposal says we will do it basically for anybody above 55. That is a major, major expansion of an entitlement with the Government saying we are going to come in and pick up 80 percent of that. The costs will only explode. I will tell my colleagues that there is going to be a lot more early retirees if we put a provision like that in.

The President also has prescription drugs for Medicare. That cost will explode. The President has another provision—and long-term disability I should mention. Heaven knows how much that could cost. There is no limit to how much that could cost.

Do we want to help people to have long-term disability? Sure. Is there any limit to how much that can cost? No. It could explode and grow and grow at an unbelievable rate.

Mr. President, there is another little subsidy in the President's package a lot of people have not looked at, and it is the most expensive provision in this bill. He has a little provision called employer subsidy. The idea is to help make this package grow or sell. He says we are going to limit the cost to small employers, people that have little companies, and maybe do not provide any insurance. They have low-paid workers. We are going to limit that cost to 3½ percent of payroll. For the big companies, we will limit the cost of this health care plan to 7.9 percent of the payroll. The estimated cost under the President's bill is $346 billion over 5 years—the gross cost, according to his numbers.

They come back, and say, "We are going to save in Medicare and Medicaid. So it will not cost near that amount." But the gross figures are $346 billion. And I tell you, I think he has underestimated that.

How does this work in an individual firm in West Virginia, Oklahoma, Illinois, or maybe in Maryland? I used to have a janitor service when I was going to school. I had a small business, just a little janitor service. We did not provide health insurance for our employees. I started out with my wife. We started getting more accounts. We cleaned a lot of different places—the cleaners, the ice cream shop; we cleaned the barber shop; we cleaned printers; we cleaned anything we could find.

I wanted to make money. I wanted to get through school. I wanted to hire more people. This was fun. But we did not provide health insurance for our employees. We did not pay a minimum wage either. I contracted with them. They made more than minimum wage. They were happy to have the job to help them get through school. It worked out well. We provided a good service and did some good work.

I was proud of that little business. But if you put a mandate on that company that you have to provide health insurance for your employees, I would not be able to afford it.

Do you know what the cost of the President's plan is if the employer pays all the costs? If you are talking about a married person, you are talking about something like $6,000 per family. You divide that by the number of hours in a year working 40 hours a week. That is 2,080 hours a year. You are talking about almost $3 an hour increase in cost. That little janitor service could not carry that.

So you would have to have a subsidy. The President came up and said, "We will tell that employer they only have to pay 3½ percent. We will give employer discounts or subsidies to make up the difference; 3½ percent, if you have an employee working making $10,000. Three and a half percent of that is $350.

If they are married and have a child—I had a couple that was married and had a child that worked for me. Who is going to pay the difference? The difference in this case was $5,600. That is a gift. That is not a subsidy. That is a gift. That is the Government paying nine times as much as the individual or the company.

The point is this employer subsidy which no one has talked about near enough, no one has any idea how much that is going to cost. That is just the low income. That is the small business.

What about the bigger business? I mentioned having some of the auto companies in talking to me. They pay a lot more than 7.9 percent of their payroll. Now we are going to limit them. You only have to pay 7.9. Who is going to pay the balance?

This employer subsidy thing is going to grow, and there is not near enough money in the President's package to pay for this benefit. The President's package says we will guarantee everybody these benefits. Then we are going to tax businesses so much as a percentage. That goes into this mandatory alliance.

What if the alliance does not have enough money? They can roll back prices on doctors. They can roll back prices on hospitals, nurses, and other providers. But that loan will not work unless they ration care. Then the quality of health care will come tumbling down. I do not want to see that happen.

I hope, Mr. President, that we will draw the line that says whatever health care proposal we enact, we are not going to do anything that causes the quality of health care to deteriorate in this country. We have the best quality health care anywhere in the world. Let us keep it that way.

We do have some problems. I happen to think health care costs too much, and, unfortunately, there are a lot of people that do not have health care. There are 37 million people uninsured. How can we help them? I think there are some things we can do, and things we should do.

I might mention to the President, half of those 37 million people will have insurance within 6 months. They are between jobs—maybe like my daughter. She just turned 22. She used to be a student under my plan. Now she is 22, and on her own. She has to buy her own policy. She has done that. But there was maybe a period of a month or so when she was between jobs.

Maybe somebody lost a job, between jobs. But half of that 37 million people will have insurance within 6 months.

What about the chronically uninsured, people that are really on the low end of the scale? How can we help them?

I have a proposal that is a little bit different than the President's. We

called it the consumer choice health bill. I am happy to say we have 25 cosponsors on this bill. I hope we will have some more. I hope people will look at it because it is a very viable constructive alternative.

We have done some things that are a little different. We say, "Wait a minute. Let us look at the Tax Code." The present Tax Code benefits individuals who work for an employer who subsidizes their health care. They get to have tax-free health benefits. Whatever the amount, the employer subsidizes their health care. But not all employers can do it, not all employers do it, and not everybody works.

So the Tax Code helps those people who work for generous employers. But it does not help those working for a company that cannot afford it like my little janitor service. It does not do anything for people unemployed.

You have a lot of people who can afford health care, but they do not have a job. But they do not get anything from the Tax Code. Some people have a nice, cushy job, and their employer pays half or all of their benefits. They get a tax-free benefit.

Under our proposal, we take that tax exclusion for health care, and we say let us replace that with tax credit. But it makes it universal. Let us give it to everybody, regardless of whether or not they have a job. If Uncle Sam decides we are going to make an attempt to use the Tax Code to help people buy health care, let us make it apply to everybody, not just somebody who happens to be fortunate enough to work for a generous employer.

Then for those people who are really on the lowest end of the economic ladder and still has high health care costs, let us give them a greater tax credit. Under our proposal, we give everybody a 25-percent tax credit. But for somebody who is really low income, no income, we can give them a greater tax credit, maybe 50, or 75 percent of the total cost, not only of the insurance, but of their other out-of-pocket health care costs. That will help reach out and solve a lot of the problems for that 37 million people.

Then, I believe, and almost everybody in this body believes, let us make some insurance reform. Let us make sure no one is denied insurance because they have a preexisting illness. I know a lot of my colleagues that are serving right now that have had cancer, prostate cancer.

I had bladder cancer a few years ago. One of the first things the doctor told me was, "You will not be able to buy insurance." We ought to change that. We can. We can pass that tonight.

Let us make another insurance change, and say no one will lose their insurance because they became ill. Let us make insurance truly portable. And under the provision or the bill that I have, individuals would actually own or control the insurance. They would not have to be totally dependent on their employer. They could keep their insurance with their employer if they wanted to, but they could also take the money the employer was subsidizing, giving them, and buy it from the Farm Bureau, from the REC. They could buy it from the bowling league, any group that they want to. They would have the option.

But, Mr. President, one of the vital and most important things—and I see my friend from Maryland. She represents a lot of Federal employees. Federal employees have lots of choices in health care—dozens of choices. Included in Federal employees are every Congressman and every Senator. We get to choose once a year from the whole multitude of plans.

Let us give that same option to every single person in America. I know President and Mrs. Clinton say their bill has consumer choice. I hate to say this, but that is very misleading and inaccurate. The only choice under the President's package is you get to buy the benefit that is designed by Washington, DC, and have almost no control over the cost, and it is going to be inordinately expensive. That is about the only option—buy an HMO or a fee-for-service. HMO's are estimated to cost about $6,000 per family. If you buy a fee-for-service and that means you get to keep your own doctor, you have to pay a lot more. If $6,000 is not enough—it is about $500 a month per family—if you want to keep your own doctor, you have to pay more than that. Most people do not know that. But they need to know that.

So we should give everybody in America what we have, and that is consumer choice. We can choose from dozens of different plans, and we can change plans every year. Nobody is going to deny us insurance because we happen to have cancer, or heart disease, or AIDS, or some other problem. You can get into a different health care plan if you are a Federal employee. Federal employees like that option.

Give that to everybody in America. That is why we call our plan the consumer choice plan. That is a significant reform, which would help eliminate a lot of problems in that 37 million uninsured.

So, again, let us work on attacking the problem, but let us not destroy the system that in many cases has worked well for about 85 percent of the population. Let us not take away the individual's choice. Let us not go into Illinois or Idaho and tell an employer and employee that we do not care what your health care plan is, it is not good enough. We are going to replace it, and here is the bill. People need to know that if Congress mandates a very expensive package, that is going to come right out of the hide and out of the wallet of the working men and women of this country.

If you tell an employer you have to pay 80 percent of a package that costs $6,000 a year, that is about $4,800. If that employer can afford it, is making money and maybe he is paying it, that is great. Congratulations. A lot of employers cannot afford it, and maybe are not making any money. So either they are going to lose employees, which will happen. Maybe they will go bankrupt and lose the entire company, and that will happen. That could be the thing that would put people over the edge; or, conversely, maybe they will be a survivor and will provide the insurance they have to provide, as mandated. But they are going to cut wages to do it. They are going to tell the employee: We were paying you $20,000, and we are paying maybe a couple thousand for health care. So your total compensation package, fringes and wages together, may be equal to $22,000.

Now the Government is coming up with a package to mandate the employer to pay $4,800. He can say: I calculate that to a $2,800 raise. I cannot give that to you. That is a 10 percent increase, and I have not made that money, therefore your wages are going to be reduced. Or: You are not going to get an increase next year, or a bonus. Or: We are going to eliminate the cafeteria plan where you choose your plan.

The President's bill eliminates all cafeteria plans. That is a mistake. Ask employees that participate in those; they want to choose different benefits. Maybe they want dental or something else. They will have that option. That is not available under the President's package, or under any of the packages, including the Cooper package that people talk about, because it has a standard benefit.

So, Mr. President, I mention this not to be partisan, because I want health care to be bipartisan; I want us to pass positive health care reform and to pass medical malpractice reform, so we can get health care costs down. I want us to pass antitrust reform so we can get hospitals from oversupplying services—like every hospital having an MRI, and so on. We should not have to do that.

We can pass positive health care reform this year. We can help a lot of people that do not have insurance, maybe through a refundable tax credit, as I have proposed. But let us make sure that we give people a lot of options and not come in with the idea that the Government knows best, and your plan is illegal, and we are going to prohibit you from having a self-insured plan or another plan. That would be a serious mistake. We would have severe economic consequences if we made that mistake.

I am afraid it would cost a lot of people their jobs. A lot of people today have a job with no health insurance. If we came up with that kind of a mandate, I am afraid a lot of people would not only not have health insurance but

would not have a job. That would be a serious mistake.

Again, I want to say let us draw and underline and make sure that whatever we do does no harm. Let us make sure that whatever we do is a positive, constructive improvement to the quality health care system that we have today.

I thank my friend and colleague from Maryland. I talked a little more than 10 minutes. I yield the floor.

GOALS 2000: EDUCATE AMERICA—CONFERENCE REPORT

The Senate continued with consideration of the conference report.

Ms. MIKULSKI. Mr. President, I am sure those people watching C-SPAN wonder why are we here. Why is the U.S. Senate in session at 10:30 on a Friday night, debating a variety of issues—whether it is health insurance reform, whether it is rafting the whitewaters of presidential bashing? Why are we here? Mr. President, I believe the pending business is a legislation called the National Educational Goals For The Year 2000. I would like to get back to why we are here.

Tonight, pending before the U.S. Senate, is a legislative framework that would establish eight goals that the United States of America should achieve by the year 2000, to get our young people ready for the 21st century, to make sure our young people are fit for duty in this new world, and particularly the new world order of economic competition.

What are those goals?

The No. 1 goal is that all children in America will start school ready to learn, meaning all of the kinds of things that go on in the home and in the family and in daycare, to make sure kids are ready to learn.

We also have as goal No. 2 that the high school graduation rate will increase by exactly 90 percent, to make sure those who are being left out or left behind will be included in a high school education, which is a threshold education in order to be able to seek a job in the 21st century.

Our third goal is that kids will leave grades 4, 8 and 12, having demonstrated competency in challenging subjects like English, math, foreign language, government, history, geography, and that every student will ensure that students learn to use their minds so students will be prepared for citizenship, further learning, and productive employment in our Nation's economy.

Our fourth goal is that the Nation's teaching force will have access to programs for the continued improvement of their professional skills, and the opportunity for the knowledge and skills needed to teach the kids. We have a national goal of teaching the teachers to teach the kids.

Our fifth goal is that the U.S. students will be the first in the world in mathematics and science achievement.

The last couple of weeks we watched Americans out there win the gold and the silver in the Olympics of athletics, and yet when we look at our scores in math and science we are scoring at Third World levels. Our national goal would move us to world-class standards.

Our sixth goal is that every adult will be literate. Every adult will be literate and possess the skills necessary to compete in a global economy. If we left the Senate tonight and went out to the shelters of the homeless, we would find that many adults are illiterate. That is why First Lady Barbara Bush led the literacy campaign that was not only for children but for adults, another important goal.

The seventh goal is that every school in the United States will be free of drugs, firearms, alcohol, and violence, and will offer a disciplined environment conducive to learning. Well, that should also be a threshold goal for the United States of America.

And eighth, every school will promote partnerships that increase parental involvement and parental participation in promoting the social, emotional, and academic growth of American children.

Those are the goals. Why are we on this floor tonight? Is it not true that everybody in the United States of America would agree with these eight goals? Whether you are a Republican, a Democrat, a libertarian, an anarchist—I do not know about an anarchist—would you not support these goals? So why are we here?

I will tell you why we are here. We are not here about the Goals 2000. We are here because we are conducting a rolling filibuster about an amendment to offer prayer in the schools.

Mr. President, I respect every religion that is practiced in the United States of America. I am a Roman Catholic of John XXIII and the Pope John school of thought that believes that worship is an integral part to a person's life and to the life and vitality of a community.

I believe in the power of prayer. I know what it has meant in my own life. It has been a source of inspiration, and it has been of great emotional support in personal problems like when my own dear father struggled with Alzheimer's, when my mother was in intensive care with heart bypass surgery and not only calling upon a higher power from 911 but for 411 on the information to show there is more to a person than just memos, and so on. We have to have a sense of purpose, and a sense of higher purpose.

I believe in prayer. I also understand the power of prayer in the school. I went to a Catholic religious day school. I prayed every day in school. So I know the power of prayer, and I understand the power of voluntary prayer in schools.

Mr. President, I am from the school of thought that believes that church and State should be separated but certainly not divided. And in here within the U.S. Senate if we are going to vote on prayer in the school, then we should vote on prayer in the school.

But, Mr. President, I believe that we should not use the tools and tactics of the U.S. Senate to prevent something else called prayer in the home. You might say why am I saying the Senate tactics would prevent prayer in the home? Mr. President, there is a certain number of our colleagues who are Members whose faith preference is of the Jewish tradition. We are on the eve of Passover of a very sacred holiday, and it is commemorated in the Book of Exodus as well as through a series of other things that occur in the home.

Mr. President, I think we ought to let our friends from the Jewish community be able to vote on Goals 2000, these eight goals and be able to go home to be with their family to worship in their synagogue, to worship in their home, and stop the delay and dilatory tactics that has kept us in here at great taxpayer's expense on a Friday night. We need to be able to vote on this legislation. We will be able to do it in a few short hours, and I believe we need to acknowledge what is going on here. It is a rolling filibuster.

It is a rolling filibuster over these national goals, and I respect the Senator who is so committed to prayer in the school but, Mr. President, I believe we have to stop the delaying and dilatory tactics so not only does the Senate go home but that so people who I happen to respect and admire have a chance to go home, to be with their family, to practice the Passover tradition and not be sitting in the U.S. Senate wondering if we are going to have votes at 12:01, missing planes, missing opportunities, missing to be with their families, and so on.

I believe that we need to be able to respect that people who honor a 4,000-year tradition be able to be with their own family practicing their own faith and be able to do that.

One week from tonight is Good Friday. I would not want to be in the U.S. Senate on Good Friday. That is my tradition. I want to respect the tradition of my colleagues.

I will tell you, Mr. President, tonight is March 25. It is Maryland Day. It is the commemoration of the founding of the State of Maryland. It was, as the Presiding Officer, a great student of history knows, that Maryland was the first State to grant religious toleration. It is the hallmark of the State of Maryland, so that we could be free without a State religion, without State mandates on religion, so that according to whatever was your faith preference, whether you worshipped the Bible or you worship in your heart individually, a Quaker, a Catholic, a

Moslem, a Buddhist, or whatever, you could do that.

Mr. President, to be able to keep us in session so that we would be voting on this legislation I respect, but there comes a time when we need to vote. We need to be able to bring this session to an end. We need to be able to allow our colleagues to go home and while we debate prayer in the school to allow them the opportunity to practice prayer in the home and prayer according to a tradition that has been here for 4,000 years.

Mr. President, I yield the floor.

The ACTING PRESIDENT pro tempore. The Senator from Idaho [Mr. CRAIG].

THE ENDANGERED SPECIES ACT

Mr. CRAIG. Mr. President, this evening as we debate a variety of topics destined toward a time late this evening when we will vote on a very important issue that the Senate has decided to deliberate in a fairly unique way I would like to talk about an issue that I think not only is the chairman interested in, because he is chairman of the full Appropriations Committee, but also chairman of the Interior Appropriations Subcommittee, and that is an issue that for some time has caused the American people a growing concern as to the application of public policy. I talk about the Endangered Species Act passed in 1970 for the purpose of identifying plants and animals endangered or at risk with extinction because of a change in their habitat or their environment that might have been caused by the actions of man.

This week in a public press conference the National Wilderness Institute released a study that I think spells out in a very clear way why this act needs to be revisited and why it needs to be reformed and why I would hope this year that the Environment and Public Works Committee could move toward comprehensive legislation that recognized what I believe to be the misapplication and misuse of the Endangered Species Act.

So for a few moments this evening before we get on with the business of the Senate and some legislation that needs to be dealt with, let me speak about the study itself and some of the problems that are being faced especially in the public land west where many species are being reviewed today by the U.S. Fish and Wildlife Service or by the National Marine Fishery Service and the kinds of problems that these particular approaches are causing to the human species in its attempt to co-exist with the native species of plant and animals on these public lands.

The study that was released this week examined 306 recovering species under which recovery plans will be established by the two agencies that I have referenced. These plans were developed between 1970 and 1993. The plans included 8 amphibians, 72 birds, 57 fish, 58 invertebrates, 35 mammals, 135 plants, and 27 reptiles.

That does not mean those were all of the species that were concerned. There were 466 other species that were found to be at risk or endangered or threatened during this period of time that recovery plans were developed on. There were also 3,882 species that we call candidate species or ones that these agencies are now examining to consider whether there ought to be a listing of them as threatened or endangered and whether a recovery plan ought to be established.

But the point I would like to make this evening is the application of recovery plans toward 306 species by these two agencies and what these plans have meant and, most important to the chairman of the Appropriations Committee, what these plans have cost the American taxpayer.

The top 10 species of the 306 that I would like to talk about tonight have cost these dollars of the American taxpayers.

Let me talk about the Atlantic green turtle first. Over the course of the last 15 years, the National Marine Fisheries Agency has spent $88,236,000 to save this species of turtle.

For the loggerhead turtle, the same agency spent $85,947,000 to save that species of turtle. And yet both of those turtles are in environments today and they themselves, as a species of reptile, remain relatively unstable.

The blunt-nosed leopard lizard. This lizard was found in California in the San Joaquin Valley. To recover that lizard by the management of its habitat cost the American taxpayers $70,252,000.

How about the Kemp's Ridley sea turtle, another reptile—$63,600,000.

And then several years ago, while I was serving in the House, along with my colleague from Colorado, BEN NIGHTHORSE CAMPBELL, I worked with him to get an appropriation to begin the building of a dam very important to southeastern Colorado, to a semi-arid desert environment. That dam was blocked because environmentalists said it would throw into jeopardy the environment of the Colorado squawfish.

Well, the dam has not been constructed yet. The Colorado squawfish, which just years before the Colorado Fish and Wildlife Management Agency had killed and poisoned because it was threatening other species of fish, is now, I am told, a pretty happy fish. Its habitat has been secured. And it cost the American taxpayers $57,770,000 to save that fish, along with the humpback chub, the bonytail chub, and the razorback sucker.

And, oh, by the way, saving those fish cost a whale of lot more than building the dam that would have provided water for irrigation, and provided flood control, and recreation, and created a warm water fishery that would have been a marvelous recreation facility for the citizens of the local area.

And then candidate number 9, in this list of 10 of the 306 that I am talking about this evening, is the black-capped Vireo. Now I am not sure what it is, but I think it is a bird. And it cost the American taxpayers $53,583,000 to save that.

The last, number 10 in this candidates list, is the swamp pink. That cost $29,026,000.

Well, you say, Senator CRAIG, what in the heck are you talking about? I am talking about the Endangered Species Act. I am talking about an act that, in my opinion, has been allowed to run wild and no one, including the Appropriations Committee, or the chairman, or myself, or any other Senator, has taken the time to see what this act is costing the American taxpayer or, more importantly, what it is doing.

It is now estimated that all of the species that have been listed to date—those 306, incorporated with the 460 others—have cost the American taxpayers $884,000,772, according to this study done by the National Wilderness Institute.

Now that is just today. That does not include the listing of the other 3,880 candidates of at risk or endangered species and the recovery plans that they will cost the American taxpayer.

The costs that I am referring to are only the costs to the taxpayer. They are not the costs to local or State fish and game management agencies, or to the private sector that in some way either was stopped from performing on the jobs that were lost as a direct result of man's inability to operate in a given area that became restricted to protect the environment of a given species of plant or animal.

Here is another example of the problem we are dealing with. Some of these other species, the recovery plan for the black-footed ferret was estimated by the U.S. Fish and Wildlife Services to cost $3,546,000. The amount that we have identified in the study that the agency spent was over $4,200,000, or a cost overrun of about 119 percent. This occurred in 1967.

The red-cockaded woodpecker. Now that is a bird down in the southeastern part of the United States that is today dislocating loggers, that has changed the management and the habitat of both public and private forests, has cost $8,315,000 to date in the saving of that particular woodpecker. I should say, that was the projected cost of the recovery plan. The actual cost to the U.S. Forest Service, U.S. Fish and Wildlife Service, was over $14,887,000, or a cost overrun of about 180 percent.

The big winner in cost overruns came with the Florida scrub jay. This is a

bird that it was believed would cost the American taxpayers $65,000 to secure its habitat. With a cost overrun of 33,000 percent, $21,671,000 later, I am told the Florida scrub jay is now happy and secure in his or her nest. I do not know about the nest of the humans that were dislocated as a result of the $21 million of their tax money that this Government allocated to be spent in the security of that bird.

There is another bird that is becoming relatively famous at this time. That bird is the spotted owl. The spotted owl is a bird out in the forests of Oregon, Washington and northern California.

This administration, when it first came to power, said we are going to solve the spotted owl issue because we are told it would put a lot of people out of work. They created a summit. The President went to Oregon. The summit was convened. Proposed recovery plans were announced.

To date, recovery plan option 9 is being proposed as the solution to the spotted owl. It is believed that that recovery plan will put 60,000 men and women out of work in the logging industry. That recovery plan, if it puts that many people out of work, will cost $775 million annually just in workmen's unemployment compensation.

Now that is a darn tragedy. But that is because this Congress and this Senate, in my opinion, has not been responsible in reviewing this law, in doing the necessary accounting processes that this new study points up about a public law that has run rampant in costing now over $884 million.

I believe we are now ready for some unanimous consents and other legislation to move. I would be happy to yield to Senator FORD for those purposes.

The PRESIDENT pro tempore. The Senator from Kentucky [Mr. FORD].

MORNING BUSINESS

RETIREMENT OF SAM POSEY

Mr. SASSER. Mr. President, I rise today to recognize and pay tribute to my good friend, Sam Posey, who is retiring from his long and successful service with the Memphis Fire Department and Local 1784 of the International Association of Fire Fighters.

Sam's dedication and hard work on behalf of Tennessee's firefighters is part of his family's tradition of public service. His father, William H. Posey, Sr., served in the Memphis Fire Department for 27 years and is a member of Local 1784. Sam's two brothers—William, Jr. and Henry—also have careers in fire services, and his youngest son, Philip, works with him in the Memphis Fire Department. His elder son, Sam, Jr., is a member of the Memphis Police Department.

The lives of firefighters in Tennessee have been greatly improved by the efforts of Sam Posey. As president, of the Tennessee Professional Fire Fighters Association, Sam was instrumental in bringing about much-needed benefits for firefighters and their families, ranging from pay supplements to scholarships for the children of firefighters killed in the line of duty.

Since joining Local 1784 in 1971, Sam has held every elected office within the union with the exception of secretary-treasurer. Through his work in negotiating new contracts and dealing with grievances, Sam rose up through the ranks—earning the respect and admiration of his colleagues—to eventually serve as union president, a position he has held for the past 5 years. I know the men and women of Local 1784 will miss him and the leadership he has provided over the years, and I join them in wishing him a long and happy retirement.

GREEK INDEPENDENCE DAY

Mr. SARBANES. Mr. President, I would like to take this opportunity to rise in observance of March 25, 1994, a day when millions of Greeks around the world join in celebrating the 173d anniversary of Greece's independence.

Indeed today we pay tribute to Greek and American democracy and a historic legacy of respect for the individual with which both are profoundly imbued. The famous classical scholar Edith Hamilton once noted, on being named an honorary citizen of Athens in 1957:

> Freedom was a Greek discovery. The Greeks were the first free nation in the world. Greece rose because there was in the Greeks the greatest spirit that moves in humanity—the spirit that makes men free.

Greece and America have enjoyed a friendship which has prospered for more than 170 years, dating back to our Founding Fathers. I should note that the American leadership during the 18th century recognized the important role of ancient Greece in shaping the American Constitution.

In fact, the Federalist Papers make numerous references to and contain extended discussions of the forms of ancient Greek governance. The prominent American historian Henry Steele Commager has described the extent to which the architects of the American Revolution and authors of the Declaration of Independence, the Constitution and the Bill of Rights were ardent students of the classics, Thucydides, Plutarch and others, and the ancient Greek ideas of liberty and citizenship. To be sure, Pericles' profound words of 2,000 years ago are just as pertinent today as they were in America in its early days:

> Our Constitution is called a democracy because power is in the hands not of a minority but of the whole people. When it is a question of settling private disputes, everyone is equal before the law; when it is a question of putting one person before another in positions of public responsibility, what counts is not membership of a particular class, but the actual ability which the man possesses.

As our forefathers drew inspiration from ancient Greece's democratic example, Greek patriots struggling to regain independence from four centuries of Ottoman rule in turn looked to the American revolution for strength in the face of tremendous adversity. Thomas Jefferson wrote to the Greeks as they sought their own independence:

> Possessing ourselves the combined blessing of liberty and order, we wish the same to other countries and to none more than yours, which as the first of civilized nations presented examples of what men should be.

President James Monroe observed that Americans not only participated in but were keenly aware of the valiant efforts of the Greek community on behalf of cherished individual freedoms and a return of Greece to its roots as the "Birthplace of Democracy." The great American legislator Daniel Webster also spoke eloquently for the cause of Greek Independence on the floor of the House of Representatives during the early stages of the decade-long march toward independence. Similarly to Jefferson's remarks, Webster stated of the Greeks:

> They look to us as the great Republic of the Earth, and they ask us by our common faith, whether we can forget that they are now struggling for what we can now so ably enjoy?

In this century, Greece and America have maintained close relations based on mutual respect and a shared commitment to democratic principles, values and individual freedoms. During World War I, both nations forged a steadfast alliance. During the Second World War, Greeks heroically resisted the brutal Nazi occupation, defeated Mussolini's legions, and contributed in no small part to the allied victory over Hitler and the Axis powers. At the cold war's genesis, President Truman and the American people committed to helping Greece turn back a Communist insurgency and rebuild the war-ravaged nation. As we approach the end of the century in a post-cold-war era, Greece continues to play an important role as a valued member of the international community and within NATO and the European Union. Regrettably, I must mention that the struggle for freedom is not over and will remain incomplete as long as the occupation of Cyprus continues. In keeping with such a rich heritage of liberty and freedom, Greeks everywhere cannot rest until peace and justice are restored to Cyprus and its people.

Mr. President, it is fitting today that we rededicate ourselves to the principles which inspired the free and democratic peoples of America and Greece. I would like to close by reading from today's Presidential proclamation for this occasion which I feel highlights a new era of close bonds between our

two nations and the emerging democracies around the world:

Encouraged by the triumphs of our histories and the continuity of our friendship, Greeks and Americans everywhere join today in wishing the world's newest democracies a future worthy of our past—one of great prosperity and lasting peace.

TROY S. BROWN, JR.

Mr. MITCHELL. Mr. President, Members of the Senate lost a dear friend last week with the passing of Troy S. Brown, Jr., who has served the Senate with distinction for nearly 25 years.

During his lifetime, Troy served his country in many ways. He spent more than 15 years in the Army, doing duty in Greece, Iran, and at Fort Myer.

In 1970, he came to Capitol Hill to serve as a personal aide to Senator Stennis. He later worked in the superintendent's office and spent the last 10 years as an attendant in the Senate gym.

Every Senator who had the pleasure of knowing Troy is deeply saddened by his passing. I have always appreciated Troy's enthusiasm, his kindness, and his able assistance.

I extend the condolences of every Member of the Senate to Troy's daughter, Glenda, and the rest of his family. We have lost a fine person and an outstanding public servant.

TROY S. BROWN, JR.: IN MEMORIAM

• Mr. HOLLINGS. Mr. President, Troy S. Brown, Jr., a good friend to so many of us here in the Senate, was laid to rest this morning at Arlington National Cemetery. Since 1982, Troy worked as a physical therapist in the Senator's gym, in which capacity I had the pleasure of almost daily association with this fine man.

Troy was a proud native of Mississippi. He served 3 years in the Army Air Corps during World War II, earning the Army Commendation Medal. He came to the Senate in 1970 and worked for the following decade as a staff assistant to our beloved former colleague, Senator John C. Stennis. All totaled, he served just short of a quarter century here on the Senate staff.

Mr. President, Troy Brown was a man of enormous decency and truly sterling character. He was a good friend to me and, I know, to many, many other Senators. We will miss him very much.•

TROY BROWN—A GREAT LOSS TO THE SENATE

Mr. KENNEDY. Mr. President, Troy Brown's death last week shocked and saddened all of us who knew him. For many years, he had been a faithful and respected member of the staff of the Senate gym, and we will miss him very much.

At the end of long days in the Senate, I almost always stopped for a few moments in the gym. One of the things I looked forward to most was the warm greeting Troy Brown. Whether I was there to work out a kink in my back or work off some weight, I could always count on Troy Brown to offer cheerful encouragement.

I have been known to gain a few extra pounds on occasion, so I especially appreciated Troy's creative way of assessing—I really should say condoning—my weight.

"Don't worry, about that testimonial breakfast, Senator," he would say. "I'm sure it was important. You're only up a half a pound today. You couldn't be rude. You couldn't just walk away from nice eggs benedict and good cream sauce."

He kept good records, so I could keep track of my progress—or more accurately, my lack of progress. I knew he was on my side the first day, when he volunteered to keep my numbers in code.

He wrote them down in the back of the gym book, so no other Senator could see them. I think he had a special page, just for HOWELL HEFLIN and me. That's what I call real friendship—and Troy Brown was my friend.

I remember how shocked and saddened I was last week to learn of his loss. On that Wednesday afternoon, the day he was stricken, I had gone to the gym on my way to the big St. Patrick's Day gala dinner at a local hotel. My nephew Michael, Robert Kennedy's son, was in town, so I took him to meet Troy. Well, Troy took a long look at him, laughed, and said, "Michael, it's nice to meet a Kennedy who doesn't have to watch his weight."

"And, Senator," he said, "don't worry about tonight's dinner—a good helping of corned beef and cabbage never hurt any Irishman."

I first met Troy when he joined the staff of Senator John Stennis. Troy had already had a successful career in the Army. He served in Greece and Iran during the 1950's and 1960's, and then was assigned to Washington to serve at Ft. Myer. The funeral service for Troy was held there this morning, so in a sense, Troy came home again today to Ft. Myer.

His administrative ability was his strength, and he managed the Tri-Service Barracks here. He retired as a sergeant first class in special ceremonies held for him at the Pentagon in 1968. He joined the Retired Officers Association where he was an active participant.

Troy often said he was especially proud of having worked for eight generals. But he surpassed himself when he came to the Senate. He treated all 100 of us as generals too. He managed us with grace and wit. Like John Stennis, he was a great gentleman from Mississippi.

Troy was born in Schlater, a town of 400 a few miles from Greenwood. He attended Millsaps College in Jackson before joining the Army. He grew up in a close-knit family as the protective big brother for his sister Nancy, and as the best friend of his younger brother Howard. He was proud of Howard's fine career at the IRS, and proud of Nancy the biochemist, working in AIDS research.

From his mother, Troy inherited his caring ways. From his father, his wit and abiding interest in politics. His father, in his 90's now, handled land sales and spent endless hours traveling the country, talking to farmers and other members of the community about issues of the day. Troy's father introduced him to Senator Stennis and kept him up to date on grassroots news of Mississippi when he settled in Washington.

Troy was also a gourmet cook. He quietly took French cooking lessons, to the delight of friends he invited to dinner. I'm told he used a lot of butter, so I know I would have enjoyed his creations.

His prize possession was his special cookware. He splurged to buy his pots, and as his daughter Glenda says, he made sure he paid those bills on time.

On Sundays, he would reign in the kitchen, preparing great tender roasts without making a mess. He said his secret was cooking them on the top of the stove instead of in the oven. Nancy and Glenda were his most frequent guests, and they both agree that Troy's poached salmon was better than the Four Seasons.

When Troy wasn't cooking, he was washing the dishes—and watching wrestlers out of the corner of his eye. He enjoyed the showmanship and entertainment as much as the sport. He thought wrestlers were wonderfully amusing actors—almost as amusing as Senators wrestling with issues.

I think of the way he could throw a wet towel into the laundry bin from far across the room. No Senator could match him. Michael Jordan could not have done it better—nothing but net.

In football, he was a Redskins fan. In music, a Mozart fan. But the real music was his harmony with life—his warm personality and generous friendship that spread good feeling to all.

Another joy he found was planning his custom-built house. He and Glenda, who does contracting, worked together on the project, and it brought them even closer. Glenda and Troy would make excursions to hardware stores and choose the faucets, the doorknobs, and the bricks for the exterior. Glenda created the interior blueprints, and as a proud father, Troy showed them off. He took them everywhere, including the Senate gym. He showed them to me, and I was so impressed that I hired Glenda to supervise some work on my own house.

Now, of course, their dream house won't be built. But for Troy and Glen-

da, the planning was a wonderful shared adventure, and the memories will endure.

Glenda was Troy's only child, and as all of us knew, he loved her very much. The two of them made a special effort to care for each other after the death of Troy's wife. There were the regular Sunday dinners, and the many phone calls. He gave her the most thoughtful gifts. For her birthday, he gave her tuition toward her Ph.D. Troy was the kind of father who always checked to make sure Glenda was doing well. She said he was "the best Dad any child could have asked for—protective, but not possessive."

People make friends over a lifetime in many different ways, and I have been blessed in public life with friendships I value deeply. The gift of such friendship is one of the greatest blessings that anyone can bestow. When I think of Troy, I remember his big heart and the genuine sense of joy he brought to everything and everyone he touched. And I recall the words of the poet—what "golden friends I had."

One final story tells a lot about Troy. A year or two ago, he gave Glenda a special gift. Her name was "Shannon"—a black and white border collie who adored them both. On Troy's visits, Shannon would jump up beside him on the couch, snuggle closer and closer to Troy, and finally lick his cheek. This ritual delighted everyone who saw it, and remembering it now is special comfort for Glenda. As she said in this sad week of his loss, "He left part of himself with me, through Shannon."

Troy Brown left part of himself with all of us, too. We loved him in the Senate. We miss him. And we will never forget him.

NATIONAL WOMEN'S HISTORY MONTH

Mr. RIEGLE. Mr. President, I rise today to recognize the month of March as National Women's History Month. As we reflect upon the innumerable contributions that women have made to the betterment of our society, we must also look to the future and all that remains to be done so that women will be recognized as free, equal, and respected members of our society.

The theme of this year's celebration is "In Every Generation, Action Frees Our Dreams." I cannot think of a more appropriate sentiment as I look around this Chamber. In the last election, four more women were elected to the Senate, and the total number now stands at seven. As chairman of the Banking, Housing, and Urban Development Committee, I am particularly proud to have three of these women Senators as members of my committee.

In my 28 years in public service, I have been proud to be a part of the women's movement, and have personally witnessed the evolution of political attitudes toward so-called women's issues. In this Congress alone, the Senate that has introduced several important pieces of legislation specifically aimed at improving the quality of life for women in America.

For example, the Violence Against Women Act, of which I am an original cosponsor, provides for the implementation of crucial measures to ensure that women can feel safer on our streets, in the workplace and at home. Women should no longer have to fear for their very lives due to the ineffective laws and insufficient criminal sentences that now govern our land. This law will help to right that wrong. S. 25, the Freedom of Choice Act, will help to reinforce the freedom that all women have—and should continue to have—to make their own reproductive health decisions without fear of legal recrimination or intervention. These important pieces of legislation have enjoyed the strong support of our democratic female colleagues, all of whom have made many contributions to ensure their swift passage into law.

As a Senator from the State of Michigan, I would be remiss in my tribute to women and their important role in government if I did not salute Martha Griffiths. Ms. Griffiths was a judge in the recorder's court in Detroit when, in 1955, she was elected to the U.S. House of Representatives. Her constituents, their trust and admiration growing with each passing year, sent her back to Washington for 10 consecutive terms until her retirement in 1974. Although vocal and involved with virtually every issue that came her way, it was the women of America who benefited most from the fruits of Mrs. Griffith's labors.

During consideration of the 1964 Civil Rights Act, an amendment was offered prohibiting sex discrimination in employment. Member after Member stood on the House floor to make light of the amendment and to joke about the unnecessary nature of such a protection for women. Then Congresswoman Griffiths took the floor and gave an eloquent and impassioned speech which turned around the debate—the amendment was passed later that same day.

Ms. Griffiths was one of the earliest champions of the Equal Rights Amendment when it was proposed in the early 1970's, and she was given much of the credit for successfully moving the amendment through the House of Representatives in 1971. She has said that the future of the ERA will grow brighter as young men and women become more knowledgeable, and when State legislators and Members of Congress begin looking at laws with a view as to whether they affect each person equally.

Upon her return to Michigan, Ms. Griffiths continued to serve the public and was eventually elected Lieutenant Governor. Just last October, she was inducted into the National Women's Hall of Fame as a pioneer for women's equality. In the decade of the woman, Martha Griffiths is a bright star that illuminates just how much women have accomplished, as well as the tasks that lie ahead to ensure equality for all. It is with great honor that I salute Martha Griffiths and women everywhere as we recognize March 1994 as National Women's History Month.

IN HONOR OF THE 173D ANNIVERSARY OF GREEK INDEPENDENCE

Mr. RIEGLE. Mr. President, I rise today to commemorate the anniversary of the beginning of the Greek struggle to regain independence from the Ottoman Empire. One hundred and seventy-three years ago, the Greek people took a courageous stand by declaring their independence from powerful Turkish rulers. Thus sparked a struggle for freedom that would last until 1827. On October 20 of that year, the 400-year-old Greek struggle against oppressive foreign rule culminated in the defeat of the Turkish militia and the reestablishment of a free and independent Greece.

As in the past, I am proud to be a cosponsor of Senate Joint Resolution 162, which designates this day as "Greek Independence Day: A National Day of Celebration of Greek and American Democracy." It is fitting that on this day we commemorate the close relationship of the Greek and American people throughout the struggle for independence and throughout the Greek and American transformations into modern, democratic States. Moreover, we must take this opportunity to renew our commitment to maintain this relationship in the future.

The close affiliation between the United States and Greece finds its roots in shared democratic traditions. Modern American democracy draws directly from the system first established by the Greeks. We can also attribute some of the greatest advances in art, philosophy, science, and law to our Greek friends.

As a result of these cultural and political ties between the United States and Greece, both countries have continued to maintain a cooperative pose. Greek revolutionaries first used the language of our Declaration of Independence as a framework for their own document. Since that time, our countries have remained political and economic allies—we fought together during both World Wars, and during the cold war the United States helped to prevent expansionist Communist regimes from crossing Greek borders. Most recently, the United States was able to turn to Greece and its other NATO allies for support during the Gulf war.

As we celebrate the historic affinity of the Greek and American people, let

us remember the importance of maintaining this relationship in the future. Moreover, let us recognize the specific steps we must take to ensure that this partnership remains strong.

We are fortunate that President Clinton has demonstrated his willingness to maintain the military equilibrium between Greece and Turkey by balancing the foreign military assistance granted to each country. Congress must maintain its vigilance, however, to ensure that this balance is kept in the future. The role of the United States must also not diminish in addressing the international conflicts that continue to threaten the Greek people.

The United States has recently stepped up its role in the conflict in the former Yugoslavia. We must continue to lend our support to a resolution of this conflict that is fair, and that prevents the violence from spilling into the neighboring Balkan countries. At the same time, we must remain sensitive to the particular concerns that Greece has in that area. Although the conflict in Cyprus has inched closer to a resolution, we must remain cautious that the final solution is a fair one. We must be especially adamant that the whereabouts of those missing since the Turkish invasion of Cyprus are accounted for. Finally, we must draw attention to the plight of the Pontian Greeks trapped in the former Soviet Republic of Georgia, whose situation has grown steadily worse over the past several months.

Mr. President, this is the last opportunity I will have as a U.S. Senator to celebrate the anniversary of Greek independence. However, I would like to remind all of my colleagues who will remain here, and those who will soon join them, of the importance of the agenda I have just addressed. The cooperation of the Greek and American people has enabled both cultures and political systems to flourish. Let us not forget the success of our past collaborative efforts, and let us ensure that they will continue well into the future.

HONORING GREEK INDEPENDENCE DAY

Mr. KEMPTHORNE. Mr. President, I want to take a few minutes of the Senate's time to honor Greek Independence Day. As my colleagues know, March 25 is set aside as "Greek Independence Day—a Celebration of American and Greek Democracy." On this day, the American people are encouraged to remember Greece's instrumental contribution to the development of democracy.

Over 2,000 years ago, the Greeks established the world's first democracy. This democracy christened the principle of government by the people and government for the people. Of course, the Founders of our Constitution relied heavily on the writings and thoughts of our Greek ancestors as they crafted our finely balanced system of government. Every American, and the world, owes Greece a debt of gratitude for its contribution to the birth of democracy.

As world events changed in more modern times, the Greek people again showed themselves to be true patriots in the pursuit of democracy as they defeated the Communist attempt to conquer their nation. Since that time, Greece has been a loyal and valuable NATO ally of the United States. While the United States-Greek relationship has had its ups and downs, our common commitment to democracy, human rights, and mutual respect has served to bond our nations together.

In my home State of Idaho, we have a substantial Greek population. These Greek-Americans add diversity, entrepreneurship and an unsurpassed love of life to Idaho's culture. The Greek-Americans living in Idaho are the finest examples of what the American dream is all about.

In honor of Greek Independence Day, I hope all Americans will take some time to pay tribute to the Greeks contribution to human democracy, philosophy, science, and the arts.

IRRESPONSIBLE CONGRESS? HERE'S TODAY'S BOXSCORE

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

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

The fiscal irresponsibility of Congress has created a Federal debt which stood at $4,556,298,849,924.14 as of the close of business yesterday, Thursday, March 24. Averaged out, every man, woman, and child in America owes a share of this massive debt, and that per capita share is $17,476.44.

WELFARE REFORM

Mr. BROWN. Mr. President, this morning, I was disappointed to see a note in the Wall Street Journal that the President's welfare reform proposal is unlikely to reach Congress even by late April. With recent polls showing that Americans are at least as concerned about welfare reform as health care reform, we must begin work on the issue.

Two months ago, Senators DOLE, PACKWOOD, and I introduced a welfare reform plan, S. 1795. There are now 19 Republican Senators on that bill and we would welcome any other Senators, on either side of the aisle to join us. S. 1795 is not a perfect bill, no bill of this magnitude is perfect on introduction. But S. 1795 is a starting place. It is a beginning for the very important debate we must have about our welfare system. It is a start at reforming a system that is hurting all of us, but most especially welfare beneficiaries.

S. 1795 is not the only welfare reform bill which has been introduced while we await the President's proposal. H.R. 3500, the House Republican welfare reform bill, has 162 cosponsors. Senator KASSEBAUM has introduced a very intriguing bill swapping Federal funding of Medicaid for allowing States to design and operate their own welfare programs. I'm a cosponsor of Senator KASSEBAUM's bill. Similarly, Senator FAIRCLOTH has been working on a welfare reform proposal of his own and we've had several discussions about his ideas and proposals. Senators BOND and HARKIN have circulated a "Dear Colleague" letter about welfare reform legislation they plan to introduce shortly.

Through his Finance Subcommittee on Social Security and Family Policy, Senator BREAUX has held oversight hearings on AFDC and the Jobs Program we instituted in 1988 in the Family Support Act. Several of our Democrat colleagues have also been drafting welfare reform bills. Senator LIEBERMAN has introduced a bill and Senator KOHL is drafting another. In the House, Representative MCCURDY and the mainstream forum are working no legislation.

One of the things that strikes me about almost all of these proposals is how much agreement there is. First, we agree that the system is not working and must be changed. Second, we generally agree that there are some responsibilities that able-bodied adults on welfare should assume, that is, working or preparing themselves to work. The problem of rising illegitimacy rates and the link to long-term welfare dependency is recognized and there are several different proposals to address the problem. Paternity establishment and child support enforcement are acknowledged as priorities.

The interest in welfare reform is there—both by the public and here in Congress. We have the vehicles to begin, let's not wait.

WELFARE REFORM

Mr. KOHL. Mr. President, today I rise to outline a proposal to abolish the Federal welfare system and replace it with a system that allows States to move their people into jobs and their families into economic security. When we return from the April recess, I will be introducing legislation to take the

Federal money we currently spend on welfare and give it to the States to use for community-based programs to connect people to work and to make work pay. Federal payments to people who can work, but will not will end.

Several weeks ago, I made a statement that laid out several principles I thought must be included in any welfare reform proposal. I would like to go through those principles again and explain how my proposal meets each one.

The first principle is: Washington's welfare system does not work. It cannot just be reformed. It must be abolished. It makes no sense—in fact, it is cruel—to provide Federal funds only to those mothers who agree not to work, not to marry, and not to seek a stable life for their children. But that is exactly what our current system does.

My proposal would end that system—end AFDC and part of the Food Stamp Program and replace them with a block grant. The block grant would go to States that would use it to move low-income Americans into jobs that enable them to support their families.

The block grant would initially be based on the amount States currently receive from AFDC and Food Stamps. Gradually, the money would be redistributed based on economic need and on a State's own spending on low-income populations.

The block grant approach sends a simple message: the Federal Government ought to get out of the welfare business. We have created a system that is too bad to fix. We ought to turn it over—with sufficient funds to get the job done—to the States.

The second principle is: Work is what works; hand-outs do not work. Right now, welfare pays people to reject the values of work and family. It should be used to bring low-income mothers into the work force.

My proposal would require States to use their block grant funds to move people toward work, but it would give them wide latitude in how they choose to do this. In the first year of the program, the Secretary of HHS would have to fund any State plan that moved people to work—the plan could use job training, earnings supplementation, nutrition assistance, education, child care, housing vouchers, public sector jobs, tax credits, or any other creative method to connect low-income mothers to jobs.

In future years, States would only have to show they were making progress in moving people into jobs to continue receiving block grant funds. That progress would be measured by the percentage of program participants who get jobs and the number who have moved out of the State program because their income increased. More credit would be given for moving low-income mothers into jobs.

Those States whose programs move people into work get full funding with no bureaucratic questioning. Those States whose programs do not work have to explain to the Secretary of HHS how they will fix their plans to make them effective before they get their Federal funds. In short, the Federal Government will no longer pay for programs that do not have a proven record of moving people into work.

My proposal turns current welfare incentives upside down. Instead of paying people not to work, we will pay States to create an environment that moves people into work.

The third principle is: The answer to the current welfare crisis is not inside the beltway—it is inside each of our States. My State of Wisconsin is full of ideas and programs for changing welfare to a program that moves people to work. Milwaukee's Mayor John Norquist has proposed a "work connection" system. In Milwaukee, Project New Hope is about to expand to 600 former welfare recipients who will be moved to jobs using training and earnings supplements. Our Governor is about to start a pilot program that limits welfare support 2 years. Kenosha County has an innovative program to consolidate current job training resources into one center and make sure welfare recipients have access to those resources. These are all work-based ideas that could and would be funded under my block grant proposal.

By giving States the flexibility to design their own work-based systems, we will provide an incentive for local communities to become involved in moving welfare recipients into jobs. We will allow local communities to design programs that make sense for local economic conditions. We will give our communities the power to do what is right and best for the low-income families in their area—and stop paying low-income people to do what we all agree is wrong and worst for their families.

We must do more than just reform welfare. We owe it to the low-income families of this country to end a program that requires them to stay jobless and broken. We owe it to the taxpayers to spend their money in a way that strengthens their communities. We owe it to ourselves to be honest when we have failed—as we have with our current welfare system. And we owe it to this country to develop a welfare system that respects and encourages the values of work and family. I believe my proposal does all this, and I hope my colleagues will be able to support it when it is introduced next month.

GREEK INDEPENDENCE DAY

Mr. COCHRAN. Mr. President, I take this opportunity to congratulate all Americans of Greek ancestry on Greek Independence Day. On this date in 1821, the Greeks began the revolution that ended the rule of the Ottoman Empire which had begun with the fall of Constantinople in 1453.

The spiritual bond between our two nations is strong. James Madison and Alexander Hamilton described our debt to Greek democracy in the Federalist Papers:

> Among the confederacies of antiquity, the most considerable was that of the Grecian republics * * * From the best accounts transmitted of this celebrated institution, it bore a very instructive analogy to the present confederation of the American States.

As if to return the favor, the fighters for Greek independence upheld the American Revolution as their ideal. Indeed, I understand that Greek intellectuals translated our Declaration of Independence into Greek and used it as their own declaration.

That spiritual bond was strengthened in the early part of this century, when one of every four Greek males between the ages of 15 to 45 immigrated to the United States. Americans of Greek ancestry preserved their traditions and customs and contributed to the richness of American life, even as they continued to support the welfare of their ancestral homeland.

The friendship between America and Greece is shown by the fact that Greece is one of only three nations in the world, beyond the former British Empire, who have been allies of the United States in every major international conflict this century. Over 600,000 Greeks died fighting on the side of the Allies in World War II—9 percent of the entire Greek population at that time.

After Greece won its post-World War II struggle against Communist rebels, President Dwight Eisenhower in 1953 paid this tribute:

> Greece asked no favor except the opportunity to stand for those rights in which it believed, and it gave to the world an example of battle * * * a battle that thrilled the hearts of all free men and women everywhere.

On this Greek Independence Day, I applaud the achievements of Greeks around the world and with them continued success, peace, and freedom.

THE $20 BILLION INFLATION PROBLEM

Mr. GRASSLEY. Mr. President, on the morning of March 22, I made some remarks during the opening debate on the budget resolution about the so-called $20 billion inflation problem in the outyears of the Department of Defense's Future Years Defense Program or FYDP.

After I made those remarks, the March 17, 1994, issue of Inside the Pentagon was brought to my attention. It contains a story about the inflation shortfall in the outyears. It suggests that Defense Secretary Perry will find a way to live with the 4-year $20 billion cut.

This assessment is based on information presented at the confirmation hearings of John Deutch on March 10.

Mr. Deutch has been nominated to be the new Deputy Secretary of Defense.

Well, that's fine and dandy, Mr. President, but learning to live with the law doesn't quite cut it in my book.

Those outyear inflation costs do not fit in the President's budget, and they do not belong in the fiscal year 1995 FYDP or 5-year program.

President Clinton told Secretary Aspin in December that he would not raise the overall DOD budget numbers to cover the higher inflation estimates.

The money is just not there. If it's not in the fiscal year 1995 budget, how could it be in the FYDP?

Section 221 of title 10 of the United States Code requires that the Secretary of Defense bring the 5-year program into line with the President's budget. That means he must cut or eliminate programs that are over budget—above the President's topline.

Secretary Perry has not done that.

The $20.2 billion in mandatory cuts should have been made during the Pentagon's annual program and budget review last year.

So, as a result, Secretary Perry has at least $20.2 billion of overprogramming in the outyears.

Now, if Inside the Pentagon is right and if DOD is really ready to give up the $20.2 billion of overprogramming, then Mr. Perry is trying hard to fulfill his promise to make the FYDP honest.

Mr. President, I would like to warn my colleagues about one thing.

The $20 billion in overprogramming cannot be eliminated by waving the magic wand. Programs have to be reviewed, scrubbed, and cut, and that's a painful process—that's the very process the Pentagon bureaucrats are trying so hard to avoid.

Mr. President, I ask unanimous consent to place a copy of the article from Inside the Pentagon along Mr. Deutch's written response to a question on inflation protection.

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

SUGGESTING DOD WILL LIVE WITH $20 BILLION SHORTFALL—DEUTCH: BOTTOM-UP REVIEW FORCE IS AFFORDABLE UNDER CURRENT BUDGET

The Pentagon's new deputy secretary, John Deutch, last week suggested that the Defense Department will be able to realize the force structure called for in the bottom-up review without having to ask the White House for more money to cover a potential $20 billion shortfall in the future years defense budget. Former Defense Secretary Les Aspin, in one of his last moves before leaving the Pentagon, had engaged in a highly-publicized battle with Office of Management and Budget Director Leon Panetta over additional funds for DOD to execute the bottom-up review. The White House offered DOD some relief, but still left Aspin $20 billion short of what he had said was needed to carry out the review's mandates.

Deutch's statement last week, during his Senate confirmation hearings to be deputy secretary, was the first indication that Defense Secretary William Perry would find a way to live with the four-year $20 billion cut. Just last month, in a background briefing on the FY-95 defense budget, a senior Pentagon official said it was unclear how DOD would handle the $20 billion shortfall. The official suggested Perry would ask President Clinton for more money if he determined the bottom-up review couldn't be executed without it.

A decision by Perry not to ask for more money likely will be criticized privately by military officials, who have consistently questioned the Defense Department's ability to fulfill the bottom-up review's mandate to fight two nearly-simultaneous major regional conflicts (MRCs) within current budget constraints.

Deutch told Congress last week the Pentagon's $20 billion budget shortfall, which he said could be reduced by revised inflation figures, will not stop the Defense Department from buying the force structure to fight two nearly simultaneous MRCs.

"At this time, I do not think this shortfall seriously threatens our ability to implement the decisions in the bottom-up review," Deutch stated in a written response to questions submitted by the Senate Armed Services Committee in advance of his March 10 confirmation hearing.

Deutch was confirmed as deputy secretary March 10. Until then he held the Clinton Pentagon's top acquisition job as under secretary of defense for acquisition and technology.

Deutch stated that the $20 billion administration shortfall estimate may be too high. "Based on the administration's current inflation projections, the funding shortfall is about $20 billion, spread over four years—FY 1996-99. If we use the Congressional Budget Office's inflation projections, the funding shortfall is about $11 billion over the same four years."

Whether the shortfall is $11 billion or $20 billion, many sources say Deutch's optimism is unfounded. Some members of Congress and the administration already have argued that the proposed bottom-up review force structure may not be affordable even if fully funded. Said a Pentagon planner: "The savings just aren't there. We're already stretched to the limit to buy the bottom-up review force, and if Congress doesn't give us the money to keep up with inflation, something is going to have to slip."

Deutch said the deputy defense secretary has traditionally taken the lead role in managing resource allocation in the Pentagon, and he promised to apply himself vigorously to that task. He lists three primary actions that are pivotal to the pentagon's effort to implement the bottom-up review:

"First, we need the support of the Congress for the bottom-up review and the funding levels requested by the president in the Fiscal Year 1995 budget request.

"Second, we must draw down and restructure the defense infrastructure, and introduce acquisition reform.

"Third, we need to proceed with the force enhancements and modernization program identified in the bottom-up review."

Excerpts from Deutch's response to advance confirmation questions accompany this article.

DEUTCH'S RESPONSES TO SENATE QUESTIONS

Inflation protection

If the Defense topline is not increased for higher inflation in the same way it was lowered when inflation was assumed to be lower, what management problems would that present in terms of the responsibilities traditionally performed by the Deputy Secretary of Defense?

Based on the Administration's current inflation projections, the funding shortfall is about $20 billion, spread over four years—FY 1996-99. If we use the Congressional Budget Office's inflation projections, the funding shortfall is about $11 billion over the same four years. At this time, I do not think this shortfall seriously threatens our ability to implement the decisions in the Bottom-Up Review.

It traditionally has been the role of the Deputy Secretary of Defense to take the lead in managing resource allocation to defense requirements, and I expect to continue that role if confirmed. The inflation shortfall is an example of the management problems that I will have to address.

GREEK INDEPENDENCE

Mr. MOYNIHAN. Mr. President, I rise once again to join the Greek-American community as they celebrate the 173d anniversary of the beginning of their revolution for independence from under the yoke of the Ottoman Empire. I and 61 of my colleagues in the Senate joined together to commemorate this historic event by cosponsoring Senate Joint Resolution 162, a resolution commemorating March 25, 1994, as Greek Independence Day: A National Day of Celebration of Greek and American Democracy. I am proud to say President Clinton has signed this resolution into law [Public Law 103-22].

From their first settlement in the 18th century in St. Augustine, FL, to one of the largest Greek communities in America, Astoria, NY, the Greek people have been an influential segment of American society. Their history, culture, language, religion, and of course native culinary artistry, have enriched America. Greece has contributed great things in the areas of arts, medicine, and education, but no contribution was more precious than that of democracy.

Born in Athens, nurtured in the United States, the principles of democracy are now being practiced throughout Eastern Europe. This new wave of democracy would never have come to fruition had it not been for Hellenistic political thought. We will always be indebted to Greece for giving us this most precious gift.

TRAGEDY AT POPE AIR FORCE BASE, NC

Mr. FAIRCLOTH. Mr. President, the day before yesterday two Air Force planes collided over Pope Air Force Base in North Carolina. While the crew members of one plane were able to eject, and the crew of the second was spared when it was able to safely land, fiery debris from the crash was showered over a runway.

On that runway was another plane and group of Army paratroopers in a

staging area preparing to board it. The falling debris killed some 20 people, and injured over 80 others. Many of those injured are in grave jeopardy.

Mr. President, the hearts of all North Carolinians go out to the families and friends of those who yesterday paid the ultimate price to defend our freedom. Too often we forget the sacrifices that are made every day, often in remote and desolate locations far removed from the glare of television cameras, to protect the peace that this Nation enjoys.

Yesterday we learned once again that it is not a cliche to say that the price of freedom is high. Those that paid that price join the unbroken line of those without whom this country would have long ago perished. Today, we honor them.

APPOINTMENT OF DOD GENERAL COUNSEL JAMIE S. GORELICK TO BE THE DEPUTY ATTORNEY GENERAL OF THE UNITED STATES

Mr. NUNN. Mr. President, on March 22, the Senate unanimously confirmed the nomination of Jamie S. Gorelick to be the Deputy Attorney General of the United States. I want to take this opportunity to commend Ms. Gorelick for her service to the Nation over the past year as general counsel of the Department of Defense.

Ms. Gorelick came to the position of general counsel of the Department of Defense with outstanding qualifications. She received her undergraduate and law degrees from Harvard with honors. After graduation, she entered private practice with the Miller, Cassidy, Larroca, Lewin law firm in Washington, DC. In addition to maintaining an active practice with the firm, she undertook leadership positions in numerous bar activities, including serving as President of the District of Columbia Bar and as a Member of the House of Delegates of the American Bar Association. Her previous Government experience included 2 years with the Department of Energy, and service as vice chairman of the task force on audit, investigations, and inspection components of the Department of Defense.

As general counsel of the Department of Defense, Ms. Gorelick was called upon to address many complex and controversial issues, including the policy on homosexuality in the armed forces, sensitive nominations, and reform of the acquisition system. She has addressed these issues with the highest degree of professionalism, skill, and integrity.

Ms. Gorelick's presentations to the Committee on Armed Services on these and other issues—whether in the form of testimony, written communications, or personal briefings—earned her the trust and respect of our committee. When we asked for Jamie's views, we could be confident that we would receive clear and precise responses, based upon comprehensive research and objective analysis.

During her year of service at the Department of Defense, Jamie served as a key advisor to former Secretary Aspin, Secretary Perry, and numerous other senior DOD officials. She never forgot, however, that her advice would have a profound affect on the men and women who serve our Nation in uniform. She served them well.

Much as we regret losing Jamie as a DOD official, I want to commend the President for his excellent choice in nominating her to be the Deputy Attorney General. The Defense Department's loss is certainly the Justice Department's gain.

I also want to commend our friends on the Judiciary Committee for acting so promptly on her nomination—although we certainly wouldn't have minded if they had let her stay in Defense a bit longer. Of course, the Department of Justice plays a significant role in many issues affecting the Department of Defense, and it is good to know that the legal issues affecting our national security posture will continue to benefit from Ms. Gorelick's outstanding public service in the Clinton administration.

17TH OLYMPIC WINTER GAMES

Mr. BROWN. Mr. President, the 17th Winter Olympics recently ended in Lillehammer, Norway. This American team won more medals than any Winter Olympic team in our history: a total of 13. I know all of us are very proud of our American team. They deserve our heartfelt commendation.

We Coloradans feel a special link to America's Olympic teams. The headquarters for the U.S. Olympic Committee is located in Colorado Springs and many of our best and brightest athletes train there. These men and women spend years and years in tough, difficult training all for a brief chance at victory. We see many of these athletes in Colorado as they train, and we know just how much dedication their feats take.

All of those team members who participated in the Winter Olympics in Lillehammer deserve our praise and commendation. Many, for the privilege of being on the Olympic team, underwent years of hardship and struggle. Each man and woman that represented our country in Lillehammer represented our country's best. I know my colleagues will join me when I say that all of us here were deeply moved by their fine performances—individually and as a team. Not only did they achieve great, incredible athletic feats, their efforts as shown on CBS each evening brought us together as a nation and rekindled the deep pride and respect for our fellow Americans that each of us feels.

This year's U.S. Winter Olympic team deserves special commendation, however, because these men and women together brought home a record-breaking number of Olympic medals for a U.S. Winter Olympic team. The entire team deserves special praise. No medal could have been won without the support of the entire team. Just being a member of America's Olympic team is an outstanding accomplishment. But, I would like to take a moment to pay a special tribute to those who won an Olympic medal for the United States while at Lillehammer.

TOMMY MOE

Few people expected America to capture a medal in downhill skiing, especially not on the first day of competition. Tommy Moe, of Palmer, AK beat all expectations by winning the gold medal in the men's downhill competition. Young Tommy Moe did not stop there. He went on to win the silver medal in the men's Super G 4 days later. Moe's victories make him the first U.S. male skier to win two medals in the same Olympics. His victories deserve America's utmost respect and a heartfelt congratulations.

LIZ MCINTYRE

A resident of Winter Park, CO, and a graduate of Dartmouth College, Liz McIntyre brought the U.S. ski team medal count up to three. Colorado was particularly thrilled that one of our adopted residents performed so well. Her able skiing in the women's mogul event was breathtaking, earning her the silver medal in the highly competitive event. Liz's enduring athletic ability and Olympic success are a great source of pride for both the U.S. ski team and the United States.

DIANN ROFFE-STEINROTTER

As the first competitor down the mountain in the Women's Super G, Diann Roffe-Steinrotter stunned the crowd in Lillehammer by posting a time of 1:22.15. Having won a Super G silver medal in the 1992 Olympics, Diann was considered a medal contender, but all wondered if her time would hold as competitor after competitor lined up to beat her. Hold it did, and a beaming Diann went home with the gold medal. A resident of Potsdam, NY, Diann plans to retire after her success in Lillehammer in order to attend Clarkson University. We congratulate Diann and wish her as much success in her future endeavors as she has had in skiing.

DAN JANSEN

With a new world record time of 1:12.43 in the 1,000 meter speedskating event, Dan Jansen captured a gold medal in Lillehammer and fulfilled both his own dreams and his Nation's high hopes for his success. Dan dedicated his victory to Jane, his sister

who died of leukemia on the morning of his 1988 Olympic race. As we watched Dan Jansen receive his gold, we were truly inspired. America will not soon forget this Wisconsin native's tremendous courage, perseverance, and most of all, his success.

PICABO STREET

Picabo Street arrived in Lillehammer determined to win a medal for the U.S. ski team. She let no one down. In the first week of the games Picabo captured the silver medal in the women's downhill event. A resident of Sun Valley, ID, Picabo was a classic team participant, attributing her success to the overwhelming confidence and ability of the entire ski team. Picabo deserves our congratulations and thanks for her stunning silver medal performance and her inspiring team spirit.

BONNIE BLAIR

Capturing the gold in both the 500-meter and 1,000-meter speedskating events tops off Bonnie Blair's breathtaking string of Olympic success. A native of Milwaukee, WI, Bonnie Blair's skating was unparalleled in Lillehammer. In both of her medal winning events, Bonnie turned in near perfect performances to the roaring cheers of the crowd. She now stands alone as the winner of more gold medals—a total of five—in the Winter Olympic games than any other American in history. Bonnie is truly an American legend. She deserves our highest praise and our deepest respect.

NANCY KERRIGAN

As the world watched gripped by Nancy's horrible knee injury just weeks before, Nancy Kerrigan of Stoneham, MA, delivered the figure skating performance of her career. She captured not only the silver medal in the women's figure skating, but the hearts of the American people. Her skating program displayed all of the strength, grace, and courage of a true champion. Her years of dedication on the ice and her determination to stay focused through these difficult games exemplify Nancy's amazing strength of character. Her flawless performance in Lillehammer deserves our highest praise and congratulations.

AMY PETERSON

Amy Peterson was expected to do well in the Lillehammer Olympic games. Both her mother and her uncle were Olympic speed skaters, and Amy's father was a hockey player. Nonetheless, Amy surpassed all expectations by capturing not one, but two medals in Lillehammer. Along with her three teammates, Amy won the bronze medal in the women's rough-and-tumble short track 3,000-meter relay. Two days later, Amy gave another stunning performance on the ice, capturing the bronze medal in the 500-meter short track event. With these two medals, this native of Maplewood, MN, brings her Olympic medal total up to four. She is truly an exemplary skater and deserves the Senate's praise.

CATHY TURNER

In one of the most exciting events of the Olympic games, Cathy Turner of Hilton, NY, came from behind and captured the gold in the women's 500-meter short track speedskating event. With a record time of 45.98 seconds, Cathy skated past China's Xiulan Wang and over the finish line to the delight of the Americans in attendance. This gold medal victory came only 2 days after Cathy and three teammates took the bronze medal in the women's short track 3,000-meter relay. Cathy now holds a total of four Olympic medals, an impressive tribute to her skating talents, and to America's speedskating team.

NIKKI ZIEGELMEYER

After her impressive performance in the 1992 Olympic games, Nikki did not expect to compete again in the women's short-track 3,000-meter relay in Lillehammer. As the games got under way, Nikki, a resident of Milwaukee, WI, and her teammates were content just to have been invited to Lillehammer. But, when events unfolded to permit the United States relay team to enter the competition, Nikki and her three teammates rose to the challenge. The determination and strength of these courageous women carried them through to the bronze medal in this exciting event. Nikki and her teammates deserve America's heartfelt congratulations.

KAREN CASHMAN

A native of Quincy, MA, Karen Cashman thought she would be watching the Winter Olympic games on television, not participating in the short track 3,000-meter speedskating relay. But Karen ended up not only participating, but helping her team capture the bronze medal in the event. Karen and her teammates' victory brought the total U.S. medal count up to eight. We salute Karen for her role in this impressive Olympic accomplishment.

ANDY GABEL

Andy Gabel, a two-time Olympian from Pewaukee, WI, helped his team capture the silver medal in the men's short track 5,000-meter speedskating event. The four-man relay team skated exceptionally well, clocking in at 7:13.37, just behind Italy's team. Congratulations to Andy for his part in this success.

JOHN COYLE

A graduate of Stanford University, John Coyle also played a crucial role in the four-man relay team's silver medal performance. John now plans to pursue his MBA in International Business, undoubtedly with the same determination and strength he brought to the Olympics. His Olympic success deserves America's commendation.

ERIC FLAIM

With his contribution to the speedskating relay team, Eric now holds two Olympic silver medals. His performances both in 1988 in the 1,500-meter event and in Lillehammer this year are worthy of America's appreciation and pride. We congratulate Eric for his success.

RANDY BARTZ

Randy has been skating avidly from the age of 6. His many years of practice and determination finally paid off in Lillehammer as he helped his team capture the silver in the four-man relay. Randy now plans to turn in his ice skates for what will certainly be a successful career in operations management. America thanks and salutes Randy for his accomplishments.

GREEK INDEPENDENCE DAY

Mr. CRAIG. Mr. President, March 25, 1994, marks the 173d anniversary of the beginning of the revolution which freed the Greek people from the Ottoman Empire. Mr. President, I rise today to commemorate this, the Greek day of independence.

Throughout this century, Greece has proven to be an ally of the United States. More than 600,000 Greeks or 9 percent of the population of Greece died fighting for the allied cause in World War II.

Greeks and Americans also share a common intellectual and ideological heritage. The American ideals of democracy and majority rule were taught by philosophers in Greece as far back as 370 B.C. Thomas Jefferson once said that: "to the ancient Greeks * * * we are all indebted for the light which led ourselves out of Gothic darkness." It is an historical irony that having established independence from the Ottoman Empire in the 1820's, the Greek people then turned to the American system as a model for the establishment of their Government in modern times. The American Declaration of Independence was translated into Greek and used as a model for the Greek version of this document.

During the early 1900's, 1 in every 4 Greek males between the ages of 15 and 45 emigrated to the United States carrying with them a culture rich in the tradition and history. They and their descendants went on to be active participants in their American communities, States, and nation. It is on behalf of Greek-Americans living in my State and across the country that I make this tribute to our Greek heritage on March 25, 1994, Greek Independence Day.

THE CATHOLIC CHURCH IN BOSNIA AND HERZEGOVINA

Mr. DECONCINI. Mr. President, next week Christians around the world will

celebrate Easter—a season of reconciliation and of hope. Nearly 2 years of war and genocide in Bosnia and Herzegovina have taken a tremendous toll on all segments of the population there. In remarks earlier this week at the Carnegie Endowment for International Peace, Archbishop Vinko Puljic of Sarajevo described the suffering of the people of Bosnia and Herzegovina. The archbishop stated that "Bosnia is and always will be a multiethnic and multireligious country" and urged the United States to "help find a just political settlement" which respects the territorial boundaries of his country.

In addition to the mass displacement of Moslems and the destruction of most mosques throughout the country, nearly three-quarters of Catholics in the Archdiocese of Sarajevo have been uprooted—53 of the 144 parish churches have been completely destroyed while another 58 have been severely damaged. Hundreds of priests and nuns have been forced to flee during the course of the war.

I commend Archbishop Puljic's poignant observations and comments to my colleagues and join him in his prayer that a just peace be pursued for all of the people of Bosnia and Herzegovina.

Mr. President, I ask unanimous consent that the text of the archbishop's statement be included in the RECORD.

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

STATEMENT OF MOST REVEREND VINKO PULJIC, ARCHBISHOP OF SARAJEVO

Thank you, Ambassador Abramowitz, for your kindness in having me here this morning at the Carnegie Endowment for International Peace. Your interest in what is taking place in Bosnia and Herzegovina is gratifying to those of us who have had to endure two years of the cruelest of wars. I thank you, Mr. Ambassador, all of you here, and all those Americans who have done so much to help alleviate our suffering.

You are well aware of the magnitude of the suffering that has been inflicted on us. In the past two years, I have seen the Catholic population of my archdiocese reduced from 520,000 to about 125,000 people, most of whom live in small, besieged enclaves. In those same two years, I have seen three-quarters of the 144 parishes in the archdiocese cease to exist, with most of the buildings destroyed or damaged. Many of these church buildings, I am sorry to say, were intentionally targeted by extremists seeking to fan religious hatred. I and the Catholic Church in Bosnia and Herzegovina have been trying desperately to prevent this from happening. If a permanent peace is not established soon, Catholics risk being exterminated from large parts of Bosnia and Herzegovina, despite thirteen centuries of our organized presence there. As you know all too well, the suffering of Catholics in my archdiocese is typical of what has been happening throughout my country to thousands of innocent civilians.

We have suffered terribly in part because the international community has failed to act decisively in the face of aggression and "ethnic cleansing." Moreover, it is my impression, and the impression of many people in Bosnia, that the international community has even contributed to the ethnic division of the country and has legitimized aggression by failing to uphold basic moral and legal norms.

Despite real difficulties, there can be no alternative to pursuing a just peace in Bosnia and Herzegovina. It is late but there is still time. I ask of you the following:

1. The ordinary people of my diocese and my country are tired of war; they yearn to live together in peace. Please, use your influence to stop the bloodshed and bring this illogical war to an end. The resolve shown by the United States and the international community in recent weeks has brought a tenuous peace to Sarajevo and some other parts of Bosnia. I pray that the United States and the international community will persevere in and intensify these efforts until a lasting peace is achieved.

2. Use your influence to help find a just political settlement for Bosnia and Herzegovina. Respect the territorial boundaries of Bosnia, which has been recognized by the Vatican and the international community. Help us to achieve a peace within these boundaries that reflects the fact that Bosnia is and always will be a multi-ethnic and multi-religious country. Help us to be a country in which ethnic Bosnian-Muslins, Serbs and Croats can cultivate their respective identities at the same time that they respect the equal rights and equal legitimacy of the ethnic and religious identities of other citizens.

I welcome the recent agreement between Muslims and Croats because it reflects what ordinary people want and what the United States is a symbol of: a pluralistic and tolerant society in which the equal rights of all citizens are respected, regardless of their ethnicity or religion.

It would be a tragedy if force, violence, aggression and crime were legitimized by a partition of Bosnia along ethnic lines. A peace which does not correct injustices, which rewards aggression, and which is based on ethnic division can be neither a just nor a permanent peace.

3. I ask you ardently, help us both to survive and to begin to rebuild our lives. Efforts must be made to ensure the uninterrupted passage of humanitarian aid to the many people who are still in dire need of food, medicine, water and electricity. In addition to humanitarian aid, we need reconstruction aid to help rebuild our homes, schools, hospitals, churches, mosques, businesses and other institutions. Also essential if we are to return to a multi-ethnic society is help to create the conditions for a safe return of exiled and displaced persons to their homes.

4. Finally, the Catholic Church and other religious communities will need your support as we work together to address perhaps the most difficult challenge: reconciliation. We must promote a moral and spiritual renewal that can heal the hatred, despair and division which this war has brought. Only by rebuilding the spiritual life of our people can we ensure that the horrors we have lived through for the last two years will not be repeated. With God's grace, we will succeed.

I hope that my presence in this country and here today will help to inform the world of our plight and will help to encourage the international community to heed the appeals of Pope John Paul II that it act with resolve to help us bring about a just peace, a peace that will enable all people of Bosnia and Herzegovina to once again live together in peace and dignity.

I thank you all for your interest and for the good you are doing for us. Thank you, God bless you!

GREEK INDEPENDENCE DAY

Mr. CHAFEE. Mr. President, tonight I will deliver remarks on the occasion of Greek Independence Day. I ask that a copy of these remarks be printed in the RECORD.

The remarks follow:

REMARKS BY SENATOR JOHN H. CHAFEE ON GREEK INDEPENDENCE DAY, MARCH 25, 1994, PROVIDENCE, RI

Good evening—and happy Independence Day! You will be pleased to know that the President has signed into law an act of Congress declaring today, "Greek Independence Day—a Celebration of American and Greek Democracy!"

It is fitting, I think, to celebrate Greece and America together. Thomas Jefferson said, "to the ancient Greeks * * * we are all indebted for the light which led ourselves out of Gothic darkness." Greece is the birthplace of democracy; the American experiment was modeled on her invention.

173 years ago, Greece began her own quest for independence from the Ottoman Empire, and drew inspiration from the American Revolution.

In the twentieth century, our two histories have become even more entwined. We are allies: Greece is one of only three nations in the world, outside the former British empire, to have allied itself with the United States in every major international conflict this century.

At the same time, many Greek people immigrated to the United States, thus enriching this country with their energy, intelligence, and rich and vibrant culture. I was astounded to learn that in the early 1900's, one in every four Greek males between the ages of 15 and 45 departed for the United States.

Now, our two nations are cooperating on the somber matter of the war in Bosnia. America and Greece share a strong interest in securing peace and stability in the Balkans.

Today we pay tribute to the contributions Greeks make to American life, both as productive citizens of this country, and as citizens of our staunch friend and NATO ally.

The poet Percy Bysshe Shelley wrote aptly, "We are all Greeks! Our laws, our literature, our religion, our art, have their roots in Greece." Today, let us all be Greek!

GREEK INDEPENDENCE DAY

Mr. KENNEDY. Mr. President, today marks the 173d anniversary of Greek independence from the Turkish Ottoman Empire, and I am honored to be a sponsor of the resolution designating today as Greek Independence Day: A National Day of Celebration of Greek and American Democracy.

On this occasion, we are reminded again of the Greek people's long struggle to free their Nation from the tyranny of imperialism and restore democracy. The United States is proud of its strong, historic, and current ties with Greece, and I am confident that we will continue to maintain such ties in the years ahead.

We are especially mindful today of the continuing tragedy on the island of Cyprus and the ongoing efforts to bring a just settlement to that continuing controversy. At a time when many of the world's other seemingly intractable conflicts are being resolved, a lasting political settlement based on the legitimate rights of both the Greek and Turkish communities must also be reached on Cyprus.

Greece's concerns about the Former Yugoslav Republic of Macedonia also deserve our attention. I have joined many others in urging the new republic to eliminate the provisions of its constitution that suggest expansionist aspirations, and to discontinue the use of symbols that are unique to Greek history. It is my hope that the new republic will do so as soon as possible, so that this unfortunate dispute can be ended and these two Nations can live together in peace.

On this important anniversary, I join all those of Greek ancestry in celebrating their extraordinary heritage and their contributions to the United States.

GREEK INDEPENDENCE DAY

Mr. LAUTENBERG. Mr. President, I rise to support Senate Joint Resolution 22, the joint resolution designating March 25, 1994, as "Greek Independence Day: A National Day of Celebration of Greek and American Democracy." The resolution also asks the President to issue a proclamation calling upon the people of the United States to observe the designated day with appropriate ceremonies and activities.

March 25, 1994, marks the 173d anniversary of the beginning of the revolution which freed the Greek people from the Ottoman Empire. It is fitting that we celebrate this day together with Greece in order to reaffirm the common democratic heritage of Americans and Greeks.

The ancient Greeks forged the very notion of democracy, placing the ultimate power to govern in the people. As Aristotle said, "If liberty and equality, as is thought by some, are chiefly to be found in democracy, they will best be attained when all persons alike share in the government to the utmost."

Because the concept of democracy was born in the age of the ancient Greeks, all Americans, whether or not of Greek ancestry, are kinsmen of a kind to the ancient Greeks. America's Founding Fathers drew heavily upon the political and philosophical experience of ancient Greece in forming our Government. For that contribution alone, we owe a heavy debt to the Greeks.

The common heritage which we share has forged a close bond between Greece and the United States, and between our peoples. And it is reflected in the numerous contributions made by present-day Greek-Americans in New Jersey and across the country to our American culture.

I urge my colleagues to support this resolution as a tribute to these contributions, past and present, which have greatly enriched American life.

GREEK INDEPENDENCE DAY

Mr. PRESSLER. Mr. President, democracy is this Nation's most cherished ideal. Its enduring appeal provides a guiding light for people worldwide. People forced to live under repressive regimes, whose inherent rights to life and liberty are denied, nevertheless find inspiration in the hope for democracy. That inspiration led them to seek change. Today, many are free for the first time in their lives.

We live in a world that has changed dramatically for the better during the past few years. It is a world in which democratic principles reign ever stronger. The democracy we cherish, however, is not of our own invention. For our system of government and way of life, we must give credit to the ancient Greeks.

For these reasons, I am pleased to urge my colleagues to join me in recognizing and celebrating March 25, 1994, as Greek Independence Day. I proudly salute the Greek-Americans in my home State, as well as those throughout the United States.

Although the Greeks first brought democracy to the world, they were unable to ensure its continuation in their homeland. For a long time, democracy was lost to the people of Greece. Then, on March 25, 1821, the people of Greece threw off the chains of autocracy and returned to the democratic system they had created long before.

When we celebrate Greek Independence Day 1994, we do so in a world that is more democratic than perhaps at any time in history. However, the celebration of democracy and its unstoppable march into country after country by no means should allow us to become complacent. The struggle of the Greek people to restore democracy to their country in the last century should serve as a reminder to us all: the preservation of freedom has a price.

GREEK INDEPENDENCE DAY

Mr. WOFFORD. Mr. President, on this, the 173d anniversary of Greek independence from Ottoman rule, we should all be mindful of that most wonderful gift that Greece gave to the world so long ago—democracy. It was born in a tumultuous period. Wars raged among the city states of Greece, Persian armies wrought havoc on the land, and great fleets fought for control of the sea; yet the word would not die. The Roman Empire came and went, predatory armies conquered their way across the continent, and Greece itself was swallowed up by the Ottoman Empire. But democracy, that most virtuous form of governance, remained our legacy.

The people of Greece fought long and hard for their freedom. Thousands gave their lives to advance the cause. As America's ally, more than one-half million Greeks died fighting with us in the Second World War.

It is fitting then, that we should join with the people of Greece in celebrating their rebirth in freedom.

TRIBUTE TO AN ACADEMY AWARD WINNER FOR DOCUMENTARY

Mr. PELL. Mr. President, I salute today an exceptional filmmaker and Rhode Island native, Alice M. Maurice, who has been recognized by the Academy of Motion Picture Arts and Sciences as associate producer of 1994's best short subject documentary.

Ms. Maurice's commitment to excellence in filmmaking has not only brought her and the State of Rhode Island honor, but has made a positive difference in the lives of women throughout the United States. Her documentary film, "Defending Our Lives," details the suffering of eight abused women who killed their assailants in self defense. Ms. Maurice's film draws attention to an important subject which deserves such national recognition.

I ask that my distinguished colleagues join me in saluting this remarkable woman, a truly accomplished artist and filmmaker.

VOTES ON BUDGET RESOLUTION AMENDMENTS AND MOTION TO PROCEED TO GOALS 2000 LEGISLATION

• Mr. HOLLINGS. Mr. President, Members of this body are loathe to miss a vote. However, on rare occasions, each of us must choose to miss votes rather than renege on particularly important commitments in our respective States. Regrettably, I must honor one such commitment today—a longstanding commitment to host Attorney General Janet Reno at the University of South Carolina in commemoration of Law Day.

Mr. President, permit me to make a clear record of my position on four votes I will miss later today while I am en route to South Carolina.

I would have voted "no" on the Gramm amendment to the budget resolution; the Gramm amendment proposes to cut all of the President's proposed discretionary spending increases except for criminal justice in order to provide an additional $5 billion annually for the next 5 years in grants to the States.

On the Sasser second-degree amendment to the budget resolution—a sense-of-the-Senate declaration that

we should work to control entitlements through health care reform—I would have voted "yes."

On final passage of the budget resolution, I would have voted "yes."

Finally, on the motion to proceed to consideration of the Goals 2000 legislation, I would have voted "yes."●

NATIONAL GRIEF TELECONFERENCE

Mr. DURENBERGER. Mr. President, on March 31, over 40,000 people will gather at 890 sites in the United States, Puerto Rico, and Canada to listen, learn, and participate in a teleconference on death, grief, and bereavement. The event is sponsored by the nonprofit Hospice Foundation.

Grief is not something you expect to attract large crowds, but this conference has. When the foundation began this effort, it expected to reach no more than 50 sites and possibly 2,000 or 3,000 people. Those numbers were exceeded during the first day of sign-ups.

The extraordinary response—indeed, the demand to participate—indicates how universal the need is for counseling for those who survive the death of a loved one or are caregivers for the dying on a daily, professional basis. This includes not only the medical profession, but volunteers, family members, social workers, and clergy who provide solace and spiritual sustenance to the grieving.

More than 2,000,000 people die each year in the United States, excluding homicide, suicide, and traffic accidents. Another 170,000 people die in those ways. Death, anticipated or sudden, leaves in its wake more than tears. Family, friends, fellow employees live with the lingering aftereffects of grief and bereavement.

Some handle it well, but others suffer chronic or periodic depression, overmedication, alcohol abuse or some other dysfunctional behavior. Many of those who grieve need help; all of them would be well served by at least minimal counseling.

Death, grief, and bereavement are conditions faced by hospice people every day since over 200,000 terminally ill people are cared for annually by hospices. Indeed, Medicare-certified hospices must, by law, have both social workers and clergy available for their patients and for a period after a death for the survivors to help with grief and bereavement.

Further, Medicare requires that volunteers be involved and almost 70,000 were last year, contributing more than 5,000,000 hours of unpaid service. The Hospice Foundation has, therefore, concerned itself increasingly with the handling of grief and bereavement by hospice volunteers and workers.

In my own State of Minnesota, there will be 32 sits where over 1,000 people will join together to learn, to share ideas and experience, and to enhance their skills at helping others in need of counsel and companionship. Those sites reach from International Falls and Hallock in our northernmost areas to the Waseca, Worthington, and Jackson far to the south. The sites are in rural areas and in our major cities, and the local sponsors include hospices, medical centers, VA, and other hospitals, community colleges, and county social service agencies.

Our attention is often drawn to the catastrophic natural disasters that afflict us—spring floods, tornados in my area, but earthquakes, mudslides, fires elsewhere. They deserve and must have our attention, but it is also true that natural death goes on year after year, day after day, and that hospice workers devote themselves to making the final days of others as good as they can be. It is an important demonstration of compassion, concern, and involvement. Within Minnesota, there are well over 50 hospices at work in their communities. I am proud of our commitment to caring.

I want to commend the Hospice Foundation for undertaking this project and to thank those who are attending for enhancing their skills through knowledge and insights shared by an outstanding, dedicated panel. The participants include moderator Cokie Roberts of ABC News, and Jack D. Gordon, president of the Hospice Foundation, Dr. Kenneth J. Doka, president of the Association of Death Education and Counseling, Dr. Therese A. Rando, director of the Institute for the Study and Treatment of Loss, Dr. Ellen S. Zinner, director of the Center for Loss and Grief Therapy, Dr. J. William Worden, codirector of the Child Bereavement Study at Harvard University, and Dr. Sandra L. Bertman, director of the Medical Humanities Program at the University of Massachusetts as panelists.

ALAN HASSENFELD AND THE AMERICAN PROMENADE IN ISRAEL

Mr. PELL. Mr. President, one of the strongest relationships between the true democracies of this world is that which exists between the United States and the State of Israel, the only true democracy in the Middle East.

This friendship has its roots in the vital role played by our country in the formation of Israel and has grown stronger because of the shared political, cultural, and economic values of the two nations.

To commemorate this unique relationship, a group of private citizens is undertaking the development of the American Promenade in Israel. It is to be a series of monuments and a botanical garden in a national park outside Jerusalem. It is being financed solely by private funds.

A prominent American from each of the 50 States will be honored at the promenade as a founding father. I note with interest that the person to be honored from my own State of Rhode Island is Alan G. Hassenfeld, chairman and chief executive officer of one of my State's most prestigious companies, Hasbro, Inc. Alan is not only one of the industrial leaders of our country, he is also a committed and tireless philanthropist. I can think of no one more deserving to be honored as a founding father of the American Promenade in Israel than Alan Hassenfeld.

EXIT FROM SOMALIA

Mr. BYRD. Mr. President, today, March 25, 1994, Maj. Gen. Thomas Montgomery, U.S. Army, officially ended United States participation in the United Nations operation in Somalia. As the last of our combat and logistics forces withdraw from that troubled nation, we should pause to commend them for performing a difficult mission with professionalism, valor, and heroism.

In December 1992, President Bush announced the deployment of U.S. forces on a humanitarian mission to ensure that relief convoys could deliver food to tens of thousands of starving Somalis suffering the combined effects of famine and war. After almost 2 years of constant civil strife, all authority in Somalia had broken down and anarchy reigned, making it impossible for relief agencies to meet the basic human needs of the Somali people. Finally, the world decided to act, and, here in the United States, the President's decision to join the effort enjoyed broad support.

We all know the unfortunate events that occurred between December 1992 and October 1993. This noble humanitarian mission degenerated into a foolish and fatal game of cat and mouse between the United Nations and General Aideed. During this time, 29 U.S. soldiers died and at least 170 more were injured. The futility of the policy became increasingly apparent. The final straw came on October 3, 1993, when 18 U.S. soldiers died in a firefight with Aideed's forces. President Clinton quickly announced that all U.S. troops would leave Somalia by March 31, 1994. That date was codified when the Congress adopted an amendment that I offered to the 1994 Defense Appropriations Act—the first time the Congress had used a funding cutoff to end a foreign military involvement since the end of the Vietnam War.

I do not intend to rehash the debate of last October. Rather, I applaud the men and women of the U.S. military who tackled a very difficult mission and performed admirably. They went to Somalia to stop the mass starvation and suffering, and they accomplished that mission. Somalia today is not a perfect place, but there is at least a glimmer of hope. Today's Washington

Post reports that the two principal Somali warlords have signed a cease-fire agreement and have scheduled a reconciliation conference for May. It remains to be seen if this is really the end of the bloodshed, but certainly Somalia could not have reached this point without the efforts of the military forces of the United States and the many other nations that participated in the humanitarian mission.

Throughout this deployment, the men and women of our armed forces have maintained the highest standard of military professionalism. Nothing illustrates this better than the tragic firefight of October 3. According to the accounts made public since that day, soldiers involved in that 15-hour battle showed extreme bravery and heroism. An article in the February 28, 1994, issue of Time recounts this dramatic episode, and reports that the Secretary of the Army has recommended that M. Sgt. Gary Gordon and Sfc. Randall Shugart posthumously receive the Congressional Medal of Honor for heroically defending the crew of a downed helicopter. This will be the first time the Medal of Honor has been awarded since the Vietnam War.

I also commend President Clinton for making the very tough decision to pull out of the U.N. operation in Somalia. It is much more difficult to end such an involvement than to begin one. The President and his military commanders deserve credit for implementing an orderly withdrawal and a smooth turnover of responsibilities to the United Nations. He has worked through diplomatic channels to make sure that the Somalis at least have a chance at success, while at the same time returning the U.S. military force to its original humanitarian mission and avoiding any additional loss of life in pursuit of unrealistic goals.

We will have ample opportunity in the future to discuss the lessons learned by this experience, but today I rise to commend the men and women of the U.S. Armed Forces for the job they did and to thank them for the sacrifices they made.

EXECUTIVE SESSION

EXECUTIVE CALENDAR

Mr. FORD. Mr. President, I ask unanimous consent that the Senate proceed to executive session to consider the following nominations:

Calendar 746. Robert F. Hale, to be an Assistant Secretary of the Air Force;

Calendar 780. Charles F. Meissner, to be an Assistant Secretary of Commerce;

Calendar 781. Susan G. Esserman, to be an Assistant Secretary of Commerce;

Calendar 783. Lynn M. Bragg, to be a member of the U.S. International Trade Commission;

Calendar 784. Jeanette W. Hyde, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Barbados;

Calendar 786. Josiah Horton Beeman, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to New Zealand;

Calendar 787. Donald M. Blinken, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Hungary;

Calendar 788. March Fong Eu, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Federated States of Micronesia;

Calendar 789. Richard Dale Kauziarich, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Azerbaijan;

Calendar 790. Charles R. Baquet III, to be Deputy Director of the Peace Corps;

Calendar 791. Thomas L. Baldini, to be a Commissioner on the part of the United States on the International Joint Commission;

Calendar 792. Susan Bayh, to be a Commissioner on the part of the United States on the International Joint Commmission;

Calendar 793. Alice Chamberlain, to be a Commissioner on the part of the United States on the International Joint Commission;

Calendar 794. Harold C. Pachios, to be a member of the U.S. Advisory Commission on Public Diplomacy;

Calendar 795. Lewis Manilow, to be a member of the U.S. Advisory Commission on Public Diplomacy;

Calendar 797. John F. Hicks, Sr., to be a member of the Board of Directors of the African Development Foundation;

Calendar 798. Barry S. Newman, to be U.S. Alternate Executive Director of the International Monetary Fund;

Calendar 799. Michael H. Trujillo, to be Director of the Indian Health Service, Department of Health and Human Services;

Calendar 801. Michael J. Davis, to the U.S. District Judge;

Calendar 802. Ancer L. Haggerty, to be U.S. District Judge;

Calendar 803. Frankin D. Burgess, to be U.S. District Judge;

Calendar 804. Kent Barron Alexander, to be U.S. Attorney;

Calendar 805. David D. Freudenthal, to be U.S. Attorney;

Calendar 806. Herbert Lee Brown, to be U.S. Marshal;

Calendar 807. Lawson Cary Bittick, to be U.S. Marshal;

Calendar 808. Frank James Anderson, to be U.S. Marshal;

Calendar 809. Nanette Holly Hegerty, to be U.S. Marshal;

Calendar 810. Raymond Gerard Gagnon, to be U.S. Marshal;

Calendar 813. Maria Luisa Mabilangan Haley, to be a member of the Board of Directors of the Export-Import Bank of the United States; and

Calendar 814. Elaine A. McReynolds, to be Federal Insurance Administrator.

I further ask unanimous consent that the nominees be confirmed, en bloc, that any statements appear in the RECORD as if read, that upon confirmation, the motions to reconsider be laid upon the table, en bloc, that the President be immediately notified of the Senate's action, and that the Senate return to legislative session.

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

The nominations considered and confirmed en bloc are as follows:

DEPARTMENT OF DEFENSE

Robert F. Hale, of Virginia, to be an Assistant Secretary of the Air Force.

DEPARTMENT OF COMMERCE

Charles F. Meissner, of Maryland, to be an Assistant Secretary of Commerce.

Susan G. Esserman, of Maryland, to be an Assistant Secretary of Commerce.

U.S. INTERNATIONAL TRADE COMMISSION

Lynn M. Bragg, of Maryland, to be a Member of the United States International Trade Commission for the term expiring June 16, 2002.

DEPARTMENT OF STATE

Jeanette W. Hyde, of North Carolina, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Barbados, and to serve concurrently and without additional compensation as Ambassador Extraordinary and Plenipotentiary of the United States of America to the Commonwealth of Dominica, Ambassador Extraordinary and Plenipotentiary of the United States of America to St. Lucia, and Ambassador Extraordinary and Plenipotentiary of the United States of America to St. Vincent and the Grenadines.

Josiah Horton Beeman, of the District of Columbia, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to New Zealand, and to serve concurrently as Ambassador Extraordinary and Plenipotentiary of the United States of America to Western Samoa.

Donald M. Blinken, of New York, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Hungary.

March Fong Eu, of California, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Federated States of Micronesia.

Richard Dale Kauzlarich, of Virginia, 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 Azerbaijan.

PEACE CORPS

Charles R. Baquet III, of Maryland, to be Deputy Director of the Peace Corps.

INTERNATIONAL JOINT COMMISSION, UNITED STATES AND CANADA

Thomas L. Baldini, of Michigan, to be a Commissioner on the part of the United States on the International Joint Commission, United States and Canada.

Susan Bayh, of Indiana, to be a Commissioner on the part of the United States on the International Joint Commission, United States and Canada.

Alice Chamberlin, of New Hampshire, to be a Commissioner on the part of the United

States on the International Joint Commission, United States and Canada.

U.S. ADVISORY COMMISSION ON PUBLIC DIPLOMACY

Harold C. Pachios, of Maine, to be a Member of the United States Advisory Commission on Public Diplomacy for a term expiring July 1, 1996.

Lewis Manilow, of Illinois, to be a Member of the United States Advisory Commission on Public Diplomacy for a term expiring July 1, 1996.

AFRICAN DEVELOPMENT FOUNDATION

John F. Hicks, Sr., an Assistant Administrator of the Agency for International Development, to be a Member of the Board of Directors of the African Development Foundation for a term expiring September 22, 1997.

INTERNATIONAL MONETARY FUND

Barry S. Newman, of Virginia, to be United States Alternate Executive Director of the International Monetary Fund for a term of two years.

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Michael H. Trujillo, of Oregon, to be Director of the Indian Health Service, Department of Health and Human Services, for a term of four years. (New Position).

THE JUDICIARY

Rafael Diaz, of the District of Columbia, to be an Associate Judge of the Superior Court of the District of Columbia for the term of fifteen years.

Michael J. Davis, of Minnesota, to be United States District Judge for the District of Minnesota.

Ancer L. Haggerty, of Oregon, to be United States District Judge for the District of Oregon.

Franklin D. Burgess, of Washington, to be United States District Judge for the Western District of Washington.

DEPARTMENT OF JUSTICE

Kent Barron Alexander, of Georgia, to be United States Attorney for the Northern District of Georgia for the term of four years.

David D. Freudenthal, of Wyoming, to be United States Attorney for the District of Wyoming for the term of four years.

Herbert Lee Brown, of Nevada, to be United States Marshal for the District of Nevada for the term of four years.

Lawson Cary Bittick, of Georgia, to be United States Marshal for the Middle District of Georgia for the term of four years.

Frank James Anderson, of Indiana, to be United States Marshal for the Southern District of Indiana for the term of four years.

Nannette Holly Hegerty, of Wisconsin, to be United States Marshall for the Eastern District of Wisconsin for the term of four years.

Raymond Gerard Gagnon, of New Hampshire, to be United States Marshall for the District of New Hampshire for the term of four years.

EXPORT-IMPORT BANK OF THE UNITED STATES

Maria Luisa Mabilangan Haley, of Arkansas, to be a Member of the Board of Directors of the Export-Import Bank of the United States for the remainder of the term expiring January 20, 1995.

FEDERAL EMERGENCY MANAGEMENT AGENCY

Elaine A. McReynolds, of Tennessee, to be Federal Insurance Administrator, Federal Emergency Management Agency.

LEGISLATIVE SESSION

The PRESIDENT pro tempore. Under the previous order, the Senate will resume legislative session.

TWIN FALLS COUNTY LANDFILL ACT OF 1993

Mr. FORD. Mr. President, I ask unanimous consent that the Committee on Energy and Natural Resources be discharged from further consideration of S. 1402, a bill to convey a parcel of public land to the county of Twin Falls, ID, and that the Senate proceed to its immediate consideration.

The PRESIDENT pro tempore. The clerk will state the title of the bill.

The legislative clerk read as follows:

A bill (S. 1402) to convey a parcel of public land to the county of Twin Falls, ID, for use as a landfill, and for other purposes.

The PRESIDENT pro tempore. Is there objection to the immediate consideration of the bill?

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

AMENDMENT NO. 1603

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

The PRESIDENT pro tempore. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Idaho [Mr. CRAIG] proposes an amendment numbered 1603.

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

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

The amendment is as follows:

Revise section 2(a) to read as follows:

"(a) Effective on the tender by the County of Twin Falls, Idaho, of the fair market value for the lands described in subsection (b) to the Secretary of the Interior, all right, title, and interest in and to such lands, except for subsurface minerals which are reserved to the United States, is transferred by operation of law to the County of Twin Falls. The Secretary shall evidence such conveyance as soon as possible thereafter by appropriate quitclaim deed."

In section 2, delete subsections (b) and (c) and redesignate subsection (d) as (b).

At the end of the bill add a new subsection (c) as follows:

"(c) Subject to valid existing rights, the lands referred to in subsection (b) are withdraw from location, entry, and patent under the United States mining laws and from disposition under all laws pertaining to mineral and geothermal leasing, and mineral materials, and all amendments thereto."

The PRESIDENT pro tempore. The question is on adoption of the amendment.

The amendment (No. 1603) was agreed to.

The PRESIDENT pro tempore. Is there further amendment?

Mr. CRAIG. Mr. President, I rise in support of passage of S. 1402. This bill is before us today because of a land transfer arising from requirements of Reclamation Conservation and Recovery Act [RCRA], subsection D regulations that necessitate the opening of a new landfill in Twin Falls County, ID, by April 9, 1994.

I have no argument with the landfill requirements at this time. However, I am concerned that counties surrounded by Federal land, such as Twin Falls, ID, are caught in a bureaucratic dilemma: The time it takes to transfer Federal land to the county does not fit within the stringent timeframe set by EPA to open a new landfill.

Twin Falls County is approximately fifty percent owned by the Federal Government; as a result, it must turn to those Federal lands as a site for a new landfill. County authorities began a regional process to meet EPA requirements in 1988. The county has worked diligently with the Bureau of Land Management to acquire land known as Hub Butte under the Recreation and Public Purposes Act. Completing this transaction has simply taken too long. It is for this reason I asked for a hearing on S. 1402 before the Energy and Natural Resources Committee and for speedy action to allow the acquisition of this land by the county.

I had been led to believe State primacy over subsection D landfill regulations would alleviate the problem facing Twin County. In a letter to me earlier this month, EPA made it very clear that the State of Idaho had no such authority to grant any time extension under the primacy granted by EPA.

As a result of this situation, Twin Falls County, who has dealt in good faith in this entire issue, is faced with bearing extraordinary costs. These costs will result from having to truck waste 30 miles to another landfill and to pay a dump cost of approximately $150,000 per month. To allow the county relief from these excessive costs, it is necessary for this body to act and direct the transfer of this land after the payment of fair market value by the county. S. 1402 directs the transfer of land that will then allow the opening of a landfill facility that will meet the new subtitle D, RCRA, regulations and thus correct the situation that Twin Falls County faces.

Mr. President, I ask unanimous consent that a statement by Twin Falls County commissioner James F. Fraley be printed in the RECORD.

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

TWIN FALLS COUNTY LANDFILL—WRITTEN COMMENTS

Twin Falls County, Idaho has made much progress toward completing a new "Subtitle D" landfill facility. After our original attempts of joining in a regional landfill venture failed, a Twin Falls County Landfill Siting Committee, composed of a cross-section of people from throughout the county, conducted a thorough search for appropriate locations for a county landfill. Our citizens were particularly adamant that productive farm land not be utilized when so much undeveloped land is available, only one third of all land in Twin Falls County is privately

owned. The committee located four tentative sites which appeared to meet the stiff landfill site criteria; all four were on BLM land. After thoroughly studying the sites for several months a design team of engineers recommended Hub Butte located south of the City of Twin Falls and adjacent to the current landfill; the Commissioners concurred with their recommendation.

Site certification went smoothly. Not only did Hub Butte meet all federal Subtitle D requirements, it also met all State of Idaho requirements including those regarding Critical Habitat, Setback Requirements, Scenic and National Lands, and Perennial Streams and Lakes. Site certification documents were submitted March 8, 1993, after a 28 day public comment period and an additional 21 day DEQ review period, the site certification was obtained on April 20, 1993.

By August of 1993 we had a bond passed by 77 percent, a site approved, a landfill design approved, and a construction bid accepted. We were ready to start construction except that the process for acquiring land from the BLM is very time consuming.

The land acquisition process for the landfill site began in December of 1992 with a formal application to the BLM. Initially it appeared that an environmental assessment would be adequate for the transfer of ownership. Later, it was determined that an Environmental Impact Statement [EIS], a very lengthy process, would be required. Although there appears to be no opposition to the site, the entire process to acquire BLM land is so cumbersome that we are looking at an August 30, 1994 acquisition date, nearly two years from the submission of the application and that is with the full cooperation and support of the local BLM staff!

The bottom line is that we obviously are not going to be able to comply with the federal deadline of April 9, 1994. The DEQ and Governor Andrus were willing to give us an extension because of our good faith effort, but they apparently have no authority to do so. That authority rests with the EPA.

The best solution would be an extension, but that apparently is not going to happen, in spite of our appeals. The legislation Senator Craig is proposing will immediately transfer the BLM property to Twin Falls County so that construction of our landfill can commence at once, saving our taxpayers thousands of dollars each month for expenses related to transporting trash out of county or federal fines of up to $25,000 daily for continuing to use our current landfill until the new one, which is adjacent to it, is completed. Even with this bill we are looking at five to six months of exorbitant added costs because of the lengthy land acquisition process.

Thank you for considering the needs of the citizens of Twin Falls County.

The PRESIDENT pro tempore. The question is on the engrossment and third reading of the bill.

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

S. 1402

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 "Twin Falls County Landfill Act of 1994".

SEC. 2. CONVEYANCE.

(a) Effective on the tender by the County of Twin Falls, Idaho, of the fair market value for the lands described in subsection (b) to the Secretary of the Interior, all right, title, and interest in and to such lands, except for subsurface minerals which are reserved to the United States, is transferred by operation of law to the County of Twin Falls. The Secretary shall evidence such conveyance as soon as possible thereafter by appropriate quit-claim deed.

(b) DESCRIPTION OF LAND.—The lands to be conveyed pursuant to section 2 of this Act comprise approximately 1083.77 acres of Federal lands described as the SE¼SW¼SE¼, S½SE¼SE¼ of section 31; W½, SW¼SW¼SE¼ of section 32; Township 11 South, Range 17 East, Boise Meridian and the West Half of Lot 2, Lot 3, Lot 4, W½SW¼NE¼, S½NW¼, SW¼ and the W½W½SE¼ of section 5; Lot 1, East Half of Lot 2, E½SW¼NE¼, SE¼NE¼, E½W½SE¼, and the E½SE¼ of section 6; N½NE¼NE¼, NE¼NW¼NE¼ of section 8; of Township 12 South, Range 17 East, Boise Meridian.

(c) Subject to valid existing rights, the lands referred to in subsection (b) are withdrawn from location, entry, and patent under the United States mining laws and from disposition under all laws pertaining to mineral and geothermal leasing, and mineral materials, and all amendments thereto.

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

Mr. CRAIG. I move to lay that motion on the table. The motion to lay on the table was agreed to.

EXTENDING THE MARINE MAMMAL PROTECTION ACT

Mr. FORD. Mr. President, I ask unanimous consent now that the Commerce Committee be discharged from further consideration of H.R. 4122, a bill to provide for a 1-month extension of certain provisions of the Marine Mammal Protection act; that the Senate then proceed to its immediate consideration, the bill be read a third time and passed, the motion to reconsider be laid upon the table.

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

The bill (H.R. 4122) was ordered to a third reading, was deemed read the third time, and passed.

EXTENDING CONDOLENCES TO THE PEOPLE OF MEXICO

Mr. FORD. Mr. President, I ask unanimous consent that the Senate proceed to consideration of Senate Resolution 198, a resolution submitted earlier today by Senator DODD extending condolences to the people of Mexico on the tragic death of Luis Donaldo Colosio; that the resolution and the preamble be agreed to; the motions to reconsider be laid on the table en bloc; and that any statements appear in the RECORD at the appropriate place.

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

So the resolution (S. Res. 198) was agreed to.

The preamble was agreed to.

The resolution, with its preamble, is as follows:

S. RES. 198

Whereas Luis Donaldo Colosio was selected by the Institutional Revolutionary Party to be its official candidate for the August Presidential elections in Mexico;

Whereas Mr. Colosio had ably served the people of Mexico as a government official in the administration of President Carlos Salinas de Gortari; and had demonstrated during his tenure as Secretary of Social Development a compassion for the underprivileged and an understanding of the need for economic and political reforms in order to better meet the aspirations of all of the people of Mexico;

Whereas Mr. Colosio had demonstrated that he was among the most progressive and promising leaders of his country;

Whereas, on March 23, during a campaign event in Tijuana in the presence of more than one thousand people, Mr. Colosio was savagely shot and killed;

Whereas today the people of Mexico are mourning the tragic and untimely death of Mr. Colosio: Now, therefore, be it

Resolved by the Senate, That it

(1) condemns this senseless act of violence;

(2) joins with President Clinton in extending the condolences of the American people to the people of Mexico, and most especially to the Colosio family, who have all endured a devastating and terrible loss; and

(3) pledges the full and unequivocal support of the United States to the government and people of Mexico during this difficult and trying time.

Mr. DODD. Mr. President, this resolution is designed to let our friends in Mexico know that we understand the grief and sorrow inflicted upon them as a result of the tragic death of Luis Donaldo Colosio.

The assassination of this rising political star—the candidate of his party in Mexico's upcoming Presidential elections—touches all of us.

Luis Donaldo Colosio was a very gifted and talented public servant, and his cold-blooded murder robs Mexico—indeed it robs all of the nations of the Western Hemisphere—of one of its most prominent and promising political leaders.

Our thoughts and prayers are with the Colosio family and with the people of Mexico.

Mr. President, I hope this resolution will be adopted without further delay.

Mrs. BOXER. Mr. President, I am proud to cosponsor the resolution offered by the Senator from Connecticut and I thank him for his leadership on this issue.

Our Nation knows all too well the pain of political violence. On behalf of all Californians, I want to send my heartfelt condolences to the family of Luis Donaldo Colosio, and to all those who put their faith in him.

I want to commend President Carlos Salinas de Gortari for the leadership he has shown during this crisis. A tragedy of this magnitude shakes a people's confidence in their government. President Salinas' statements that the criminal act of a deranged individual must not derail a democracy are exactly on point.

I also want to thank President Clinton for his actions in response to the

assassination. As he discussed in his news conference last night, the President took immediate steps to stabilize the Mexican peso and prevent a financial panic.

Finally, I want to thank my constituents in California for the sympathy that they have shown the family of Luis Donaldo Colosio and the support that they have shown the Mexican Government. I was struck this afternoon by an article that appeared in today's Fresno Bee entitled "Fresnans Concerned In Assassination Wake." The article described how Mexican Consul General Gabriel Garcia Perez returned to his Fresno office from Tijuana to the calls of support of hundreds of shocked and saddened Fresnans.

That is part of the California spirit, Mr. President. We will not abandon our neighbors to the south in their hour of need.

Mr. BINGAMAN. Mr. President, I rise to join my colleague, Senator DODD, on offering a resolution that would extend condolences of the American people to the people of Mexico on the tragic death of Luis Donaldo Colosio.

As you know, on March 23, Luis Donaldo Colosio was assassinated as he spoke to a crowd as the newly chosen candidate of the Institutional Revolutionary Party. Well on his way to becoming the next President of Mexico, his loss is a tragic one for the people of Mexico as well as for the people of the United States.

As Secretary of Social Development in the Salinas cabinet, he demonstrated his commitment for the underprivileged of Mexico. A leader in his party, he demonstrated the need to continue the economic and political reforms introduced by the current administration of President Salinas.

We would like to commend President Clinton in taking swift action in denouncing this senseless act of violence and in extending condolences to the family of Luis Donaldo Colosio and the people of Mexico. We join the President in maintaining our confidence in the Mexican Government and in maintaining our new economic partnership with the people of Mexico.

The State of New Mexico has always shared a long historical and cultural connection with Mexico. In the age of NAFTA, we as a country are in the process of extending that relationship to one of trade and economic exchange. This is an era of economic development and political reform for the people of Mexico. The untimely loss of such a talented and socially conscious leader is one that is felt by both our nations.

Mr. President, this resolution joins President Clinton in extending the condolences of the American people to the people of Mexico in their time of loss. In extending our understanding of losing a young and talented leader, may it serve to strengthen the new relationship between our two nations.

MEASURE READ FOR FIRST TIME—S. 1996

Mr. FORD. Mr. President, I understand that S. 1996, the Medicare Choice Act of 1994, introduced earlier today by Senator DURENBERGER, is at the desk, and I ask for its first reading.

The PRESIDENT pro tempore. The clerk will state the bill by title.

The legislative clerk read as follows:

A bill (S. 1996) to amend title 18 of the Social Security Act to provide Medicare beneficiaries a choice among health plans, and for other purposes.

Mr. FORD. Mr. President, I now ask for its second reading.

The PRESIDENT pro tempore. The clerk will read the bill a second time.

Mr. CRAIG. I object.

The PRESIDENT pro tempore. Objection being heard the bill will go over until the next legislative day after an adjournment of the Senate.

APPOINTMENT OF CONFEREES—H.R. 2659

Mr. FORD. Mr. President, I ask unanimous consent that with respect to the passage H.R. 2659, the organ transplant legislation, the Senate insist on its amendment, request a conference with the House on the disagreeing votes of the two Houses, and the Chair be authorized to appoint conferees.

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

Thereupon, the President pro tempore appointed Mr. KENNEDY, Mr. PELL, Mr. METZENBAUM, Mrs. KASSEBAUM, and Mr. JEFFORDS conferees on the part of the Senate.

HIGH DEFAULT RATE FOR CERTAIN INSTITUTIONS OF HIGHER EDUCATION

Mr. FORD. Mr. President, I now ask unanimous consent the Senate proceed to consideration of S. 2004, a bill introduced earlier today by Senators BUMPERS and COCHRAN, and others, dealing with the high default rate for certain institutions of higher education; that the bill be read a third time and passed; the motion to reconsider laid on the table; and any statements thereon appear in the RECORD at the appropriate place as though read.

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

So the bill (S. 2004) was deemed read the third time and passed, as follows:

S. 2004

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

SECTION 1. EXTENSION.

The matter preceding clause (i) of section 435(a)(2)(C) of the Higher Education Act of 1965 (20 U.S.C. 1085(a)(2)(C)) is amended by striking "July 1, 1994" and inserting "July 1, 1998".

Mr. BUMPERS. Mr. President this bill would extend the current exemption from loan default thresholds for historically black colleges and universities and tribally controlled Indian community colleges. The exemption, which is due to expire on July 1, 1994, would be extended to July 1, 1998.

The extension authorized in this bill would allow time for historically black colleges and universities to implement a community-wide strategy that has the full support of Secretary of Education Reiley and the White House. The strategy is designed to reduce default rates at historically black colleges and universities through administrative reforms and a new peer counseling system.

The Congress has long recognized the special and historical mission these institutions carry out, and, consequently, has specifically exempted historically black colleges from default rate thresholds. The General Accounting Office has estimated that, without an extension of the current exemption, 33 of the 104 historically black colleges and universities would become ineligible to participate in the Federal Student Loan Program on July 1, 1994, thereby jeopardizing access to higher education for many minority students.

It is important to point out that the historically black colleges and universities receive a relatively low volume of Federal Student Loan dollars. In 1991 the Federal Student Loan Program totaled $13.5 billion. Loans to students at historically black colleges and universities were only $372 million, or less than 2.8 percent of the entire program.

This bill is supported by the Administration and by the American Council on Education and 14 other organizations representing institutions of higher education.

Mr. President, I ask unanimous consent that a letter of support from the American Council on Education be printed in the RECORD.

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

AMERICAN COUNCIL ON EDUCATION,
Washington, DC, February 1, 1994.

Hon. CLAIBORNE PELL,
U.S. Senate, Washington, DC.

DEAR SENATOR PELL: The higher education associations listed below represent all 3200 of the nation's 2- and 4-year, public and private colleges and universities. We are seeking your support for a matter of considerable urgency and profound importance: extending the exemption for the Historically Black Colleges and Universities (HBCUs) and the tribally-controlled and Navajo community colleges from the student loan default rate cut-off in the Federal Family Education Loan Program (FFELP). Without legislative intervention, the current exemption will expire on July 1, 1994, and make 33 institutions—one-third of the total number of HBCUs—ineligible to participate in federal student loan programs.

Historically Black Colleges and Universities, tribally-controlled and Navajo community colleges play a unique role in making a college education available to minorities. Millions of graduates of these schools

have distinguished themselves as superbly productive and influential members of society. The prospect that many of these schools could lose their eligibility to participate in the FFELP program would constitute a devastating setback to efforts to increase minority participation in higher education, and threatens the continued viability of the institutions themselves.

We do not condone high default rates, and we strongly support congressional and executive branch default reduction measures. However, we believe that the default rates at these schools have been influenced heavily by such factors as a sluggish economy and a decade of declining federal grant assistance. As grant assistance has given way to borrowing, loan volume among the HBCUs, tribally-controlled and Navajo community colleges has increased significantly. Even as this trend has occurred, however, less than 3 percent of the annual $19 billion in FFELP loans are made to HBCU students, and schools have stepped up their efforts to inform students about their responsibilities for loan repayment and to work with lenders and guarantee agencies to ensure that loans are promptly repaid.

As President Clinton said in his State of the Union message, "* * * if we give ordinary people equal opportunity, quality education, and a fair shot at the American dream, they will do extraordinary things." No statement could better capture the essence of what these colleges and universities do. We urge you to enable the Historically Black Colleges and Universities and the tribally-controlled and Navajo community colleges to carry forward their distinctive efforts to serve low-income and minority students by swiftly extending their FFELP legislative provision.

Sincerely,

ROBERT H. ATWELL,
President.

On behalf of: American Council on Education, American Association of Community Colleges, American Association of State Colleges and Universities, Association of American Universities, Association of Catholic Colleges and Universities, Association of Community College Trustees, Association of Governing Boards of Universities and Colleges, Association of Jesuit Colleges and Universities, Council of Independent Colleges, Hispanic Association of Colleges and Universities, National Association for Equal Opportunity in Higher Education, National Association for Independent Colleges and Universities, National Association of Student Financial Aid Administrators, National Association of State Universities and Land-Grant Colleges, United Negro College Fund.

Mr. COCHRAN. Mr. President, the higher education amendments of 1992 established a mechanism for removing institutions of higher education from the student loan program if the number of defaulted loans at any institution averaged 25 percent or more over a 3-year period. Such schools are no longer eligible to participate in the Federal student loan program. An exemption was provided for Historically Black Colleges and Universities [HBCU's], tribally controlled community colleges and Navajo community colleges, until July 1, 1994.

These institutions offer postsecondary education to a disproportionate number of students from disadvantaged backgrounds. Ninety-five percent of students attending Mississippi's nine HBCU's receive some form of Federal student aid. Without Federal assistance, these institutions would be closed and their students would more than likely not attend college at all.

The exemption for HBCU's and tribally controlled community colleges expires July 1, 1994. Only one of Mississippi's HBCU's is on the list to become ineligible for Federal student loans beginning in July. However, 33 of the 104 HBCU's around the country would be ineligible to participate if the exemption is not extended.

The bill will extend the exemption for 4 more years. By extending the exemption, these institutions would have more time to bring student default rates down through better internal procedures and student awareness of the obligation they have to repay the loans.

It is important to note that despite high default rates, these institutions receive a relatively low volume of Federal student loan dollars, partially due to the low cost of attending these institutions. The General Accounting Office reported that of $13.5 billion in Federal students loan volume in fiscal year 1991, loans to students attending HBCU's totaled $372 million or less than 2.8 percent of the Federal student loans made that year. The CBO estimates that extending the exemption will cost $19 million over a 6-year period.

I believe it is appropriate to extend this exemption through the life of the Higher Education Act amendments of 1992, and then we can take another look at it. I urge other Senators to support this legislation.

MAKING TECHNICAL CORRECTIONS

Mr. FORD. Mr. President, I ask unanimous consent that the Agriculture Committee be discharged from further consideration of S. 2005, a bill making certain technical corrections, and that the Senate then proceed to its immediate consideration; the bill be read a third time, passed, and the motion to reconsider be laid upon the table.

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

So the bill (S. 2005) was deemed read the third time and passed, as follows:

S. 2005

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

SECTION 1. TECHNICAL AMENDMENTS

(a) Sections 101B(c)(1)(D)(v)(II) and 103B(c)(1)(D)(v)(II) of the Agricultural Act of 1949 (7 U.S.C. 1441-2(c)(1)(D)(v)(II) and 1444-2(c)(1)(D)(v)(II)) are each amended by inserting "without regard to clause (ii)" after "clause (iii)".

(b) Section 105B(c)(1)(B)(iii)(IV)(bb) of such Act (7 U.S.C. 1444f(c)(1)(B)(iii)(IV)(bb)) is amended by striking "clause (i)(I)" and inserting "clauses (i) and (ii)".

(c) Section 204(g) of such Act (7 U.S.C. 1446e(g)) is amended—

(1) in paragraph (1), by inserting after "purchase" the following: "(less sales under section 407 for unrestricted use)"; and

(2) in paragraph (2), by inserting after "purchases" each place it appears the following: "(less sales under section 407 for unrestricted use)".

UNDER SECRETARY FOR HEALTH IN THE DEPARTMENT OF VETERANS AFFAIRS ACT

Mr. FORD. Mr. President, I ask that the Chair lay before the Senate a message from the House of Representatives on (S. 1534), a bill to amend title 38, United States Code, to repeal a requirement that the Under Secretary for Health in the Department of Veterans Affairs be a doctor of medicine.

The PRESIDENT pro tempore laid before the Senate the following message from the House of Representatives:

Resolved, That the bill from the Senate (S. 1534) entitled "An Act to amend title 38, United States Code, to repeal a requirement that the Under Secretary for Health in the Department of Veterans Affairs be a doctor of medicine", do pass with the following amendments:

Strike out all after the enacting clause and insert:

SECTION 1. MODIFICATION TO PHYSICIAN REQUIREMENT FOR CERTAIN SENIOR VETERANS HEALTH ADMINISTRATION OFFICIALS.

(a) UNDER SECRETARY.—Section 305 of title 38, United States Code, is amended—

(1) in subsection (a)(2), by striking out "shall be a doctor of medicine and shall be" an inserting in lieu thereof "shall (except as provided in subsection (d)(1)) be a doctor of medicine. The Under Secretary shall be";

(2) in subsection (d)—

(A) by adding at the end of paragraph (1) the following: "If at the time such a commission is established both the position of Deputy Under Secretary for Health and the position of Associate Deputy Under Secretary for Health are held by individuals who are doctors of medicine, the individual appointed by the President as Under Secretary for Health may be someone who is not a doctor of medicine. In any case, the Secretary shall develop, and shall furnish to the commission, specific criteria which the commission shall use in evaluating individuals for recommendations under paragraph (3).";

(B) by redesignating paragraph (4) as paragraph (5);

(C) by inserting after the first sentence of paragraph (3) the following: "In a case in which, pursuant to paragraph (1), the individual to be appointed as Under Secretary does not have to be a doctor of medicine, the commission may make recommendations without regard to the requirement in subsection (a)(2)(A) that the Under Secretary be appointed on the basis of demonstrated ability in the medical profession, but in such a case the commission shall accord a priority to the selection of a doctor of medicine over an individual who is not a doctor of medicine."; and

(D) by designating the sentence beginning "The commission shall submit" as paragraph (4).

(b) DEPUTY AND ASSOCIATE DEPUTY UNDER SECRETARY.—Section 7306 of such title is amended—

(1) in subsection (a), by inserting "(except as provided in subsection (c))" in paragraphs (1) and (2) after "and who shall";

(2) in subsection (c)—

(A) by inserting "(1)" after "(c)"; and

(B) by adding at the end the following:

"(2) If at the time of the appointment of the Deputy Under Secretary for Health under subsection (a)(1), both the position of Under Secretary for Health and the position of Associate Deputy Under Secretary for Health are held by individuals who are doctors of medicine, the individual appointed as Deputy Under Secretary for Health may be someone who is not a doctor of medicine.

"(3) If at the time of the appointment of the Associate Deputy Under Secretary for Health under subsection (a)(2), both the position of Under Secretary for Health and the position of Deputy Under Secretary for Health are held by individuals who are doctors of medicine, the individual appointed as Associate Deputy Under Secretary for Health may be someone who is not a doctor of medicine.".

Amend the title so as to read: "An Act to amend title 38, United States Code, to allow one of the three senior citizens in the Veterans Health Administration of the Department of Veterans Affairs to be an individual who is not a doctor of medicine.".

AMENDMENT NO. 1604

(Purpose: To provide a substitute)

Mr. FORD. Mr. President, I ask unanimous consent that the Senate concur in the amendment of the House to the bill with an amendment that I now send to the desk.

The PRESIDENT pro tempore. Without objection, it is so ordered. The clerk will state the amendment.

The legislative clerk read as follows:

The Senator from Kentucky [Mr. FORD], for Mr. ROCKEFELLER, proposes an amendment numbered 1604.

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

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

The amendment is as follows:

Strike out all after the enacting clause and insert in lieu thereof the following:

SECTION 1. MODIFICATION TO PHYSICIAN REQUIREMENT FOR CERTAIN SENIOR VETERANS HEALTH ADMINISTRATION OFFICIALS.

(a) UNDER SECRETARY.—Section 305 of title 38, United States Code, is amended—

(1) in subsection (a)(2), by striking out "shall be a doctor of medicine and shall be" and inserting in lieu thereof "shall (except as provided in subsection (d)(1)) be a doctor of medicine. The Under Secretary shall be";

(2) in subsection (d)—

(A) by adding at the end of paragraph (1) the following: "If at the time such a commission is established both the position of Deputy Under Secretary for Health and the position of Associate Deputy Under Secretary for Health are held by individuals who are doctors of medicine, the individual appointed by the President as Under Secretary for health may be someone who is not a doctor of medicine. In any case, the Secretary shall develop, and shall furnish to the commission, specific criteria which the commission shall use in evaluating individuals for recommendations under paragraph (3).";

(B) by redesignating paragraph (4) as paragraph (5);

(C) by inserting after the first sentence of paragraph (3) the following: "In a case in which, pursuant to paragraph (1), the individual to be appointed as Under Secretary does not have to be a doctor of medicine, the commission may make recommendations without regard to the requirement in subsection (a)(2)(A) that the Under Secretary be appointed on the basis of demonstrated ability in the medical profession"; and

(D) by designating the sentence beginning "The commission shall submit" as paragraph (4).

(b) DEPUTY AND ASSOCIATE DEPUTY UNDER SECRETARY.—Section 7306 of such title is amended—

(1) in subsection (a), by inserting "(except as provided in subsection (c))" in paragraphs (1) and (2) after "and who shall";

(2) in subsection (c)—

(A) by inserting "(1)" after "(c)"; and

(B) by adding at the end of the following:

"(2) If at the time of the appointment of the Deputy Under Secretary for Health under subsection (a)(1), both the position of Under Secretary for Health and the position of Associate Deputy Under Secretary for Health are held by individuals who are doctors of medicine, the individual appointed as Deputy Under Secretary for Health may be someone who is not a doctor of medicine.

"(3) If at the time of the appointment of the Associate Deputy Under Secretary for Health under subsection (a)(2), both the position of Under Secretary for Health and a position of Deputy Under Secretary for Health are held by individuals who are doctors of medicine, the individual appointed as Associate Deputy Under Secretary for Health may be someone who is not a doctor of medicine.".

SEC. 2. REQUIREMENT RELATING TO MEMBERS OF COMMISSION TO RECOMMENDED APPOINTEES.

Section 305(d)(2) of title 38, United States Code, is amended—

(1) by striking out "A commission" and inserting in lieu thereof "(A) Subject to subparagraph (B), a commission";

(2) by redesignating subparagraphs (A), (B), (C), (D), (E), and (F) as clauses (i), (ii), (iii), (iv), (v), and (vi), respectively; and

(3) by adding at the end the following new subparagraph (B):

"(B) Not less than five of the members of the commission shall be doctors of medicine.".

Amend the title so as to read: "An Act to amend title 38, United States Code, to allow one of the three senior officials in the Veterans Health Administration of the Department of Veterans Affairs to be an individual who is not a doctor of medicine, and for other purposes.".

Mr. ROCKEFELLER. Mr. President, I am delighted that the Senate is acting on my amendment to the pending legislation, S. 1534, which relates to the qualifications of the Under Secretary for Health of the Department of Veterans Affairs.

Under current law, section 305 of title 38, United States Code, which dates from 1946, the Under Secretary for Health must be a doctor of medicine. I originally introduced this bill, along with my good friend, the ranking minority member on the Committee on Veterans' Affairs, Senator MURKOWSKI, last fall, and the Senate passed it on October 7, 1993. As introduced and passed by the Senate, the legislation would have modified current law so as to allow the Under Secretary to be other than a medical doctor. I refer my colleagues and others with an interest in the background of this legislation to my remarks at the time of Senate action, which begin on page S 13253 of the RECORD for October 7, 1993.

Mr. President, following Senate passage of this legislation, the House Committee on Veterans' Affairs developed—after significant debate and activity, including a defeat for the provision as passed by the Senate in a subcommittee markup—an amendment that would allow one of the top three positions within the Veterans Health Administration—the Under Secretary for Health, the Deputy Under Secretary for Health, or the Associate Deputy Under Secretary—to be a nonphysician. The full House passed this amendment on November 16, 1993. The House amendment also would require the Secretary to develop specific criteria for the evaluation of candidates for the position of Under Secretary and would provide that, in the event a commission established under the law to select a new Under Secretary was considering individuals who were not physicians, the commission would be required to accord a priority to physician candidates over nonphysician candidates.

Mr. President, the amendment that I am proposing today would further amend the House amendment in two ways—first, in response to concerns raised by some members of our Committee, it would delete the requirement that a commission give a priority to physician candidates, and second, it would provide that any such commissions established in the future have physicians as at least one-half of their membership. With reference to this second element of the membership. With reference to this second element of the membership of a search commission, in light of the qualifications that are set forth in the law for such membership, this would not be a difficult standard to meet.

Mr. President, as I noted last fall, there was an immediate reason for making the change to the qualifications of the Under Secretary—namely, the compelling need to find a highly qualified candidate to fill the currently vacant position of Under Secretary for Health. However, that process has gone forward in the interim, and I am hopeful that a decision will be made in the near future on a candidate for the position. Thus, this change in the law will not have any immediate effect. I nevertheless believe that this is an important change, and I urge my colleagues support for it.

The PRESIDENT pro tempore. The question is on the adoption of the amendment.

Without objection, the amendment is agreed to.

So the amendment (No. 1604) was agreed to.

Mr. FORD. Mr. President, I ask unanimous consent the Senate concur in the amendment of the House to the title.

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

COURT OF VETERANS APPEALS IMPROVEMENT ACT OF 1993

Mr. FORD. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of calendar 376, S. 1546, the Court of Veterans Appeals Improvement Act of 1993; that the committee substitute amendment be agreed to, the motion to reconsider be laid upon the table, that the bill be read a third time, passed, the motion to reconsider laid upon the table, and that any statement appear at the appropriate place in the RECORD.

The PRESIDENT pro tempore. Without objection the several requests will be granted.

Mr. ROCKEFELLER. Mr. President, as chairman of the Committee on Veterans' Affairs, I urge the Senate to pass S. 1546, the proposed Court of Veterans Appeals Improvement Act of 1993, a bill to revise certain provisions relating to the U.S. Court of Veterans Appeals, as reported by the committee on March 2, 1994. This bill would make improvements in the Veterans' Judicial Review Act, the legislation that created the Court of Veterans Appeals in 1988.

Mr. President, the measure as it comes before us today, which I will refer to as the "committee bill," is derived from a measure which passed the full Senate during the 102d Congress—S. 2974—which was reported by the Committee on Veterans' Affairs on September 15, 1992, and passed by the full Senate on October 1, 1992.

SUMMARY OF PROVISIONS

Mr. President, section 2 of the committee bill would require that the appointment of an associate judge of the U.S. Court of Veterans Appeals to be chief judge be by and with the advice and consent of the Senate.

Section 3 would require that the court accept as timely filed a notice of appeal that is mailed within the 120-day statutory filing period if it bears a legible U.S. Postal Service postmark, and would provide that the court's determination as to the legibility of a postmark is final and not subject to review by any other court.

Finally, section 4 would clarify that attorneys may receive payment for representation before the court directly from VA out of a retroactive benefit award only if the total amount of the fee is contingent upon the claim being resolved in favor of the appellant.

Mr. President, because the various provisions contained in the committee bill are described in detail in the committee report (S. Rept. 103-232), at this time I will only highlight the provisions of the committee bill. I refer my colleagues and all others with interest in this bill to the committee report.

CONFIRMATION OF CHIEF JUDGE OF THE COURT

Mr. President, section 2 of the bill would clarify the process for filling the position of chief judge of the court. Currently, under section 7254(d) of title 38, United States Code, when the position of chief judge is vacant, the associate judge senior in service assumes the role of acting chief judge, unless the President designates another associate judge to serve in that position. This provision was enacted in Public Law 101-94 for the purpose of avoiding any unnecessary disruption when the chief judge position becomes vacant.

Section 2 of the bill acknowledges the importance of the position of chief judge by clarifying that the appointment of any individual by the President to serve in the position of chief judge, including any sitting associate judge, must only be with the advice and consent of the Senate. Therefore, section 2 would require Senate confirmation of any individual selected by the President to serve as chief judge of the Court of Veterans Appeals.

FILING DATE FOR NOTICE OF APPEAL TO THE COURT

Mr. President, section 3 of the bill would provide that an appeal to the Court of Veterans Appeals is timely filed if it is postmarked—rather than actually received by the court—by the statutory deadline. Currently, section 7266(a) of title 38 requires that an appeal to the court must be filed within 120 days after the date on which the Board of Veterans' Appeals mails its decision. Under rule 4 of the court's Rules of Practice and Procedure, the court must receive the notice of appeal by the 120th day of that filing period.

Mr. President, although the Court of Veterans Appeals acted appropriately and within the scope of its authority when it adopted rule 4, I believe that the court's interpretation of the statutory requirement is unduly restrictive and complicated. I believe that in order to be fair to all appellants, the postmark date on the notice of appeal must be considered the filing date for purposes of determining whether or not an appeal was filed in a timely manner. Therefore, section 3 of the bill would amend section 7266(a) of title 38 to require that a notice of appeal be deemed received by the court on the date of receipt by the court if it is delivered, or on the date it is postmarked if it is mailed.

PAYMENT OF ATTORNEY FEES UNDER CONTINGENT FEE AGREEMENTS

Mr. President, section 4 of the committee bill would overrule the Court of Veterans Appeals as to one element of its decision in Matter of Fee Agreement of Smith, 4 Vet. App. 487 (1993). Specifically, this provision relates to the issue of attorney fees paid directly to the attorney by VA from past-due benefits awarded to the appellant. Under current law, section 5904(d) of title 38, an attorney may receive payment for representation before the court directly from VA out of a retroactive benefit award.

Section 4 would amend section 5904(d) to clarify that if a fee agreement requires direct payment from VA to the attorney, the total amount of the fee must be contingent upon whether or not the appellant's claim is successfully resolved.

CONCLUSION

Mr. President, this legislation would allow the Court of Veterans Appeals to fulfill more effectively its responsibility under the Veterans' Judicial Review Act and ease certain unnecessary restrictions on potential appellants before the court. I urge all of my Senate colleagues to support this bill.

Mr. President, I express my appreciation to the distinguished ranking Republican member of the Senate committee, Mr. MURKOWSKI, and all other members of the committee. I look forward to working with my colleagues in the Senate, as well as members of the House Committee on Veterans' Affairs, on this measure.

Mr. President, I urge the Senate to give its unanimous approval to this measure.

So the bill (S. 1546), as amended, was passed, as follows:

S. 1546

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 "Court of Veterans Appeals Improvement Act of 1994".

SEC. 2. CONFIRMATION OF CHIEF JUDGE.

Section 7253(b) of title 38, United States Code, is amended by striking out "The Judges" and inserting in lieu thereof "The chief judge and the associate judges".

SEC. 3. MAILING OF NOTICES OF APPEAL TO THE COURT OF VETERANS APPEALS.

(A) IN GENERAL.—Section 7266(a) of title 38, United States Code, is amended to read as follows:

"(a)(1) In order to obtain review by the Court of Veterans Appeals of a final decision of the Board of Veterans' Appeals, a person adversely affected by such decision shall file a notice of appeal with the Court within 120 days after the date on which notice of the decision is mailed pursuant to section 7104(e) of this title.

"(2) An appellant shall file a notice of appeal under this section by delivering or mailing the notice to the Court.

"(3) A notice of appeal shall be deemed to be received by the Court as follows:

"(A) On the date of receipt by the Court, if the notice is delivered.

"(B) On the date of the United States Post Service postmark stamped on the cover in which the notice is posted, if the notice is mailed.

"(4) For a notice of appeal mailed to the Court to be deemed to be received under paragraph (3)(B) on a particular date, the United States Postal Service postmark on the cover in which the notice is posted must be legible. The Court shall determine the legibility of any such postmark and the Court's determination as to legibility shall be final and not subject to review by any other Court.".

(b) APPLICATION.—The amendment made by subsection (a) shall take effect on the date of the enactment of this Act and shall apply to notices of appeal that are delivered or mailed to the United States Court of Veterans Appeals on or after the date.

SEC. 4. CLARIFICATION OF PAYMENT OF ATTORNEY FEES UNDER CONTINGENT FEE AGREEMENTS.

Section 5904(d)(2)(A) of title 38, United States Code, is amended to read as follows:

"(A) A fee agreement referred to in paragraph (1) of this subsection is one under which the total amount of the fee payable to the attorney (i) is to be paid to the attorney by the Secretary directly from any past-due benefits awarded on the basis of the claim, and (ii) is contingent on whether or not the matter is resolved in a manner favorable to the claimant.".

HOUSING AND COMMUNITY DEVELOPMENT ACT OF 1993

Mr. FORD. Mr. President, I ask that the Chair lay before the Senate a message from the House of Representatives on S. 1299, a bill to reform requirements for the disposition of multifamily property owned by the Secretary of Housing and Urban Development, enhance program flexibility, authorize a program to combat crime, and for other purposes.

The PRESIDENT pro tempore laid before the Senate the following message from the House of Representatives:

Resolved, That the bill from the Senate (S. 1299) entitled "An Act to reform requirements for the disposition of multifamily property owned by the Secretary of Housing and Urban Development, enhance program flexibility, authorize a program to combat crime, and for other purposes", do pass with the following amendments:

Strike out all after the enacting clause and insert:

SECTION 1. SHORT TITLE AND TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "Multifamily Housing Property Disposition Reform Act of 1994".

(b) TABLE OF CONTENTS.—

Sec. 1. Short title and table of contents.

TITLE I—MULTIFAMILY PROPERTY DISPOSITION REFORM

Sec. 101. Multifamily property disposition.
Sec. 102. Repeal of State agency multifamily property disposition demonstration.
Sec. 103. Preventing mortgage defaults on multifamily housing projects.
Sec. 104. Interest rates on assigned mortgages.
Sec. 105. Authorization of appropriations.

TITLE II—OTHER PROGRAM REFORMS

Subtitle A—Home Investment Partnerships Program

Sec. 201. Participation by State agencies or instrumentalities.
Sec. 202. Simplification of program-wide income targeting for rental housing.
Sec. 203. Homeownership units.
Sec. 204. Simplification of matching requirements.
Sec. 205. Repeal of separate audit requirement.
Sec. 206. Environmental review requirements.
Sec. 207. Use of CDBG funds for HOME program expenses.
Sec. 208. Flexibility of HOME program for disaster areas.
Sec. 209. Applicability and regulations.

Subtitle B—HOPE Homeownership Program

Sec. 221. Matching requirement under HOPE for homeownership of single family homes program.

Subtitle C—Community Development Block Grants

Sec. 231. Section 108 eligible activities.
Sec. 232. Economic development grants.
Sec. 233. Guarantee of obligations backed by section 108 loans.
Sec. 234. Flexibility of CDBG program for disaster areas.

TITLE III—TECHNICAL AMENDMENTS

Sec. 301. Definition of "families".
Sec. 302. Elimination of requirement to identify CIAP replacement needs.
Sec. 303. Project-based accounting.
Sec. 304. Operating subsidy adjustments for anticipated fraud recoveries.
Sec. 305. Environmental review provisions.
Sec. 306. Correction of FHA multifamily mortgage limits.
Sec. 307. Amendments to FHA multifamily risk-sharing and housing finance agency pilot programs.
Sec. 308. Subsidy layering review.

TITLE I—MULTIFAMILY PROPERTY DISPOSITION REFORM

SEC. 101. MULTIFAMILY PROPERTY DISPOSITION.

(a) FINDINGS.—The Congress finds that—

(1) the portfolio of multifamily housing project mortgages insured by the FHA is severely troubled and at risk of default, requiring the Secretary to increase loss reserves from $5,500,000,000 in 1991 to $11,900,000,000 in 1992 to cover estimated future losses;

(2) the inventory of multifamily housing projects owned by the Secretary has more than quadrupled since 1989, and, by the end of 1994, may exceed 69,000 units;

(3) the cost to the Federal Government of owning and maintaining multifamily housing projects escalated to $288,000,000 in fiscal year 1993;

(4) the inventory of multifamily housing projects subject to mortgages held by the Secretary has increased dramatically, to more than 2,400 mortgages, and approximately half of these mortgages, with approximately 219,000 units, are delinquent;

(5) the inventory of insured and formerly insured multifamily housing projects is deteriorating, potentially endangering tenants and neighborhoods; and

(6) the current statutory framework governing the disposition of multifamily housing projects effectively impedes the Government's ability to dispose of properties, protect tenants, and ensure that projects are maintained over time.

(b) MANAGEMENT AND DISPOSITION OF MULTIFAMILY HOUSING PROJECTS.—Section 203 of the Housing and Community Development Amendments of 1978 (12 U.S.C. 1701z-11) is amended to read as follows:

"SEC. 203. MANAGEMENT AND DISPOSITION OF MULTIFAMILY HOUSING PROJECTS.

"(a) GOALS.—The Secretary of Housing and Urban Development shall manage or dispose of multifamily housing projects that are owned by the Secretary or that are subject to a mortgage held by the Secretary in a manner that—

"(1) is consistent with the National Housing Act and this section;

"(2) will protect the financial interests of the Federal Government; and

"(3) will, in the least costly fashion among reasonable available alternatives, address the goals of—

"(A) preserving certain housing so that it can remain available to and affordable by low-income persons;

"(B) preserving and revitalizing residential neighborhoods;

"(C) maintaining existing housing stock in a decent, safe, and sanitary condition;

"(D) minimizing the involuntary displacement of tenants;

"(E) maintaining housing for the purpose of providing rental housing, cooperative housing, and homeownership opportunities for low-income persons;

"(F) minimizing the need to demolish multifamily housing projects;

"(G) supporting fair housing strategies; and

"(H) disposing of such projects in a manner consistent with local housing market conditions. In determining the manner in which a project is to be managed or disposed of, the Secretary may balance competing goals relating to individual projects in a manner that will further the purposes of this section.

"(b) DEFINITIONS.—For purposes of this section:

"(1) MULTIFAMILY HOUSING PROJECT.—The term 'multifamily housing project' means any multifamily rental housing project which is, or prior to acquisition by the Secretary was, assisted or insured under the National Housing Act, or was subject to a loan under section 202 of the Housing Act of 1959.

"(2) SUBSIDIZED PROJECT.—The term 'subsidized project' means a multifamily housing project that, immediately prior to the assignment of the mortgage on such project to, or the acquisition of such mortgage by, the Secretary, was receiving any of the following types of assistance:

"(A) Below market interest rate mortgage insurance under the proviso of section 221(d)(5) of the National Housing Act.

"(B) Interest reduction payments made in connection with mortgages insured under section 236 of the National Housing Act.

"(C) Direct loans made under section 202 of the Housing Act of 1959.

"(D) Assistance in the form of—

"(i) rent supplement payments under section 101 of the Housing and Urban Development Act of 1965,

"(ii) additional assistance payments under section 236(f)(2) of the National Housing Act,

"(iii) housing assistance payments made under section 23 of the United States Housing Act of 1937 (as in effect before January 1, 1975), or

"(iv) housing assistance payments made under section 8 of the United States Housing Act of 1937 (excluding payments made for tenant-based assistance under section 8),

if (except for purposes of section 183(c) of the Housing and Community Development Act of 1987) such assistance payments are made to more than 50 percent of the units in the project.

"(3) FORMERLY SUBSIDIZED PROJECT.—The term 'formerly subsidized project' means a multifamily housing project owned by the Secretary that was a subsidized project immediately prior to its acquisition by the Secretary.

"(4) UNSUBSIDIZED PROJECT.—The term 'unsubsidized project' means a multifamily housing project owned by the Secretary that is not a subsidized project or a formerly subsidized project.

"(5) AFFORDABLE.—A unit shall be considered affordable if—

"(A) for units occupied—

"(i) by very low-income families, the rent does not exceed 30 percent of 50 percent of the area median income, as determined by the Secretary, with adjustments for smaller and larger families; and

"(ii) by low-income families other than very low-income families, the rent does not exceed 30 percent of 80 percent of the area median income, as determined by the Secretary, with adjustments for smaller and larger families; or

"(B) the unit, or the family residing in the unit, is receiving assistance under section 8 of the United States Housing Act of 1937.

"(6) LOW-INCOME FAMILIES AND VERY LOW-INCOME FAMILIES.—The terms 'low-income families' and 'very low-income families' shall have the meanings given the terms in section 3(b) of the United States Housing Act of 1937.

"(7) PREEXISTING TENANT.—The term 'preexisting tenant' means, with respect to a multifamily housing project acquired pursuant to this section by a purchaser other than the Secretary at foreclosure or after sale by the Secretary, a family that resides in a unit in the project immediately before the acquisition of the project by the purchaser.

"(8) MARKET AREA.—The term 'market area' means a market area determined by the Secretary.

"(9) SECRETARY.—The term 'Secretary' means the Secretary of Housing and Urban Development.

"(c) DISPOSITION OF PROPERTY.—

"(1) DISPOSITION TO PURCHASERS.—In carrying out this section, the Secretary may dispose of a multifamily housing project owned by the Secretary on a negotiated, competitive bid, or other basis, on such terms as the Secretary deems appropriate considering the low-income character of the project and consistent with the goals in subsection (a), only to a purchaser determined by the Secretary to be capable of—

"(A) satisfying the conditions of the disposition plan developed under paragraph (2) for the project;

"(B) implementing a sound financial and physical management program that is designed to enable the project to meet anticipated operating and repair expenses to ensure that the project will remain in decent, safe, and sanitary condition and in compliance with any standards under applicable State or local laws, rules, ordinances, or regulations relating to the physical condition of the housing and any such standards established by the Secretary;

"(C) responding to the needs of the tenants and working cooperatively with tenant organizations;

"(D) providing adequate organizational, staff, and financial resources to the project; and

"(E) meeting such other requirements as the Secretary may determine.

"(2) DISPOSITION PLAN.—

"(A) IN GENERAL.—Prior to the sale of a multifamily housing project that is owned by the Secretary, the Secretary shall develop an initial disposition plan for the project that specifies the minimum terms and conditions of the Secretary for disposition of the project, the initial sales price that is acceptable to the Secretary, and the assistance that the Secretary plans to make available to a prospective purchaser in accordance with this section.

"(B) MARKET-WIDE PLANS.—In developing the initial disposition plan under this subsection for a multifamily housing project located in a market area in which at least 1 other multifamily housing project owned by the Secretary is located, the Secretary may coordinate the disposition of all such multifamily housing projects located within the same market area to the extent and in such manner as the Secretary determines appropriate to carry out the goals under subsection (a).

"(C) SALES PRICE.—The initial sales price shall be reasonably related to the intended use of the project after sale, any rehabilitation requirements for the project, the rents for units in the project that can be supported by the market, the amount of rental assistance available for the project under section 8 of the United States Housing Act of 1937, the occupancy profile of the project (including family size and income levels for tenant families), and any other factors that the Secretary considers appropriate.

"(D) COMMUNITY AND TENANT INPUT.—In carrying out this section, the Secretary shall develop procedures—

"(i) to obtain appropriate and timely input into disposition plans from officials of the unit of general local government affected, the community in which the project is situated, and the tenants of the project; and

"(ii) to facilitate, where feasible and appropriate, the sale of multifamily housing projects to existing tenant organizations with demonstrated capacity, to public or nonprofit entities that represent or are affiliated with existing tenant organizations, or to other public or nonprofit entities.

"(E) TECHNICAL ASSISTANCE.—To carry out the procedures developed under subparagraph (D), the Secretary may provide technical assistance, directly or indirectly, and may use amounts available for technical assistance under the Emergency Low Income Housing Preservation Act of 1987, subtitle C of the Low-Income Housing Preservation and Resident Homeownership Act of 1990, subtitle B of title IV of the Cranston-Gonzalez National Affordable Housing Act, or this section, for the provision of technical assistance under this paragraph. Recipients of technical assistance funding under the provisions referred to in this subparagraph shall be permitted to provide technical assistance to the extent of such funding under any of such provisions or under this subparagraph, notwithstanding the source of the funding.

"(3) FORECLOSURE SALE.—In carrying out this section, the Secretary shall—

"(A) prior to foreclosing on any mortgage held by the Secretary on any multifamily housing project, notify both the unit of general local government in which the property is located and the tenants of the property of the proposed foreclosure sale; and

"(B) dispose of a multifamily housing project through a foreclosure sale only to a purchaser that the Secretary determines is capable of implementing a sound financial and physical management program that is designed to enable the project to meet anticipated operating and repair expenses to ensure that the project will remain in decent, safe, and sanitary condition and in compliance with any standards under applicable State or local laws, rules, ordinances, or regulations relating to the physical condition of the housing and any such standards established by the Secretary.

"(d) MANAGEMENT AND MAINTENANCE OF PROPERTIES.—

"(1) CONTRACTING FOR MANAGEMENT SERVICES.—In carrying out this section, the Secretary may—

"(A) contract for management services for a multifamily housing project that is owned by the Secretary (or for which the Secretary is mortgagee in possession) with for-profit and nonprofit entities and public agencies (including public housing authorities) on a negotiated, competitive bid, or other basis at a price determined by the Secretary to be reasonable, with a manager the Secretary has determined is capable of—

"(i) implementing a sound financial and physical management program that is designed to enable the project to meet anticipated operating and maintenance expenses to ensure that the project will remain in decent, safe, and sanitary condition and in compliance with any standards under applicable State or local laws, rules, ordinances, or regulations relating to the physical condition of the project and any such standards established by the Secretary;

"(ii) responding to the needs of the tenants and working cooperatively with tenant organizations;

"(iii) providing adequate organizational, staff, and financial resources to the project; and

"(iv) meeting such other requirements as the Secretary may determine; and

"(B) require the owner of a multifamily housing project that is subject to a mortgage held by the Secretary to contract for management services for the project in the manner described in subparagraph (A).

"(2) MAINTENANCE OF PROJECTS OWNED BY SECRETARY.—In the case of multifamily housing projects that are owned by the Secretary (or for which the Secretary is mortgagee in possession), the Secretary shall—

"(A) to the greatest extent possible, maintain all such occupied projects in a decent, safe, and sanitary condition and in compliance with any standards under applicable State or local laws, rules, ordinances, or regulations relating to the physical condition of the housing and any such standards established by the Secretary;

"(B) to the greatest extent possible, maintain full occupancy in all such projects; and

"(C) maintain all such projects for purposes of providing rental or cooperative housing.

"(3) PROJECTS SUBJECT TO A MORTGAGE HELD BY SECRETARY.—In the case of any multifamily housing project that is subject to a mortgage held by the Secretary, the Secretary shall require the owner of the project to carry out the requirements of paragraph (2).

"(e) REQUIRED ASSISTANCE.—In disposing of multifamily housing property under this section, consistent with the goal of section 203(a)(3)(A), the Secretary shall take, separately or in combination with other actions under this subsection or subsection (f), one or more of the following actions:

"(1) CONTRACT WITH OWNER FOR PROJECT-BASED ASSISTANCE.—In the case of multifamily housing projects that are acquired by a purchaser other than the Secretary at foreclosure or after sale by the Secretary, the Secretary may enter into contracts under section 8 of the United States Housing Act of 1937 (to the extent budget authority is available) with owners of the projects, subject to the following requirements:

"(A) SUBSIDIZED OR FORMERLY SUBSIDIZED PROJECTS RECEIVING MORTGAGE-RELATED ASSISTANCE.—In the case of a subsidized or formerly subsidized project referred to in subparagraphs (A) through (C) of subsection (b)(2)—

"(i) the contract shall be sufficient to assist at least all units covered by an assistance contract under any of the authorities referred to in subsection (b)(2)(D) before acquisition or foreclosure, unless the Secretary acts pursuant to the provisions of subparagraph (C);

"(ii) the contract shall provide that, when a vacancy occurs in any unit in the project requiring project-based rental assistance pursuant to this subparagraph that is occupied by a family who is not eligible for assistance under such section 8, the owner shall lease the available unit to a family eligible for assistance under such section 8; and

"(iii) the Secretary shall take actions to ensure that any unit in any such project that does not otherwise receive project-based assistance under this subparagraph remains available and affordable for the remaining useful life of the project, as defined by the Secretary; to carry out this clause, the Secretary may require purchasers to establish use or rent restrictions maintaining the affordability of such units.

"(B) SUBSIDIZED OR FORMERLY SUBSIDIZED PROJECTS RECEIVING RENTAL ASSISTANCE.—In the case of a subsidized or formerly subsidized project referred to in subsection (b)(2)(D) that is not subject to subparagraph (A)—

"(i) the contract shall be sufficient to assist at least all units in the project that are covered, or were covered immediately before foreclosure on or acquisition of the project by the Secretary, by an assistance contract under any of the provi-

sions referred to in such subsection, unless the Secretary acts pursuant to provisions of subparagraph (C); and

"(ii) the contract shall provide that, when a vacancy occurs in any unit in the project requiring project-based rental assistance pursuant to this subparagraph that is occupied by a family who is not eligible for assistance under such section 8, the owner shall lease the available unit to a family eligible for assistance under such section 8.

"(C) EXCEPTIONS.—

"(i) AUTHORITY.—In lieu of providing project-based assistance under section 8 of the United States Housing Act of 1937 in accordance with subparagraph (A)(i) or (B)(i) for a project, the Secretary may, for certain units in unsubsidized projects located within the same market area as the project otherwise required to be assisted with such project-based assistance—

"(I) require use and rent restrictions providing that such units shall be available to and affordable by very low-income families for the remaining useful life of the project (as defined by the Secretary), or

"(II) provide project-based assistance under section 8 for such units to be occupied by only very low-income persons,

but only if the requirements under clause (ii) are met.

"(ii) REQUIREMENTS.—The requirements under this clause are that—

"(I) upon the disposition of the project otherwise required to be assisted with project-based assistance under subparagraph (A)(i) or (B)(i), the Secretary shall make available tenant-based assistance under section 8 to low-income families residing in units otherwise required to be assisted with such project-based assistance; and

"(II) the number of units subject to use restrictions or provided assistance under clause (i) shall be at least equivalent to the number of units otherwise required to be assisted with project-based assistance under section 8 in accordance with subparagraph (A)(i) or (B)(i).

"(D) UNSUBSIDIZED PROJECTS.—Notwithstanding actions taken pursuant to subparagraph (C), in the case of unsubsidized projects, the contract shall be sufficient to provide—

"(i) project-based rental assistance for all units that are covered, or were covered immediately before foreclosure or acquisition, by an assistance contract under—

"(I) the new construction and substantial rehabilitation program under section 8(b)(2) of the United States Housing Act of 1937 (as in effect before October 1, 1983);

"(II) the property disposition program under section 8(b) of such Act;

"(III) the project-based certificate program under section 8 of such Act;

"(IV) the moderate rehabilitation program under section 8(e)(2) of such Act;

"(V) section 23 of such Act (as in effect before January 1, 1975);

"(VI) the rent supplement program under section 101 of the Housing and Urban Development Act of 1965; or

"(VII) section 8 of the United States Housing Act of 1937, following conversion from assistance under section 101 of the Housing and Urban Development Act of 1965; and

"(ii) tenant-based assistance under section 8 of the United States Housing Act of 1937 for families that are preexisting tenants of the project in units that, immediately before foreclosure or acquisition of the project by the Secretary, were covered by an assistance contract under the loan management set-aside program under section 8(b) of the United States Housing Act of 1937.

"(2) ANNUAL CONTRIBUTION CONTRACTS FOR TENANT-BASED ASSISTANCE.—In the case of multifamily housing projects that are acquired by a purchaser other than the Secretary at foreclosure or after sale by the Secretary, the Secretary may enter into annual contribution contracts with public housing agencies to provide tenant-based assistance under section 8 of the United States Housing Act of 1937 on behalf of all low-income families who are otherwise eligible for assistance in accordance with subparagraph (A), (B), or (D) of paragraph (1) on the date that the project is acquired by the purchaser, subject to the following requirements:

"(A) REQUIREMENT OF SUFFICIENT AFFORDABLE HOUSING IN AREA.—The Secretary may not take action under this paragraph unless the Secretary determines that there is available in the area an adequate supply of habitable, affordable housing for very low-income families and other low-income families using tenant-based assistance.

"(B) LIMITATION FOR SUBSIDIZED AND FORMERLY SUBSIDIZED PROJECTS.—The Secretary may not take actions under this paragraph in connection with units in subsidized or formerly subsidized projects for more than 10 percent of the aggregate number of units in such projects disposed of by the Secretary in any fiscal year.

"(3) OTHER ASSISTANCE.—

"(A) IN GENERAL.—In accordance with the authority provided under the National Housing Act, the Secretary may provide other assistance pursuant to subsection (f) to the owners of multifamily housing projects that are acquired by a purchaser other than the Secretary at foreclosure, or after sale by the Secretary, on terms that ensure that—

"(i) at least the units in the project otherwise required to receive project-based assistance pursuant to subparagraphs (A), (B), or (D) of paragraph (1) are available to and affordable by low-income persons; and

"(ii) for the remaining useful life of the project, as defined by the Secretary, there shall be in force such use or rent restrictions as the Secretary may prescribe.

"(B) VERY LOW-INCOME TENANTS.—If, as a result of actions taken pursuant to this paragraph, the rents charged to any very low-income families residing in the project who are otherwise required (pursuant to subparagraph (A), (B), or (D) of paragraph (1)) to receive project-based assistance under section 8 of the United States Housing Act of 1937 exceed the amount payable as rent under section 3(a) of the United States Housing Act of 1937, the Secretary shall provide tenant-based assistance under section 8 of such Act to such families.

"(f) DISCRETIONARY ASSISTANCE.—In addition to the actions required under subsection (e) for a subsidized, formerly subsidized, or unsubsidized multifamily housing project, the Secretary may, pursuant to the disposition plan and the goals in subsection (a), take one or more of the following actions:

"(1) DISCOUNTED SALES PRICE.—In accordance with the authority provided under the National Housing Act, the Secretary may reduce the selling price of the project. Such reduced sales price shall be reasonably related to the intended use of the property after sale, any rehabilitation requirements for the project, the rents for units in the project that can be supported by the market, the amount of rental assistance available for the project under section 8 of the United States Housing Act of 1937, the occupancy profile of the project (including family size and income levels for tenant families), and any other factors that the Secretary considers appropriate.

"(2) USE AND RENT RESTRICTIONS.—The Secretary may require certain units in a project to be subject to use or rent restrictions providing that such units will be available to and affordable by low- and very low-income persons for the remaining useful life of the property, as defined by the Secretary.

"(3) SHORT-TERM LOANS.—The Secretary may provide short-term loans to facilitate the sale of a multifamily housing project if—

"(A) authority for such loans is provided in advance in an appropriation Act;

"(B) such loan has a term of not more than 5 years;

"(C) the Secretary determines, based upon documentation provided to the Secretary, that the borrower has obtained a commitment of permanent financing to replace the short-term loan from a lender who meets standards established by the Secretary; and

"(D) the terms of such loan are consistent with prevailing practices in the marketplace or the provision of such loan results in no cost to the Government, as defined in section 502 of the Congressional Budget Act of 1974.

"(4) UP-FRONT GRANTS.—If the Secretary determines that action under this paragraph is more cost-effective than establishing rents pursuant to subsection (h)(2), the Secretary may utilize the budget authority provided for contracts issued under this section for project-based assistance under section 8 of the United States Housing Act of 1937 to (in addition to providing project-based section 8 rental assistance) provide up-front grants for the necessary cost of rehabilitation and other related development costs.

"(5) TENANT-BASED ASSISTANCE.—The Secretary may make available tenant-based assistance under section 8 of the United States Housing Act of 1937 to families residing in a multifamily housing project that do not otherwise qualify for project-based assistance.

"(6) ALTERNATIVE USES.—

"(A) IN GENERAL.—Notwithstanding any other provision of law, after providing notice to and an opportunity for comment by preexisting tenants, the Secretary may allow not more than—

"(i) 10 percent of the total number of units in multifamily housing projects that are disposed of by the Secretary during any fiscal year to be made available for uses other than rental or cooperative uses, including low-income homeownership opportunities, or in any particular project, community space, office space for tenant or housing-related service providers or security programs, or small business uses, if such uses benefit the tenants of the project; and

"(ii) 5 percent of the total number of units in multifamily housing projects that are disposed of by the Secretary during any fiscal year to be used in any manner, if the Secretary and the unit of general local government or area-wide governing body determine that such use will further fair housing, community development, or neighborhood revitalization goals.

"(B) DISPLACEMENT PROTECTION.—The Secretary may take actions under subparagraph (A) only if—

"(i) tenant-based rental assistance under section 8 of the United States Housing Act of 1937 is made available to each eligible family residing in the project that is displaced as a result of such actions; and

"(ii) the Secretary determines that sufficient habitable, affordable rental housing is available in the market area in which the project is located to ensure use of such assistance.

"(7) TRANSFER FOR USE UNDER OTHER PROGRAMS OF SECRETARY.—

"(A) IN GENERAL.—Notwithstanding the provisions of subsection (e), the Secretary may, pursuant to an agreement under subparagraph (B), transfer a multifamily housing project—

"(i) to a public housing agency for use of the project as public housing; or

"(ii) to an entity eligible to own or operate housing assisted under section 202 of the Housing Act of 1959 or under section 811 of the Cranston-Gonzalez National Affordable Housing Act for use as supportive housing under either of such sections.

"(B) REQUIREMENTS FOR AGREEMENT.—An agreement providing for the transfer of a project described in subparagraph (A) shall—

"(i) contain such terms, conditions, and limitations as the Secretary determines appropriate, including requirements to ensure use of the project as public housing, supportive housing under section 202 of the Housing Act of 1959, or supportive housing under section 811 of the Cranston-Gonzalez National Affordable Housing Act, as applicable; and

"(ii) ensure that no tenant of the project will be displaced as a result of actions taken under this paragraph.

"(8) REBUILDING.—Notwithstanding any provision of section 8 of the United States Housing Act of 1937, the Secretary may provide project-based assistance in accordance with subsection (e) of this section to support the rebuilding of a multifamily housing project rebuilt or to be rebuilt (in whole or in part and on-site, off-site, or in a combination of both) in connection with disposition under this section, if the Secretary determines that—

"(A) the project is not being maintained in a decent, safe, and sanitary condition;

"(B) rebuilding the project would be less expensive than substantial rehabilitation;

"(C) the unit of general local government in which the project is located approves the rebuilding and makes a financial contribution or other commitment to the project; and

"(D) the rebuilding is a part of a local neighborhood revitalization plan approved by the unit of general local government.

The provisions of subsection (j)(2) shall apply to any tenants of the project who are displaced.

"(9) EMERGENCY ASSISTANCE FUNDS.—The Secretary may make arrangements with State agencies and units of general local government of States receiving emergency assistance under part A of title IV of the Social Security Act for the provision of assistance under such Act on behalf of eligible families who would reside in any multifamily housing projects.

"(g) PROTECTION FOR UNASSISTED VERY LOW-INCOME TENANTS.—For each multifamily housing project disposed of under this section, the Secretary shall require that, for any very low-income family who is a preexisting tenant of the project who (upon disposition) would be required to pay rent in an amount in excess of 30 percent of the adjusted income (as such term is defined in section 3(b) of the United States Housing Act of 1937) of the family—

"(1) for a period of 2 years beginning upon the date of the acquisition of the project by the purchaser under such disposition, the rent for the unit occupied by the family may not be increased above the rent charged immediately before acquisition;

"(2) such family shall be considered displaced for purposes of the preferences for assistance under sections 6(c)(4)(A)(i), 8(d)(1)(A)(i), and 8(o)(3)(B) of the United States Housing Act of 1937; and

"(3) notice shall be provided to such family, not later than the date of the acquisition of the project by the purchaser—

"(A) of the requirements under paragraphs (1) and (2); and

"(B) that, after the expiration of the period under paragraph (1), the rent for the unit occupied by the family may be increased.

"(h) CONTRACT REQUIREMENTS.—Contracts for project-based rental assistance under section 8 of the United States Housing Act of 1937 provided pursuant to this section shall be subject to the following requirements:

"(1) CONTRACT TERM.—The contract shall have a term of 15 years, except that the term may be less than 15 years—

"(A) to the extent that the Secretary finds that, based on the rental charges and financing for the multifamily housing project to which the contract relates, the financial viability of the project can be maintained under a contract having such a term; except that the Secretary shall require that the amount of rent payable by tenants of the project for units assisted under such contract shall not exceed the amount payable for rent under section 3(a) of the United States Housing Act of 1937 for a period of at least 15 years; or

"(B) if such assistance is provided—

"(i) under a contract authorized under section 6 of the HUD Demonstration Act of 1993; and

"(ii) pursuant to a disposition plan under this section for a project that is determined by the Secretary to be otherwise in compliance with this section.

"(2) CONTRACT RENT.—The Secretary shall establish the contract rents under such contracts at levels that, together with other resources available to the purchasers, provide sufficient amounts for the necessary costs of rehabilitating and operating the multifamily housing project and do not exceed the percentage of the existing housing fair market rentals for the market area in which the project assisted under the contract is located as determined by the Secretary under section 8(c) of the United States Housing Act of 1937.

"(i) RIGHT OF FIRST REFUSAL FOR LOCAL AND STATE GOVERNMENT AGENCIES.—

"(1) NOTIFICATION.—Not later than 30 days after the Secretary acquires title to a multifamily housing project, the Secretary shall notify the appropriate unit of general local government (including public housing agencies) and State agency or agencies designated by the chief executive officer of the State in which the project is located of such acquisition of title and that, for a period beginning upon such notification that does not exceed 90 days, such unit of general local government and agency or agencies shall have the exclusive right under this subsection to make bona fide offers to purchase the project.

"(2) RIGHT OF FIRST REFUSAL.—During the 90-day period, the Secretary may not sell or offer to sell the multifamily housing project other than to a party notified under paragraph (1), unless the unit of general local government and the designated State agency or agencies notify the Secretary that they will not make an offer to purchase the project. The Secretary shall accept a bona fide offer to purchase the project made during such period if it complies with the terms and conditions of the disposition plan for the project or is otherwise acceptable to the Secretary.

"(3) PROCEDURE.—The Secretary shall establish any procedures necessary to carry out this subsection.

"(j) DISPLACEMENT OF TENANTS AND RELOCATION ASSISTANCE.—

"(1) IN GENERAL.—Whenever tenants will be displaced as a result of the demolition of, repairs to, or conversion in the use of, a multifamily housing project that is owned by the Secretary (or for which the Secretary is mortgagee in possession), the Secretary shall identify tenants who will be displaced, and shall notify all such tenants of their pending displacement and of any relocation assistance that may be available. In the case of a multifamily housing project that is subject to a mortgage held by the Secretary, the Secretary shall require the owner of the project to carry out the requirements of this paragraph, if the Secretary has authorized the demolition of, repairs to, or conversion in the use of such multifamily housing project.

"(2) RIGHTS OF DISPLACED TENANTS.—The Secretary shall ensure for any such tenant (who continues to meet applicable qualification standards) the right—

"(A) to return, whenever possible, to a repaired or rebuilt unit;

"(B) to occupy a unit in another multifamily housing project owned by the Secretary;

"(C) to obtain housing assistance under the United States Housing Act of 1937; or

"(D) to receive any other available similar relocation assistance as the Secretary determines to be appropriate.

"(k) MORTGAGE AND PROJECT SALES.—

"(1) IN GENERAL.—The Secretary may not approve the sale of any loan or mortgage held by the Secretary (including any loan or mortgage owned by the Government National Mortgage Association) on any subsidized project or formerly subsidized project, unless such sale is made as part of a transaction that will ensure that such project will continue to operate at least until the maturity date of such loan or mortgage, in a manner that will provide rental housing on terms at least as advantageous to existing and future tenants as the terms required by the program under which the loan or mortgage was made or insured prior to the assignment of the loan or mortgage on such project to the Secretary.

"(2) SALE OF CERTAIN PROJECTS.—The Secretary may not approve the sale of any subsidized project—

"(A) that is subject to a mortgage held by the Secretary, or

"(B) if the sale transaction involves the provision of any additional subsidy funds by the Secretary or a recasting of the mortgage,

unless such sale is made as part of a transaction that will ensure that the project will continue to operate, at least until the maturity date of the loan or mortgage, in a manner that will provide rental housing on terms at least as advantageous to existing and future tenants as the terms required by the program under which the loan or mortgage was made or insured prior to the proposed sale of the project.

"(3) MORTGAGE SALES TO STATE AND LOCAL GOVERNMENTS.—Notwithstanding any provision of law that requires competitive sales or bidding, the Secretary may carry out negotiated sales of mortgages held by the Secretary, without the competitive selection of purchasers or intermediaries, to units of general local government or State agencies, or groups of investors that include at least one such unit of general local government or State agency, if the negotiations are conducted with such agencies, except that—

"(A) the terms of any such sale shall include the agreement of the purchasing agency or unit of local government or State agency to act as mortgagee or owner of a beneficial interest in such mortgages, in a manner consistent with maintaining the projects that are subject to such mortgages for occupancy by the general tenant group intended to be served by the applicable mortgage insurance program, including, to the extent the Secretary determines appropriate, authorizing such unit of local government or State agency to enforce the provisions of any regulatory agreement or other program requirements applicable to the related projects; and

"(B) the sales prices for such mortgages shall be, in the determination of the Secretary, the best prices that may be obtained for such mortgages from a unit of general local government or State agency, consistent with the expectation and intention that the projects financed will be retained for use under the applicable mortgage insurance program for the life of the initial mortgage insurance contract.

"(4) SALE OF MORTGAGES COVERING UNSUBSIDIZED PROJECTS.—Notwithstanding any other provision of law, the Secretary may sell mortgages held on projects that are not subsidized or formerly subsidized projects on such terms and conditions as the Secretary may prescribe.

"(5) MORTGAGE SALE DEMONSTRATION.—The Secretary may carry out a demonstration to test

the feasibility of restructuring and disposing of troubled multifamily mortgages held by the Secretary through the establishment of partnerships with public, private, and nonprofit entities.

"(6) PROJECT SALE DEMONSTRATION.—The Secretary may carry out a demonstration to test the feasibility of disposing of troubled multifamily housing projects that are owned by the Secretary through the establishment of partnerships with public, private, and nonprofit entities.

"(l) REPORT TO CONGRESS.—Not later than June 1 of each year, the Secretary shall submit to the Congress a report describing the status of multifamily housing projects owned by or subject to mortgages held by the Secretary, on an aggregate basis, which highlights the differences, if any, between the subsidized and the unsubsidized inventory. The report shall include—

"(1) the average and median size of the projects;

"(2) the geographic locations of the projects, by State and region;

"(3) the years during which projects were assigned to the Department, and the average and median length of time that projects remain in the HUD-held inventory;

"(4) the status of HUD-held mortgages;

"(5) the physical condition of the HUD-held and HUD-owned inventory;

"(6) the occupancy profile of the projects, including the income, family size, race, and ethnic origin of current tenants, and the rents paid by such tenants;

"(7) the proportion of units that are vacant;

"(8) the number of projects for which the Secretary is mortgagee in possession;

"(9) the number of projects sold in foreclosure sales;

"(10) the number of HUD-owned projects sold;

"(11) a description of actions undertaken pursuant to this section, including a description of the effectiveness of such actions and any impediments to the disposition or management of multifamily housing projects;

"(12) a description of the extent to which the provisions of this section and actions taken under this section have displaced tenants of multifamily housing projects;

"(13) a description of any of the functions performed in connection with this section that are contracted out to public or private entities or to States; and

"(14) a description of the activities carried out under subsection (i) during the preceding year.".

(c) CLARIFICATION OF FEDERAL PREFERENCES.—

(1) PUBLIC HOUSING TENANCY.—Section 6(c)(4)(A)(i) of the United States Housing Act of 1937 (42 U.S.C. 1437d(c)(4)(A)(i)) is amended by inserting after "displaced" the following: "(including displacement because of disposition of a multifamily housing project under section 203 of the Housing and Community Development Amendments of 1978)".

(2) SECTION 8 ASSISTANCE.—Section 8(d)(1)(A)(i) of the United States Housing Act of 1937 (42 U.S.C. 1437f(d)(1)(A)(i)) is amended by inserting after "displaced" the following: "(including displacement because of disposition of a multifamily housing project under section 203 of the Housing and Community Development Amendments of 1978)".

(3) VOUCHER ASSISTANCE.—The first sentence of section 8(o)(3)(B) of the United States Housing Act of 1937 (42 U.S.C. 1437f(o)(3)(B)) is amended by inserting after "displaced" the following: "(including displacement because of disposition of a multifamily housing project under section 203 of the Housing and Community Development Amendments of 1978)".

(d) DEFINITION OF OWNER.—Section 8(f)(1) of the United States Housing Act of 1937 (42 U.S.C. 1437f(f)(1)) is amended by inserting "an agency of the Federal Government," after "cooperative,".

(e) AMENDMENT TO NATIONAL HOUSING ACT.—Title V of the National Housing Act (12 U.S.C. 1731a et seq.) is amended by adding at the end the following new section:

"PARTIAL PAYMENT OF CLAIMS ON MULTIFAMILY HOUSING PROJECTS

"SEC. 541. (a) AUTHORITY.—Notwithstanding any other provision of law, if the Secretary is requested to accept assignment of a mortgage insured by the Secretary that covers a multifamily housing project (as such term is defined in section 203(b) of the Housing and Community Development Amendments of 1978) and the Secretary determines that partial payment would be less costly to the Federal Government than other reasonable alternatives for maintaining the low-income character of the project, the Secretary may request the mortgagee, in lieu of assignment, to—

"(1) accept partial payment of the claim under the mortgage insurance contract; and

"(2) recast the mortgage, under such terms and conditions as the Secretary may determine.

"(b) REPAYMENT.—As a condition to a partial claim payment under this section, the mortgagor shall agree to repay to the Secretary the amount of such payment and such obligation shall be secured by a second mortgage on the property on such terms and conditions as the Secretary may determine.".

(f) EFFECTIVE DATE.—The Secretary shall issue interim regulations necessary to implement the amendments made by subsections (b) through (d) not later than 90 days after the date of the enactment of this Act. Such interim regulations shall take effect upon issuance and invite public comment on the interim regulations. The Secretary shall issue final regulations to implement such amendments after opportunity for such public comment, but not later than 12 months after the date of issuance of such interim regulations.

SEC. 102. REPEAL OF STATE AGENCY MULTIFAMILY PROPERTY DISPOSITION DEMONSTRATION.

Section 184 of the Housing and Community Development Act of 1987 (12 U.S.C. 1701z-11 note) is hereby repealed.

SEC. 103. PREVENTING MORTGAGE DEFAULTS ON MULTIFAMILY HOUSING PROJECTS.

(a) MULTIFAMILY HOUSING PLANNING AND INVESTMENT STRATEGIES.—

(1) PREPARATION OF ASSESSMENTS FOR INDEPENDENT ENTITIES.—Section 402(a) of the Housing and Community Development Act of 1992 (12 U.S.C. 1715-1a note) is amended by adding at the end the following new sentence: "The assessment shall be prepared by an entity that does not have an identity of interest with the owner.".

(2) TIMING OF SUBMISSION OF NEEDS ASSESSMENTS.—Section 402(b) of the Housing and Community Development Act of 1992 (12 U.S.C. 1715z-1a note) is amended to read as follows:

"(b) TIMING.—To ensure that assessments for all covered multifamily housing properties will be submitted on or before the conclusion of fiscal year 1997, the Secretary shall require the owners of such properties, including covered multifamily housing properties for the elderly, to submit the assessments for the properties in accordance with the following schedule:

"(1) For fiscal year 1994, 10 percent of the aggregate number of such properties.

"(2) For each of fiscal years 1995, 1996, and 1997, an additional 30 percent of the aggregate number of such properties.".

(3) REVIEW OF COMPREHENSIVE NEEDS ASSESSMENTS.—Section 404(d) of the Housing and Community Development Act of 1992 (12 U.S.C. 1715-1a note) is amended to read as follows:

"(d) REVIEW.—

"(1) IN GENERAL.—The Secretary shall review each comprehensive needs assessment for completeness and adequacy before the expiration of the 90-day period beginning on the receipt of the assessment and shall notify the owner of the property for which the assessment was submitted of the findings of such review.

"(2) INCOMPLETE OR INADEQUATE ASSESSMENTS.—If the Secretary determines that the assessment is substantially incomplete or inadequate, the Secretary shall—

"(A) notify the owner of the portion or portions of the assessment requiring completion or other revision; and

"(B) require the owner to submit an amended assessment to the Secretary not later than 30 days after such notification.".

(4) REPEAL OF NOTICE PROVISION.—Section 404 of the Housing and Community Development Act of 1992 (12 U.S.C. 1715-1a note) is amended by striking subsection (f).

(5) PUBLICATION.—Section 404 of the Housing and Community Development Act of 1992 (12 U.S.C. 1715z-1a note), as amended by paragraph (4) of this subsection, is further amended by inserting after subsection (e) the following new subsection:

"(f) PUBLICATION OF METHOD FOR RECEIVING CAPITAL NEEDS ASSESSMENT.—The Secretary shall cause to be published in the Federal Register the method by which the Secretary determines which capital needs assessments will be received each year in accordance with section 402(b) and subsection (d) of this section.".

(6) FUNDING.—Title IV of the Housing and Community Development Act of 1992 (12 U.S.C. 1715z-1a note) is amended by adding at the end the following new section:

"SEC. 409. FUNDING.

"(a) ALLOCATION OF ASSISTANCE.—Based upon needs identified in comprehensive needs assessments, and subject to otherwise applicable program requirements, including selection criteria, the Secretary may allocate the following assistance to owners of covered multifamily housing projects and may provide such assistance on a noncompetitive basis:

"(1) Operating assistance and capital improvement assistance for troubled multifamily housing projects pursuant to section 201 of the Housing and Community Development Amendments of 1978, except for assistance set aside under section 201(n)(1).

"(2) Loan management assistance available pursuant to section 8 of the United States Housing Act of 1937.

"(b) OPERATING ASSISTANCE AND CAPITAL IMPROVEMENT ASSISTANCE.—In providing assistance under subsection (a) the Secretary shall use the selection criteria set forth in section 201(n) of the Housing and Community Development Amendments of 1978.

"(c) AMOUNT OF ASSISTANCE.—The Secretary may fund all or only a portion of the needs identified in the capital needs assessment of an owner selected to receive assistance under this section.".

(b) FLEXIBLE SUBSIDY PROGRAM.—

(1) DELETION OF UTILITY COST REQUIREMENTS.—Section 201(i) of the Housing and Community Development Amendments of 1978 (12 U.S.C. 1715z-1a(i)) is hereby repealed.

(2) REPEAL OF MANDATORY CONTRIBUTION FROM OWNER.—Section 201(k)(2) of the Housing and Community Development Amendments of 1978 (12 U.S.C. 1715z-1a(k)(2)) is amended by striking ", except that" and all that follows and inserting a period.

(3) FUNDING.—Section 201(n) of the Housing and Community Development Amendments of 1978 (42 U.S.C. 1715z-1a(n)) is amended to read as follows:

"(n) ALLOCATION OF ASSISTANCE.—

"(1) SET-ASIDE.—In providing, and contracting to provide, assistance for capital improvements under this section, in each fiscal year the Secretary shall set aside an amount, as determined by the Secretary, for projects that are eligible for incentives under section 224(b) of the Emergency Low Income Housing Preservation Act of 1987, as such section existed before the date of enactment of the Cranston-Gonzalez National Affordable Housing Act. The Secretary may make such assistance available on a noncompetitive basis.

"(2) GENERAL RULES FOR ALLOCATION.—Except as provided in paragraph (3), with respect to assistance under this section not set aside for projects under paragraph (1), the Secretary—

"(A) may award assistance on a noncompetitive basis; and

"(B) shall award assistance to eligible projects on the basis of—

"(i) the extent to which the project is physically or financially troubled, as evidenced by the comprehensive needs assessment submitted in accordance with title IV of the Housing and Community Development Act of 1992; and

"(ii) the extent to which such assistance is necessary and reasonable to prevent the default of federally insured mortgages.

"(3) EXCEPTIONS.—The Secretary may make exceptions to selection criteria set forth in paragraph (2)(B) to permit the provision of assistance to eligible projects based upon—

"(A) the extent to which such assistance is necessary to prevent the imminent foreclosure or default of a project whose owner has not submitted a comprehensive needs assessment pursuant to title IV of the Housing and Community Development Act of 1992;

"(B) the extent to which the project presents an imminent threat to the life, health, and safety of project residents; or

"(C) such other criteria as the Secretary may specify by regulation or by notice printed in the Federal Register.

"(4) CONSIDERATIONS.—In providing assistance under this section, the Secretary shall take into consideration—

"(A) the extent to which there is evidence that there will be significant opportunities for residents (including a resident council or resident management corporation, as appropriate) to be involved in the management of the project (except that this paragraph shall have no application to projects that are owned as cooperatives); and

"(B) the extent to which there is evidence that the project owner has provided competent management and complied with all regulatory and administrative requirements.".

(4) REPEAL.—Section 201 of the Housing and Community Development Amendments of 1978 (12 U.S.C. 1715z-1a) is amended—

(A) by striking subsection (o); and

(B) by redesignating subsection (p) as subsection (o).

(c) IMPLEMENTATION AND EFFECTIVE DATES FOR SUBSECTIONS (a) AND (b).—

(1) IN GENERAL.—Except as provided in paragraph (2), the amendments made by subsections (a) and (b) shall apply with respect to amounts made available for fiscal year 1994 and fiscal years thereafter.

(2) EXCEPTION.—Section 201(n)(1) of the Housing and Community Development Amendments of 1978 (as added by the amendment made by subsection (b)(3) of this section) shall take effect on the date of enactment of this Act.

(3) NOTICE.—The Secretary shall, by notice published in the Federal Register, establish any requirements necessary to implement the amendments made by subsections (a) and (b). The notice shall invite public comments and, not later than 12 months after the date on which the notice is published, the Secretary shall issue final regulations based on the initial notice, taking into consideration any public comments received.

(d) STREAMLINED REFINANCING.—As soon as practicable, the Secretary shall implement a streamlined refinancing program under the authority provided in section 223 of the National Housing Act to prevent the default of mortgages insured by the FHA which cover multifamily housing projects, as defined in section 203(b) of the Housing and Community Development Amendments of 1978.

(e) GAO STUDY ON PREVENTION OF DEFAULT.—

(1) IN GENERAL.—Not later than April 1, 1995, the Comptroller General of the United States shall submit to the Committee on Banking, Finance and Urban Affairs of the House of Representatives and the Committee on Banking, Housing, and Urban Affairs of the Senate a report that evaluates the adequacy of loan loss reserves in the General Insurance and Special Risk Insurance Funds and presents recommendations for the Secretary to prevent losses from occurring.

(2) CONTENTS.—The report submitted under paragraph (1) shall—

(A) evaluate the factors considered in arriving at loss estimates and determine whether other factors should be considered;

(B) determine the relative benefit of creating a new, actuarially sound insurance fund for all new multifamily housing insurance commitments; and

(C) recommend alternatives to the Secretary's current procedures for preventing the future default of multifamily housing project mortgages insured under title II of the National Housing Act.

(f) GAO STUDY ON ACTUARIAL SOUNDNESS OF CERTAIN INSURANCE PROGRAMS.—

(1) IN GENERAL.—Not later than April 1, 1995, the Comptroller General of the United States shall submit 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 a report that evaluates, in connection with the General Insurance Fund, the role and performance of the nursing home, hospital, and retirement service center insurance programs.

(2) CONTENTS.—The reports submitted under paragraph (1) shall—

(A) evaluate the strategic importance of these insurance programs to the mission of the FHA;

(B) evaluate the impact of these insurance programs upon the financial performance of the General Insurance Fund;

(C) assess the potential losses expected under these programs through fiscal year 1999;

(D) evaluate the risk of these programs to the General Insurance Fund in connection with changes in national health care policy;

(E) assess the ability of the FHA to manage these programs; and

(F) make recommendations for any necessary changes.

(g) RISK ASSESSMENT.—

(1) SPECIAL RISK INSURANCE FUND.—Section 238(c) of the National Housing Act (12 U.S.C. 1715z-3(c)) is amended by adding at the end the following new paragraph:

"(3) The Secretary shall undertake an annual assessment of the risks associated with each of the insurance programs comprising the Special Risk Insurance Fund, and shall present findings from such review to the Congress in the FHA Annual Management Report.".

(2) GENERAL INSURANCE FUND.—Section 519 of the National Housing Act (12 U.S.C. 1735c) is amended by adding at the end the following new subsection:

"(g) RISK ASSESSMENT.—The Secretary shall undertake an annual assessment of the risks associated with each of the insurance programs comprising the General Insurance Fund, and shall present findings from such review to the Congress in the FHA Annual Management Report.".

(h) ALTERNATIVE USES FOR PREVENTION OF DEFAULT.—

(1) IN GENERAL.—Subject to notice to and comment by existing tenants, to prevent the imminent default of a multifamily housing project subject to a mortgage insured under title II of the National Housing Act, the Secretary may authorize the mortgagor to use the project for purposes not contemplated by or permitted under the regulatory agreement, if—

(A) such other uses are acceptable to the Secretary;

(B) such other uses would be otherwise insurable under title II of the National Housing Act;

(C) the outstanding principal balance on the mortgage covering such project is not increased;

(D) any financial benefit accruing to the mortgagor shall, subject to the discretion of the Secretary, be applied to project reserves or project rehabilitation; and

(E) such other use serves a public purpose.

(2) DISPLACEMENT PROTECTION.—The Secretary may take actions under paragraph (1) only if—

(A) tenant-based rental assistance under section 8 of the United States Housing Act of 1937 is made available to each eligible family residing in the project that is displaced as a result of such actions; and

(B) the Secretary determines that sufficient habitable, affordable (as such term is defined in section 203(b) of the Housing and Community Development Amendments of 1978) rental housing is available in the market area in which the project is located to ensure use of such assistance.

(3) IMPLEMENTATION.—The Secretary shall, by notice published in the Federal Register, which shall take effect upon publication, establish such requirements as may be necessary to implement the amendments made by this subsection. The notice shall invite public comments and, not later than 12 months after the date on which the notice is published, the Secretary shall issue final regulations based on the initial notice, taking into account any public comments received.

SEC. 104. INTEREST RATES ON ASSIGNED MORTGAGES.

Section 7(i)(5) of the Department of Housing and Urban Development Act (42 U.S.C. 3535(i)(5)) is amended by striking the first semicolon, and all that follows through "as determined by the Secretary".

SEC. 105. AUTHORIZATION OF APPROPRIATIONS.

(a) SPECIAL RISK INSURANCE FUND.—Section 238(b) of the National Housing Act (12 U.S.C. 1715z-3(b)) is amended by striking the fifth sentence.

(b) GENERAL INSURANCE FUND.—Section 519 of the National Housing Act (12 U.S.C. 1735c) is amended—

(1) by striking subsection (f); and

(2) by redesignating subsection (g) (as added by section 103(g)(2) of this Act) as subsection (f).

(c) MULTIFAMILY INSURANCE FUND APPROPRIATIONS.—Title V of the National Housing Act (12 U.S.C. 1731a et seq.) is amended by adding after section 541 (as added by section 101(e) of this Act) the following new section:

"SEC. 542. AUTHORIZATION OF APPROPRIATIONS FOR GENERAL AND SPECIAL RISK INSURANCE FUNDS.

"There are authorized to be appropriated such sums as may be necessary for each of fiscal years 1994 and 1995, to be allocated in any manner that the Secretary determines appropriate, for the following costs incurred in conjunction with programs authorized under the General In-

surance Fund, as provided by section 519, and the Special Risk Insurance Fund, as provided by section 238:

"(1) The cost to the Government, as defined in section 502 of the Congressional Budget Act, of new insurance commitments.

"(2) The cost to the Government, as defined in section 502 of the Congressional Budget Act, of modifications to existing loans, loan guarantees, or insurance commitments.

"(3) The cost to the Government, as defined in section 502 of the Congressional Budget Act, of loans provided under section 203(f) of the Housing and Community Development Amendments of 1978.

"(4) The costs of the rehabilitation of multifamily housing projects (as defined in section 203(b) of the Housing and Community Development Amendments of 1978) upon disposition by the Secretary.".

TITLE II—OTHER PROGRAM REFORMS

Subtitle A—Home Investment Partnerships Program

SEC. 201. PARTICIPATION BY STATE AGENCIES OR INSTRUMENTALITIES.

Section 104(2) of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12704(2)) is amended—

(1) by striking "and" after "Columbia,"; and

(2) by inserting before the period at the end the following: ", or any agency or instrumentality thereof that is established pursuant to legislation and designated by the chief executive officer to act on behalf of the State with regard to the provisions of this Act".

SEC. 202. SIMPLIFICATION OF PROGRAM-WIDE INCOME TARGETING FOR RENTAL HOUSING.

Section 214(1) of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12744(1)) is amended—

(1) in subparagraph (A)—

(A) by striking "such funds are invested with respect to dwelling units that are occupied by" and inserting "(i) the families receiving such rental assistance are"; and

(B) by striking ", and" and inserting ", or (ii) the dwelling units assisted with such funds are occupied by families having such incomes; and"; and

(2) in subparagraph (B)—

(A) by striking "such funds are invested with respect to dwelling units that are occupied by" and inserting "(i) the families receiving such rental assistance are"; and

(B) by inserting before the semicolon at the end the following: ", or (ii) the dwelling units assisted with such funds are occupied by such households".

SEC. 203. HOMEOWNERSHIP UNITS.

(a) REMOVAL OF FIRST-TIME HOMEBUYER REQUIREMENT.—Section 215(b) of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12745(b)) is amended—

(1) by striking paragraph (3); and

(2) by redesignating paragraphs (4) and (5) as paragraphs (3) and (4), respectively.

(b) SIMPLIFICATION OF RESALE PROVISIONS.—Section 215(b)(3)(B) of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12745(b)(3)(B)), as so redesignated by subsection (a) of this section, is amended by striking "subsection" and inserting "title".

SEC. 204. SIMPLIFICATION OF MATCHING REQUIREMENTS.

Section 220(a) of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12750(a)) is amended to read as follows:

"(a) CONTRIBUTION.—Each participating jurisdiction shall make contributions to housing that qualifies as affordable housing under this title that total, throughout a fiscal year, not less than 25 percent of the funds drawn from the jurisdiction's HOME Investment Trust Fund in such fiscal year. Such contributions shall be in addition to any amounts made available under section 216(3)(A)(ii).".

SEC. 205. REPEAL OF SEPARATE AUDIT REQUIREMENT.

Section 283 of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12833) is amended—

(1) by striking the section designation and heading and inserting the following:

"SEC. 283. AUDITS BY COMPTROLLER GENERAL.";

(2) by striking subsection (a);

(3) in subsection (b)—

(A) by striking "(b) AUDITS BY THE COMPTROLLER GENERAL.—";

(B) by redesignating paragraphs (1) and (2) as subsections (a) and (b), respectively; and

(C) by moving subsections (a) and (b), as so redesignated by subparagraph (B), 2 ems to the left so that such subsections are flush with the left margin; and

(4) in subsection (a), as so redesignated by paragraph (3)(B), by striking the second sentence.

SEC. 206. ENVIRONMENTAL REVIEW REQUIREMENTS.

Section 288 of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12838) is amended—

(1) in subsection (a)—

(A) in the first sentence, by striking "participating jurisdictions" and inserting "jurisdictions, Indian tribes, or insular areas"; and

(B) by adding at the end the following new sentences: "The regulations shall provide—

"(1) for the monitoring of the environmental reviews performed under this section;

"(2) in the discretion of the Secretary, to facilitate training for the performance of such reviews; and

"(3) for the suspension or termination of the assumption under this section.

The Secretary's duty under the preceding sentence shall not be construed to limit or reduce any responsibility assumed by a State or unit of general local government with respect to any particular release of funds.";

(2) in the first sentence of subsection (b), by striking "participating jurisdiction" and inserting "jurisdiction, Indian tribe, or insular area";

(3) in subsection (c)(4)(B), by striking "participating jurisdiction" and inserting "jurisdiction, Indian tribe, or insular area"; and

(4) in subsection (d), by striking "ASSISTANCE TO A STATE.—In the case of assistance to States" and inserting the following: "ASSISTANCE TO UNITS OF GENERAL LOCAL GOVERNMENT FROM A STATE.—In the case of assistance to units of general local government from a State".

SEC. 207. USE OF CDBG FUNDS FOR HOME PROGRAM EXPENSES.

(a) ADMINISTRATIVE EXPENSES.—Section 105(a)(13) of the Housing and Community Development Act of 1974 (42 U.S.C. 5305(a)(13)) is amended by inserting after "charges related to" the following: "(A) administering the HOME program under title II of the Cranston-Gonzalez National Affordable Housing Act; and (B)".

(b) PROJECT DELIVERY COSTS.—Section 105(a)(21) of the Housing and Community Development Act of 1974 (42 U.S.C. 5305(a)(21)) is amended—

(1) by inserting "in connection with tenant-based rental assistance and affordable housing projects assisted under title II of the Cranston-Gonzalez National Affordable Housing Act" after "housing counseling"; and

(2) by striking "authorized" and all that follows through "any law" and inserting "assisted under title II of the Cranston-Gonzalez National Affordable Housing Act".

SEC. 208. FLEXIBILITY OF HOME PROGRAM FOR DISASTER AREAS.

Title II of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12721 et seq.) is amended by adding at the end the following new section:

"SEC. 290. SUSPENSION OF REQUIREMENTS FOR DISASTER AREAS.

"For funds designated under this title by a recipient to address the damage in an area for which the President has declared a disaster under title IV of the Robert T. Stafford Disaster Relief and Emergency Assistance Act, the Secretary may suspend all statutory requirements for purposes of assistance under this title for that area, except for those related to public notice of funding availability, nondiscrimination, fair housing, labor standards, environmental standards, and low-income housing affordability.".

SEC. 209. APPLICABILITY AND REGULATIONS.

The amendments made by this title shall apply with respect to any amounts made available to carry out title II of the Cranston-Gonzalez National Affordable Housing Act after the date of the enactment of this Act and any amounts made available to carry out such title before such date of enactment that remain uncommitted on such date. The Secretary shall issue any regulations necessary to carry out the amendments made by this title not later than the expiration of the 45-day period beginning on the date of the enactment of this Act.

Subtitle B—HOPE Homeownership Program

SEC. 221. MATCHING REQUIREMENT UNDER HOPE FOR HOMEOWNERSHIP OF SINGLE FAMILY HOMES PROGRAM.

Section 443(c)(1) of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12893(c)(1)) is amended by striking "33 percent" and inserting "25 percent".

Subtitle C—Community Development Block Grants

SEC. 231. SECTION 108 ELIGIBLE ACTIVITIES.

The first sentence of section 108(a) of the Housing and Community Development Act of 1974 (42 U.S.C. 5308(a)) is amended—

(1) by striking "or" after "section 105(a);"; and

(2) by inserting before the period the following: "; (5) the acquisition, construction, reconstruction, or installation of public facilities (except for buildings for the general conduct of government); or (6) in the case of colonias (as such term is defined in section 916 of the Cranston-Gonzalez National Affordable Housing Act), public works and site or other improvements".

SEC. 232. ECONOMIC DEVELOPMENT GRANTS.

(a) GRANTS.—

(1) IN GENERAL.—Section 108 of the Housing and Community Development Act of 1974 (42 U.S.C. 5308) is amended by adding at the end the following new subsection:

"(q) ECONOMIC DEVELOPMENT GRANTS.—

"(1) AUTHORIZATION.—The Secretary may make grants in connection with notes or other obligations guaranteed under this section to eligible public entities for the purpose of enhancing the security of loans guaranteed under this section or improving the viability of projects financed with loans guaranteed under this section.

"(2) ELIGIBLE ACTIVITIES.—Assistance under this subsection may be used only for the purposes of and in conjunction with projects and activities assisted under subsection (a).

"(3) APPLICATIONS.—Applications for assistance under this subsection may be submitted only by eligible public entities, and shall be in the form and in accordance with the procedures established by the Secretary. Eligible public entities may apply for grants only in conjunction with requests for guarantees under subsection (a).

"(4) SELECTION CRITERIA.—The Secretary shall establish criteria for awarding assistance

under this subsection. Such criteria shall include—

"(A) the extent of need for such assistance;

"(B) the level of distress in the community to be served and in the jurisdiction applying for assistance;

"(C) the quality of the plan proposed and the capacity or potential capacity of the applicant to successfully carry out the plan; and

"(D) such other factors as the Secretary determines to be appropriate.".

(2) CONFORMING AMENDMENT.—Title I of the Housing and Community Development Act of 1974 (42 U.S.C. 5301 et seq.) is amended—

(A) in section 101(c) in the second sentence, by inserting "or a grant" after "guarantee"; and

(B) in section 104(b)(3), by inserting "or a grant" after "guarantee".

(b) USE OF UDAG RECAPTURES.—Section 119(o) of the Housing and Community Development Act of 1974 (42 U.S.C. 5318(o)) is amended by inserting before the period the following: ", except that amounts available to the Secretary for use under this subsection as of October 1, 1993, and amounts released to the Secretary pursuant to subsection (t) may be used to provide grants under section 108(q).".

(c) UDAG RETENTION PROGRAM.—

(1) AMENDMENT.—Section 119 of the Housing and Community Development Act of 1974 (42 U.S.C. 5318) is amended by adding at the end the following new subsection:

"(t) UDAG RETENTION PROGRAM.—If a grant or a portion of a grant under this section remains unexpended upon the issuance of a notice implementing this subsection, the grantee may enter into an agreement, as provided under this subsection, with the Secretary to receive a percentage of the grant amount and relinquish all claims to the balance of the grant within 90 days of the issuance of notice implementing this subsection (or such later date as the Secretary may approve). The Secretary shall not recapture any funds obligated pursuant to this section during a period beginning on the date of enactment of the Multifamily Housing Property Disposition Reform Act of 1994 until 90 days after the issuance of a notice implementing this subsection. A grantee may receive as a grant under this subsection—

"(1) 33 percent of such unexpended amounts if—

"(A) the grantee agrees to expend not less than one-half of the amount received for activities authorized pursuant to section 108(q) and to expend such funds in conjunction with a loan guarantee made under section 108 at least equal to twice the amount of the funds received; and

"(B)(i) the remainder of the amount received is used for economic development activities eligible under title I of this Act; and

"(ii) except when waived by the Secretary in the case of a severely distressed jurisdiction, not more than one-half of the costs of activities under subparagraph (B) are derived from such unexpended amounts; or

"(2) 25 percent of such unexpended amounts if—

"(A) the grantee agrees to expend such funds for economic development activities eligible under title I of this Act; and

"(B) except when waived by the Secretary in the case of a severely distressed jurisdiction, not more than one-half of the costs of such activities are derived from such unexpended amount.".

(2) IMPLEMENTATION.—Not later than 10 days after the date of enactment of this Act, the Secretary shall, by notice published in the Federal Register, which shall take effect upon publication, establish such requirements as may be necessary to implement the amendments made by this subsection.

SEC. 233. GUARANTEE OF OBLIGATIONS BACKED BY SECTION 108 LOANS.

Section 108 of the Housing and Community Development Act of 1974 (42 U.S.C. 5308) is amended by adding after subsection (q) (as added by section 232(a)(1) of this Act) the following new subsection:

"(r) GUARANTEE OF OBLIGATIONS BACKED BY LOANS.—

"(1) AUTHORITY.—The Secretary may, upon such terms and conditions as the Secretary considers appropriate, guarantee the timely payment of the principal of and interest on such trust certificates or other obligations as may—

"(A) be offered by the Secretary or by any other offeror approved for purposes of this subsection by the Secretary; and

"(B) be based on and backed by a trust or pool composed of notes or other obligations guaranteed or eligible for guarantee by the Secretary under this section.

"(2) FULL FAITH AND CREDIT.—To the same extent as provided in subsection (f), the full faith and credit of the United States is pledged to the payment of all amounts that may be required to be paid under any guarantee made by the Secretary under this subsection.

"(3) SUBROGATION.—If the Secretary pays a claim under a guarantee made under this section, the Secretary shall be subrogated for all the rights of the holder of the guaranteed certificate or obligation with respect to such certificate or obligation.

"(4) EFFECT OF LAWS.—No State or local law, and no Federal law, shall preclude or limit the exercise by the Secretary of—

"(A) the power to contract with respect to public offerings and other sales of notes, trust certificates, and other obligations guaranteed under this section upon such terms and conditions as the Secretary deems appropriate;

"(B) the right to enforce any such contract by any means deemed appropriate by the Secretary; and

"(C) any ownership rights of the Secretary, as applicable, in notes, certificates, or other obligations guaranteed under this section, or constituting the trust or pool against which trust certificates, or other obligations guaranteed under this section, are offered.".

SEC. 234. FLEXIBILITY OF CDBG PROGRAM FOR DISASTER AREAS.

Title I of the Housing and Community Development Act of 1974 (42 U.S.C. 5301 et seq.) is amended by adding at the end the following new section:

"SEC. 122. SUSPENSION OF REQUIREMENTS FOR DISASTER AREAS.

"For funds designated under this title by a recipient to address the damage in an area for which the President has declared a disaster under title IV of the Robert T. Stafford Disaster Relief and Emergency Assistance Act, the Secretary may suspend all requirements for purposes of assistance under section 106 for that area, except for those related to public notice of funding availability, nondiscrimination, fair housing, labor standards, environmental standards, and requirements that activities benefit persons of low- and moderate-income.".

TITLE III—TECHNICAL AMENDMENTS

SEC. 301. DEFINITION OF "FAMILIES".

The first sentence of section 3(b)(3)(B) of the United States Housing Act of 1937 (42 U.S.C. 1437a(b)(3)(B)) is amended by striking "means families with children" and inserting "includes families with children and".

SEC. 302. ELIMINATION OF REQUIREMENT TO IDENTIFY CIAP REPLACEMENT NEEDS.

Section 14 of the United States Housing Act of 1937 (42 U.S.C. 1437l) is amended—

(1) in subsection (d)—

(A) by striking paragraph (2);

(B) in paragraph (4), in the matter preceding subparagraph (A)—

(i) by striking "and replacements,"; and

(ii) by striking "(1), (2), and (3)" and inserting "(1) and (2)"; and

(C) by redesignating paragraphs (3) and (4) as paragraphs (2) and (3), respectively; and

(2) in subsection (f)(1)—

(A) in subparagraph (A), by striking "(d)(4)(A)" and inserting "(d)(3)(A)";

(B) by striking subparagraph (B);

(C) in subparagraph (C), by striking "(d)(4)" and inserting "(d)(3)";

(D) in subparagraph (D)—

(i) by striking "(1), (2), and (3)" and inserting "(1) and (2)"; and

(ii) by striking "(d)(4)" and inserting "(d)(3)"; and

(E) by redesignating subparagraphs (C) and (D), as so amended, as subparagraphs (B) and (C), respectively;

(3) in subsection (g), by striking "(d)(4)" and inserting "(d)(3)"; and

(4) in subsection (h)(2), by striking "(d)(4)" and inserting "(d)(3)".

SEC. 303. PROJECT-BASED ACCOUNTING.

Section 6(c)(4)(E) of the United States Housing Act of 1937 (42 U.S.C. 1437d(c)(4)(E)) is amended by striking "250" and inserting "500".

SEC. 304. OPERATING SUBSIDY ADJUSTMENTS FOR ANTICIPATED FRAUD RECOVERIES.

Section 9(a) of the United States Housing Act of 1937 (42 U.S.C. 1437g(a)) is amended by adding at the end the following new paragraph:

"(4) Adjustments to a public housing agency's operating subsidy made by the Secretary under this section shall reflect actual changes in rental income collections resulting from the application of section 904 of the Stewart B. McKinney Homeless Assistance Amendments Act of 1988.".

SEC. 305. ENVIRONMENTAL REVIEW PROVISIONS.

(a) LEAD-BASED PAINT HAZARD REDUCTION.—Section 1011 of the Housing and Community Development Act of 1992 (42 U.S.C. 4852) is amended—

(1) by redesignating subsection (o) as subsection (p); and

(2) by inserting after subsection (n) the following new subsection:

"(o) ENVIRONMENTAL REVIEW.—

"(1) IN GENERAL.—For purposes of environmental review, decisionmaking, and action pursuant to the National Environmental Policy Act of 1969 and other provisions of law that further the purposes of such Act, a grant under this section shall be treated as assistance under the HOME Investment Partnership Act, established under title II of the Cranston-Gonzalez National Affordable Housing Act, and shall be subject to the regulations promulgated by the Secretary to implement section 288 of such Act.

"(2) APPLICABILITY.—This subsection shall apply to—

"(A) grants awarded under this section; and

"(B) grants awarded to States and units of general local government for the abatement of significant lead-based paint and lead dust hazards in low- and moderate-income owner-occupied units and low-income privately owned rental units pursuant to title II of the Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 1992 (Public Law 102-139, 105 Stat. 736).".

(b) PROGRAMS UNDER UNITED STATES HOUSING ACT OF 1937.—Title I of the United States Housing Act of 1937 (42 U.S.C. 1437 et seq.) is amended by adding at the end the following new section:

"SEC. 26. ENVIRONMENTAL REVIEWS.

"(a) IN GENERAL.—

"(1) RELEASE OF FUNDS.—In order to assure that the policies of the National Environmental Policy Act of 1969 and other provisions of law which further the purposes of such Act (as specified in regulations issued by the Secretary) are most effectively implemented in connection with the expenditure of funds under this title, and to

assure to the public undiminished protection of the environment, the Secretary may, under such regulations, in lieu of the environmental protection procedures otherwise applicable, provide for the release of funds for projects or activities under this title, as specified by the Secretary upon the request of a public housing agency (including an Indian housing authority) under this section, if the State or unit of general local government, as designated by the Secretary in accordance with regulations, assumes all of the responsibilities for environmental review, decisionmaking, and action pursuant to such Act, and such other provisions of law as the regulations of the Secretary may specify, which would otherwise apply to the Secretary with respect to the release of funds.

"(2) IMPLEMENTATION.—The Secretary, after consultation with the Council on Environmental Quality, shall issue such regulations as may be necessary to carry out this section. Such regulations shall specify the programs to be covered.

"(b) PROCEDURE.—The Secretary shall approve the release of funds subject to the procedures authorized by this section only if, not less than 15 days prior to such approval and prior to any commitment of funds to such projects or activities, the public housing agency (including an Indian housing authority) has submitted to the Secretary a request for such release accompanied by a certification of the State or unit of general local government which meets the requirements of subsection (c). The Secretary's approval of any such certification shall be deemed to satisfy the Secretary's responsibilities under the National Environmental Policy Act of 1969 and such other provisions of law as the regulations of the Secretary specify insofar as those responsibilities relate to the release of funds which are covered by such certification.

"(c) CERTIFICATION.—A certification under the procedures authorized by this section shall—

"(1) be in a form acceptable to the Secretary;

"(2) be executed by the chief executive officer or other officer of the State or unit of general local government who qualifies under regulations of the Secretary;

"(3) specify that the State or unit of general local government under this section has fully carried out its responsibilities as described under subsection (a); and

"(4) specify that the certifying officer—

"(A) consents to assume the status of a responsible Federal official under the National Environmental Policy Act of 1969 and each provision of law specified in regulations issued by the Secretary insofar as the provisions of such Act or other such provision of law apply pursuant to subsection (a); and

"(B) is authorized and consents on behalf of the State or unit of general local government and himself or herself to accept the jurisdiction of the Federal courts for the purpose of enforcement of his or her responsibilities as such an official.

"(d) APPROVAL BY STATES.—In cases in which a unit of general local government carries out the responsibilities described in subsection (c), the Secretary may permit the State to perform those actions of the Secretary described in subsection (b) and the performance of such actions by the State, where permitted by the Secretary, shall be deemed to satisfy the Secretary's responsibilities referred to in the second sentence of subsection (b).".

(c) SPECIAL PROJECTS.—

(1) IN GENERAL.—

(A) RELEASE OF FUNDS.—In order to assure that the policies of the National Environmental Policy Act of 1969 and other provisions of law which further the purposes of such Act (as specified in regulations issued by the Secretary) are most effectively implemented in connection with the expenditure of funds for special projects appropriated under an appropriations Act for the Department of Housing and Urban Development, such as special projects under the head "Annual Contributions for Assisted Housing" in title II of the Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 1993, and to assure to the public undiminished protection of the environment, the Secretary of Housing and Urban Development may, under such regulations, in lieu of the environmental protection procedures otherwise applicable, provide for the release of funds for particular special projects upon the request of recipients of special projects assistance, if the State or unit of general local government, as designated by the Secretary in accordance with regulations, assumes all of the responsibilities for environmental review, decisionmaking, and action pursuant to such Act, and such other provisions of law as the regulations of the Secretary specify, that would otherwise apply to the Secretary were the Secretary to undertake such special projects as Federal projects.

(B) IMPLEMENTATION.—The Secretary shall issue regulations to carry out this subsection only after consultation with the Council on Environmental Quality. Such regulations shall—

(i) provide for monitoring of the performance of environmental reviews under this subsection;

(ii) in the discretion of the Secretary, provide for the provision or facilitation of training for such performance; and

(iii) subject to the discretion of the Secretary, provide for suspension or termination by the Secretary of the assumption under subparagraph (A).

(C) RESPONSIBILITIES OF STATE OR UNIT OF GENERAL LOCAL GOVERNMENT.—The Secretary's duty under subparagraph (B) shall not be construed to limit any responsibility assumed by a State or unit of general local government with respect to any particular release of funds under subparagraph (A).

(2) PROCEDURE.—The Secretary shall approve the release of funds for projects subject to the procedures authorized by this subsection only if, not less than 15 days prior to such approval and prior to any commitment of funds to such projects, the recipient submits to the Secretary a request for such release, accompanied by a certification of the State or unit of general local government which meets the requirements of paragraph (3). The Secretary's approval of any such certification shall be deemed to satisfy the Secretary's responsibilities under the National Environmental Policy Act of 1969 and such other provisions of law as the regulations of the Secretary specify insofar as those responsibilities relate to the releases of funds for special projects to be carried out pursuant thereto which are covered by such certification.

(3) CERTIFICATION.—A certification under the procedures authorized by this subsection shall—

(A) be in a form acceptable to the Secretary;

(B) be executed by the chief executive officer or other officer of the State or unit of general local government who qualifies under regulations of the Secretary;

(C) specify that the State or unit of general local government under this subsection has fully carried out its responsibilities as described under paragraph (1); and

(D) specify that the certifying officer—

(i) consents to assume the status of a responsible Federal official under the National Environmental Policy Act of 1969 and each provision of law specified in regulations issued by the Secretary insofar as the provisions of such Act or other such provision of law apply pursuant to paragraph (1); and

(ii) is authorized and consents on behalf of the State or unit of general local government and himself or herself to accept the jurisdiction of the Federal courts for the purpose of enforcement of the responsibilities as such an official.

(4) APPROVAL BY STATES.—In cases in which a unit of general local government carries out the responsibilities described in paragraph (1), the Secretary may permit the State to perform those actions of the Secretary described in paragraph (2) and the performance of such actions by the State, where permitted by the Secretary, shall be deemed to satisfy the Secretary's responsibilities referred to in the second sentence of paragraph (2).

SEC. 306. CORRECTION OF FHA MULTIFAMILY MORTGAGE LIMITS.

The National Housing Act (12 U.S.C. 1701 et seq.) is amended in sections 207(c)(3), 213(b)(2), 220(d)(3)(B)(iii), and 234(e)(3) by striking "$59,160" each place it appears and inserting "$56,160".

SEC. 307. AMENDMENTS TO FHA MULTIFAMILY RISK-SHARING AND HOUSING FINANCE AGENCY PILOT PROGRAMS.

(a) RISK-SHARING PILOT PROGRAM.—Section 542(b) of the Housing and Community Development Act of 1992 (12 U.S.C. 1707 note) is amended—

(1) by striking paragraphs (1) and (2) and inserting the following new paragraphs:

"(1) IN GENERAL.—The Secretary shall carry out a pilot program in conjunction with qualified participating entities to determine the effectiveness of Federal credit enhancement for loans for affordable multifamily housing through a system of risk-sharing agreements with such entities.

"(2) PROGRAM REQUIREMENTS.—

"(A) IN GENERAL.—In carrying out the pilot program under this subsection, the Secretary shall enter into risk-sharing agreements with qualified participating entities.

"(B) MORTGAGE INSURANCE AND REINSURANCE.—Agreements under subparagraph (A) may provide for (i) mortgage insurance through the Federal Housing Administration of loans for affordable multifamily housing originated by or through, or purchased by, qualified participating entities, and (ii) reinsurance, including reinsurance of pools of loans, on affordable multifamily housing. In entering into risk-sharing agreements under this subsection covering mortgages, the Secretary may give preference to mortgages that are not already in the portfolios of qualified participating entities.

"(C) RISK APPORTIONMENT.—Agreements entered into under this subsection between the Secretary and a qualified participating entity shall specify the percentage of loss that each of the parties to the agreement will assume in the event of default of the insured or reinsured multifamily mortgage. Such agreements shall specify that the qualified participating entity and the Secretary shall share any loss in accordance with the risk-sharing agreement.

"(D) REIMBURSEMENT CAPACITY.—Agreements entered into under this subsection between the Secretary and a qualified participating entity shall provide evidence acceptable to the Secretary of the capacity of such entity to fulfill any reimbursement obligations made pursuant to this subsection. Evidence of such capacity which may be considered by the Secretary may include—

"(i) a pledge of the full faith and credit of a qualified participating entity to fulfill any obligations entered into by the entity;

"(ii) reserves pledged or otherwise restricted by the qualified participating entity in an amount equal to an agreed upon percentage of the loss assumed by the entity under subparagraph (C);

"(iii) funds pledged through a State or local guarantee fund; or

"(iv) any other form of evidence mutually agreed upon by the Secretary and the qualified participating entity.

"(E) UNDERWRITING STANDARDS.—The Secretary shall allow any qualified participating entity to use its own underwriting standards and loan terms and conditions for purposes of underwriting loans to be insured under this subsection, except as provided in this section, without further review by the Secretary, except that the Secretary may impose additional underwriting criteria and loan terms and conditions for contractual agreements where the Secretary retains more than 50 percent of the risk of loss. Any financing permitted on property insured under this subsection other than the first mortgage shall be expressly subordinate to the insured mortgage.

"(F) AUTHORITY OF SECRETARY.—The Secretary, upon request of a qualified participating entity, may insure or reinsure and make commitments to insure or reinsure under this section any mortgage, advance, loan, or pool of mortgages otherwise eligible under this section, pursuant to a risk-sharing agreement providing that the qualified participating entity will carry out (under a delegation or otherwise, and with or without compensation, but subject to audit, exception, or review requirements) such credit approval, appraisal, inspection, issuance of commitments, approval of insurance of advances, cost certification, servicing, property disposition, or other functions as the Secretary shall approve as consistent with the purpose of this section. All appraisals of property for mortgage insurance under this section shall be completed by a Certified General Appraiser in accordance with the Uniform Standards of Professional Appraisal Practice.

"(G) DISCLOSURE OF RECORDS.—Qualified participating entities shall make available to the Secretary or the Secretary's designee, at the Secretary's request, such financial and other records as the Secretary deems necessary for purposes of review and monitoring for the program under this section.";

(2) in paragraph (4), by striking "financial institutions and entities to be eligible to enter into reinsurance agreements" and inserting "eligibility under this subsection of qualified participating entities";

(3) by striking paragraph (8) and inserting the following new paragraph:

"(11) IMPLEMENTATION.—The Secretary shall take any administrative actions necessary to initiate the pilot program under this subsection."; and

(4) by inserting after paragraph (7) the following new paragraphs:

"(8) PROHIBITION ON GINNIE MAE SECURITIZATION.—The Government National Mortgage Association shall not securitize any multifamily loans insured or reinsured under this subsection.

"(9) QUALIFICATION AS AFFORDABLE HOUSING.—Multifamily housing securing loans insured or reinsured under this subsection shall qualify as affordable only if the housing is occupied by families and bears rents not greater than the gross rent for rent-restricted residential units as determined under section 42(g) of the Internal Revenue Code of 1986.

"(10) CERTIFICATION OF SUBSIDY LAYERING COMPLIANCE.—The requirements of section 102(d) of the Department of Housing and Urban Development Reform Act of 1989 may be satisfied in connection with a commitment to insure a mortgage under this subsection by a certification by a housing credit agency (including an entity established by a State that provides mortgage insurance) to the Secretary that the combination of assistance within the jurisdiction of the Secretary and other government assistance provided in connection with a property for which a mortgage is to be insured shall not be any greater than is necessary to provide affordable housing.".

(b) HOUSING FINANCE AGENCY PILOT PROGRAM.—Section 542(c) of the Housing and Community Development Act of 1992 (12 U.S.C. 1707 note) is amended—

(1) in paragraph (1), by inserting after "qualified housing finance agencies" the following: "(including entities established by States that provide mortgage insurance)";

(2) in paragraph (2)—

(A) in subparagraph (C), by striking the last sentence and inserting the following: "Such agreements shall specify that the qualified housing finance agency and the Secretary shall share any loss in accordance with the risk-sharing agreement."; and

(B) by adding at the end the following new subparagraph:

"(F) DISCLOSURE OF RECORDS.—Qualified housing finance agencies shall make available to the Secretary such financial and other records as the Secretary deems necessary for program review and monitoring purposes.";

(3) in paragraph (7)—

(A) by striking "very low-income"; and

(B) by striking "(2)"; and

(4) by adding at the end the following new paragraphs:

"(9) ENVIRONMENTAL AND OTHER REVIEWS.—

"(A) ENVIRONMENTAL REVIEWS.—

"(i) IN GENERAL.—(I) In order to assure that the policies of the National Environmental Policy Act of 1969 and other provisions of law which further the purposes of such Act (as specified in regulations issued by the Secretary) are most effectively implemented in connection with the insurance of mortgages under subsection (c)(2), and to assure to the public undiminished protection of the environment, the Secretary may, under such regulations, in lieu of the environmental protection procedures otherwise applicable, provide for agreements to endorse for insurance mortgages under subsection (c)(2) upon the request of qualified housing finance agencies under this subsection, if the State or unit of general local government, as designated by the Secretary in accordance with regulations, assumes all of the responsibilities for environmental review, decisionmaking, and action pursuant to such Act, and such other provisions of law as the regulations of the Secretary may specify, that would otherwise apply to the Secretary with respect to the insurance of mortgages on particular properties.

"(II) The Secretary shall issue regulations to carry out this subparagraph only after consultation with the Council on Environmental Quality. Such regulations shall, among other matters, provide—

"(aa) for the monitoring of the performance of environmental reviews under this subparagraph;

"(bb) subject to the discretion of the Secretary, for the provision or facilitation of training for such performance; and

"(cc) subject to the discretion of the Secretary, for the suspension or termination by the Secretary of the qualified housing finance agency's responsibilities under subclause (I).

"(III) The Secretary's duty under subclause (II) shall not be construed to limit any responsibility assumed by a State or unit of general local government with respect to any particular property under subclause (I).

"(ii) PROCEDURE.—The Secretary shall approve a mortgage for the provision of mortgage insurance subject to the procedures authorized by this paragraph only if, not less than 15 days prior to such approval, prior to any approval, commitment, or endorsement of mortgage insurance on the property on behalf of the Secretary, and prior to any commitment by the qualified housing finance agency to provide financing under the risk-sharing agreement with respect to the property, the qualified housing finance agency submits to the Secretary a request for such approval, accompanied by a certification of the State or unit of general local government that meets the requirements of clause (iii). The Secretary's approval of any such certification shall be deemed to satisfy the Secretary's responsibilities under the National Environmental Policy Act of 1969 and such other provisions of law as the regulations of the Secretary specify insofar as those responsibilities relate to the provision of mortgage insurance on the property that is covered by such certification.

"(iii) CERTIFICATION.—A certification under the procedures authorized by this paragraph shall—

"(I) be in a form acceptable to the Secretary;

"(II) be executed by the chief executive officer or other officer of the State or unit of general local government who qualifies under regulations of the Secretary;

"(III) specify that the State or unit of general local government under this section has fully carried out its responsibilities as described under clause (i); and

"(IV) specify that the certifying officer consents to assume the status of a responsible Federal official under the National Environmental Policy Act of 1969 and under each provision of law specified in regulations issued by the Secretary insofar as the provisions of such Act or such other provisions of law apply pursuant to clause (i), and is authorized and consents on behalf of the State or unit of general local government and himself or herself to accept the jurisdiction of the Federal courts for the purpose of enforcement of the responsibilities as such an official.

"(iv) APPROVAL BY STATES.—In cases in which a unit of general local government carries out the responsibilities described in clause (i), the Secretary may permit the State to perform those actions of the Secretary described in clause (ii) and the performance of such actions by the State, where permitted by the Secretary, shall be deemed to satisfy the Secretary's responsibilities referred to in the second sentence of clause (ii).

"(B) LEAD-BASED PAINT POISONING PREVENTION.—In carrying out the requirements of section 302 of the Lead-Based Paint Poisoning Prevention Act, the Secretary may provide by regulation for the assumption of all or part of the Secretary's duties under such Act by qualified housing finance agencies, for purposes of this section.

"(C) CERTIFICATION OF SUBSIDY LAYERING COMPLIANCE.—The requirements of section 102(d) of the Department of Housing and Urban Development Reform Act of 1989 may be satisfied in connection with a commitment to insure a mortgage under this subsection by a certification by a housing credit agency (including an entity established by a State that provides mortgage insurance) to the Secretary that the combination of assistance within the jurisdiction of the Secretary and other government assistance provided in connection with a property for which a mortgage is to be insured shall not be any greater than is necessary to provide affordable housing.

"(10) DEFINITIONS.—For purposes of this subsection, the following definitions shall apply:

"(A) MORTGAGE.—The term 'mortgage' means a first mortgage on real estate that is—

"(i) owned in fee simple; or

"(ii) subject to a leasehold interest that—

"(I) has a term of not less than 99 years and is renewable; or

"(II) has a remaining term that extends beyond the maturity of the mortgage for a period of not less than 10 years.

"(B) FIRST MORTGAGE.—The term 'first mortgage' means a single first lien given to secure advances on, or the unpaid purchase price of, real estate, under the laws of the State in which the real estate is located, together with the cred-

it instrument, if any, secured thereby. Any other financing permitted on property insured under this section must be expressly subordinate to the insured mortgage.

"(C) UNIT OF GENERAL LOCAL GOVERNMENT; STATE.—The terms 'unit of general local government' and 'State' have the same meanings as in section 102(a) of the Housing and Community Development Act of 1974.".

(c) DEFINITIONS.—Section 544 of the Housing and Community Development Act of 1992 (12 U.S.C. 1707 note) is amended—

(1) by striking paragraph (1) and inserting the following new paragraph:

"(1) The term 'multifamily housing' means housing accommodations on the mortgaged property that are designed principally for residential use, conform to standards satisfactory to the Secretary, and consist of not less than 5 rental units on 1 site. These units may be detached, semidetached, row house, or multifamily structures."; and

(2) by adding at the end the following new paragraph:

"(5) The term 'qualified participating entity' means an entity approved by the Secretary for participation in the pilot program under this subsection, which may include—

"(A) the Federal National Mortgage Association;

"(B) the Federal Home Loan Mortgage Corporation;

"(C) State housing finance and mortgage insurance agencies; and

"(D) the Federal Housing Finance Board.".

SEC. 308. SUBSIDY LAYERING REVIEW.

Section 911 of the Housing and Community Development Act of 1992 (42 U.S.C. 3545 note) is amended—

(1) by striking subsection (a) and inserting the following new subsection:

"(a) CERTIFICATION OF SUBSIDY LAYERING COMPLIANCE.—The requirements of section 102(d) of the Department of Housing and Urban Development Reform Act of 1989 may be satisfied in connection with a project receiving assistance under a program that is within the jurisdiction of the Department of Housing and Urban Development and under section 42 of the Internal Revenue Code of 1986 by a certification by a housing credit agency to the Secretary, submitted in accordance with guidelines established by the Secretary, that the combination of assistance within the jurisdiction of the Secretary and other government assistance provided in connection with a property for which assistance is to be provided within the jurisdiction of the Department of Housing and Urban Development and under section 42 of the Internal Revenue Code of 1986 shall not be any greater than is necessary to provide affordable housing."; and

(2) by striking subsection (c) and inserting the following new subsection:

"(c) REVOCATION BY SECRETARY.—If the Secretary determines that a housing credit agency has failed to comply with the guidelines established under subsection (a), the Secretary—

"(1) may inform the housing credit agency that the agency may no longer submit certification of subsidy layering compliance under this section; and

"(2) shall carry out section 102(d) of the Department of Housing and Urban Development Reform Act of 1989 relating to affected projects allocated a low-income housing tax credit pursuant to section 42 of the Internal Revenue Code of 1986.".

Amend the title so as to read: "An Act to amend section 203 of the Housing and Community Development Amendments of 1978 to provide for the disposition of multifamily properties owned by the Secretary of Housing and Urban Development, to provide for other reforms in programs administered by the Secretary, and to make certain technical amendments, and for other purposes.".

Mr. SARBANES. Mr. President, I rise to speak in favor of S. 1299—the Multifamily Property Disposition Reform Act of 1994. The Senate first passed S. 1299 last November on a unanimous vote. On Tuesday this week, the House also passed S. 1299, with amendments, by an overwhelming majority. The bill we will pass today closely resembles the original Senate-passed bill and I urge its adoption.

S. 1299 represents a major step forward in making the Department of Housing and Urban Development [HUD] a more effective partner—with State and local governments and the for-profit and nonprofit housing providers—in the provision of decent, safe, and sanitary housing in this country. This bill incorporates important improvements to HUD's programs that will allow HUD Secretary Cisneros to move forward in solving some of the more intractable problems confronting his Department.

At the core of this legislation are reforms to the way in which HUD disposes of properties it acquires as a result of defaults on FHA-insured mortgages. The problems with the current HUD multifamily property disposition statute are revealed by the basic statistics: the HUD-owned inventory of multifamily properties quadrupled between 1989 and 1993 to over 31,000 units. By the end of this year, the HUD-owned inventory will likely double again, to over 69,000 units.

The main impediment to the sale of these properties is a requirement in current law that HUD provide 15-year Section 8 subsidies on most of the units in its inventory upon disposition. However, the funding levels necessary to meet these subsidy requirements have never been met.

Existing law embodied a noble impulse: by requiring these subsidies Congress hoped to create additional permanent units of affordable housing. However, without adequate funding, the law only offered tenants of HUD-owned properties a theoretical right to section 8 subsidies. Lacking funding for subsidies, HUD has become a perpetual landlord. Unfortunately, the Department, by its own admission, is not well suited to this role. As a result, many properties are deteriorating under HUD's stewardship.

It is important, Mr. President, to remember that we are not just talking about projects; we are talking about places that families call home. The projects in HUD's inventory are often quite distressed. To a certain extent, this legislation is about poor families living in dilapidated apartment buildings. It is about neighborhoods blighted by housing development gone sour.

The answer, of course, was to craft a solution that moves these properties as promptly as possible into the hands of owners with the resources to maintain this inventory in decent condition and, at the same time, balance the need to protect existing residents from displacement, preserve units as affordable housing, and provide a reasonable return to the taxpayer. I believe that S. 1299 achieves this balance.

It is important to point out that one of the key elements of this bill is that every tenant who currently receives a HUD subsidy will continue to receive a subsidy after disposition. In this legislation, Congress not only mandates that subsidies be provided to all tenants who were receiving a subsidy before their prior owner defaulted, but provides HUD with workable tools which will facilitate the long-term physical and financial viability of these projects. These new tools include short-term loans, rehabilitation grants, rent restrictions, and tenant-based assistance. Further, the bill will restrict rent increases for a 24-month period on certain units occupied by very low-income families as an additional protection against displacement.

Unfortunately, the problems in disposing of multifamily project are only the tip of the iceberg: HUD owns and services mortgages with a face value of over $7 billion. Some $6.2 billion of these mortgages are delinquent—covering properties with over 219,000 units. The 1992 audit of the FHA insurance funds required HUD to increase the loan reserves on FHA insurance-in-force from $5.5 billion to $11.9 billion.

In response to the condition of the FHA portfolio, S. 1299 also provides initiatives designed to prevent these projected losses from occurring. For example, the legislation requires HUD to develop a streamlined mortgage refinancing program to take advantage of current flow interest rates. The legislation also more clearly ties existing assistance programs to projects at risk of default. And, the legislation gives HUD explicit authority to sell certain mortgages, freeing HUD staff to focus on working out the troubled mortgages that require greater attention.

In addition to the multifamily reforms, S. 1299 offers significant enhancements to other important HUD programs. Local governments using the HOME program are provided with greater flexibility to meet their housing needs. Most notably, the bill removes bias against new construction in the HOME program by creating a uniform 25 percent match for all activities. S. 1299 also makes homeownership activities easier by simplifying resale provisions and by removing a requirement that the HOME program only assist first-time homebuyers.

S. 1299 makes the existing Community Development Block Grant Section 108 loan guarantee program more workable. The bill expands the activities eligible under the program and creates a new grant program that will increase

the use of the program. These grants will be used to reduce the risk of using CDBG to back section 108 projects, creating an incentive for cities to use this underutilized economic development tool.

There were a few important provisions in the Senate-passed bill that the House was unable to accept at this time. These include rent reform for public housing, the COMPAC crime prevention initiative, amendments to be severely distressed public housing program, and civil money penalties for certain owners and managers of HUD-assisted properties. These reforms continue to be important and timely; however, they have been postponed for consideration in the context of the larger housing program reauthorization effort scheduled for later in this session.

In closing, I would like to thank my colleagues on the Senate Banking Committee—Chairman RIEGLE, ranking member Senator D'AMATO, and Senator BOND, for their assistance in crafting this important piece of legislation. I would also like to especially thank my colleagues on the House side—Banking Committee Chairman GONZALEZ and Congresswoman ROUKEMA—for their support and contributions to this legislation. Thanks go also to Secretary Cisneros and his excellent team at HUD for the time and energy that they put into this legislation. The successful working relationship established in connection with this legislation bodes well for the upcoming effort that will be required to reauthorize our Nation's housing programs.

Finally, I would like to recognize the fine work of the Senate staff who put in long hours of hard work to bring this bill to this point. I would like to extend my personal thanks to the Senate Housing Subcommittee majority staff—Paul Weech, Lori Bamberger, Cheryl Fox, Robin Campbell, Kris Warren, Gina Ramos, and Eileen Gallagher—the minority staff—Jon Kamarck and Fallie Calder—and also full Banking Committee staff—Kevin Chavers and Jeannine Jacokes for their efforts.

Mr. RIEGLE. I would like to offer my strong support for S. 1299—the Multifamily Housing Property Disposition Act of 1994. A similar version of this bill was passed last year on November 18, 1993 with the support of the full Senate. This package is essentially the same bill the Senate passed with some important refinements added by the House when it acted upon S. 1299. I believe this bill is critically important because it responds to the multifamily crisis confronting the Department of Housing and Urban Development [HUD].

Problems in HUD's multifamily portfolio have been of concern to the Committee for a long period of time. Last year, the Committee held a hearing on June 22 on this dire situation. Our witnesses testified that HUD has experienced a significant increase in loan loss reserves for 1992 from $5.5 billion to $11.9 billion, in order to cover anticipated losses from future defaults on mortgages insured by HUD. We also heard how problems in HUD's multifamily programs are exacerbated by the current rules governing property disposition.

S. 1299 addresses these issues by providing greater flexibility in the disposition of HUD-owned multifamily properties while protecting affordability and preservation objectives in current law. This bill gives the department new tools to facilitate disposition. It increases the department's flexibility in disposing of properties and expedites the sales of properties. The expedited sales of HUD-owned properties will reduce the costs of holding and maintaining the properties in the inventory. This will free up HUD's resources to focus on preventing defaults on currently insured mortgages. The bill also provides tools designed to prevent such defaults from occurring and to minimize losses.

Amendments made by the House to the Senate-passed S. 1299 strengthen tenant protections by requiring restraints on rent increases for 2 years after disposition for certain very low-income residents. The House also chose to postpone consideration of a provision included in the Senate-passed bill that would have applied civil money penalties to owners, general partners, and certain managing agents of HUD-assisted properties in cases where such parties failed to adequately maintain the properties.

The bill also includes several other important provisions that will help create jobs for people living in economically-distressed communities. It contains an economic development initiative which will allow Community Development Block Grant recipients who use the section 108 Loan Guarantee Program to use grants to create viable economic development projects. The bill includes a UDAG trade-in program. This program will permit cities to trade in outstanding UDAG grants in exchange for funds for other economic development projects.

In addition, the bill contains several technical amendments to the HOME program and other technical changes which correct errors in recent legislation.

This bill represents an important step in providing HUD with the flexibility and tools it needs to confront the crisis in its multifamily programs, in particular, and its management problems, in general. I wish to commend Housing and Urban Affairs Subcommittee Chairman SARBANES and his ranking Republican member, Senator BOND, as well as Senator D'AMATO for the bipartisan spirit with which we have worked to put this bill together.

I ask my colleagues to join me in supporting this important piece of legislation.

Mr. BOND. Mr. President, I want to state my strong support for S. 1299, the Multifamily Housing Property Disposition Reform Act of 1994. This bill was initially reported out of the Senate Committee on Banking, Housing, and Urban Affairs by unanimous vote on October 19, 1993, and subsequently passed the Senate on November 19, 1993. This bill with certain perfecting amendments has been since considered and passed by the House on March 22, 1994, by a vote of 413 to 9.

S. 1299 is important legislation that addresses several critical issues that are crucial to the ability of the Department of Housing and Urban Development to carry out the requirements of a number of its programs. In particular, S. 1299 will provide HUD with needed flexibility in the disposition of its multifamily housing inventory, provide HUD with needed authority to help prevent the default of HUD-insured mortgages, make several reforms to the CDBG and HOME programs, and make other noncontroversial technical amendments to HUD programs.

S. 1299 is designed, most importantly, to address a crisis in HUD's FHA Multifamily Housing Property Disposition Program by providing HUD with significant flexibility to dispose of an ever-growing inventory of FHA insured multifamily housing projects which are acquired by HUD through either foreclosure or by assignment.

HUD testified before the Senate Housing Subcommittee on June 22, 1993, that the FHA Multifamily Housing Property Disposition Program is very costly to the Department and that section 203 of the Housing and Community Development Amendments of 1978 limits severely the ability of HUD to effectively and efficiently dispose of properties in its multifamily housing property disposition inventory. As a practical matter, HUD has construed section 203 of the 1978 amendments to require HUD to provide 15-year project-based section 8 assistance for most of the units in housing projects held by HUD in its multifamily housing inventory. HUD does not and will not have enough 15-year project-based section 8 assistance to meet the section 203 disposition requirements. As a result, HUD has become an involuntary landlord which, by its own admission, does not have the administrative capacity to maintain the physical needs and housing quality standards of this housing.

In particular, the inventory of HUD-owned multifamily housing projects has quadrupled since 1989, with the expectation that the inventory could balloon to some 69,000 units by the end of 1994. The cost of disposition of these units under the existing section 203 is currently estimated at over $5.4 billion.

Moreover, the inventory of HUD-held multifamily housing has substantially increased to over 2,400 mortgages covering some 219,000 units. To cover these future estimated losses, HUD was required to increase the insurance loss reserves from $5.5 billion in 1991 to $11.9 billion in 1992.

These are significant and costly obligations. In response to these concerns, I introduced with Senator D'AMATO on July 22, 1993, S. 1279, the FHA Multifamily Housing Flexible Disposition Act of 1993. S. 1279 would have provided HUD, for 18 months, with complete flexibility to dispose of its multifamily housing property inventory while balancing the need to maintain the low-income nature of the housing. S. 1299, as amended, does not go as far as S. 1279. Nevertheless, S. 1299 responsibility addresses this crisis by providing HUD with significant flexibility to dispose of these multifamily housing projects while requiring HUD to continue to provide housing assistance or rent affordability to, at a minimum, the low-income households already receiving assistance. This new flexibility includes the use of section 8 project-based and tenant-based assistance, bridge loans to nonprofits and public entities, rehabilitation grants, discounted sales prices, and the use of rent restrictions in lieu of section 8 subsidies. I also strongly support and urged adoption of a provision in the legislation which would allow HUD to authorize demolition and to provide project-based assistance for the rebuilding of certain projects which have not been maintained in a decent, safe, and sanitary condition, and for which rebuilding would be less expensive than substantial rehabilitation. I believe this provision will be of tremendous benefit Nation-wide to communities with very troubled and deteriorated multifamily housing, I emphasize that the provisions of S. 1299 are bipartisan, flexible, will help to guarantee good housing quality standards, and, most importantly, will protect low-income households already receiving housing assistance.

This bill also provides a number of modest changes to current housing law to help HUD assess and minimize the risk of mortgage default with regard to the FHA insured multifamily inventory. For example, the bill would make several noncontroversial revisions to the Flexible Subsidy Program to ensure that housing repair needs are better and more appropriately addressed.

This bill also makes a number of noncontroversial changes to the HOME Program which should help localities better use this program. In particular the HOME match will be a flat 25-percent local match as opposed to the current two tiered match, which includes a 30-percent local match for new construction. S. 1299 also makes some positive changes to the section 108 program to broaden its scope and assist communities in using section 108 loan guarantees. Moreover, a provision of mine is intended to provide communities which are declared Federal disaster areas with more flexibility in using their annual HOME and CDBG funding.

In conclusion, this bill is an excellent example of a bipartisan solution to the costly problem of HUD's disposition of its multifamily housing inventory. It also makes a number of other important, although noncontroversial, housing policy decisions.

I urge my colleagues to support S. 1299.

Mr. SARBANES. The law governing HUD's disposition of multifamily housing properties—that we are amending today—can be found in section 203 of the Housing and Community Development Amendments of 1978. S. 1299 amends and rewrites section 203 in its entirety, in order to streamline its provisions and to provide HUD with certain conditioned flexibility to dispose of the properties that it has acquired through mortgage defaults.

Subsection (a) of the amended section 203 sets forth the goals that Congress requires the Department to follow in disposing of the properties it owns. In many instances, these goals may conflict, and the status directs the Department to balance these competing goals to the best of its ability and within available resources.

Subsection (e) of section 203, as amended by S. 1299, mandates certain minimum subsidies and affordability requirements that the Department must provide to certain tenants or units. In the opening sentence of subsection (e), we have modified that requirement by a reference to only one of the goals of the statute, and I wanted to make it clear for the record why we included that modified language in this bill.

The new subsection (e) begins: "In disposing of multifamily housing property under this section, consistent with the goal of section 203(a)(3)(A), the Secretary shall take separately, or in combination with other actions under this subsection or subsection (f), one or more of the following actions: * * *." Section 203(a)(3)(A) is a goal of "preserving certain housing so that it can remain available to and affordable by low-income persons." I would like to clarify that this reference to the goal set forth in section 203(a)(3)(A) is in no way intended to lessen the requirement that HUD provide section 8 assistance to any tenants or units so entitled under subsection (e). With very limited exceptions, HUD must perform the analysis required by subsection (e) for each and every property in its inventory to identify which residents or units must receive assistance under the provisions of the new law.

The reference to the single goal was included in this bill for two reasons. First, the language will permit the Department to take advantage of limited authorities set forth in paragraphs (f)(6), (f)(7), and (f)(8) of the amended section 203. In these paragraphs, the Department retains the discretionary authority to provide specific alternative assistance to tenants or to undertake specific actions which benefit tenants in lieu of providing assistance otherwise required under subsection (e). Second, we were particularly concerned that without this reference to preserving certain properties, the Department would not be able to demolish and replace projects in those isolated cases where such a strategy is necessary—where demolition is dictated by health and safety concerns, where the cost of replacement is less than the cost of rehabilitating an existing structure, or where the structure, even after rehabilitation, would not be physically or financially viable.

Mr. BOND. Will the Senate yield? I would like to express my agreement with Senator from Maryland's interpretation. This language was not added to lessen the requirement that the Department must balance all the goals when disposing of any property it owns. Nor was it intended to arbitrarily exempt certain properties from the section 8 assistance required under subsection (e). The language was intended to reinforce those alternative disposition tools, set forth in paragraphs (6), (7), and (8) of subsection (f), that have been developed in this amended statute. Of course, the statute requires the Secretary to identify through regulation how these alternatives, as well as any demolition authority, will be implemented.

In this context, I am particularly pleased that the bill we are passing today includes a new provision, set forth in subsection (f)(8), that will allow the Department to use the section 8 assistance otherwise required under subsection (e) to rebuild projects that are not habitable, as long as the rebuilding is less costly than rehabilitation and current tenants are protected. I, for one, know this tool will be particularly useful in Missouri; the Department has identified other instances where certain projects have deteriorated to the point where rebuilding would be appropriate.

Mr. SARBANES. I thank my colleague for his comments. A second point of clarification may be needed with respect to S. 1299. Subsection (203)(e)(2) allows the Secretary to substitute tenant-based section 8 rental assistance for project-based section 8 assistance in certain circumstances. A similar provision exists under current law, and is commonly known as the soft-market test. The changes made to this section were not intended to reverse the requirement that this option apply only in soft markets—as determined by the Secretary. Rather, en-

hancements made to section 203(e)(2) were intended to ensure that the Department additionally analyze whether households receiving tenant-based assistant would be able to use such assistance successfully in those soft markets.

Mr. BOND. That is also understanding. I thank the chairman of the Senate Housing Subcommittee for that clarification of this provision.

Mr. FORD. Mr. President, I move that the Senate concur in the amendments of the House.

The PRESIDENT pro tempore. The question is on agreeing to the motion.

The motion was agreed to.

Mr. FORD. Mr. President, I move to reconsider.

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

The motion to lay on the table was agreed to.

Mr. FORD. Mr. President, I further ask unanimous consent that the Senator concur in the House amendment to the title, and that any statements on this measure appear in the RECORD at the appropriate place as though read.

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

NATIONAL FISH AND WILDLIFE FOUNDATION ESTABLISHMENT ACT AMENDMENT ACT

Mr. FORD. Mr. President, I ask that the Chair lay before the Senate a message from the House of Representatives on S. 476, on a bill to reauthorize and amend the National Fish and Wildlife Foundation Establishment Act.

The PRESIDENT pro tempore laid before the Senate the following message from the House of Representatives:

Resolved, That the bill from the Senate (S. 476) entitled "An Act to reauthorize and amend the National Fish and Wildlife Foundation Establishment Act", do pass with the following amendments:

Strike out all after the enacting clause, and insert:

TITLE I—AMENDMENTS TO NATIONAL FISH AND WILDLIFE FOUNDATION ESTABLISHMENT ACT

SEC. 101. SHORT TITLE.

This title may be cited as the "National Fish and Wildlife Foundation Improvement Act of 1994".

SEC. 102. COOPERATIVE PROGRAMS WITH NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION.

Section 2(b) of the National Fish and Wildlife Foundation Establishment Act (16 U.S.C. 3701) is amended by inserting "and the National Oceanic and Atmospheric Administration" after "the United States Fish and Wildlife Service".

SEC. 103. MEMBERSHIP OF BOARD OF DIRECTORS OF FOUNDATION.

(a) CONSULTATIONS REGARDING APPOINTMENTS.—

(1) IN GENERAL.—Section 3(b) of the National Fish and Wildlife Foundation Establishment Act (16 U.S.C. 3702(b)) is amended by adding at the end the following: "The Secretary of the Interior shall consult with the Under Secretary of Commerce for Oceans and Atmosphere before appointing any Director of the Board.".

(2) APPLICATION.—The amendment made by paragraph (1) shall apply to appointments of Directors of the Board of Directors of the National Fish and Wildlife Foundation made after the date of the enactment of this Act.

(b) EXPANSION OF BOARD.—Section 3(a) of the National Fish and Wildlife Foundation Establishment Act (16 U.S.C. 3702(a)) is amended—

(1) in the matter preceding paragraph (1) by striking "nine" and inserting "15"; and

(2) in paragraph (2) by striking "three" and inserting "4".

(c) INITIAL TERMS.—Of the Directors on the Board of Directors of the National Fish and Wildlife Foundation first appointed pursuant to the amendment made by subsection (b)(1), notwithstanding the second sentence of section 3(b) of the National Fish and Wildlife Foundation Establishment Act (16 U.S.C. 3702(b))—

(1) 2 shall be appointed to a term of 2 years;

(2) 2 shall be appointed to a term of 4 years; and

(3) 2 shall be appointed to a term of 6 years; as specified by the Secretary of the Interior at the time of appointment.

(d) COMPLETION OF APPOINTMENTS.—The Secretary of the Interior shall appoint the additional members of the Board of Directors of the National Fish and Wildlife Foundation authorized by the amendment made by subsection (a), by not later than 60 days after the date of the enactment of this Act.

(e) AUTHORITY OF BOARD NOT AFFECTED.—The authority of the Board of Directors of the National Fish and Wildlife Foundation to take any action otherwise authorized by law shall not be affected by reason of the Secretary of the Interior not having completed the appointment of Directors of the Board of Directors of the National Fish and Wildlife Foundation pursuant to the amendment made by subsection (b)(1).

SEC. 104. REAUTHORIZATION OF NATIONAL FISH AND WILDLIFE FOUNDATION ESTABLISHMENT ACT.

(a) REAUTHORIZATION.—Section 10 of the National Fish and Wildlife Foundation Establishment Act (16 U.S.C. 3709) is amended—

(1) in subsection (a) by striking "not to exceed $15,000,000" and all that follows through the end of the sentence and inserting "$25,000,000 for each of fiscal years 1994, 1995, 1996, 1997, and 1998."; and

(2) by adding at the end the following:

"(c) ADDITIONAL AUTHORIZATION.—The amounts authorized to be appropriated under this section are in addition to any amounts provided or available to the Foundation under any other Federal law.".

(b) CLERICAL AMENDMENT.—Section 10(b)(1) of the National Fish and Wildlife Foundation Establishment Act (16 U.S.C. 3709(b)(1)) is amended by striking "paragraphs (2) and (3)," and inserting "paragraph (2),".

SEC. 105. CONVEYANCE OF SENECAVILLE NATIONAL FISH HATCHERY.

(a) CONVEYANCE AUTHORIZED.—Notwithstanding any other provision of law and within 180 days after the date of the enactment of this Act, the Secretary of the Interior shall convey to the State of Ohio without reimbursement all right, title, and interest of the United States in and to the property known as the Senecaville National Fish Hatchery, located in Senecaville, Ohio, including—

(1) all easements and water rights relating to that property, and

(2) all land, improvements, and related personal property comprising that hatchery.

(b) USE OF PROPERTY.—All property and interests conveyed under this section shall be used by the Ohio Department of Natural Resources for the Ohio fishery resources management program.

(c) REVERSIONARY INTEREST.—All right, title, and interest in and to all property and interests conveyed under this section shall revert to the United States on any date on which any of the property or interests are used other than for the Ohio fishery resources management program.

TITLE II—BROWNSVILLE WETLANDS POLICY CENTER

SEC. 201. SHORT TITLE.

This title may be cited as the "Brownsville Wetlands Policy Act of 1994".

SEC. 202. ESTABLISHMENT OF WETLANDS POLICY CENTER AT THE PORT OF BROWNSVILLE, TEXAS.

(a) ESTABLISHMENT OF CENTER.—For purposes of utilizing grants made by the United States Fish and Wildlife Service there may be established in accordance with this title, on property owned or held in trust by the Brownsville Navigation District at the Port of Brownsville, Texas, a wetlands policy center which shall be known as the "Brownsville Wetlands Policy Center at the Port of Brownsville, Texas" (in this title referred to as the "Center"). The Center shall be operated and maintained by the Port of Brownsville with programs to be administered by the University of Texas at Brownsville.

(b) MISSION OF THE CENTER.—The primary mission of the Center shall be to utilize the unique wetlands property at the Port of Brownsville and adjacent waters of South Texas to focus on wetland matters for the purposes of protecting, restoring, and maintaining the Lagoon Ecosystems of the Western Gulf of Mexico Region.

(c) BOARD OF DIRECTORS.—The Center shall be governed by a Board of Directors to oversee the management and financial affairs of the Center. The Board of Directors shall be cochaired by the Port of Brownsville, the University of Texas at Brownsville, and the designee of the Director of the Fish and Wildlife Service, and shall include as members other representatives considered appropriate by those cochairs.

(d) OVERSIGHT OF THE CENTER.—

(1) ANNUAL REPORT.—The Board of Directors of the Center shall prepare an annual report and submit it through the Director of the United States Fish and Wildlife Service to the Congress.

(2) CONTENTS.—Annual reports under this subsection shall cover the programs, projects, activities, and accomplishments of the Center. The reports shall include a review of the budget of the Center, including all sources of funding received to carry out Center operations.

(3) AVAILABILITY OF INFORMATION.—The Board of Directors of the Center shall make available all pertinent information and records to allow preparation of annual reports under this subsection.

(4) GENERAL ACCOUNTING OFFICE.—The Comptroller General of the United States shall periodically submit to the Congress reports on the operations of the Center.

SEC. 203. GRANTS.

The Director of the United States Fish and Wildlife Service shall, subject to the availability of appropriations, make grants to the Center for use for carrying out activities of the Center.

SEC. 204. LEASE.

The Director of the United States Fish and Wildlife Service, subject to the availability of appropriations, may enter into a long-term lease with the Port of Brownsville for use by the Center of wetlands property owned by the Port of Brownsville. Terms of the lease shall be negotiated, and the lease shall be signed by both parties, prior to the disposal of any Federal funds pursuant to this title. The lease shall include a provision authorizing the Director to terminate the lease at any time.

SEC. 205. OTHER REQUIREMENTS.

As conditions of receiving assistance under this title—

(1) the University of Texas at Brownsville shall make available to the Center for fiscal years 1994, 1995, 1996, and 1997—

(A) administrative office space;

(B) classroom space; and

(C) other in-kind contributions for the Center, including overhead and personnel; and

(2) the Port of Brownsville shall make available up to 7,000 acres of Port Property for the programs, projects, and activities of the Center.

The Board of Directors of the Center shall include in their annual report under section 202(d) a statement of whether these conditions have been met.

SEC. 206. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated to the Director of the United States Fish and Wildlife Service $5,000,000 for fiscal year 1994, $4,000,000 for fiscal year 1995, $4,000,000 for fiscal year 1996; and such sums as may be necessary for fiscal year 1997, for making grants to the Center under section 203, including for use for the establishment, operation, maintenance, and management of the Center.

SEC. 207. RELATIONSHIP OF CENTER WITH THE CENTER FOR ENVIRONMENTAL STUDIES AND SERVICES, CORPUS CHRISTI, TEXAS.

None of the funds appropriated pursuant to this title may be used to relocate any of the administrative operations of the United States Fish and Wildlife Service from the Center for Environmental Studies and Services Building on the campus of Corpus Christi State University, to the Brownsville Wetlands Policy Center at the Port of Brownsville, Texas, established pursuant to this title.

TITLE III—WALTER B. JONES CENTER FOR THE SOUNDS AT THE POCOSIN LAKES NATIONAL WILDLIFE REFUGE

SEC. 301. FINDINGS.

The Congress finds the following:

(1) The Pocosin Lakes National Wildlife Refuge, located in northeastern North Carolina, provides unique opportunities for observing and interpreting the biological richness of the region's estuaries and wetlands.

(2) Although there are 10 national wildlife refuges in eastern North Carolina, not one has an educational or interpretative center for visitors.

(3) The State of North Carolina, Tyrrell County, the town of Columbia, the Conservation Fund, and private citizens have proposed to enter into a partnership with the United States Fish and Wildlife Service to establish an educational and interpretative facility to be known as the Center for the Sounds.

(4) Establishment of the Center for the Sounds would bestow economic benefits upon Tyrrell County and the town of Columbia.

(5) The Federal Government has designated the Albemarle-Pamlico estuary system of northeastern North Carolina as an estuary of national concern.

(6) Throughout his congressional career, the Honorable Walter B. Jones was a strong supporter of the National Wildlife Refuge System.

(7) During his years of service in the House of Representatives, Walter B. Jones supported the establishment and expansion of National Wildlife Refuges in eastern North Carolina; these include 6 new National Wildlife Refuges established in his district, including the Alligator River National Wildlife Refuge and the Pocosin Lakes National Wildlife Refuge, which are respectively the third largest and fifth largest National Wildlife Refuges east of the Mississippi River.

(8) Walter B. Jones helped increase refuge acreage in his district by over 303,000 acres, thus ensuring the protection of these lands for wildlife habitat and public recreation.

(9) Walter B. Jones' support for reintroducing endangered red wolves into the wild at Alligator River National Wildlife Refuge was a major factor in securing public acceptance of, and support for, this first successful effort to reintroduce endangered predators into formerly occupied habitat.

(10) Walter B. Jones devoted much of his congressional career, including his years as Chairman of the Merchant Marine and Fisheries Committee, to the conservation of fish and wildlife, for the benefit of the Nation and the people of North Carolina.

(11) Walter B. Jones should most appropriately be recognized for his work on behalf of fish and wildlife conservation by having the Center for the Sounds at the Pocosin Lakes National Wildlife Refuge System named in his honor.

SEC. 302. AUTHORITY TO CONSTRUCT AND OPERATE FACILITY.

The Secretary of the Interior may, subject to the availability of appropriations, construct and operate a facility at the Pocosin Lakes National Wildlife Refuge in Tyrrell County, North Carolina, which shall be known as the "Walter B. Jones Center for the Sounds", for the following purposes:

(1) Providing public opportunities, facilities, and resources to study the natural history and natural resources of northeastern North Carolina.

(2) Offering a variety of environmental educational programs and interpretive exhibits.

(3) Fostering an awareness and understanding of the interactions among wildlife, estuarine and wetland ecosystems, and human activities.

(4) Providing office space and facilities for refuge administration, research, education, and related activities.

SEC. 303. DESIGN.

The Secretary of the Interior shall ensure that the design, size, and location of a facility constructed under this title are consistent with the cultural and natural history of the area with which the facility will be concerned.

SEC. 304. COST SHARING.

The Secretary of the Interior may accept contributions of funds from non-Federal sources to pay the costs of operating and maintaining the facility authorized under this title, and shall take appropriate steps to seek to obtain such contributions.

SEC. 305. REPORT.

Not later than 6 months after the date of the enactment of this Act, the Secretary of the Interior shall submit a report to the Congress on progress made in designing and constructing a facility under this title, including steps taken under section 304 to obtain contributions and any such contributions that have been pledged to or received by the United States.

Amend the title so as to read: "An Act to reauthorize and amend the National Fish and Wildlife Foundation Establishment Act, and for other purposes.".

Mr. FORD. Mr. President, I ask unanimous consent that the Senate concur in the amendments of the House and that the motion to reconsider be laid upon the table.

The PRESIDENT pro tempore. 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.)

MESSAGES FROM THE HOUSE

ENROLLED BILLS AND JOINT RESOLUTION SIGNED

At 2:30 p.m., a message from the House of Representatives, delivered by one of its reading clerks, announced that the Speaker has signed the following enrolled bills and joint resolution:

S. 1284. An act to amend the Developmental Disabilities Assistance and Bill of Rights Act to modify certain provisions relating to programs for individuals with developmental disabilities, Federal assistance for priority area activities for individuals with developmental disabilities, protection and advocacy of individual rights, university affiliated programs, and projects of national significance, and for other purposes.

S. 1913. An act to extend certain compliance dates for pesticide safety training and labeling requirements.

H.R. 3345. An act to provide temporary authority to Government agencies relating to voluntary separation incentive payments, and for other purposes.

H.J. Res. 329. Joint resolution designating March 23, 1994, as "Education and Sharing Day, U.S.A."

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-2410. A communication from the Director of the Office of Management and Budget, Executive Office of the President, transmitting, pursuant to law, the report of a certification relative to the Board for International Broadcasting; to the Committee on Appropriations.

EC-2411. A communication from the Acting Assistant Secretary of the Army (Installations, Logistics, and Environment), transmitting, pursuant to law, notice relative to the environmental remediation operations at Aberdeen Proving Ground, Maryland; to the Committee on Armed Services.

EC-2412. A communication from the Secretary of the Navy, transmitting, pursuant to law, notice relative to a major defense acquisition program; to the Committee on Armed Services.

EC-2413. A communication from the Secretary of the Army, transmitting, pursuant to law, a report on unit cost thresholds; to the Committee on Armed Services.

EC-2414. A communication from the Comptroller of the Department of Defense, transmitting, pursuant to law, the report on program activities to facilitate weapons destruction and nonproliferation in the Former

Soviet Union for the period July 1, 1993 through September 30, 1993; to the Committee on Armed Services.

EC-2415. A communication from the Chairman of the Securities and Exchange Commission, transmitting, pursuant to law, the annual report for fiscal year 1993; to the Committee on Banking, Housing, and Urban Affairs.

EC-2416. A communication from the Chairman of the Federal Trade Commission, transmitting, pursuant to law, the annual report under the Fair Debt Collection Practices Act; to the Committee on Banking, Housing, and Urban Affairs.

EC-2417. A communication from the Secretary of Housing and Urban Development, transmitting, pursuant to law, notice relative to the Government National Mortgage Association; to the Committee on Banking, Housing, and Urban Affairs.

PETITIONS AND MEMORIALS

The following petitions and memorials were laid before the Senate and were referred or ordered to lie on the table as indicated:

POM—425. A concurrent resolution adopted by the Legislature of the State of Arizona; to the Committee on Foreign Relations.

"SENATE CONCURRENT MEMORIAL 1004

"Whereas, the State of Arizona is dependent on and committed to appropriate use, management and protection of its water supplies;

"Whereas, the State of Arizona has adopted a program to manage its water resources in a hydrologically sound manner;

"Whereas, a portion of the Santa Cruz River basin, which is an important water source for both this state and the Republic of Mexico, is located within the Republic of Mexico;

"Whereas, this state wishes to improve water management on both sides of the international border for the benefit of both the United States and the Republic of Mexico;

"Wherefore your memorialist, the Senate of the State of Arizona, the House of Representatives concurring, prays:

"1. That the Congress and the President of the United States enter into negotiations with the government of the Republic of Mexico through the International Boundary and Water Commission to cooperatively manage the water of the Santa Cruz River basin, in a manner compatible with the groundwater management program of the State of Arizona, and that these discussions consider an international active management area designation either by new agreement between the United States and the Republic of Mexico or by amendment to existing water treaties.

"2. That the Secretary of State of the State of Arizona transmit copies of this Memorial to the President of the United States Senate, the Speaker of the United States House of Representatives, the President of the United States and each Member of the Arizona Congressional Delegation."

POM-426. A resolution adopted by the Commission of the City of Clearwater, Florida relative to unfunded Federal mandates; to the Committee on Governmental Affairs.

POM-427. A concurrent resolution adopted by the Legislature of the State of Arizona; to the Committee on Indian Affairs.

"SENATE CONCURRENT RESOLUTION 1011

"Whereas, the people of the State of Arizona view with concern that none of the statues or memorials honoring veterans in Washington, D.C. show any Native Americans.

"Whereas, the people of the State of Arizona recognize the long tradition Native Americans have of service to their country in the military: Therefore be it

Resolved by the Senate of the State of Arizona, the House of Representatives concurring:

"1. That the Congress and the President of the United States shall honor the longstanding military contribution of Native Americans by making provision for the erection of a statue or memorial in Washington, D.C. that includes Native American veterans.

"2. That the Secretary of State of the State of Arizona transmit a certified copy of this Concurrent Resolution to the President of the United States Senate, the Speaker of the United States House of Representatives and each Member of Congress from the State of Arizona."

POM-428. A joint resolution adopted by the Legislature of the State of California; to the Committee on Veterans' Affairs.

"SENATE JOINT RESOLUTION NO. 13

"Whereas, service-disabled and prisoner of war veterans are benefiting from new medical therapies and prostheses to the extent that they are participating more fully in society, especially in the free enterprise system and the ownership and management of businesses; and

"Whereas, the Legislature of the State of California has established systems of procurement and contracting assistance and other benefits that provide participation in state contract goals for disabled veterans: Now, therefore, be it

"*Resolved by the Senate and Assembly of the State of California, jointly:*

That the Legislature of the State of California respectfully memorializes the President and the Congress to establish and maintain participation by service-disabled veteran owned and operated businesses in contracting and procurement programs with the government or with government contractors, licensees, or agents; and be it further

"*Resolved,* That the Secretary of the Senate transmit copies of this resolution to the President and Vice President of the United States, and to each Senator and Representative from California in the Congress of the United States."

POM—429. A joint resolution adopted by the Legislature of the State of Maine; to the Committee on Commerce, Science, and Transportation.

"JOINT RESOLUTION

"Whereas, we, your Memorialists, the Members of the One Hundred and Sixteenth Legislature of the State of Maine now assembled in the Second Regular Session, most respectfully present and petition the members of Congress of the United States, as follows:

"Whereas, the current territorial sea limit for the State of Maine is 3 miles; and

"Whereas, waters within the 3-mile territorial sea limit are regulated by the State of Maine with respect to marine fisheries and the waters outside the 3-mile territorial sea limit are not within the jurisdiction of the State; and

"Whereas, the United States Government has extended territorial limits to 12 miles for purposes other than marine fisheries: Now, therefore, be it

"*Resolved,* That We, your Memorialists, respectfully recommend and urge the Congress of the United States to extend the territorial sea limit of the State of Maine from 3 miles to 12 miles for the purposes of marine fisheries so that the State of Maine can more effectively manage its marine fisheries resources; and be it further

"*Resolved,* That suitable copies of this Memorial, duly authenticated by the Secretary of State, be transmitted to the Honorable William J. Clinton, President of the United States, the President of the Senate and the Speaker of the House of Representatives of the Congress of the United States and to each member of the Maine Congressional Delegation."

POM-430. A concurrent resolution adopted by the Legislature of the State of Kansas; to the Committee on Commerce, Science, and Transportation.

"SENATE CONCURRENT RESOLUTION NO. 1615

"Whereas, that efforts have been made in Congress in recent years to impose drastic government-mandated increases in the corporate average fuel economy (CAFE) standards in the automotive industry for cars and light trucks, calling for a 40% or more increase to be achieved by the year 2001; and

"Whereas, that Kansas is an agriculture-based economy with the livelihood of its citizens heavily dependent upon pickup trucks and vans; and

"Whereas, that the National Academy of Sciences and other independent safety/research organizations have concluded that there are major safety trade-offs involved with mandated improved fuel economy standards; and

"Whereas, that the General Motors Fairfax automobile manufacturing plant in Wyandotte County, Kansas, employs approximately 2,500 people and these American jobs could be jeopardized by a drastically increased mandatory CAFE requirement; and

"Whereas, that the American consumer has always enjoyed the freedom of choice to choose a vehicle that meets the consumer's needs; and

"Whereas, although efforts to increase the fuel economy of motor vehicles is laudable for many reasons, including the improvement of air quality, preservation of natural resources and a reduction in the dependency on foreign oil, the increased government-mandated CAFE standards represent an unreasonable standard to obtain by the year 2001: Now, therefore, be it

"*Resolved by the Senate of the State of Kansas, the House of Representatives concurring therein:*

"That the Kansas Legislature does not wish to discourage continued improvements in fuel economy. However, certain proposals to increase mandatory CAFE standards by up to 40% or more by the year 2001 do not adequately take into consideration the potentially devastating impact upon agriculture-based economies, safety concerns of the driving public, the negative impact upon American automobile manufacturing jobs and the basic freedom of choice of the American automobile consumer and such efforts to increase the CAFE standards should be rejected; and

"*Be it further resolved:* That the Secretary of State transmit copies of this resolution to the President of the Senate and Speaker of the House of Representatives of the United States Congress, the United States Secretary of Transportation, the United States Secretary of Energy, the United States Secretary of Agriculture and the Kansas Congressional Delegation."

POM-431. A resolution adopted by the House of the General Assembly of the State

of North Carolina; to the Committee on the Judiciary.

"HOUSE RESOLUTION 230

"Whereas, although the right of free expression is part of the foundation of the United States Constitution, very carefully drawn limits on expression in specific instances have long been recognized as legitimate means of maintaining public safety and defining other societal standards; and

"Whereas, certain actions, although arguably related to one person's free expression, nevertheless raise issues concerning public decency, public peace, and the rights of other citizens; and

"Whereas, there are symbols of our national soul such as the Washington Monument, the United States Capital Building, and memorials to our greatest leaders, which are the property of every American and are worthy of protection from desecration and dishonor; and

"Whereas, the American flag is a most honorable and worthy banner of a nation which is thankful for its strengths and committed to curing its faults, a nation that remains the destination of millions of immigrants attracted by the universal power of the American ideal; and

"Whereas, the law as interpreted by the United States Supreme Court no longer accords the Stars and Stripes the reverence, respect, and dignity befitting the banner of that most noble experiment of a nation-state; and

"Whereas, it is only fitting that people everywhere should lend their voices to a forceful call for restoration of the Stars and Stripes to a proper station under law and decency: Now, therefore, be it

"*Resolved by the House of Representatives:*

"Section 1. The House of Representatives respectfully memorializes the Congress of the United States to propose an amendment to the United States Constitution, for ratification by the states, specifying that Congress and the states shall have the power to prohibit the physical desecration of the flag of the United States.

"Sec. 2. The Principal Clerk of the House of Representatives shall transmit a certified copy of this resolution to the Secretary of the United States Senate, to the Clerk of the United States House of Representatives, and to each member of the North Carolina congressional delegation.

"Sec. 3. This resolution is effective upon adoption."

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. JOHNSTON, from the Committee on Energy and Natural Resources, with an amendment in the nature of a substitute:

S. 1586. A bill to establish the New Orleans Jazz National Historical Park in the State of Louisiana; and for other purposes (Rept. No. 103-242).

By Mr. KENNEDY, from the Committee on Labor and Human Resources, with an amendment in the nature of a substitute:

S. 725. A bill to amend the Public Health Service Act to provide for the conduct of expanded studies and the establishment of innovative programs with respect to traumatic brain injury, and for other purposes (Rept. No. 103-243).

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. HEFLIN:

S. 1983. A bill to provide that the provisions of chapters 83 and 84 of title 5, United States Code, relating to reemployed annuitants shall not apply with respect to postal retirees who are reemployed, on a temporary basis, to serve as rural letter carriers or rural postmaster; to the Committee on Governmental Affairs.

By Mr. METZENBAUM:

S. 1984. A bill to repeal the provisions of chapters 83 and 84 of title 5, United States Code, relating to a mandatory retirement age for Federal law enforcement officers and firefighters, Capitol Police, and air traffic controllers, and for other purposes; to the Committee on Governmental Affairs.

By Mr. BROWN (for himself and Mr. CAMPBELL):

S. 1985. A bill to amend the Federal Water Pollution Control Act to provide for the use of biological monitoring and whole effluent toxicity tests in connection with publicly owned treatment works, and for other purposes; to the Committee on Environment and Public Works.

By Mr. BREAUX:

S. 1986. A bill to amend the Internal Revenue Code of 1986 to provide tax incentives to encourage the preservation of low-income housing; to the Committee on Finance.

By Mrs. BOXER:

S. 1987. A bill to ensure fair and effective enforcement of immigration and labor laws in the United States, to promote naturalization among eligible aliens, and for other purposes; to the Committee on the Judiciary.

By Mr. BROWN (for himself and Mr. CAMPBELL):

S. 1988. A bill to authorize the transfer of a certain loan contract to the Upper Yampa Water Conservancy Project, and for other purposes; to the Committee on Energy and Natural Resources.

By Mr. METZENBAUM (for himself and Mr. BRYAN):

S. 1989. A bill to prohibit the transfer and novation of an insurance policy without the prior informed written consent of the policyholder, and for other purposes; to the Committee on Commerce, Science, and Transportation.

By Mr. JEFFORDS (for himself and Mr. HATCH):

S. 1990. A bill to expand the role of public schools to provide community services; to the Committee on Labor and Human Resources.

By Mr. McCAIN:

S. 1991. A bill to provide for the safety of journeyman boxers, and for other purposes; to the Committee on Commerce, Science, and Transportation.

By Mr. ROTH:

S. 1992. A bill to amend chapter 5 of title 5, United States Code, to provide for results based regulations, and for other purposes; to the Committee on Governmental Affairs.

By Mr. MURKOWSKI (for himself and Mr. STEVENS):

S. 1993. A bill to remove the restrictions on the export of Alaskan North Slope oil, and for other purposes; to the Committee on Banking, Housing, and Urban Affairs.

By Mr. SMITH (for himself, Mr. GREGG, Mr. FAIRCLOTH, and Mr. KEMPTHORNE):

S. 1994. A bill to amend the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 to make comprehensive improvements in provisions relating to liability, State implementation, remedy selection, and funding, and for other purposes; to the Committee on Finance.

By Mr. KENNEDY (for himself, Mrs. KASSEBAUM, Mr. METZENBAUM, Ms. MIKULSKI, Mr. WOFFORD, Mr. BINGAMAN, and Mr. PELL):

S. 1995. A bill to amend the Public Health Service Act to reauthorize migrant, community and homeless health center programs, and for other purposes; to the Committee on Labor and Human Resources.

By Mr. DURENBERGER:

S. 1996. A bill to amend title XVIII of the Social Security Act to provide medicare beneficiaries a choice among health plans, and for other purposes; read the first time.

By Mrs. FEINSTEIN (for herself, Mr. MOYNIHAN, Mrs. KASSEBAUM, Mrs. BOXER, Mr. McCAIN, Mr. RIEGLE, Mr. GRAHAM, Mr. STEVENS, Mr. BRADLEY, Mr. MACK, Mr. CAMPBELL, Mr. BINGAMAN, Mr. DECONCINI, Mr. JOHNSTON, and Mr. WELLSTONE):

S. 1997. A bill to amend title 13, United States Code, to require that the Secretary of Commerce produce and publish, at least every 2 years, current data relating to the incidence of poverty in the United States; to the Committee on Governmental Affairs.

By Mr. MOYNIHAN:

S. 1998. A bill to provide for the acquisition of certain lands formerly occupied by the Franklin D. Roosevelt family, and for other purposes; to the Committee on Energy and Natural Resources.

By Mr. MOYNIHAN (for himself and Mr. D'AMATO):

S. 1999. A bill to establish the Lower East Side Tenement Museum National Historic Site; to the Committee on Energy and Natural Resources.

By Mr. DODD (for himself and Mr. KENNEDY):

S. 2000. A bill to authorize appropriations for fiscal years 1995 through 1998 to carry out the Head Start Act and the Community Services Block Grant Act, and for other purposes; to the Committee on Labor and Human Resources.

By Mr. MOYNIHAN:

S. 2001. A bill to improve the administration of the Women's Rights National Historical Park in the State of New York, and for other purposes; to the Committee on Energy and Natural Resources.

By Mr. EXON:

S. 2002. A bill to authorize appropriations for the National Railroad Passenger Corporation, and for other purposes; to the Committee on Commerce, Science, and Transportation.

By Mr. AKAKA:

S. 2003. A bill for the relief of the heirs, successors, or assigns of Sadae Tamabayashi; to the Committee on the Judiciary.

By Mr. BUMPERS (for himself, Mr. COCHRAN, Mr. BINGAMAN, Mr. PELL, Mr. KENNEDY, Mr. INOUYE, Mr. METZENBAUM, Mr. SIMON, Mr. WOFFORD, Ms. MIKULSKI, Ms. MOSELEY-BRAUN, Mr. THURMOND, Mr. JOHNSTON, Mr. LOTT, Mr. SASSER, and Mr. LEVIN):

S. 2004. A bill to extend until July 1, 1998, the exemption from ineligibility based on a high default rate for certain institutions of higher education; considered and passed.

By Mr. LEAHY (for himself, Mr. COCHRAN, Mr. PRYOR, and Mr. LUGAR):

S. 2005. A bill to make certain technical corrections, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

By Mr. DOLE (for himself, Mr. HEFLIN, Mr. CRAIG, and Mr. BROWN):

S. 2006. A bill to require Federal agencies to prepare private property taking impact analyses, and for other purposes; to the Committee on Governmental Affairs.

By Mr. DOLE (for himself, Mr. STEVENS, Mr. THURMOND, Mr. METZENBAUM, Mr. COATS, and Mr. BOND):

S.J. Res. 179. A joint resolution to designate the week of June 12 through 19, 1994, as "National Men's Health Week"; considered and passed.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. PRYOR:

S. Res. 196. A resolution to authorize the printing of additional copies of a Senate report entitled "Developments in Aging: 1993"; to the Committee on Rules and Administration.

By Mr. BAUCUS (for himself, Mr. FORD, Mr. WARNER, Mr. BREAUX, and Mr. WOFFORD):

S. Res. 197. A resolution to promote clean air and to prevent the import of "dirty" gasoline into the United States; to the Committee on Finance.

By Mr. DODD (for himself and Ms. MIKULSKI):

S. Res. 198. A resolution extending condolences to the people of Mexico on the tragic death of Luis Donaldo Colosio; considered and agreed to.

STATEMENTS OF INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. HEFLIN:

S. 1983. A bill to provide that the provisions of chapters 83 and 84 of title 5, United States Code, relating to reemployed annuitants shall not apply with respect to postal retirees who are reemployed, on a temporary basis, to serve as rural letter carriers or rural postmaster; to the Committee on Governmental Affairs.

POSTAL SERVICE RURAL AREAS ACT OF 1994

Mr. HEFLIN. Mr. President, I am today introducing companion legislation to H.R. 3246 in order to help the U.S. Postal Service meet its temporary personnel needs in rural areas. Congressman THOMAS SAWYER has introduced the House version of the bill.

I want to mention at the outset that this measure will have no effect whatsoever on the Federal budget. It will cost taxpayers nothing, since the Postal Service's operational costs are borne by the agency, coming from the revenue generated from its sales and services.

The Postal Service has identified the need for this legislation to allow the hiring of individuals on a temporary basis. This is particularly true for rural parts of the country. In these areas, the Postal Service often has difficulty attracting temporary letter carriers and postmasters to fill vacancies. Since there are far fewer postal workers in rural areas, it is harder to hire trained temporary employees. When career postal employees are ill, on vacation, on detail, or are out for some other reasons, there often aren't any trained employees familiar with procedures and routes to take their place temporarily.

As a result, the Postal Service must often turn to an untrained pool of workers to fill in for the postmaster or letter carrier. A better alternative—and the one sought by this bill—would be to hire, on a temporary basis, a retired postmaster or other former postal employee who may be living in the community. This person would not need to be trained, because he or she would already be familiar with postal regulations and procedures.

It is obviously in our best interest to see that the Postal Service attracts applicants for temporary assignments from a skilled labor pool. We can assist the agency by making temporary employment attractive to retired postal employees, who are likely to have free time and may be willing to work part time.

Currently, however, provisions of title 5, United States Code relating to reemployed Federal annuitants virtually prevent postal retirees from accepting temporary reemployment with the Postal Service. Sections 8331 and 8401 stipulate that reemployed Postal Workers forfeit an amount equal to their annuity if they become reemployed by the agency. Basically, once one is retired from the Postal Service, it does not pay to go back.

This measure provides an exemption from the offset provisions contained in title 5 for retired postal employees who are rehired by the Postal Service on a temporary basis. Under our bill, postal annuitants could be reemployed by the Service for 90 days in a calendar year without having their retirement offset. The measure also provides for a 180-day life-time limit on eligibility for the exemption. The time limit is important for one reason: it is not our intention to have postal retirees take away opportunities from individuals seeking career appointments with the Postal Service. This bill is aimed only at allowing the Postal Service's rural offices to fill a temporary need for skilled employees. If does not require the Postal Service to hire retirees; it only gives the agency the flexibility to do so if the need is identified.

Citizens in rural communities have a particularly close relationship with those who provide mail service. They probably know their local postmaster and letter carriers by name. When these postal employees retire, they usually remain in the community, and could offer a valuable service in the form of temporary mail service.

Since the Postal Service is constantly facing increased operational expenses, passage of this bill would be the fiscally prudent course to take. I urge my colleagues to support this measure and welcome their cosponsorship.

By Mr. BREAUX:

S. 1986. A bill to amend the Internal Revenue Code of 1986 to provide tax incentives to encourage the preservation of low-income housing; to the Committee on Finance.

LOW-INCOME HOUSING PRESERVATION ACT

• Mr. BREAUX. Mr. President, I am introducing a bill that charts a promising new way to enlist the private sector's help in preserving and improving the country's stock of affordable housing. I urge my colleagues to join me in cosponsoring this bill, entitled the "Low-Income Housing Preservation Act."

All of us are aware from our trips home that there is a serious shortage of affordable housing in the country. All one has to do is look at the number of homeless in most of our larger cities to know this, but the statistics tell the story as well. A 1992 Harvard study estimated that there were 4.1 million units of HUD or privately owned, publicly assisted units, while there are 13.8 million households eligible to receive HUD-funded housing assistance if the assistance were available. In light of the severe budget restraints, the funds for such expanded assistance are not available.

Much of the housing that is currently occupied by low-income tenants is not public housing, but privately owned apartment houses that are assisted directly or indirectly by HUD. If these disappear because the private owners are no longer able to maintain the projects, the supply of affordable housing will be further reduced. Yet many of these projects have been severely depressed by the 1986 changes to the tax laws. As a result, the current owners have no way to raise additional capital to rehabilitate the structures, as becomes inevitably necessary with time. Additionally, current owners cannot sell the projects to new owners who may be able to expend the private capital needed. Because the project's market values are so depressed, the current owners cannot receive enough in cash upon sale to pay the capital gains taxes they would owe. As a result these aging projects are locked into a long, slow downward spiral.

The President recognized the pressing nature of the problem last year when, in his economic recovery plan, he called for additional funding to "repair and restore the Nation's stock of assisted rental housing, most of which is 20 to 30 years old. Many units are in deteriorated buildings. Many operators of buildings are also financially troubled."

I believe that the bill I am introducing provides a solution to the problem that is both effective and realistic. It is identical to the approach that has already been proposed in the House of

Representatives by Congressman JEFFERSON, H.R. 3322.

In the first place, the bill targets the projects which are most at risk. These are projects assisted by HUD under the old section 221(d)(3) below market rate interest rate program or section 236 programs, or projects insured under the section 221(d)(3) market rate or section 221(d)(4) programs, and assisted under section 8. In all cases, the projects must be at least 10 years old, and at least a majority of the units in the projects must be occupied by the tenants whose income was no more than 80 percent of the area median income when they first became tenants.

Accordingly to HUD, there are almost 1 million units in the affordable housing projects that meet the bill's criteria. These projects are located in every State in the country.

The bill offers special tax benefits to new investors who agree to buy these affordable housing projects, invest the necessary capital to fix them up, and maintain them for low-income tenants. It will be the responsibility of HUD in each case to determine how much new capital must be invested in the project as part of the sale, but in no event may it be less than 10 percent of adjusted basis of the residential rental property. In exchange, the bill proposes to reduce the depreciation schedule for these projects from 27½ to 15 years. It also provides that any investor in the project may claim annually up to $50,000 of losses from such projects without regard to the passive loss rules.

Mr. President, it is clearly in the public interest to help ensure the continued existence of these housing units. The tenants will benefit as the existing owners are replaced by new owners with new capital, and a new willingness to preserve and improve the projects. The local community will benefit from the jobs generated by the work to rehabilitate the units, and by the general improvement of the neighborhood that goes along with refurbished buildings. The taxpayer benefits because the number of projects that go into bankruptcy and end up in HUD's portfolio will be reduced, and because HUD will find it easier to dispose of projects already in its portfolio. Over the longer run, the taxpayers will save the cost of having to replace the existing projects that are lost from lack of financial support.

I hope my colleagues will support me in this effort as we move ahead to consider and refine the bill's details in the weeks ahead.●

By Mrs. BOXER:

S. 1987. A bill to ensure fair and effective enforcement of immigration and labor laws in the United States, to promote naturalization among eligible aliens, and for other purposes; to the Committee on the Judiciary.

IMMIGRATION ENFORCEMENT REFORM ACT OF 1994

● Mrs. BOXER. Mr. President, I am pleased to introduce the Immigration Enforcement Reform Act of 1994.

Over the last year, our country has been faced with an illegal immigration crisis. The breakdown in enforcement at our borders and in the enforcement of our labor laws have placed a burden on the resources of States like California and has led to a lack of confidence in our immigration system.

We must respond to the real need to regain control over our immigration system, but as we do so, we must avoid extreme measures on both sides.

This legislation represents a balanced approach to immigration reform which I have consistently advocated. My balanced approach is based on the principle that our immigration laws are good but our enforcement has been ineffective.

My bill offers practical solutions to failings in the current system by ensuring strong and fair enforcement of our border and our labor laws, and by promoting naturalization and civic participation among eligible immigrants to weave them into the fabric of America.

Mr. President, let me briefly review the other important parts of a balanced approach to immigration reform before I specifically outline the bill I am offering today.

All of my colleagues would agree that border enforcement is a critical dimension of any reform plan. It is estimated that 3 million people illegally cross the United States-Mexico border each year. Of this number, 200,000 to 300,000 become permanent inhabitants. By some estimates California is home to approximately 1.3 million illegal immigrants, or more than half of all undocumented immigrants living in America.

We must stop people from entering illegally, before they burden local resources, and before they present problems for labor law enforcement. Last July, I offered a plan to improve border enforcement in a cost effective manner by using the National Guard to assist the Border Patrol in a civilian capacity. This plan was successfully included as part of the Defense Appropriations bill.

In addition to stopping those who cross the border without documents, we have got to crack down on the rampant use of forged documents. Last August, I traveled to the southwest border and joined Attorney General Reno and my colleague from California, Senator FEINSTEIN, for a briefing by local officials on border problems. We were shown thousands and thousands of forged documents that smugglers use to get people into the country.

I have worked to ensure that smugglers and document forgers know that stiff penalties await them. My amendment to increase the civil and criminal penalties for forgery of immigration documents was successfully included in the Senate crime bill.

While we act now to stop illegal immigration, we must address the fact that years of inadequate enforcement has already allowed millions of people to enter the country illegally, placing a burden on the resources of State and local governments.

Last week, I successfully included language in the Budget Resolution Act that establishes the principle of Federal responsibility to reimburse State and local costs. It is the sole responsibility of the Federal government to set and enforce immigration policy, and the Federal Government must reimburse States for the cost of their failure to enforce that policy.

But when we go to the Federal Government for reimbursements, our request must be based on solid figures. That is why I have asked the General Accounting Office to analyze recent cost and benefit estimates and assess the net fiscal impact of illegal immigrants in State like California.

In addition to these measures that I have secured—stronger border enforcement, increased penalties for document forgery, and steps towards Federal reimbursement for costs to State and local governments—I am a cosponsor of bills by Senators KENNEDY and GRAHAM that address asylum reform and the high cost of incarcerating criminal aliens. But these critical reform measures are only part of a balanced approach.

Today, I offer legislation that addresses three additional areas that are essential to repairing our system: labor law enforcement, oversight of the border patrol, and integration of legal immigrants into American society through citizenship.

Mr. President, illegal immigrants themselves are often those most hurt by the breakdown of our system. The primary reason that people cross our border illegally is to find work, and most do—at substandard wages and in dangerous conditions.

Our current efforts to prevent the hiring and exploitation of undocumented workers have been inadequate and ineffective. In 1986, sanctions against employers who knowingly hired illegal immigrants were passed as part of the Immigration Reform and Control Act. However, illegal immigration continues at high rate. After an initial drop following the implementation of employer sanctions, Border Patrol apprehension rates have resurged, climbing back up to 1.16 million a year. Employer sanctions have failed to reduce the job magnet and the flow of illegal immigrants into our country continues.

Our second line of attack against the job magnet—enforcement of labor law

standards by the Labor Department has also failed to curb exploitation.

Despite continued problems with illegal immigration and labor exploitation, the staff at the Department of Labor dedicated to investigating labor law violations has plummeted over the last decade from 1,100 employees in 1980, down to 817 in 1993.

The regional office in San Francisco, which has the job of covering violations throughout California—the destination for over half of the illegal immigrants in the United States—is only equipped with 89 investigators. Subsequently, as of July 1993, they faced a backlog of over 1,300 cases in the California area. It is amazing that there are only 16 employees struggling with the task of investigating labor law violations in the large five county Los Angeles area.

If we do not address the job magnet and the system of cruel exploitation that fuels illegal immigration our borders and airports will never be secure. Document forgers and smugglers will continue to undermine our system, and people will continue to come to the United States illegally, straining local resources.

But we need to find innovative, cost effective approaches to confront this problem instead of focusing all our resources into efforts that have not shown strong results.

My bill builds on a successful and cost effective program underway in California. California's TIPP, or the Targeted Industries Partnership Program, has brought together officials from a variety of Federal, State, and local agencies—from wage and hour, health and safety, and even the IRS—to share information and jointly locate and crack down on labor law violators. With the help of this program, the California State Labor Commissioner alone assessed over $4 million in penalties.

By creating a labor exploitation task force at the Department of Labor, my legislation will reduce the incentive to hire and exploit illegal immigrants. This small but focused task force will be charged with developing a long range, active strategy, for cutting back on the hiring of illegal immigrants. They will oversee the implementation of labor law strike forces at the local level to crack down on employers who flout our labor laws and exploit desperate people.

The task force will target industries with labor law violations related to illegal immigration, including but not limited to wage and hour violations and violations of occupational health and safety standards. It will pool the resources of various Federal and State agencies to provide labor law strike forces in regions with high rates of exploitation of undocumented workers, and it would allow the Secretary of Labor to increase fines for labor law violations to direct these funds toward expanded enforcement.

We have to serve notice to unethical employers. These strike forces will send a clear and strong message about the costs of exploiting illegal immigrants, and undermining the wages of the most vulnerable American workers.

The second component of my legislation creates a Citizen Promotion Bureau at the Department of Justice to help immigrants who want to become full participants in American society.

At present, lengthy delays and poor service prevent even the most determined and resourceful people from making it through the naturalization process. Eligible legal immigrants who are seeking to become a full part of the American dream deserve to be a high priority and to receive their fair share of resources, particularly in light of the substantial fees they often pay for services.

Management difficulties, and conflicting enforcement and advocacy roles of the Immigration and Naturalization Service [INS] undermine its ability to provide adequate service to eligible legal immigrants and residents seeking full participation in American society.

We owe it to those who patiently follow the rules to reform our naturalization system. And reform must include better management of the fees collected for naturalization services. Though the fees collected annually should cover all of INS program costs, the agency's inadequate accounting systems have prevented it from accurately adjusting the fee structure. The inspector general at the Department of Justice recently estimated that at least $170 million in additional fees are not collected annually because INS does not fully exercise its authority for establishing fees. With accurate accounting and cost reviews, INS could significantly increase collections, and significantly improve service.

California has much at stake in improving the naturalization process and insuring that enough revenue is raised to cover program costs. My State currently has 5.2 million legal residents who are not citizens, and 1 out of 6 cannot now vote. A great number of these Californians were granted amnesty under the Immigration Reform and Control Act. However, many have been unable to obtain citizenship education and English classes, or they are waiting for the INS to process backlogged legalization applications.

The presence of so many individuals who cannot fully participate in our political system undermines the democratic nature of our society, and sends a negative message to those who try to follow the rules for legally entering the United States.

By moving the services and procedures related to the process of naturalization into a division of the Department of Justice separate from immigration enforcement, we can insure that citizenship becomes a priority and not a step child in our immigration system.

The third part of the legislation that I am introducing today would create the position of Immigration Enforcement Complaint Commissioner at the Justice Department.

To stem the flow of illegal immigrants across the border, we must continue to increase the number of border patrol agents who patrol that border. Over the last decade, the number of agents has doubled, and it will continue to rise.

Just as it is imperative that we enforce our borders to preserve our legal immigration system, I believe we must work to insure the integrity of one of the largest police forces in the United States—the Border Patrol—by instituting a consistent and credible system for investigating allegations of misconduct and civil rights abuses.

While the vast majority of employees of the INS are living up to their human rights training, there is a clear need for mechanisms to discipline those who do not.

Currently, four different offices within the Department of Justice—the Office of the Inspector General, the Office of Professional Responsibility, the Civil Rights Division, and the Office of Internal Audit at the INS—share roles in processing complaints. This overlapping jurisdiction and diffusion of responsibility hinders the investigation of complaints.

Richard Hankinson, the inspector general at the Department of Justice who is charged with investigating misconduct, stated in recent testimony before a House Government Operations Subcommittee that he was unable to provide concrete information on employee discipline. He admitted that the Department could not obtain "useful data at this point on how the INS disciplines its employees in response to our investigations or those of others." The only conclusion he was able to reach, based on anecdotal evidence was that "there is a persistent belief among those of our staff with experience in the area that INS's treatment of misconduct is spotty. Whether action is taken, and the severity of the punishment, if any, seems to be uneven and sometimes happenstance."

This troubling testimony was echoed in a recent report on the INS undertaken by Representative CONDIT's Government Operations Subcommittee. The subcommittee report concluded that "serious questions have been raised about the sufficiency of investigations into allegations of misconduct by INS personnel—in particular, Border Patrol personnel who are often accused of abusive behavior. When misconduct or inadequate performance is identified and documented, INS discipline is 'spotty.' Witnesses testified that INS personnel lack a

basic sense of civility and courtesy in dealing with the public."

In one tragic example, Patrol supervisors failed to take proper action in response to repeated complaints against an agent, who was then later arrested on rape charges of two different women he had stopped while on patrol. Last year, the agent was sentenced to 24 years in prison. In another costly example, despite the fact that a U.S. district court awarded over $500,000 in damages to a 12-year-old boy who was shot in the back by a San Diego Border Patrol agent while the boy was standing in Tijuana, authorities never prosecuted or disciplined the agent.

An enhanced complaint review process is necessary to protect U.S. citizens as well as the undocumented. Over half of the victims who make complaints about treatment by the INS were legally in the country and U.S. citizens accounted for 17.7 percent of those reporting abuse. Cases such as the mistaken deportation to Mexico of a twenty-year-old United States citizen who was fixing the roof of his parents' home, and the questioning of the mayor of the city of Pomona by INS agents, demonstrate the need for reform and enhanced review.

To be fair, the Patrol has not been equipped with a complaint review process that can live up to its task of overseeing one of the largest police forces in the United States. My bill helps the INS do its job, by streamlining jurisdiction to insure that serious complaints are not lost in a haphazard process.

My bill creates a Commissioner at the Department of Justice but outside of the Immigration and Naturalization Service who is charged with responsibility for abuse prevention and complaint review.

By creating a commissioner identified as the center of responsibility for monitoring and keeping track of complaints, we can improve investigation and review, and develop a strategy for better screening and training.

As some of my colleagues in the Senate, as well as many of my former colleagues in the House, have focused on the illegal immigration problem over the past year, I have often heard their assertions that they value immigrants and seek only to preserve our proud tradition of legal immigration.

We all extol the virtues and contributions of immigrants, and many of us have witnessed them directly in our families and our communities. I myself am a first generation immigrant on my mother's side.

Today, I have outlined a plan and introduced legislation that provides a balanced and fair approach to regain control of our system, to reduce illegal immigration and to preserve our Nation's proud heritage of legal immigration. Now I urge my colleagues to move forward with a balanced approach to immigration reform. I challenge them to move forward in a way that is based on the principle of strong but fair law enforcement, and that is true to the promise of the American dream.

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. 1987

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 "Immigration Enforcement Reform Act of 1994".

TITLE I—LABOR EXPLOITATION TASK FORCE

SEC. 101. ESTABLISHMENT.

(a) IN GENERAL.—The Secretary of Labor shall establish within the Employment Standards Administration a task force to be known as the Labor Exploitation Task Force (hereafter in this title referred to as the "Task Force").

(b) COMPOSITION.—The Task Force shall be composed of members who are appointed by the Secretary of Labor.

SEC. 102. DUTIES.

(a) MANDATORY.—The Task Force shall—

(1) assist the Secretary of Labor in the enforcement of the Fair Labor Standards Act of 1938, the Occupational Health and Safety Act, and any other Federal laws related to labor;

(2) identify industries that have a history of violating laws with respect to labor, work place safety and health, or illegal immigration;

(3) in coordination with other Federal agencies and State and local agencies, develop an interagency strategy to monitor, investigate, and inspect industries for violations of laws with respect to labor, work place safety and health, or illegal immigration, including, to the extent practicable, the conduct of joint inspections of industries by Federal agencies and State and local enforcement agencies);

(4) advise a State or local enforcement agency on the implementation of any strategic activity described in paragraph (3) at the local level;

(5) develop and define basic principles of conduct that enforcement personnel are to follow during an inspection or investigation described in paragraph (3) or during other contact with the public;

(6) develop a system that centralizes Federal, State, and local data bases with respect to industries that have violated the labor, work place safety and health, or illegal immigration laws enforced by each participating enforcement agency; and

(7) disseminate information to State and local agencies on the successful outcomes of the investigative, inspection, and preventive activities described in paragraph (3).

(b) DISCRETIONARY.—The Task Force may seek advice from, or coordinate efforts to encourage cooperation among, Federal agencies concerned with the prevention of illegal immigration and the hiring and exploitation of undocumented immigrants.

SEC. 103. CIVIL PENALTIES.

(a) INCREASE IN FINES.—For the purposes described in subsection (b), the Secretary of Labor may increase fines prescribed by Federal law with respect to labor law violations.

(b) USE OF AMOUNT OF FINES.—The Secretary of Labor shall use the excess amount collected from a fine increased under subsection (a) for additional labor enforcement personnel, equipment, or the provision of incentives to encourage State and local enforcement agencies to cooperate in the activities described in section 102(a)(3).

SEC. 104. PROHIBITION ON RETALIATION.

An employer may not retaliate against an employee (including the termination of such employee) for participation or cooperation in any investigative, inspection, or preventive activity carried out under this title.

SEC. 105. DEFINITION.

For purposes of this title, the term "State and local enforcement agencies" means a State or local governmental entity that is responsible for the enforcement of laws related to labor.

TITLE II—CITIZENSHIP PROMOTION

SEC. 201. CITIZENSHIP PROMOTION BUREAU WITHIN THE DEPARTMENT OF JUSTICE.

(a) ESTABLISHMENT.—There is established within the Department of Justice a Citizenship Promotion Bureau.

(b) DIRECTOR.—The Bureau shall be headed by a Director of Citizenship Promotion, who shall be a naturalized citizen of the United States and who shall be appointed by the President, by and with the advice and consent of the Senate.

(c) PURPOSE.—The Bureau shall be responsible for the implementation of a comprehensive program of encouraging and assisting immigrants to become naturalized citizens as soon as they become eligible to do so.

(d) COOPERATIVE AGREEMENTS.—The Director is authorized to enter into cooperative agreements with Federal, State, and local governmental agencies and with private entities to carry out the purpose of the Bureau.

(e) TRANSFER OF FUNCTIONS, PERSONNEL, AND ASSETS.—The Attorney General shall transfer to the Bureau established all functions, personnel, and assets which the Immigration and Naturalization Service exercised, employed, or held before the date of the enactment of this Act in carrying out its responsibilities relating to citizenship and naturalization.

SEC. 202. NATIONAL CITIZENSHIP ADVISORY BOARD.

(a) ESTABLISHMENT.—The Director is authorized to establish a national citizenship advisory board for the purpose of providing advice and recommendations to the Director on matters relating to the granting of citizenship status to aliens lawfully admitted for permanent residence in the United States.

(b) APPLICABILITY OF FEDERAL ADVISORY COMMITTEE ACT.—The advisory board shall be subject to the provisions of the Federal Advisory Committee Act (5 U.S.C. Appendix 2).

SEC. 203. NATURALIZATION FEE ACCOUNT.

(a) ESTABLISHMENT.—(1) There is established in the Treasury of the United States a Naturalization Fee Account, which shall consist of the fees described in subsection (b).

(2) Funds in the Account shall be available to carry out the activities of the Bureau.

(b) TRANSFER OF FEES.—Fees collected by the Bureau in connection with the performance of naturalization services shall be deposited in the account established under subsection (a).

(c) FEE LEVELS.—(1) The Director shall review and reevaluate the amount of each fee charged for the performance of naturalization services.

(2) The Director shall assure that the total amount of fees collected would cover the full cost of efficiently providing such services, including the costs of administering the Bureau and performing related outreach activities.

(3) The Director shall, by regulation, prescribe the amount of each fee to cover the costs described in paragraph (2).

(d) ANNUAL REPORT.—Not later than one year after the date of enactment of this Act, and every year thereafter, the Attorney General and the Director shall jointly submit a report to Congress which—

(1) assesses the financial condition of the Naturalization Fee Account; and

(2) describes the activities of the Bureau.

SEC. 204. REDESIGNATION OF IMMIGRATION AND NATURALIZATION SERVICE.

(a) REDESIGNATION.—Effective on the date of enactment of this Act, the Immigration and Naturalization Service shall be referred to as the Immigration Service.

(b) CONFORMING AMENDMENTS.—(1) Section 101(a)(34) of the Immigration and Nationality Act (8 U.S.C. 1101(a)(34) is amended by striking "and Naturalization".

(2) Section 4 of the Act entitled "An Act to establish the Department of Commerce and Labor", approved February 14, 1903 (8 U.S.C. 1551) is amended by striking "and Naturalization".

(3) Section 7 of the Act entitled "An Act in amendment to the various acts related to immigration and the importation of aliens under contract or agreement to perform labor, approved March 3, 1891 (8 U.S.C. 1552) is amended by striking "and Naturalization".

SEC. 205. REFERENCES.

Reference in any other Federal law, Executive order, rule, regulation, or delegation of authority, or any document of or relating to—

(1) the Attorney General or the Commissioner with regard to functions transferred under section 201, shall be deemed to refer to the Director;

(2) the Service with regard to functions transferred under section 201, shall be deemed to refer to the Bureau; and

(3) the Immigration and Naturalization Service shall be deemed to refer to the Immigration Service.

TITLE III—IMMIGRATION ENFORCEMENT PRACTICES

SEC. 301. IMMIGRATION ENFORCEMENT COMPLAINTS.

(a) ESTABLISHMENT OF OFFICE.—There shall be established in the Department of Justice the Office of Immigration Enforcement Complaints.

(b) COMMISSIONER.—There shall be at the head of the Office an Immigration Enforcement Complaint Commissioner, who shall be appointed by the President, by and with the advice and consent of the Senate. The Commissioner shall be directly responsible to the Attorney General for carrying out his duties.

(c) DUTIES.—The Commissioner shall—

(1) have power to investigate any complaint of an unlawful immigration enforcement practice;

(2) make recommendations on specific policy and disciplinary actions to the Attorney General with respect to employees of the Department;

(3) make recommendations to the Attorney General for the reform of procedures applicable to the investigation of complaints of unlawful immigration enforcement practices and for disciplinary action against Department employees who engaged in such action; and

(4) make recommendations to the Attorney General with respect to bringing prosecutions against employees of the Department who committed criminal offenses in the course of an unlawful immigration enforcement practice.

(d) COMPENSATION.—The Commissioner is entitled to receive compensation at a rate not to exceed the maximum rate payable for a position above GS-15 of the General Schedule, under section 5332 of title 5, United States Code.

(e) REGIONAL OFFICES.—The Commissioner, in accordance with regulations of the Attorney General, shall establish such regional offices as may be necessary to carry out his duties.

(f) EARLY WARNING PROGRAM.—The Commissioner shall develop a system of procedures, that may be referred to as the "early warning program", that is designed—

(1) to identify Border Patrol officers who have been the subject of an excessive number of legitimate complaints of unlawful immigration enforcement practices;

(2) to provide assistance to such officers in avoiding such difficulty in the future, including the provision of training in communication techniques, conflict resolution, and stress management; and

(3) to recommend discipline where appropriate.

(g) PROTECTION AGAINST RETALIATION.—It shall be unlawful for the Department, or any officer thereof, to discriminate against any employee or applicant for employment because the individual has opposed any practice made an unlawful immigration enforcement practice by this section or because the individual has made a charge, testified, assisted, or participated in any manner in an investigation, proceeding, or hearing under this section.

(h) RECORDS.—The Commissioner shall collect and maintain records on all complaints of unlawful immigration enforcement practices filed with the Department.

(i) ANNUAL REPORT.—Beginning one year after the date of enactment of this Act, and every year thereafter, the Commissioner shall submit a report to Congress setting forth a statistical summary of the complaints of unlawful immigration enforcement practices filed with the Department during the preceding 12-month period.

(j) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Commissioner such sums as may be necessary to carry out this section.

(k) DEFINITIONS.—For purposes of this section—

(1) the term "Commissioner" means the Immigration Enforcement Complaint Commissioner appointed under subsection (a);

(2) the term "Department" means the Department of Justice; and

(3) the term "unlawful immigration enforcement practice" means the excessive use of force, or demonstrated difficulty in dealing appropriately with members of the public, in the course of carrying out immigration enforcement activities.●

By Mr. METZENBAUM (for himself and Mr. BRYAN):

S. 1989. A bill to prohibit the transfer and novation of an insurance policy without the prior informed written consent of the policyholder, and for other purposes; to the Committee on Commerce, Science, and Transportation.

THE INSURANCE POLICY TRANSFER ACT

● Mr. METZENBAUM. Mr. President, on behalf of myself and Senator BRYAN, I rise to offer a bill that will put fairness back into the insurance company-policyholder relationship. The Insurance Policy Transfer Act prevent policyholders from being victimized when their insurance company transfers their insurance policies to another insurer—without the policyholders' informed consent.

The policy transfers treat policyholders like commodities, trading them like baseball cards.

This is outrageous. Transfers change the policyholders contract without the consent of the policyholder. In most businesses this would be impossible, illegal, but not in the insurance industry. The insurance industry feels it has the impunity to break contracts with policyholders, when it suits insurance companies.

Let me illustrate how this would work if the banks could transfer depositors: A consumer deposits $100,000 with triple "A" bank. Triple "A" bank promises to pay the money back. Triple A then transfers the $100,000, and the obligation to pay the consumer, to the PDQ bank. Triple A doesn't tell the consumer about the transfer or obtain his or her permission. Triple A has hundreds of branches, billions in assets, and plenty of capital. But PDQ is a one branch operation; and it's in financial trouble. PDQ fails.

The consumer, who has never heard of the PDQ bank, now asks Triple A for her money. Triple A replies, "We aren't your bank. We owe you nothing. Your account was transferred to PDQ. Unfortunately, PDQ failed."

I know this sounds unbelievable in the banking industry, but, believe me, this is how it works in the insurance industry. Insurance companies trade policyholders like baseball cards, like commodities. Like so many widgets. Policyholders aren't widgets. They are people. People with a contract. A contract that involves their lives and their families' lives.

It's absolutely disgraceful that the insurance industry can treat policyholders like objects, swapping, and trading them without even asking their permission.

No other industry does this. Only an industry as powerful and arrogant as the insurance industry could stoop to such one-sided practices.

State regulators permit them to do it. According to a survey by my Antitrust Subcommittee, most State laws don't require that insurers obtain the informed consent of policyholders before a transfer.

The insurance industry's unchecked power to transfer policies causes enormous trauma and financial loss.

My Antitrust Subcommittee has documented how tens of thousands of policyholders in the past decade suffered

because they were transferred by their insurance company:

Transferred without their consent:

Transferred because their original insurer decided the were no longer profitable;

Transferred to distant and little known companies;

Transferred to financially weaker insurers, insurers in such poor financial shape that they couldn't attract policyholders, but had to buy them wholesale, without their consent.

Transferred to insurers operated by unscrupulous executives looking only for the millions of dollars in assets that are transferred with policies; assets that represent years of policyholders' premiums.

Too often these assets are dissipated or disappear soon after the transfer, leaving the policies without any assets to back them.

Guarantee Security Life Insurance of Florida is an example of a transfer in which the assets disappeared. In the 4 years before it failed, Guarantee Security acquired 30,000 policies from other insurers. During that time Guarantee Security was in financial trouble and needed cash. It got cash by acquiring 30,000 policies and those policies' $250 million in accumulated premiums—money which should have been saved to eventually pay policyholders.

Unfortunately, when Guarantee Security failed, the money was gone. There wasn't enough left to pay policyholders.

No one ever asked policyholders if they wanted to be transferred to Guarantee Security.

Under our legislation, they would have to be given the opportunity, not only to reject the transfer, but to learn about Guarantee Security's poor financial condition.

Guarantee Security is by no means an isolated example. Consider the transfer of 3,000 annuities of the Security Benefit Life Insurance Co. of Kansas.

Security Benefit secretly concluded that the rate of interest it had promised the policyholders on the annuities was higher than it wanted to pay. Security Benefit figured that transferring the annuities to another insurer could get it out from under its contractual obligation.

Believe it or not, and you can believe it. Security Benefit never notified the policyholders that they were going to be transferred. Policyholders were never given the opportunity to accept or reject the transfer.

The annuities were transferred to the Life Assurance Co. of Pennsylvania. Security Benefit was rated at the top in financial health, while Life Assurance of Pennsylvania was unrated. Worse, Life Assurance of Pennsylvania was in financial trouble. My subcommittee documented that Security Benefit knew that it was in trouble. The subcommittee obtained a handwritten memo by Security Benefit's chief executive officer. He wrote that he was afraid that Life Assurance of Pennsylvania, "Might go under." It went under.

When policyholders learned of the failure, they wanted Security Benefit to stand behind its annuity contract. Security Benefit told them that it owed them nothing, that it has washed its hands of them when it transferred their annuity of Life Assurance of Pennsylvania.

Security Benefit made its own policyholders into legal orphans, transferring them to a bankrupt insurer, to a company they had not chosen. Disgraceful.

The policyholders eventually got paid, but only after 4 years of uncertainty and anxiety. And only when the State insurance guaranty funds, which are overwhelmingly financed by taxpayers, picked up three-quarters of the cost. The original insurer, Security Benefit, enjoying record profits, foisted its obligation off on the taxpayers, getting off easy.

This legislation places the obligation where it belongs, on the healthy companies that originally sold the policies, not on the taxpayers.

Don't assume that transfers are isolated occurrences. The reality is far from that. Based on an informal survey, the staff of the Antitrust Subcommittee estimates that tens of billions, very likely, hundreds of billions of dollars of policies have been transferred. These policies involve hundreds of thousands of policyholders. Many of whom have been transferred to risky companies. In most cases, the policyholders were not asked if they wanted to be transferred.

Mrs. Morton Langsfeld of Pennsylvania is an example. Mrs. Langsfeld wasn't asked when her policy was transferred. As a result of that transfer, she had to wait years following her husband's death to get the policy's benefit.

Mrs. Langsfeld's original insurance company, Charter Security Life of New Jersey, transferred her policy to a Colorado insurer, Capitol Life. Capitol Life then transferred her to an Indiana insurer, Mutual Security. Mrs. Langsfeld's consent to the transfers was never obtained.

Mrs. Langsfeld's original insurer was top rated, A plus. Mutual Security Life was rated C plus, near the bottom, junk.

Mutual Security went bankrupt.

Unfortunately, under existing law, there is little a policyholder can do when his or her policy is transferred without their consent. In most cases even when it's possible to sue, it's impractical. Many lawyers are reluctant to take a case against a well-funded insurance company that has the best lawyers in town. Lawyers that will take a policyholder's case, usually require thousands of dollars in legal fees in advance. Few policyholders have that kind of money to gamble on a lawsuit.

Even if policyholders win, there is little chance they can force the insurer to pay their huge legal bills.

It is no wonder few transfers are successfully challenged.

Our legislation would correct this unfairness. If they win, policyholders could be awarded their legal fees.

Unfortunately the present situation is getting worse because the frequency of transfers has accelerated, according to State regulators who testified before my Antitrust Subcommittee.

Transfers are especially common with individual disability policies. The reason appears to be that many companies entered the disability insurance business in the late 1970's and early 1980's and mispriced the product. Now these insurers want out from under their obligations. That is just not acceptable. Without passage of this legislation, insurance companies will continue transferring disability policyholders to weaker companies, without the consent of the policyholders.

Crown Life policyholders are an example of unfair disability transfers. Crown Life washed its hands of its obligations to 35,000 disability policyholders last year by transferring them to Lone Star Life of Texas. Crown Life had an A plus rating, A.M. Best's second highest. Lone Star had a B minus rating, A.M. Best's eighth. That's below investment grade.

Crown Life should be ashamed. Its transfer to a financially weak insurer was unconscionable.

It doesn't take a rocket scientist to understand that policyholders would have been better off with Crown Life. Crown Life has $8 billion in assets; Lone Star has $320 million.

Imagine how worried, how frightened, you would be, especially if you were disabled—confined to bed, home, or wheelchair—and forcibly transferred to a below-investment-grade insurer.

Crown Life knew perfectly well what it was doing. Before the transfer, Crown hired an actuarial firm to look at the transfer and Lone Star. The actuary's report showed that Lone Star's already poor financial condition would worsen if it took on Crown Life's policies. It revealed that Lone Star planned to mask Lone Star's poor condition by engaging in some financial sleight-of-hand, known as surplus relief reinsurance.

Now listen to this. Crown Life kept the policyholders in the dark. It didn't provide the actuaries report to policyholders. Shame.

Marginalizing policyholders and keeping them in the dark should be prohibited. Under the Insurance Policy Transfer Act it would.

No transfer would take place if the policyholder wanted to stay with his or

her original insurer. If a policyholder fails to respond to three requests asking for consent to the transfer, the policy could be transferred, but if and only if, the transfer is to a consistently top-rated or better-rated insurer.

Since consent is meaningless unless it is informed, policyholders would have to be given the information necessary to make a transfer decision. The act requires that each policyholder be given an independent actuary's opinion that the transfer is fair and in the best interest of policyholders. The report underlying the actuary's opinion would be available for free to any policyholder who asks.

We need this bill. According to the Antitrust Subcommittee survey, only one State, South Dakota, currently requires anything like an actuary's fairness opinion.

The national association of insurance commissioners [NAIC] recently concluded that policyholders need better legal protection against abusive transfer. Unfortunately, the NAIC's proposal fails to provide policyholders the protections needed. For example, the NAIC's proposal does not require that policyholders be given an expert's opinion and underlying report.

The NAIC proposal permits involuntary transfers to less financially healthy companies. That is totally unacceptable. The NAIC considers the payment of a premium to an assuming company, a consent to a transfer. That's crazy. Policyholders pay premiums because they want insurance coverage, not because they want a transfer. Unfortunately, the insurance industry has them over a barrel. If they fail to pay the premium in order to protest a transfer they likely will lose their insurance coverage.

We need better protection than the NAIC proposes, and we need it more quickly. There is no assurance that the NAIC's proposal will ever be enacted.

My subcommittee held a hearing in 1990 that revealed how long it takes the States to adopt NAIC proposals. You roll the dice as to whether a NAIC proposal will be enacted in most States. Let me give you an example. In 1985, the NAIC proposed giving insurance commissioner authority over insurers in hazardous financial condition—clearly, important authority. Five years later, not a single State had enacted the proposal. Not a single State after 5 years. Even today only about half the States have adopted it.

Policyholders can't wait years to see whether the NAIC improves its faulty bill and then additional years to see if their State enacts it.

Mr. President, insurance policyholders are being traded between insurance companies like commodities. They're being swapped like baseball cards.

After decades of paying premiums to their insurance company, policyholders are being disowned. Their insurance company says it owes them nothing, and that after years of paying premiums their insurer has transferred them to another insurer, because they were no longer profitable. Outrageous. I know of no industry, other than the insurance industry, that can get away with treating customers in such a shoddy manner.

Mr. President, this bill aims to correct this imbalance, to put fairness back in the policyholder-insurer relationship. This bill doesn't prevent transfers. Many transfers are good for both policyholder and company. This bill does block transfers that are not in the best interest of policyholders.

I am pleased that Senator BRYAN, the distinguished chairman of the Consumer Subcommittee of the Commerce Committee, has joined as an original cosponsor. Indeed, I hope that all of my distinguished colleagues will join me in cosponsoring this bill.

I am certain that with Senator BRYAN as an original cosponsor, we will move forward quickly, and that both Houses will pass this legislation into law this year.

With the sponsorship of Senator BRYAN, I believe we will reverse the Commerce Committee's reputation as a burial ground for insurance consumer protection.

My subcommittee has already held hearings. The need for this legislation has been amply demonstrated. We need not repeat the hearing process.

Mr. President, the whole Senate has already spoken on this legislation. Last week the Senate adopted a sense-of-the-Senate resolution that acknowledged both the need for this legislation and the policy underlying it.

I now feel confident that with Senator BRYAN's leadership and the Senate's action last week, this legislation will move forward promptly, to immediate floor action, if possible.

Mr. President, I ask unanimous consent that 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:

SECTION-BY-SECTION ANALYSIS ON THE INSURANCE POLICY TRANSFER ACT

Section 1. Short Title. This Act may be cited as the "Insurance Policy Transfer Act".

Section 2. Purpose. The purpose of this Act is to prohibit the transfer and novation of insurance policies without first obtaining the informed written consent of the policyholder.

Section 3. Definitions. For the purpose of this Act, the term "contract of insurance" includes all property, casualty, life, health, accident, surety, title, and annuity policies authorized to be written under State law. The term "transfer agreement" means a contract that transfers insurance obligations or risks of existing contracts of insurance from one insurance company (the transferring insurer) to another (the assuming insurer). Such a transfer results in a novation of the transferred contracts of insurance. The assuming insurer becomes directly liable to the policyholder of the transferring insurer.

Section 4. Notice. Except as provided in section 6, no insurer shall transfer contracts of insurance unless such insurer has first provided each policyholder with proper notice of the transfer as prescribed by this Act. Among other things, such notice shall provide the policyholder with (1) financial data on the transferring insurer and the assuming insurer including balance sheets and ratings by nationally recognized insurance company rating organizations; (2) a statement setting forth the financial condition of the transferring insurer and the assuming insurer under the proposed transfer agreement and the effect the transfer will have on the financial condition of each such insurer; (3) an opinion by a disinterested third-party expert, such as an actuary, finding that the transfer is fair and in the best interests of the policyholder; (4) a statement by the chief insurance regulatory official of the State of domicile of the transferring and accepting insurers that the proposed transfer is fair, reasonable, and in the best interests of the policyholder and that the notice given to the affected policyholder was fair adequate and not misleading; and (5) a statement describing the effect of the transfer, if any, on state insurance guaranty fund coverage.

Section 5. Consent Requirement. No insurer shall enter into a transfer agreement or transfer a contract of insurance without the written consent of the policyholder or a beneficiary of the policyholder.

The written consent of a policyholder may be implied where: (1) the transferring and assuming insurer are top-rated by the same 3 nationally recognized insurance rating agencies for each of the 3 years preceding the transfer, or the accepting insurer is rated better than the transferring insurer during such period; and (2) the policyholder or beneficiary of the contract of insurance is provided with proper notice as prescribed by this Act and such policyholder has not responded to the notice with an objection to the transfer.

Section 6. Transfers Not Subject to the Act. This Act shall not apply to: (1) a transfer in which the transferring insurer continues to remain directly liable for its insurance obligations under the contracts of insurance; (2) the substitution of one insurer for another upon the expiration of insurance coverage pursuant to statutory or contractual requirements; (3) cases where the transfer of contracts of insurance are made pursuant to a merger or a consolidation that is regulated by State law; and (4) insurers that are subject to a judicial order of liquidation or rehabilitation.

Section 7. Regulations. The Secretary of Commerce shall promulgate such regulations as may be necessary to carry out this Act.

Section 8. Cause of Action. The policyholder or the Attorney General may bring an action against an insurer for violations of this Act in the appropriate United States district court. The appropriate district court shall have jurisdiction to grant such relief, including injunctive relief and attorney fees, as is necessary or appropriate to redress the violation.●

By Mr. JEFFORDS (for himself and Mr. HATCH):

S. 1990. A bill to expand the role of public schools to provide community services; to the Committee on Labor and Human Resources.

THE 21ST CENTURY COMMUNITY LEARNING CENTERS ACT

• Mr. JEFFORDS. Mr. President, today I am introducing a bill on behalf of myself and Mr. HATCH entitled the "21st Century Community Learning Centers Act." This legislation provides grants to schools to expand education services beyond the regular school hours and to reach beyond the traditional school-age population. I had intended to introduce this bill last week by conference work on the Goals 2000 bill and the debate over increasing education funding in the budget kept me from doing it sooner.

The legislation is simple—it provides grants to schools to open up their buildings for before- and after-school activities for children and for services for adults, from literacy classes for children and for services for adults, from literacy classes to extended library hours to senior citizens programs. While simple at its core, this bill will have far-reaching effects.

This legislation attempts to replicate on a broader scale the work being done in communities across the country. In my own State of Vermont, H.O. Wheeler school in Burlington is the prototype for activities envisioned by the 21st century community learning centers. This school has made room for the Vermont Visiting Nurses Association to teach parenting classes to young mothers and fathers, it has opened up its gym to community meetings and adult classes, and it has extended library hours for the neighborhood residents.

These efforts are designed to address the varying needs of the area. Now more than ever, our communities are on the front line of the changes that are occurring throughout our Nation and throughout the world. Employers are demanding highly skilled and technologically literate workers requiring many adults to return to school or find retraining programs. Two-parent working families today are more often the rule than the exception. Many families need before- and after-school programs and day care services. In many of our communities, both adult education programs and day care services are expensive or nonexistent.

That situation must change—and it can. Schools, particularly in rural and low-income areas, are a valuable resource to the community and are often the only places available to provide activities designed to meet the needs of area residents.

We must expand upon and take advantage of those facilities. The interconnection between education and economic growth is real. For our nation to become economically competitive, our education system must provide services for students of all ages. While many will agree that school cannot be isolated from the home and the community, the reality is that too often schools are perceived as remote, bureaucratic institutions. Some communities, however, are changing that perception and working collaboratively with parents, local businesses and colleges to restructure the traditional role of the school within the community.

It is this new vision of the school that this bill encourages. By providing grants to local schools, we make it possible for schools to become the center for a network of agencies and institutions committed to meeting the needs of the community and expanding learning opportunities for all of its members. The concept of community schools provides our children not only with essential support systems but also brings the community to the school—which develops commitment to, and a sense of ownership for, our schools.

To meet the needs of the 21st century we need to reevaluate and revamp the way in which we provide education services. This simple concept—which doesn't cost much money—is an important first step. I hope my colleagues will support this effort.•

By Mr. MCCAIN:

S. 1991. A bill to provide for the safety of journeyman boxers, and for other purposes; to the Committee on Commerce, Science, and Transportation.

THE PROFESSIONAL BOXING SAFETY ACT OF 1994

• Mr. MCCAIN. Mr. President, I rise today to introduce the Professional Boxing Safety Act of 1994. This legislation would create a vital set of strengthened safety measures for all professional boxing events that are held in the United States. The Professional Boxing Safety Act is aimed primarily at the club fights that occur in dozens of States in small arenas on Friday nights across America.

The provisions of my legislation are as follows. First, each State will be required to issue an identification card to all professional boxers residing in their State. Foreign boxers who come to the United States to box, and boxers in the United States who reside in a State without a boxing commission, must register in any State of their choice which has a commission.

An identification card will help State officials verify not only the identity, but the professional and medical history of each boxer seeking to box in the State. Verifying this information enables State boxing commissioners to ensure that no injured or debilitated boxers will be exploited by participating in a show in their State.

Second, all States which hold professional boxing matches must have a State regulatory authority to oversee the fight, or arrange to have commissioners from a neighboring State sanction the event. This is a critical, although very basic, requirement. It is dangerous and indefensible for any jurisdiction to allow professional boxing matches to occur without providing a minimum level of responsible oversight.

Responsible oversight means making sure that physicians are present at the fight, supportive medical services are available, and the matches are conducted according to the safely guidelines established by the professional boxing industry. Let me also point out that safety overseeing all boxing shows need not be a new financial burden on States that don't currently have a boxing commission. Status can simply require promoters to contract with neighboring State commissioners to oversee the show.

Third, State boxing commissioners will be required to review the background of boxers participating in shows in their State, and ensure that no boxers fight while under suspension in another jurisdiction. This will prevent boxers from going from State to State to box while they are injured, after having failed a drug test, or after their declining skills have rendered them incapable of competing safely. If all States respect the suspensions of boxers, promoters, and managers ordered by their fellow State commissions, the unsafe and unethical practices which plague the professional boxing industry will be eliminated to a substantial degree.

Finally, my legislation will require all State commissioners to promptly report the results of each boxing show held in their State, and any suspensions they order, to the boxing registries that are certified by the Association of State Boxing Commissioners and the Florida State Athletic Department. This provision is intended to improve and expand the information network that already exists between State commissions and professional boxing registries. It is extremely important that each State have access to credible data on the backgrounds of all boxers and promoters who participate in boxing shows across the country.

Providing boxing registries with the results of all boxing matches, including information on any injuries or suspensions, will enable State commissioners to quickly determine which boxers should or should not be getting into the ring. This requirement is intended to both protect the health and welfare of the men whose physical skills and courage sustain the boxing industry, and to prevent fraudulent bouts from taking place.

The requirement for the State of Florida's commission to also be notified of boxing show results and suspensions will assist their officials in the extremely valuable work they have generously performed in this regard for several years. At no cost to other State commissions or other interested parties, Florida's boxing officials send out a continuously updated list of all boxers and promoters who have been sus-

pended across the country due to injury, violation of State laws, or improper conduct. All State commissions should review this list weekly, and take action to properly oversee the boxing events held in their State.

The enforcement provisions in this legislation will authorize the U.S. attorney in each State to fine or prosecute promoters or managers who knowingly and willfully violate these reasonable and easily followed standards. If a promoter or manager is so callous and uncaring as to arrange for an injured or debilitated boxer to get into the ring, they should be held accountable for their indefensible behavior.

Furthermore, the U.S. attorney can seek an injunction in Federal court to block unsanctioned and unsafe boxing events from taking place. These events continue to occur in several States in the United States, and they are nothing more than an unconscionable exploitation of men who may know of no other way to support themselves and their families than getting into the ring for $50 a round. Anyone who loves the sport of boxing, or who cares even the slightest bit about the welfare of boxers themselves, will agree that each boxing show should be carried out under the auspices of commissioners at the State level.

My objective is to ensure that a basic but absolutely essential series of safety precautions for professional boxers are implemented nationwide, and adhered to by all State boxing officials.

This is the very least we should do to try and protect the health and welfare of professional boxers—most of whom are from impoverished backgrounds—and improve the integrity of the sport.

While the reforms that I am proposing are extremely important and will be very helpful to State commissioners who are concerned about boxers, I can't really claim that they are truly innovative. I have followed the sound counsel of the very best men and women that the professional boxing industry and State agencies have to offer. I have sought the advice of boxing officials from Nevada, Florida, California, Missouri, Arizona, New York, and many other States, as well from leaders of the Association of Boxing Commissioners. I have actively participated in several hearings on problems in the professional boxing industry held in the past year by the Senate's Governmental Affairs Committee and the Consumer Subcommittee. This bill represents the views and recommendations of the people who know boxing the best, and who care about boxers the most.

In pursuing my overriding objective of protecting the health and welfare of journeymen or club boxers, I have strived to avoid placing any significant new costs or regulations on State commissions, and I believe that we have successfully met this goal. No new, taxpayer-subsidized Federal commission or corporation would be created by my legislation; there are no costly new medical standards imposed upon the States; and there is no Federal intrusion into the business side of boxing.

If implemented, the safety measures contained in this legislation will help protect men who are often unprotected, and ensure that they are not physically or financially exploited by individuals whose profit motives have outweighed their consciences. Unfortunately, the history of the boxing industry in the United States is replete with situations wherein boxers who had no business being in the ring were exploited for the financial gain of others. This practice must stop.

Furthermore, this legislation will finally put the Congress clearly on record, stating that we will no longer stand by idly as the health and welfare of a group of unknown but courageous athletes is jeopardized.

Mr. President, I strongly believe that we simply cannot tolerate the dangerous status quo of bootleg boxing shows and fraudulent matches because things have always been done that way, or because the Congress has never found a practical and acceptable method to assist the State commissions that regulate the sport.

I support the primacy of the States to regulate the boxing industry, but I also want to make sure that every State provides at least a minimum amount of responsible oversight for each boxing event held in their jurisdiction. The Professional Boxing Safety Act will do just that, and help protect the health and welfare of a group of men who now have few advocates willing to look out for their interests.●

By Mr. ROTH:

S. 1992. A bill to amend chapter 5 of title 5, United States Code, to provide for results based regulations, and for other purposes; to the Committee on Governmental Affairs.

RESULTS-BASED REGULATIONS ACT OF 1994

● Mr. ROTH. Mr. President, I have long been concerned that our Federal regulatory process is not sufficiently flexible in how it deals with regulated entities. In a worthwhile effort to protect our health, safety, and well-being, Government agencies too often take a one-size-fits-all approach. They provide insufficient opportunity for a business, or State or local government, to find equally effective but less costly alternatives to the mandated procedures.

The legislation I am introducing today, the Results Based Regulations Act of 1994, is an effort to address this problem. It would require Federal agencies, where practicable, to state what outcomes and results a proposed regulation is to achieve. It would then provide waiver authority for the agencies, to exempt from all or part of the regulation an applicant who convinces the agency that there is a less costly way for the applicant to achieve the results intended.

I believe this is an entirely reasonable, and in fact common-sense requirement. Agencies would have great discretion in how to develop such a waiver process. They could do so in ways that do not subject themselves to a flood of waiver applications from every business or State and local government in the country. They might require that parties with common interests get together and develop one waiver request. And of course, the agency itself would then have to be satisfied that the proposed alternative would indeed achieve the same results as the regulation itself.

On the other hand, the regulated entities would have an on-going opportunity—even after a regulation is finalized and implemented—to find a less onerous way to achieve the purpose of the regulation. This would help make the regulatory process more flexible and reasonable, while still accomplishing the intended results.

The value of this approach was recognized in the recently published addendum to the Vice President's National Performance Review report—entitled, "Improving Regulatory Systems." This report stated that, "Performance standards are generally preferable to prescriptive or design standards because they give the regulated industry the flexibility to determine the best technology to meet established standards."

I urge my colleagues to support this effort to reinvent the regulatory process. 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. 1992

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 "Results Based Regulations Act of 1994".

SEC. 2. RESULTS BASED REGULATIONS.

(a) IN GENERAL.—Chapter 5 of title 5, United States Code, is amended by inserting after section 559 the following new section:

"§ 560. Results based regulations

"(a) For purposes of this section the term 'regulation' means any rule for which the agency publishes a general notice of proposed rulemaking under section 553(b) or any other law.

"(b) To the greatest extent practicable, each agency shall include in the general notice of proposed rulemaking relating to a regulation—

"(1) a statement of—

"(A) the overall outcomes and results to be achieved by the regulation;

"(B) methods to quantify such outcomes and results;

"(C) possible alternative methods to achieve such outcomes and results; and

"(D) a process for waiving in whole or part such regulation if an alternative is subsequently proposed under which the agency determines the waiver applicant, and others covered by such waiver, would have no less of an impact on the achievement of those outcomes and results than would occur without such waiver; and

"(2) a solicitation for comments by persons affected by the regulation on the methods and processes described under paragraph (1)(B), (C), and (D).

"(c) An agency action taken under this section shall not be subject to review by a court of the United States.".

"(b) TECHNICAL AND CONFORMING AMENDMENT.—The table of sections for chapter 5 of title 5, United States Code, is amended by inserting after the item relating to section 559 the following new item:

"560. Results based regulations.".

SEC. 3. EFFECTIVE DATE.

The amendments made by this Act shall take effect 60 days after the date of the enactment of this Act.•

By Mr. MURKOWSKI (for himself and Mr. STEVENS):

S. 1993. A bill to remove the restrictions on the export of Alaskan North Slope oil, and for other purposes; to the Committee on Banking, Housing, and Urban Affairs.

ALASKAN OIL LEGISLATION

• Mr. MURKOWSKI. Mr. President, I introduce legislation on behalf of myself and Senator STEVENS that is critical to the economy of Alaska and the energy security of the United States. This legislation would lift the 21-year-old prohibition on the export of Alaskan oil thereby allowing the State's most important and vital industry to sell its products in the global marketplace.

To ensure that lifting of the export ban does not harm the U.S. merchant marine, our legislation requires oil exported from Alaska to be transported on U.S. built vessels manned by American merchant seamen.

Mr. President, the export ban is contrary to the free trade, nondiscrimination, and open market principles that have guided this administration in the successful NAFTA and GATT negotiations. It represents the worst type of protectionism that costs workers jobs in Alaska and California, damages our Nation's energy security, and contributes to our international trade deficit.

The export ban is an unjustifiable and unprecedented discrimination against the State of Alaska and the citizens of my State. It costs the State hundreds of millions of dollars a year in lost royalties and hinders the ability of the State to provide social services and infrastructure that would enable the State to diversify its economy. This artificial constraint on the development of Alaska's economy is fundamentally unfair, and in this Senator's view, impinges on the sovereignty of my State in a way that no other State has to endure.

Mr. President, I know of no other laws that Congress has adopted that prevent the export of a particular product simply because the product is manufactured or mined in a particular State. Would it be fair to bar the export of timber or paper products from forests in Tennessee and Washington, but allow the export of such products if they came from forests in Kentucky or Oregon? Of course not. But that is exactly the type of discrimination that Alaskans are somehow expected to accept.

Why should Alaskans be expected to accept this type of discrimination? We are not talking about mineral resources located on Federal lands. We are not talking about special Federal subsidies provided to developers in Alaska. We are simply talking about resource development within the State of Alaska and how the developers of that resource and the State can maximize their return from these investments.

In 1973, when the ban was imposed, many people believed that it would enhance our Nation's energy security. Twenty-one years later, it is clear to nearly every economist who has studied this issue, that the export ban, rather than enhancing energy security, will ultimately make America more dependent on foreign oil.

Today, most of the 1.8 million barrels of oil that is shipped from Alaska is delivered by tanker to the closest domestic markets on the west coast, primarily California. The remainder is generally shipped to Panama, off-loaded into a pipeline and then reloaded onto a tanker and transported to the gulf coast.

The 1.3 million barrels of oil shipped into California each day glut the California market and drive the price of oil there far below the world price. For example, in December, when the world price slipped below $15 barrel, the wellhead price of California oil was $8.75.

These glut-induced prices have devastated the California oil and gas industry and exacerbated the prolonged recession in California. Wells have been permanently shut in. Exploration and development activities have crawled to a near halt, and employment has been devastated.

Mr. President, the single most effective way of reversing this trend and encouraging the renewed exploration and development of oil production in California is to lift the ban on the export of Alaskan crude oil. When a representative of the General Accounting Office testified before Congress on this issue in 1990, she estimated that if the ban was lifted, wellhead prices for Alaskan and California oil would rise by $1 to $2 a barrel.

These price estimates are consistent with recent analyses performed by the Alaska Department of Revenue. Our revenue department estimates that lifting the ban would raise wellhead prices by $1.10 a barrel for Alaskan and California oil. If that happened, Federal Government tax revenues would increase by $280 million and revenues to the State of Alaska would rise by $185 million.

More importantly, removing the ban would stimulate employment and exploration activities both in California and in Alaska. By one estimate, California employment could increase anywhere from 5,500 to 15,000 jobs. By contrast, if the export ban is retained, one study suggests that development of as much as 10 billion barrels in Alaska and California will be significantly inhibited over the next several decades. At current prices, it would cost the U.S. economy $200 billion to replace that domestic production with foreign oil imports.

Mr. President, I know that there is concern in the domestic maritime community that if the ban is lifted, the American-flag merchant marine will suffer severe employment declines because all of the oil currently shipped from Alaska to the lower 48 is shipped on American flag tankers. I am sympathetic to this concern and recognize the importance of maintaining a strong American-flag merchant marine. It is for that reason that this legislation requires exported Alaskan oil to be transported on American flag tankers.

Under current economic projections, oil production declines in Alaska suggest that most, if not all, of the oil shipped into gulf coast ports will disappear in the next year or two. That will cause a significant decline in U.S. maritime employment and will put many U.S.-flag ships into mothballs. However, if Alaska is permitted to export its oil, and if U.S.-flag ships were used in the export trade at least 240 seafaring jobs could be saved.

Moreover, since the price that Alaskan crude can command in the world market is higher than it commands in the glutted U.S. market, there will be a greater incentive for the oil industry to invest in Alaska to enhance production from current wells. Keeping these oil fields producing means greater energy security for America and continued employment security for the American flag merchant marine.

Mr. President, this ban makes no economic sense. It hurts the citizens of Alaska; it severely damages the California oil and gas industry, and if left in place, it ensures the steady decline in the production of Alaskan crude and the demise of hundreds of jobs in Alaska, in California and in the U.S. merchant marine. I hope that this is the year that this ban will finally be lifted.•

• Mr. STEVENS. Mr. President. I am pleased to join my colleague from Alaska today in introducing legislation to lift the ban on the export of Alaska North Slope crude oil while increasing American jobs. This legislation will increase jobs because it will increase pro-

duction of oil in Alaska, and therefore increase transportation of oil on U.S. tankers manned by U.S. crews.

When Congress approved the construction of the Trans-Alaska Pipeline System in 1973 there was a provision included in the act that severely restricted exportation of crude oil transported through TAPS. In 1979 an amendment to the Export Administration Act expressly prohibited export of TAPS crude oil, but at the same time, eased restrictions on export of oil produced in other states. Section 7 of the Export Administration Act discriminates against Alaska by making it the only State that is forbidden to export its crude oil.

The export ban on Alaska North Slope crude oil directly impacts the value of oil production in Alaska. Each day about 1.6 million barrels of Alaska crude are transported to domestic markets of the lower 48. 85 percent of that is landed on the west coast, mostly in California, and 15 percent on the U.S. gulf coast. The export ban drastically reduces the market value of the crude oil on the U.S. west coast. Since the majority of the Alaska crude is marketed to the west coast it significantly depresses the value of California production as well.

The excessive supplies of crude oil on the west coast have caused an artificial crude surplus on the west coast. This causes the value of oil in Alaska and California to be depressed.

The depressed price for Alaska crude discounts the wellhead value of the crude by as much as $3 per barrel. A $1 decrease per barrel adds up to a total loss of about $130 million a year for the State of Alaska in royalty revenues.

Furthermore, when crude oil prices are depressed, there is little incentive for exploring and producing oil in Alaska and California.

Prudhoe Bay production is declining at a rate of 10 percent a year. California production is also on the decline. The oil export ban is one of the major reasons for this decline in production. A small dollar difference in the price of oil makes a huge difference when you calculate the economics of producing oil—especially in Alaska.

The North Slope of Alaska contains as much as 100 billion barrels of oil. But only 16 billion barrels qualify as proven reserves. Estimates show that the oil export ban could restrain the development of as much as 10 billion barrels in Alaska and California.

It would cost our economy $200 billion to replace Alaska and California's production with foreign oil imports. And it would mean the loss of thousands of jobs. The export ban costs the Federal Government and the State of Alaska billions in lost royalties, taxes and other revenues.

The legislative history of the Export Administration Act shows that Congress specifically intended to discriminate solely against Alaska in the export of domestically produced crude oil for the benefit of other States. Among all of the States, only Alaska and its Trans-Alaska Pipeline crude oil are subject to a per se ban.

The port preference clause of the Constitution prohibits actions of Congress which prefer the ports of one or more States to those of another or which direct or divert commerce from the ports of a State to the ports of one or more other States. Maryland in particular wanted the port preference clause because they were concerned their ships involved in commerce would be forced to stop in Norfolk, VA before going overseas.

More than 200 years later, the Arctic Slope crude oil export ban does exactly what the drafters of the Constitution sought to prevent. Section 7 of the Export Administration Act effectively forces Alaska crude oil to be landed in a few ports on the U.S. west coast and gulf coast for the sole benefit of those States. Meanwhile, those States sell some of their oil production to other countries.

The Supreme Court has held that the 10th amendment limits the power of Congress by prohibiting action which commandeers the legislative processes of the States by directly compelling them to enact and enforce a Federal regulatory program. This includes actions by Congress to attach State treasuries or otherwise make a State government an unwilling instrument or financier of congressional policy. The Artic Slope crude oil export ban violates the 10th amendment because it requires Alaska to provide a subsidy to other States in the form of lost royalties due to depressed lower crude oil prices in pursuit of a congressional objective.

I want to repeat that this legislation increases jobs for Americans. It will help the oil industry by allowing for a market driven price of oil on the west coast, rather than an artificial glut and low price due to the prohibition on exporting it. The increased sale price of oil in California and Alaska will increase production and therefore increase jobs to produce and transport the oil.

Most of the oil will continue to be transported to California because the economics will demand it. But we should allow the export of the oil that creates a crude oil glut.

The provision in the Export Administration Act clearly discriminates against Alaska. The total export ban on Arctic Slope crude oil is unprecedented in other oil producing states. While other states are subject to limited restrictions on exporting oil, only Alaska is subject to a total ban on exporting its oil. This bill will finally lift this discriminatory and unconstitutional prohibition on the export of our crude oil.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

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

S. 1993

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

SECTION 1. EXPORT ADMINISTRATION ACT AMENDMENT.

Section 7(d) of the Export Administration Act of 1979 (50 U.S.C. App. 2406(d)) is repealed.

SEC. 2. TRANSPORT REQUIREMENT.

The export of domestically produced crude oil shall be transported in vessels documented under the laws of the United States which are eligible to engage in the coastwise trade if such crude oil is transported by pipeline over right-of-way granted pursuant to section 203 of the Trans-Alaska Pipeline Authorization Act (43 U.S.C. 1652).

SEC. 3. OTHER PROVISIONS OF LAW.

The export of domestically produced crude oil transported by pipeline over right-of-way granted pursuant to section 203 of the Trans-Alaska Pipeline Authorization Act (43 U.S.C. 1652) shall not be subject to the restrictions contained in section 28(u) of the Mineral Leasing Act (30 U.S.C. 185(u)), section 103 of the Energy Policy and Conservation Act (42 U.S.C. 6212), section 28 of the Outer Continental Shelf Lands Act (43 U.S.C. 1354), or section 7430(e) of title 10, United States Code, or any regulations issued under any such provision of law.•

By Mr. SMITH (for himself, Mr. GREGG, Mr. FAIRCLOTH, and Mr. KEMPTHORNE):

S. 1994. A bill to amend the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 to make comprehensive improvements in provisions relating to liability, State implementation, remedy selection, and funding, and for other purposes; to the Committee on Finance.

COMPREHENSIVE SUPERFUND IMPROVEMENT ACT OF 1994

• Mr. SMITH. Mr. President, today, I am introducing the Comprehensive Superfund Improvement Act of 1994. In 1980, Congress passed the Comprehensive Environmental Response, Compensation, and Liability Act [CERCLA], commonly known as Superfund, to force the cleanup of our Nation's worst hazardous waste sites.

In theory, Superfund was supposed to resolve environmental hazards quickly and economically by making polluters pay. But in practice, the program has fallen well short of its promise to the American people. There are now more than 1,275 sites on the national priorities list with little cleanup progress to show after 13 years.

Since Superfund is due to be authorized in 1994, Congress now has an opportunity to correct this flawed program. That is why I am introducing a plan to put the Superfund program back on track. This legislation is dramatic, comprehensive reform that will be good for the environment and good for the economy.

I have spent the past year researching and seeking input from groups like the New Hampshire Superfund Task Force, initiated by my colleague, Congressman BILL ZELIFF, who has introduced companion legislation in the House of Representatives. I have also talked to State government officials, individual town managers, and local businesses. In addition to local input, I have met with various national groups, including representatives from the insurance industry, the business roundtable, and the NAACP. This really is a grassroots answer to a grassroots problem.

The Senate Environment Committee, of which I am a member, is scheduled to consider Superfund reauthorization during the next several months. The administration unveiled its plan last month, and although it is a step in the right direction, I do not believe it goes far enough in the areas of liability and remedy selection.

However, one thing is certain—EPA Administrator Carol Browner, the business community, the insurance industry, cleanup contractors, State and local governments, and individual citizens all agree—Superfund needs to be fixed.

WHY WE NEED THIS LEGISLATION

First, hazardous waste sites are not being cleaned up in a timely manner. Litigation and delay have become the standard operating procedure for the Superfund program. After 13 years and approximately $18 billion spent on the Superfund program, only 12 percent or about 150 sites on the Superfund priority list have been cleaned up. Only 4 percent have actually been delisted. The average time it takes to clean up a site is a staggering 10 to 15 years, costing $25 to $30 million per site.

Second, lawyers are benefiting more than the environment and our communities. Enormous amounts of time and money are being wasted on lawsuits and administrative bureaucracy, instead of being spent on actual cleanup of hazardous waste. In fact, on average, nearly 50 percent of the costs at a site are devoted to these so-called transaction costs.

Third, Superfund's liability scheme fuels litigation. Under the doctrine of strict, retroactive, joint and several liability, a single party can be held liable for 100 percent of the cleanup cost even if hundreds of parties contributed waste to the site, and even if the single party contributed only 5 percent of the waste. Numerous towns and small businesses have been caught in the Superfund liability net for actions that were legal at the time they occurred.

ELEMENTS OF THE COMPREHENSIVE SUPERFUND IMPROVEMENT ACT OF 1994:

First, liability: This legislation would eliminate retroactive liability prior to CERCLA's enactment on December 11, 1980. It would also replace joint and several liability with a new proportional allocation plan. To apply a law retroactively is simply unfair, un-American, and violates the spirit of the Constitution. In addition, to address the unfairness of joint and several liability, I propose a new, binding allocation system. Under my plan, parties would only be forced to pay for what they contributed to a site. This new "fair share" allocation process will reduce the amount of lawsuits between parties, saving a significant amount of time and money.

Second, State delegation: Current law does not allow for States to manage the Superfund program. Decisions are made by the EPA with little input from the States and affected communities. Many States believe they can do the job more effectively and efficiently than the Federal Government can. I agree. States that are capable and qualified to administer the Superfund program should be given this authority if so desired.

Third, remedy selection: Currently, risk assessment and cleanups are based on unrealistic, worst-case risk scenarios that ultimately lead to overly expensive remedies. We need to address the issue of "How clean is clean?" Often times, striving to clean that last ounce of pollution has little environmental benefit but increases cost significantly. We must begin to prioritize and direct our limited resources toward areas that pose the greatest risk. We also need to ask ourselves, "If an industrial site is going to remain an industrial site, does it make sense to clean it up to playground standards?" Current law does not allow these issues to be considered.

My plan will use more realistic risk assessments and allow for land use and cost to be considered when selecting a remedy. I propose a rational, streamlined approach to the cleanup process that includes: An immediate response action for any immediate public health threat, a post immediate response action site scoring, and long-term remediation if necessary at which time the site would undergo a thorough evaluation and risk assessment to determine how to best clean up the remaining contamination.

Local citizens are also brought into the process through community advisory councils, which are established in this legislation. Their purpose is to provide input into the decision-making process such as intended use of the land. Cleanup options are then identified, taking into account local feedback and cost.

In conclusion, I believe these major changes that I have outlined stem from input at the grassroots level and represent a broad cross-section of interested parties. This is a fair, commonsense approach to addressing the ineffectiveness of the current Superfund program.

I urge my colleagues to cosponsor this legislation and 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. 1994

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 "Comprehensive Superfund Improvement Act".

SEC. 2. TABLE OF CONTENTS.

The table of contents for this Act is as follows:

Sec. 1. Short title.
Sec. 2. Table of contents.

TITLE I—LIABILITY

Sec. 101. Release of evidence.
Sec. 102. Elimination of retroactive liability.
Sec. 103. Limitation on liability of certain owners and operators.
Sec. 104. Contribution protection.
Sec. 105. Contiguous properties.
Sec. 106. Lender and fiduciary liability.
Sec. 107. Definitions.
Sec. 108. Assignment of shares of liability for costs of response actions at national priority list sites.
Sec. 109. Enforcement of response actions through joint and several liability.
Sec. 110. Establishment of binding allocation of responsibility process.
Sec. 111. Site redevelopment.
Sec. 112. Liability of response action contractors.

TITLE II—STATE IMPLEMENTATION

Sec. 201. State authority.
Sec. 202. Transfer of authorities.
Sec. 203. EPA oversight costs.

TITLE III—REMEDY SELECTION

Sec. 301. Immediate risk reduction measures.
Sec. 302. Site scoring.
Sec. 303. Long-term response plan.
Sec. 304. Long-term response selection.
Sec. 305. Periodic review.
Sec. 306. Delisting of facilities and sites.

TITLE IV—FUNDING

Sec. 401. 5-year extension of Hazardous Substance Superfund.
Sec. 402. Increase in environmental income tax.
Sec. 403. Environmental fees and assessments on insurance companies.
Sec. 404. Retroactive Liability Fund.

TITLE I—LIABILITY

SEC. 101. RELEASE OF EVIDENCE.

(a) TIMELY ACCESS TO INFORMATION FURNISHED UNDER SECTION 104(e).—Section 104(e)(7)(A) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9604(e)(7)(A)) is amended by inserting after "shall be available to the public" the following: "not later than 14 days after the records, reports, or information is obtained".

(b) REQUIREMENT TO PROVIDE PRPS EVIDENCE OF LIABILITY.—(1) Subsection (a) of section 106 of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9607(a)) is amended by adding at the end the following: "In any case in which the President issues an order to a person under this subsection, the President shall provide information concerning the evidence that indicates that each element of liability contained in subparagraph

(A), (B), (C), or (D) of section 107(a)(1) is present.".

(2) Section 122(e)(1) of such Act is amended by inserting after subparagraph (C) the following:

"(D) For each potentially responsible party, the evidence that indicates that each element of liability contained in subparagraph (A), (B), (C), or (D) of section 107(a)(1) is present.".

SEC. 102. ELIMINATION OF RETROACTIVE LIABILITY.

Section 107 of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9607(a)) is amended by adding at the end the following new subsection:

"(n) RETROACTIVE LIABILITY CUT-OFF DATE; COST REIMBURSEMENT PROVISIONS.—

"(1) IN GENERAL.—Subject to the provisions in this subsection, a person is liable under this section only for actions occurring after December 11, 1980. The provisions of this subsection shall not apply to actions occurring before December 11, 1980, which were contrary to a law at the time of the actions. Reimbursement or payment from the Retroactive Liability Fund (established by section 9512 of the Internal Revenue Code of 1986) shall be made pursuant to section 508.

"(2) PRE-1981 SITES.—With respect to sites or facilities with respect to which all actions for which liability arising under this Act occurred before December 11, 1980, the following rules apply:

"(A) CONSTRUCTION COMPLETED.—For such sites or facilities where the construction of the response action has been completed by January 1, 1994, no reimbursement may be made from the Retroactivity Liability Fund to the potentially responsible parties concerned for costs incurred for such construction. If a potentially responsible party is conducting operation and maintenance related to the response action at the site or facility as of January 1, 1994, the President shall assume the future costs of such operation and maintenance and shall reimburse the party for such costs incurred.

"(B) CONSTRUCTION ONGOING.—For such sites or facilities where the construction of the response action has not been completed by January 1, 1994, reimbursement may be made to the potentially responsible parties concerned for costs incurred for such construction, but only after the construction is completed. After construction is complete, the President shall assume future costs for any operation and maintenance related to the response action.

"(C) DISCOVERY AFTER JANUARY 1, 1994.—For such sites or facilities that are discovered after January 1, 1994, the President shall use amounts from the Retroactive Liability Fund to pay for all costs of the response action. Such costs shall not include attorney's fees or other costs associated with litigation related to the response action.

"(3) STRADDLE SITES.—With respect to sites or facilities with respect to which actions for which liability arising under this Act occurred both before and after December 11, 1980, the following rules apply:

"(A) CONSTRUCTION COMPLETED.—For such sites or facilities where the construction of the response action has been completed by January 1, 1994, no reimbursement may be made from the Retroactive Liability Fund to the potentially responsible parties concerned for costs incurred for such construction. If a potentially responsible party is conducting operation and maintenance related to the response action at the site or facility as of January 1, 1994, the potentially responsible party may, within 90 days after the date of enactment of the Comprehensive Superfund Improvement Act, petition the President for an allocation (in accordance with title V) of the operation and maintenance costs. The allocation shall determine which portion of the operation and maintenance costs are attributable to actions occurring before December 11, 1980, and which are attributable to actions occurring after such date, and shall provide for the reimbursement of the potentially responsible party, from the Retroactive Liability Fund, of those costs attributable to actions occurring before December 11, 1980.

"(B) CONSTRUCTION ONGOING.—For such sites or facilities where the construction of the response action has not been completed by January 1, 1994, the potentially responsible parties concerned shall complete construction and conduct any required operation and maintenance. A potentially responsible party may, within 90 days after construction of the response action is complete, petition the President for an allocation (in accordance with title V) of both the construction and operation and maintenance costs. The allocation shall determine which portion of the construction and operation and maintenance costs are attributable to actions occurring before December 11, 1980, and which are attributable to actions occurring after such date, and shall provide for the reimbursement of the potentially responsible party, from the Retroactive Liability Fund, of those costs attributable to actions occurring before December 11, 1980.

"(C) DISCOVERY AFTER JANUARY 1, 1994.—For such sites or facilities that are discovered after January 1, 1994, the President shall use amounts from the Retroactive Liability Fund to pay for costs of the response action, including construction and operation and maintenance, attributable to actions occurring before December 11, 1980.

"(4) DEFINITIONS.—In this subsection:

"(A) The term 'actions' includes ownership or operation of a facility at which hazardous substances were disposed of, disposal of hazardous substances, arrangement with a transporter for transport for disposal or treatment of a hazardous substance, and any other activities described in subsection (a).

"(B) The term 'person' has the meaning provided in section 101(21) but does not include the United States Government.

SEC. 103. LIMITATION ON LIABILITY OF CERTAIN OWNERS AND OPERATORS.

(a) EXEMPTION FOR GRANTEES OF CERTAIN EASEMENTS.—Subsection (a) of section 107 of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9607(a)) is amended—

(1) in paragraph (4), by striking out "shall be liable for—" and inserting in lieu thereof "shall be liable, except as provided in paragraph (4), for the costs and damages set forth in paragraph (2).";

(2) by inserting before subparagraph (A) the following:

"(2) The costs and damages for which persons described in paragraph (1) shall be liable are—";

(3) by aligning the margins of subparagraphs (A), (B), (C), and (D) so as to be cut in two ems;

(4) by inserting "(1)" before "Notwithstanding any other provision or rule of law,";

(5) by redesignating paragraphs (1), (2), (3), and (4) as subparagraphs (A), (B), (C), and (D), respectively;

(6) by inserting "(3)" before the text beginning with "The amounts recoverable in an action under this section" (and aligning such text as a paragraph below paragraphs (1) and (2) (as redesignated)) and in that text—

(A) by inserting "of paragraph (2)" after "subparagraphs (A) through (D)";

(B) by striking out "(i)" and inserting in lieu thereof "(A)"; and

(C) by striking out "(ii)" and inserting in lieu thereof "(B)"; and

(7) by adding at the end the following new paragraph:

"(4) In the case of a person who is a qualified organization under section 170(h)(3) of the Internal Revenue Code of 1986 and who is the grantee of a conservation easement with respect to real property on which a facility is located, the person shall not be considered an owner or operator of the facility under subparagraph (A) or (B) of paragraph (1) unless the person, by any act or omission, causes or contributes to the release or threatened release of a hazardous substance that causes the incurrence of response costs. For purposes of this paragraph, the term "conservation easement" means a restriction on the use of land for purposes of protecting in perpetuity a conservation purpose listed in section 170(h)(4) of the Internal Revenue Code of 1986.

(b) SAFE HARBOR FOR INNOCENT LANDOWNER DEFENSE.—(1) Section 101(35) of the Comprehensive Environmental Response, Compensation and Liability Act of 1980 (42 U.S.C. 9601 et seq.) is amended by redesignating subparagraphs (C) and (D) as subparagraphs (D) and (E), respectively and inserting after subparagraph (B), the following:

"(C)(i) A defendant who has acquired real property shall have established a rebuttable presumption that he has made all appropriate inquiry within the meaning of subparagraph (B) if he establishes that, immediately prior to or at the time of acquisition, he obtained an environmental assessment of the real property which meets the requirements of this subparagraph.

"(ii) For purposes of this subparagraph, the term 'environmental professional' means an individual, or an entity managed or controlled by such individual who, through academic training, occupational experience and reputation (such as engineers, environmental consultants and attorneys), can objectively conduct one or more aspects of an environmental assessment. For purposes of this subparagraph, the term 'environmental assessment' means an investigation of the real property, conducted by environmental professionals, to determine or discover the likelihood of the presence or substantial reason to suspect the presence of a release or threatened release of hazardous substances on the real property and which consists of a review of each of the following sources of information concerning the previous ownership and uses of the real property:

"(I) Recorded chain of title documents regarding the real property, including all deeds, easements, leases, restrictions, and covenants for a period of 50 years.

"(II) Aerial photographs which may reflect prior uses of the real property and which are reasonably accessible through State or local government agencies.

"(III) Determination of the existence of recorded environmental cleanup liens against the real property which have arisen pursuant to Federal, State, and local statutes.

"(IV) Reasonably obtainable Federal, State, and local government records of sites or facilities where there has been a release of hazardous substances and which are likely to cause or contribute to a release or threatened release of hazardous substances on the

real property, including investigation reports for such sites or facilities; reasonably obtainable Federal, State, and local government environmental records of activities likely to cause or contribute to a release or a threatened release of hazardous substances on the real property, including landfill and other disposal location records, underground storage tank records, hazardous waste handler and generator records and spill reporting records; and such other reasonably obtainable Federal, State, and local government environmental records which report incidents or activities which are likely to cause or contribute to a release or threatened release of hazardous substances on the real property. A record is considered to be reasonably obtainable for purposes of this subclause if a copy or reasonable facsimile of the record is obtainable from the government agency by request.

"(V) A visual site inspection of the real property and all facilities and improvements on the real property, and a visual inspection of immediately adjacent properties from the real property, including an investigation of any chemical use, storage, treatment and disposal practices on the property.

"(iii) No presumption shall arise under clause (i) unless the defendant has maintained a compilation of the information reviewed in the course of the environmental assessment.

"(iv) Notwithstanding any other provision of this paragraph, if the environmental assessment discloses the presence or likely presence of a release or threatened release of hazardous substances on the real property to be acquired, no presumption shall arise under clause (i) with respect to such release or threatened release unless the defendant has taken reasonable steps, in accordance with current technology available, existing regulations, and generally acceptable engineering practices, as may be necessary to confirm the absence of such release or threatened release.".

(2) Subparagraph (C) of section 101(35) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as added by paragraph (1), shall take effect on the date of the enactment of this Act.

SEC. 104. CONTRIBUTION PROTECTION.

Section 113(f)(2) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9613(f)(2)) is amended in the first sentence by inserting "or cost recovery" after "contribution".

SEC. 105. CONTIGUOUS PROPERTIES.

Section 107(a) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9607(a)), as amended by section 103(a), is further amended by adding at the end the following new paragraph:

"(5) A person who owns or operates real property that is contiguous to or otherwise situated with respect to real property on which there has been a release of a hazardous substance and that is or may be contaminated by such release shall not be considered an owner or operator of a facility under paragraph (1)(A) solely by reason of such contamination. The President may issue assurances of no enforcement action under this Act to any such person and may grant any such person protection against cost recovery and contribution actions pursuant to section 113(f)(2).".

SEC. 106. LENDER AND FIDUCIARY LIABILITY.

(a) RULEMAKING AUTHORITY FOR SECURITY INTEREST EXEMPTION.—Section 115 of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (15 U.S.C. 9615) is amended—

(1) by redesignating the text of the section as subsection (a); and

(2) by adding at the end the following:

"(b)(1) Pursuant to the authority conferred by this section, the President shall issue, within 30 days after the date of enactment of the Comprehensive Superfund Improvement Act, regulations to define the terms of this Act as they apply to lenders and other financial services providers. These regulations shall clarify the definition of the term 'owner or operator' contained in section 101(20)(A) by—

"(A) defining the terms 'indicia of ownership', 'security interest', 'primarily to protect a security interest', and 'participation in management'; and

"(B) specifying the types of activities that may be undertaken without voiding the exemption to liability provided by section 101(20)(A).

"(2) The following clarifications shall be included among the provisions in the regulations issued under paragraph (1):

"(A) The term 'participation in management' does not include—

"(i) the mere capacity to influence, or ability to influence, or the unexercised right to control facility operations; or

"(ii) any act of the security interest holder to require another person or itself, to comply with applicable laws or to respond lawfully to disposal of any hazardous substance.

"(B) A security interest holder will not be deemed to be participating in management of a facility unless the security interest holder—

"(i) has undertaken responsibility for the facility's hazardous substance handling or disposal practices; or

"(ii) has undertaken overall management of the facility encompassing day-to-day decisionmaking over either environmental compliance or over the operational, as opposed to financial and administrative, aspects of the facility.

"(C) Legal or equitable title acquired by a security interest holder through foreclosure or its equivalents will be deemed to be held primarily to protect a security interest provided that the holder undertakes to sell, release, or otherwise divest the property in a reasonably expeditious manner on commercially reasonable terms.".

(b) PROTECTION FOR FIDUCIARIES FROM INDIVIDUAL LIABILITY.—(1) Section 101(20) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9601(20)) is amended by adding at the end the following new subparagraph:

"(E)(i) The term 'owner or operator' does not include a fiduciary who holds legal title to, is the mortgagee or secured party with respect to, controls, or manages, directly or indirectly, any facility or vessel for purposes of administering an estate or trust of which such facility or vessel is a part.

"(ii) For purposes of clause (i), the term 'fiduciary' means a person who is acting in any of the following representative capacities, but only to the extent such person is acting in such representative capacity:

"(I) An executor or administrator of an estate, including a voluntary executor or a voluntary administrator.

"(II) A guardian.

"(III) A conservator.

"(IV) A trustee under a will under which the trustee takes title to, or otherwise controls or manages, property for the purpose of protecting or conserving such property under the ordinary rules applied in State courts.

"(V) A court-appointed receiver.

"(VI) A trustee appointed in proceedings under Federal bankruptcy laws.

"(VII) An assignee or a trustee acting under an assignment made for the benefit of creditors.

"(VIII) A trustee, or any successor thereto, pursuant to an indenture agreement, trust agreement, lease, or similar financing agreement, for debt securities, certificates of interest of participation in any such debt securities, or other forms of indebtedness as to which it is not, in its capacity as trustee, the lender.".

(2) Section 107 of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9607), as amended by sections 102 and 103, is further amended by adding at the end the following new subsection:

"(m) FIDUCIARY LIABILITY.—(1) Except as provided in paragraph (3), a fiduciary (as defined in section 101(20)) shall not be liable in its individual capacity under this section.

"(2) Nothing in this paragraph may be construed as preventing claims under this Act against—

"(A) the assets of the estate or trust administered by a fiduciary; or

"(B) non-employee agents or independent contractors retained by a fiduciary.

"(3) Nothing in this paragraph may be construed as preventing claims under this Act against a fiduciary in its individual capacity whose negligent acts or intentional misconduct caused a release or threatened release of hazardous substances at a facility or vessel. A fiduciary shall not be attributed with the negligence or intentional misconduct of non-employee agents or independent contractors if the fiduciary has conducted itself without negligence or intentional misconduct with regard to its relationship with such agents or contractors.".

SEC. 107. DEFINITIONS.

Section 101 of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9601), is amended by adding at the end the following:

"(39) The term 'potentially responsible party' means any person identified as potentially liable under section 107, potentially responsible to perform any response action under sections 104 or 106, or potentially liable for contribution under section 113.

"(40) The term 'de micromis party' means a potentially responsible party who is a generator or transporter who contributed less than 100 pounds or 100 liters of material containing hazardous substances at a facility, or such greater or lesser amount as the Administrator may determine by regulation.

"(41) The term 'de minimis party' means a liable party whose assigned share of liability is determined to be 1.0 percent or less in a final binding allocation of responsibility decision under title V.

"(42) The term 'liable party' means any potentially responsible party determined by an allocation panel or a court to be liable under section 107, responsible to perform any action under sections 104 or 106, or liable for contribution under section 113.

"(43) The term 'assigned share' means the percentage of liability assigned, in accordance with the factors set forth in section 503(g)(2), to a liable party by an allocation panel in a binding allocation of responsibility or by a court of law.

"(44) The term 'orphan party' means a liable party at a site who is defunct, unknown, insolvent, or whose assigned share has been subject to discharge or limitation in bankruptcy, or who is otherwise financially unable to pay all or part of its assigned share.

"(45) The term 'creditor party' means the Administrator, a State, or any person who is

determined to be a liable party with respect to a National Priority List site and who incurs or has incurred costs with respect to the site that are not inconsistent with the National Contingency Plan.

"(46) The term 'debtor party' means the Hazardous Substance Superfund and any person who is determined to be a liable party with respect to a National Priority List site.

"(47) The term 'binding allocation of responsibility' means a final binding determination by an allocation panel pursuant to title V.

"(48) The term 'orphan share' means the total of the assigned shares of all orphan parties at a site, including all shares eligible for reimbursement or payment pursuant to section 107(n).

"(49) The term 'guardian of the fund' or 'guardian' means the person appointed by the Administrator to represent the Environmental Protection Agency in a binding allocation of responsibility proceeding.

"(50) The term 'National Priority List site' means any site or facility that the Administrator has listed on, or proposed for listing on, the list established pursuant to section 105(a)(8)(B).".

SEC. 108. ASSIGNMENT OF SHARES OF LIABILITY FOR COSTS OF RESPONSE ACTIONS AT NATIONAL PRIORITY LIST SITES.

Section 107(a) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9607(a)), is amended by inserting before the phrase "The amounts recoverable" the following: "With respect to any National Priority List site, each liable party who accepts the results of the allocation of responsibility process under title V or who successfully appeals the results of such process shall be liable only for its assigned share of the costs incurred pursuant to subparagraphs (A), (B), and (D) of this section. The orphan share of a National Priority List site shall be paid out of the Hazardous Substance Superfund or the Retroactive Liability Fund, or any combination thereof, as determined by final binding allocation of liability.".

SEC. 109. ENFORCEMENT OF RESPONSE ACTIONS THROUGH JOINT AND SEVERAL LIABILITY.

Section 107 of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9607) is amended by adding at the end the following:

"(n) JOINT AND SEVERAL LIABILITY OF PARTIES WHO FAIL TO PERFORM RESPONSE ACTIONS.—In any case in which no liable party or potentially responsible party agrees to perform a response action at a National Priority List site, or a liable party or potentially responsible party agrees to perform a response action but the party fails to perform such response action, as determined by the Administrator or the State in which the site is located, the following provisions apply:

"(1) The party is considered to have not resolved its liability to the United States, notwithstanding the party's acceptance of the results of the binding allocation of responsibility process under title V or the party's successful appeal of the results of such process.

"(2) The party is subject to civil action under section 106, subparagraphs (A), (B), and (D) of subsection (a) of this section, and section 113 for the response action and all costs of the response action with respect to the National Priority List site.

"(o) PAYMENT OF CERTAIN RESPONSE COSTS BY FUND.—A potentially responsible party who performs and pays for a response action at a National Priority List site shall be reimbursed by the Hazardous Substance Superfund.

"(p) AUTHORITY TO COLLECT RESPONSE COSTS FROM OTHERS.—A liable party who performs and pays for a response action at a National Priority List site is a creditor party under section 508 with respect to the site and may recover its response costs in accordance with that section.".

SEC. 110. ESTABLISHMENT OF BINDING ALLOCATION OF RESPONSIBILITY PROCESS.

The Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9601 et seq.) is amended by adding at the end the following new title:

"TITLE V—BINDING ALLOCATION OF RESPONSIBILITY

"Sec. 501. General rules governing binding allocations of responsibility.
"Sec. 502. Qualifications and powers of administrative law judges and allocation panels.
"Sec. 503. Specific rules and procedures.
"Sec. 504. Duty to answer information requests and requests for production of documents.
"Sec. 505. Civil and criminal penalties.
"Sec. 506. Document repository; confidentiality; no waiver.
"Sec. 507. Final agency action and judicial review.
"Sec. 508. Collection, enforcement, and implementation.
"Sec. 509. Transition provisions.
"Sec. 510. Voluntary settlements.
"Sec. 511. New binding allocations of responsibility.

"SEC. 501. GENERAL RULES GOVERNING BINDING ALLOCATIONS OF RESPONSIBILITY.

"(a) ALLOCATION PANELS.—The Administrator shall appoint panels of administrative law judges to perform expedited administrative proceedings, to be known as 'binding allocations of responsibility', for purposes of determining the liability of potentially responsible parties at National Priority List sites. Each such panel shall be composed of three administrative law judges appointed by the Administrator under section 3105 of title 5, United States Code, and shall be known as an 'allocation panel'.

"(b) RULES OF DECISION.—The decisions of allocation panels under this title shall be rendered based on the provisions of this Act and the court decisions interpreting such provisions.

"(c) RELATIONSHIP TO NATURAL RESOURCES DAMAGE.—Binding allocations of responsibility shall not address or affect the liability of any person with respect to damage to natural resources under section 107(a)(1)(C).

"SEC. 502. QUALIFICATIONS AND POWERS OF ALLOCATION PANELS.

"(a) QUALIFICATIONS.—An administrative law judge may not be appointed to an allocation panel under section 501 unless the judge completes at least 40 hours of education and training, as specified by the Administrator, in the following subject areas:

"(1) The operation of this Act and the regulations promulgating this Act.

"(2) The science of soil and groundwater contamination and the technology for treating such contamination.

"(b) GENERAL POWERS.—An allocation panel shall have the power and authority to perform all functions necessary to administer and perform the binding allocations of responsibility, including the power to—

"(1) issue information requests and requests for production of documents to any person;

"(2) require the Administrator and the State concerned to provide all information relevant to a binding allocation of responsibility, including the production of copies of all documents and information obtained pursuant to section 104(e) or pursuant to similar State law;

"(3) rule upon motions, requests, and offers of proof, dispose of procedural requests, and issue all necessary orders;

"(4) administer oaths and affirmations and take affidavits;

"(5) examine witnesses and receive documentary or other evidence;

"(6) grant and manage such discovery by the parties as the allocation panel deems appropriate and consistent with the expedited nature of the binding allocation of responsibility process;

"(7) admit or exclude evidence;

"(8) hear and decide questions of fact and law;

"(9) require the parties, including the State and the guardian of the Fund, to attend conferences for the settlement or simplification of the issues or the expedition of the proceedings;

"(10) require, at any time, that potentially responsible parties wishing to present similar legal or factual arguments use a common spokesman or consolidated briefing for the presentation of such facts and legal positions;

"(11) obtain or employ such support services as are necessary to conduct the binding allocation of responsibility, including secretarial and clerical services, investigative services, and computer information and database management services;

"(12) establish a document repository where all documents associated with the binding allocation of responsibility shall be maintained and made available to all parties to the binding allocation of responsibility in accordance with section 506; and

"(13) do all other acts and take all measures necessary for the maintenance of order and for the efficient, fair, and impartial adjudication of issues arising in the binding allocation of responsibility.

"(c) SUBPOENA POWER.—Allocation panels shall have the power of subpoena to collect information necessary or appropriate for conducting the binding allocation of responsibility or for otherwise implementing this section. This authority shall include the power to compel the attendance and testimony of witnesses and the production of reports, papers, documents, answers to questions, and other information that the allocation panel deems necessary. Witnesses shall be paid the same fees and mileage that are paid witnesses in the courts of the United States. In the event of contumacy or failure or refusal of any person to obey any such subpoena, any district court of the United States in which venue is proper shall have jurisdiction to order any such person to comply with such subpoena.

"(d) INFORMAL RULES OF EVIDENCE.—In conducting the binding allocation of responsibility, an allocation panel shall not be bound by the Federal Rules of Evidence, but shall instead use such informal rules of evidence and evidentiary procedures, such as those set forth at sections 22.22 and 22.23 of title 40 of the Code of Federal Regulations, as will promote the expeditious completion of the proceeding.

"(e) NATIONWIDE SERVICE OF PROCESS.—Any document required to be served on a party under this title may be served in any district where the person is found, resides, transacts business, or has appointed an agent for service of process. Any such document is deemed to be served on a party if it

is mailed to the counsel of record for the party or to the address designated by the party if the party is not represented by counsel.

"SEC. 503. SPECIFIC RULES AND PROCEDURES.

"(a) INITIATION OF ALLOCATION PROCESS.—

"(1) IN GENERAL.—A binding allocation of responsibility with respect to a National Priority List site shall be initiated by filing a petition with the Office of the Administrative Law Judges of the Environmental Protection Agency. Such a petition may be filed by the Administrator or the State where the National Priority List site is located.

"(2) WHEN INITIATED.—The Administrator or a State shall file a petition to initiate a binding allocation of responsibility at a National Priority List site not later than 30 days after initiating the remedial investigation study (or its equivalent) for the site. In any case where the petition is filed more than 30 days after initiation of the remedial investigation study (or its equivalent), all governmental response costs incurred or contracted for prior to the filing of the petition shall be allocated entirely to the orphan share.

"(3) CONTENTS OF PETITION.—The petition to initiate the binding allocation of responsibility proceeding shall identify the petitioner and shall include all relevant information reasonably available concerning—

"(A) the identity, location, history, current status, and environmental condition of the National Priority List site;

"(B) the identity and address of each person believed by the petitioner to be a liable party and the basis for such belief;

"(C) any proposed questions and document requests that the petitioner believes should be included in the allocation panel's first information request and document request; and

"(D) a list of any legal or technical issues that the petitioner believes may be raised in the binding allocation of responsibility.

"(4) SERVICE.—A copy of the petition shall be served by mail, publication, or otherwise on the Administrator, the State where the site is located, and each potentially responsible party identified in the petition. Within 20 days after the filing of the petition, the Hearing Clerk of the Office of Administrative Law Judges shall cause a notice of the filing of the petition, together with a brief description of the site and a list of all potentially responsible parties identified in the petition, to be published in the Federal Register. The petitioner shall cause a similar notice, description, and list to be published in a newspaper of general circulation within the State where the site is located.

"(5) PRIOR INVESTIGATION AND SEARCH.—The Administrator or the State, as the case may be, shall, prior to filing a petition, conduct a thorough investigation and search, under section 104(e) or any other relevant Federal or State statutory or regulatory authority, for all potentially responsible parties. All information, answers, and documents discovered in such investigation or search and relevant to any aspect of the binding allocation of responsibility shall, simultaneously with the filing of the petition, be filed in the document repository for the binding allocation of responsibility. If the allocation panel determines that the Administrator or the State failed to conduct a diligent search for potentially responsible parties in accordance with this paragraph, and if another party performs additional investigations and successfully identifies additional potentially responsible parties, then the allocation panel shall credit all of the reasonable costs of such additional search against the assigned share, if any, of the party that performed such additional investigation or search.

"(6) APPOINTMENT OF GUARDIAN FOR THE HAZARDOUS SUBSTANCE SUPERFUND AND THE RETROACTIVE LIABILITY FUND.—Any petition filed by the Administrator shall include the name and address of the person appointed to serve as the guardian for the Hazardous Substance Superfund and the Retroactive Liability Fund for that binding allocation of responsibility. In any case where a petition is initiated by a State, the Administrator shall notify the Hearing Clerk of the Office of the Administrative Law Judges within 10 days after the petition is filed of the name and address of the person designated by the Administrator as the guardian for the Hazardous Substance Superfund and the Retroactive Liability Fund. If the Environmental Protection Agency is also a potentially responsible party or a liable party with respect to the National Priority List site concerned, then the agency may participate in the binding allocation of responsibility with regard to such liability, but the person designated as the guardian shall not represent the agency with regard to the agency's status as a potentially responsible party or liable party.

"(b) IDENTIFICATION OF POTENTIALLY RESPONSIBLE PARTIES.—

"(1) INITIAL STATEMENT.—(A) Not later than 30 days after receipt of a copy of a petition or after publication in the Federal Register of a notice of the filing of an initial petition (whichever is earlier) under subsection (a)(4), the guardian, the State and any potentially responsible party may file an initial statement setting forth—

"(i) any defenses to liability;

"(ii) any equitable considerations pertaining to any party's potential liability;

"(iii) any additional facts and issues relevant to the binding allocation of responsibility;

"(iv) any proposed questions or document requests that the person filing the statement believes should be included in the first information request issued by the allocation panel; and

"(v) the name and address of any additional person or persons that the person filing the statement believes may be a liable party at the National Priority List site and all reasonably available information as to the relationship between each proposed additional party and the site.

"(B) Any initial statement shall be filed with the Hearing Clerk and served on all parties named in the petition and named in such initial statement.

"(2) INFORMATION REQUESTS AND REQUESTS FOR PRODUCTION OF DOCUMENTS.—(A) Not later than 30 days after the filing of the petition, the allocation panel shall mail initial information requests and requests for production of documents to the guardian, the State, all potentially responsible parties identified in the petition, and all additional parties identified in the initial statements. Responses to such requests shall be made in accordance with this paragraph and section 504.

"(B) Within 45 days after a person receives any information request or request for production of documents, such person shall file a response with the Hearing Clerk. For good cause shown, the allocation panel may grant a single 45-day extension for the filing of any such response. Each party shall have a continuing obligation to supplement its response upon the receipt of additional relevant information.

"(3) ADDITIONAL NOMINATIONS OF POTENTIALLY RESPONSIBLE PARTIES.—The parties may identify and nominate additional potentially responsible parties until the expiration of the 120-day period beginning on the date of filing of the petition. Any nominations received by the Hearing Clerk after that period may be disregarded by the allocation panel. Each nomination shall include all reasonably available information supporting the assertion that the nominee is a liable party and shall be made at the earliest possible time. Any party making an additional nomination shall serve notice of such nomination on the nominated party and file a copy of such notice with the Hearing Clerk. The nominated party may file its initial response not later than 30 days after receipt of the notice. The allocation panel may issue information requests and requests for the production of documents to any nominated party at any time.

"(4) INITIAL LIST OF ALL POTENTIALLY RESPONSIBLE PARTIES.—Within six months after the filing of the petition, the allocation panel shall cause to be published in the Federal Register and a newspaper of general circulation in the State where the site is located a list identifying all parties that the allocation panel preliminarily deems to be potentially responsible parties with respect to the site. The allocation panel also shall attempt to mail a copy of the list to all parties to the binding allocation of responsibility. The allocation panel shall reject the nomination of any person as a liable party or potentially responsible party if it finds that the nomination alleges no connection between the nominated person and the site. The allocation panel may also identify, on its own motion or the motion of a potentially responsible party, additional potentially responsible parties at any time before issuance of the final binding allocation of responsibility.

"(c) DE MICROMIS PARTIES.—(1) Not later than six months after the filing of the petition, the allocation panel shall issue a list identifying all potentially responsible parties that the allocation panel determines contributed only 100 pounds or 100 liters of material containing hazardous substances at the facility (or such greater or lesser amount as the Administrator may determine by regulation), to be known as 'de micromis parties'. The allocation panel shall base the determination on an evaluation of all evidence received at the time of the issuance of the list with respect to the amount of hazardous substances contributed by potentially responsible parties.

"(2) The allocation panel shall notify each de micromis party of its inclusion on the list issued under paragraph (1) not later than 20 days after issuing the list.

"(3) Any person included on the list of de micromis parties is exempt from liability to the United States and shall have no other liability (including liability for contribution), under Federal or State law, to any person for response actions or for any past, present, or future costs incurred at the site, provided that the person takes no other actions after being included on the list that would give rise to a separate basis for liability under this Act.

"(d) IDENTIFICATION OF LIABLE PARTIES AND DETERMINATION OF ASSIGNED SHARES.—

"(1) FIRST ALLOCATION ADVOCACY PAPER.—Unless the allocation panel determines that it would unduly delay the process, the guardian, the State, and any potentially responsible party may file an allocation advocacy paper with the Hearing Clerk not later than 30 days after the publication of the initial list of potentially responsible parties in the

Federal Register. Any such allocation advocacy paper, which shall be served on the guardian, the State, and each potentially responsible party, shall be a concise statement, together with citations to relevant supporting evidence and law, of the party's position with regard to—

"(A) the legal and factual criteria that should be used in determining whether a potentially responsible party at the site is a liable party; and

"(B) how the allocation factors set forth in subsection (g)(2) should be applied to determine the assigned share of each liable party.

"(2) FIRST ALLOCATION REPORT.—Within 90 days after the publication of the initial list of potentially responsible parties in the Federal Register, the allocation panel shall issue its first allocation report tentatively specifying the criteria to be used in identifying the liable parties, tentatively specifying how the allocation factors will be applied to the case to determine assigned shares, and setting forth the process and schedule that will be used to allow parties the opportunity to present written evidence and argument regarding how such criteria and factors apply to the case. The first allocation report shall be served on the guardian, on the State, and on each potentially responsible party.

"(3) SECOND ALLOCATION ADVOCACY PAPER.—The guardian, the State, and each potentially responsible party may file an allocation advocacy paper with the Hearing Clerk not later than 60 days after receipt of the first allocation report. The allocation advocacy paper, which shall be served on the guardian, the State, and each potentially responsible party, shall be the primary opportunity for the guardian, the State, and each potentially responsible party to present evidence and argument regarding how the liability criteria and the allocation factors should be applied to such party and, if desired by the person filing the paper, how those criteria and factors should be applied to other potentially responsible parties at the site.

"(4) HEARING.—Any potentially responsible party may request a hearing on the determination that such party is a liable party and on the determination of its assigned share. The allocation panel may hold such a hearing if the allocation panel determines that it would expedite or materially assist in the resolution of disputed factual or legal issues. The allocation panel shall have broad discretion in managing the conduct of any such hearing, including limiting the time available to each party and requiring that parties with generally similar interests be represented by a single spokesperson or common counsel. The allocation panel may allow or prohibit the cross-examination of witnesses.

"(5) RULE OF DECISION.—Any party may present written evidence or argument on whether it, or any other potentially responsible party, is a liable party and on the appropriate assigned share for itself or any other potentially responsible party. A potentially responsible party shall be deemed a liable party if the allocation panel determines that the preponderance of the evidence supports the conclusion that such party is liable.

"(6) SECOND ALLOCATION REPORT.—Following the submission of advocacy papers and at the conclusion of any hearings, the allocation panel shall issue a second allocation report identifying all liable parties at the site and specifying the assigned share of each liable party. If the second allocation report changes or expands the list of potentially responsible parties or the criteria or factors set forth in the first allocation report, then the second report shall so specify and provide a brief explanation of any such change. The second allocation report shall be served on the guardian, the State, all potentially responsible parties, and all liable parties.

"(e) DETERMINATION OF ORPHAN SHARE.—

"(1) ORPHAN SHARE ADVOCACY PAPER.—Unless the allocation panel determines that it would unduly delay the process, the guardian, the State, and each liable party may file an orphan share advocacy paper with the Hearing Clerk not later than the 30-day period beginning on the date of issuance of the second allocation report. The orphan share advocacy paper shall be the primary opportunity for the guardian, the State, and each liable party to present written evidence and argument as to which liable parties are orphan parties whose assigned share should, in whole or in part, be assigned to the orphan share.

"(2) ORPHAN SHARE REPORT.—Following the expiration of the 30-day period referred to in paragraph (1), the allocation panel shall issue an orphan share allocation report identifying the orphan share. The orphan share report shall be served on the guardian, the State, all potentially responsible parties, and all liable parties.

"(f) DETERMINATION OF NONLIABLE PARTIES.—(1) At any time during the period beginning six months after the filing of the petition and ending 18 months after the filing of the petition, the allocation panel shall issue a list identifying all potentially responsible parties that the allocation panel determines did not contribute any amount of hazardous substances to the National Priority List site. The allocation panel shall base the determination on an evaluation of all evidence received at the time of the issuance of the list with respect to the amount of hazardous substances contributed by potentially responsible parties.

"(2) The allocation panel shall notify each nonliable party of its inclusion on the list issued under paragraph (1) not later than 20 days after issuing the list.

"(3) Nonliable parties shall have no other liability, under Federal or State law, to any person for response actions or for any past, present, or future costs incurred at the site, provided that they take no other actions after making such settlement payment that would give risk to a separate basis for their liability under this Act.

"(g) FINAL BINDING ALLOCATION OF RESPONSIBILITY DECISION.—

"(1) DECISION.—(A) Not later than the deadline set forth in subparagraph (B), the allocation panel shall issue a final binding allocation of responsibility decision (in this subsection referred to as the 'final BAR decision') based on the allocation factors listed in paragraph (2). The panel shall include the Government's costs of carrying out the allocation as part of the response costs to be included in the final BAR decision. The decision shall include a list of all potentially responsible parties, a list of all liable parties and the assigned share for each (including all de minimis parties as determined under paragraph (3)), a list of all orphan parties and the portion of the assigned share of each orphan party that is assigned to the orphan share, and the total orphan share assigned to the Fund and to the Retroactive Liability Fund. Where an orphan party is able to pay only a portion of its assigned share, the allocation panel shall allocate to the orphan share the portion of the assigned share that the party is unable to pay and require the party to pay the remainder. The final BAR decision shall provide a concise explanation of the basis for the decision. The decision may consist, in whole or in part, of a compilation of the first allocation report, the second allocation report, and the orphan share report.

"(B) The final BAR decision shall be issued not later than 18 months after the date of publication under section 503(a)(4) of notice that a petition for a binding allocation of responsibility has been filed, except that, in a case of exceptional complexity, the final decision shall be issued not later than 24 months after such date.

"(2) ALLOCATION FACTORS.—An allocation panel shall determine the assigned share of each liable party based on the following factors:

"(A) The degree to which the liable party's contribution to a discharge, release, or disposal of a hazardous substance can be distinguished.

"(B) The amount of hazardous substances contributed by the liable party at the site concerned, compared to the total amount of hazardous substances at that site.

"(C) The degree of toxicity of the hazardous substance contributed by the liable party.

"(D) The degree of involvement by the liable party in the generation, transportation, treatment, storage, or disposal of the hazardous substance.

"(E) The degree of care exercised by the liable party with respect to the hazardous substance concerned, taking into account the characteristics of such hazardous substance.

"(F) The degree of cooperation by the liable party with Federal, State, or local officials to prevent any harm to the public health or the environment.

"(G) The weight of the evidence as to the liability and the appropriate share of the liable party.

"(H) The ability to pay of the liable party.

"(I) Any other equitable factors deemed appropriate.

"(3) DE MINIMIS SETTLEMENTS.—(A) As part of the final BAR decision, or at any time before the issuance of the final BAR decision, the allocation panel shall issue a list identifying all potentially responsible parties that the allocation panel determines contributed only 1.0 percent or less of the total quantity of hazardous substances present at the National Priority List site, to be known as 'de minimis parties'.

"(B) Not later than 60 days after issuance of the final BAR decision or the issuance of the list of de minimis parties under subparagraph (A), whichever is earlier, the Administrator shall make a firm written offer of settlement to all de minimis parties. The amount of the settlement offer for a de minimis party shall be based on the Environmental Protection Agency's estimate of the total cleanup cost at the site multiplied by the de minimis party's allocated share as determined by the allocation panel and increased by a reasonable premium (expressed as a percentage) to reflect the benefit of an early and complete resolution of liability, including consideration of whether the remedy at the site will entail multiple phases or operable units. All settlement offers by the Administrator to de minimis parties at the same site shall be based on the same estimate of cleanup costs and the same premium percentage. The settlement offer under this subparagraph is not subject to judicial review.

"(C) A de minimis party may accept or decline a settlement offer, but any acceptance

of the offer must be made within 60 days after receipt of the offer. A de minimis party that accepts the offer may resolve its liability to the United States by paying the amount of the offer to the Hazardous Substance Superfund. Such settlement may not be reopened after payment is made, except on grounds of fraud.

"(D) De minimis parties that accept the settlement offer and pay the amount of the offer shall have no other liability, under Federal or State law, to any person for response actions or for any past, present, or future costs incurred at the site, provided that they take no other actions after making such settlement payment that would give risk to a separate basis for their liability under this Act.

"(E) All proceeds from de minimis settlements under this paragraph that represent the allocated shares of de minimis parties at a site shall be paid by the Administrator directly to the person performing the response action at the site. All proceeds from de minimis settlements under this paragraph that represent premiums paid by de minimis parties at the site shall be earmarked in the Hazardous Substance Superfund to be used specifically for costs of response action at the site. Any amounts of such settlements remaining in the Fund after completion of the response action shall be available in the Superfund for general use.

"(4) SERVICE AND PUBLICATION.—The binding allocation of responsibility decision shall be served on the guardian, the State, and all liable parties. The Hearing Clerk shall cause a notice of the binding allocation of responsibility decision to be published in the Federal Register and in a newspaper of general publication in the State where the site is located.

"(5) BINDING EFFECT.—The binding allocation of responsibility decision shall be binding as to all past, present, or future liability (i) for response costs incurred under section 107(a)(1)(A), (B), or (D), and (ii) for contribution under section 113. The binding allocation of responsibility decision shall be binding on all persons, including, without limitation, the United States, any affected State or local governmental agency or Indian Tribe, any alleged or nominated potentially responsible party (regardless of whether such party participates in the binding allocation of responsibility), and the public.

"(6) EFFECT ON OTHER PROCEEDINGS.—A determination that a person is a liable party under a binding allocation of responsibility proceeding is applicable only with respect to liability being assigned in the proceeding and not with respect to liability being determined in any other criminal, civil, or administrative proceeding.

"SEC. 504. DUTY TO ANSWER INFORMATION REQUESTS AND REQUESTS FOR PRODUCTION OF DOCUMENTS.

"(a) DUTY TO ANSWER.—Each person who receives any information request or request for production of documents from the allocation panel during a binding allocation of responsibility must provide full and timely responses to the request.

"(b) CERTIFICATION OF DOCUMENTS.—Answers to information requests and requests for production of documents shall include a certification by a responsible representative who meets the criteria established in section 270.11(a) of title 40 of the Code of Federal Regulations that the answers—

"(1) are true and correct to the best of their knowledge;

"(2) are based on a diligent good faith search of records in the possession or control of the person to whom the request was directed;

"(3) are based on a reasonable inquiry of the current and former officers, directors, employees, and agents of the person to whom the request was directed;

"(4) accurately reflect information obtained in the course of conducting such search and such inquiry;

"(5) that the person executing the certification understands that there is a duty to supplement any such answers if, during the binding allocation of responsibility, any significant additional, new, or different information becomes known or available to the answerer; and

"(6) that the person executing the certification understands that there are significant penalties for submitting false information, including the possibility of fine and imprisonment for knowing violations.

"(c) SANCTION.—In addition to any other penalty or sanction, any person who fails to answer an information request or request for production of documents, and who is determined to be a liable party, shall be assigned an assigned share of up to 500 percent of whatever its assigned share would otherwise have been, or up to 50 percent of the total liability at the site, whichever is greater. If this results in a binding allocation of responsibility that allocates more than 100 percent of the total liability, then the excess shall be deposited into the Hazardous Substance Superfund.

"SEC. 505. CIVIL AND CRIMINAL PENALTIES.

"(a) CIVIL PENALTIES.—Any person who fails to submit a complete and timely answer to an allocation panel's information request or request for production of documents or other discovery request, or who submits a response that lacks the certification required under section 504(b), or who makes any false or misleading material statement or representation in any submission to the allocation panel during the binding allocation of responsibility process, including statements or representations in connection with the nomination of another potentially responsible party, shall be subject to civil penalties of up to $10,000 per day of violation. The violation shall be deemed a continuing one until such time as the request is answered or the necessary certification is submitted or the false or misleading statement or representation is corrected. Such penalties may be assessed by the President in accordance with section 109 or by any other party in a citizen suit brought under section 310. A prevailing plaintiff in such a citizen suit shall be awarded its attorneys fees and up to 50 percent of the penalty imposed by the court.

"(b) CRIMINAL PENALTIES.—Any person who knowingly makes any false material statement or representation in the response to an allocation panel's information request or request for the production of documents or other discovery request, or in any other submission to the allocation panel during the binding allocation of responsibility, including statements or representations in connection with the nomination of another potentially responsible party, may be fined under title 18, United States Code, imprisoned for not more than 2 years, or both.

"SEC. 506. DOCUMENT REPOSITORY; CONFIDENTIALITY; NO WAIVER.

"(a) DOCUMENT REPOSITORY.—The allocation panel shall establish and maintain a document repository where copies of all petitions, initial statements, advocacy papers, reports, answers to information requests and requests for production of documents by the allocation panel, answers to Federal or State information requests or requests for the production of documents issued prior to the filing of the petition, produced documents, and all other similar material shall be maintained and organized. The documents and information in the document repository shall be available only to the parties to the binding allocation of responsibility for review and copying at their own expense, subject only to the confidentiality provisions of subsection (b). All responses to any information request or request for production of documents by the allocation panel shall be filed with the clerk for the document repository and need not be served on other potentially responsible parties, the State, or the guardian.

"(b) CONFIDENTIALITY.—(1) All pleadings, documents, and materials submitted to the allocation panel or placed in the document repository, together with the record of any depositions or testimony adduced during the binding allocation of responsibility, shall be confidential and shall not be subject to release under section 552 of title 5, United States Code (the Freedom of Information Act). The Hearing Clerk and each party to the binding allocation of responsibility proceeding shall maintain such pleadings, documents, and materials, together with the record of any depositions or testimony adduced during the binding allocation of responsibility, as confidential. Such material shall not be discoverable or admissible in any other Federal, State or local judicial, administrative, or legislative proceeding of any kind whatsoever, except—

"(A) to the extent necessary to collect or otherwise enforce in court the assigned share of a liable party as determined by the binding allocation of responsibility;

"(B) in a proceeding for judicial review of the binding allocation of responsibility;

"(C) in any new binding allocation of responsibility proceeding concerning the same site; and

"(D) in any binding allocation of responsibility involving a different site where the allocation panel determines that the sites are related and that specified documents from the first binding allocation of responsibility could materially assist the second binding allocation of responsibility.

"(2) Notwithstanding paragraph (1)(D), if the original of any document or material submitted to the allocation panel or placed in the document repository during the binding allocation of responsibility was, while in the possession of the party which provided it, otherwise discoverable or admissible, then such original document, if subsequently sought from such party, shall remain discoverable or admissible. If a fact covered in any deposition or testimony adduced during the binding allocation of responsibility was, in the knowledge of the witness or deponent, otherwise discoverable or admissible, then such testimony, if subsequently sought from such other party, shall remain discoverable or admissible.

"(c) NO WAIVER OF PRIVILEGE.—The submission of documents or information pursuant to the binding allocation of responsibility proceeding shall not be deemed to be a waiver of any privilege, applicable to the original document or fact, under any Federal or State law, regulation, or rule of discovery or evidence .

"(d) DISCOVERY.—In any case where a party to a binding allocation of responsibility receives any request for any pleading, document, or material, or for the record of any depositions or testimony adduced in a binding allocation of responsibility, such party

shall promptly notify the person who originally submitted such item and shall provide such submitting person the opportunity to assert and defend the confidentiality of such item. No party to the binding allocation of responsibility shall release or provide a copy of any pleading, document, or material, or the record of any depositions or testimony adduced therein, to any person not a party to such binding allocation of responsibility, except in compliance with an order from a court.

"(e) CIVIL PENALTY FOR VIOLATION OF CONFIDENTIALITY REQUIREMENTS.—Any person who fails to maintain the confidentiality of any pleadings, documents, or materials, or the record of any deposition or testimony adduced during the binding allocation of responsibility, or who releases any such information in violation of this section, shall be subject to a civil penalty of up to $25,000 per violation. Such a penalty may be assessed by the President in accordance with section 109 or by any other party in a citizen suit brought under section 310. A prevailing plaintiff in such a citizen suit shall be awarded its attorneys fees and up to 50 percent of the penalty imposed by the court.

"SEC. 507. FINAL AGENCY ACTION AND JUDICIAL REVIEW.

"(a) FINAL AGENCY ACTION.—The binding allocation of responsibility decision of the allocation panel shall constitute final agency action pursuant to section 706 of title 5, United States Code, subject only to review by the Administrator in situations of fraud or gross misconduct.

"(b) JUDICIAL REVIEW.—

"(1) IN GENERAL.—No Federal or State court shall have jurisdiction to review, modify, or enjoin any aspect of any binding allocation of responsibility proceeding except as expressly set forth in this subsection. No aspect of any action, decision, ruling, or determination by an allocation panel in any binding allocation of responsibility proceeding shall be subject to administrative or judicial review in any Federal or State court until after the final binding allocation of responsibility decision (in this subsection referred to as the 'final BAR decision') is issued by the allocation panel. Thereafter the Administrator, the guardian, the State, or any person determined by the allocation panel to be a liable party may obtain judicial review of a final BAR decision by filing a petition for review with the United States Court of Appeals for the Circuit in which the facility is located or for the District of Columbia.

"(2) PETITION.—Any such petition for review must be filed within 60 days after the date of the final BAR decision by the allocation panel. The petition shall set forth either the specific assigned share of liability that the petitioner believes should have been assigned to it (or, in the case of a petition filed by the guardian, the assigned share that the guardian believes should have been assigned to the orphan share) in the binding allocation of responsibility, or stating specifically that the petitioner believes it should not have been found to have any liability at all.

"(3) REVIEW.—Judicial review of the final BAR decision shall be conducted on the administrative record, which shall include all materials relating to the issues raised on appeal by the petitioner that are contained in the document repository described in section 506(a). The court shall set aside the binding allocation of responsibility only if it is found to be arbitrary, capricious, an abuse of discretion, or contrary to constitutional right, power, privilege, or immunity.

"(4) PAYMENT DURING PENDENCY OF REVIEW.—During the pendency of a petition for review under this section, the petitioner shall pay any demand notices rendered for its assigned share in accordance with the binding allocation of responsibility decision, subject to later refund if the petitioner prevails in the litigation.

"(5) CONDUCT OF RESPONSE ACTION DURING PENDENCY OF REVIEW.—During the pendency of a petition for review under this section, response action with respect to the site may occur, but only as provided in section 121(b)(7).

"(6) LIABILITY OF SUCCESSFUL PETITIONER.—If the petitioner is a liable party and the court adopts the assigned share proposed by the petitioner, then the difference between that share and the share originally assigned to the petitioner shall be added to the orphan share. If the petitioner is the guardian and the court adopts the orphan share proposed by the petitioner, then the matter shall be remanded to the allocation panel for the issuance, as soon as possible, of a revised binding allocation of responsibility decision in accordance with the decision of the court.

"(7) LIABILITY OF UNSUCCESSFUL PETITIONER.—(A) In the case of a petitioner who is a liable party petitioning for a change in the petitioner's assigned share, and the court does not adopt the assigned share proposed by the petitioner, the following provisions apply:

"(i) The petitioner shall reimburse all other parties that participated in the appeal for the actual attorneys' fees and costs that they incurred in defending the binding allocation of responsibility decision.

"(ii) The petitioner may participate in the settlement based on its assigned share if the petitioner notifies the court of such intention within 10 days after the court's decision on the petition.

"(iii) If the petitioner does not give notice as described in clause (ii), the petitioner is considered to have not resolved its liability to the United States and is subject to civil action under section 106, 107(a), and 113 for the following response costs with respect to the National Priority List site concerned:

"(I) The assigned share of the petitioner, as determined in the final BAR decision, plus

"(II) the orphan share for that site.

"(iv) A petitioner covered by clause (ii) is subject to claims for contribution from, and may make claims for contribution against, other unsuccessful petitioners with respect to the National Priority List site concerned.

"(B) In the case of a petitioner who is a liable party petitioning for a determination that the petitioner is not liable with respect to the site concerned (for reasons such as the fact that the petitioner is a successor to, or a parent or subsidiary of, a company which the petitioner believes should be assigned liability instead), and the court denies the petition, the petitioner is liable for its assigned share as determined in the final BAR decision.

"SEC. 508. COLLECTION, ENFORCEMENT, AND IMPLEMENTATION.

"(a) COLLECTION.—

"(1) AMOUNT RECOVERABLE.—After a final binding allocation of responsibility decision is made with respect to a National Priority List site, any creditor party may, in accordance with paragraph (2), recover from any debtor party the following:

"(A) With respect to a debtor party who is a liable party, that party's assigned share, as determined under the binding allocation of responsibility.

"(B) With respect to a debtor party which is the Hazardous Substance Superfund or the Retroactive Liability Fund, the orphan share, as determined under the binding allocation of responsibility.

"(C) With respect to a debtor party who is either a liable party or the Hazardous Substance Superfund or the Retroactive Liability Fund, any attorneys' fees incurred by the creditor party in a judicial action seeking to recover costs from the debtor party.

"(2) PROCEDURES FOR RECOVERY.—Recovery by a creditor party from a debtor party shall be carried out in accordance with the following provisions:

"(A) The creditor party shall file a certified copy of the final decision of the binding allocation of responsibility in the United States District Court for the district in which the site is located.

"(B) The creditor party shall file a verified statement with the same court specifying the actions taken and the costs incurred by the creditor party, and stating that such actions and costs are not inconsistent with the National Contingency Plan.

"(C) The creditor party shall serve a demand notice to each debtor party against whom enforcement is sought and shall deliver a copy of each such notice to the Administrator and the State in which the site is located. The demand notice shall specify the total amount of costs covered by the notice, state a demand amount (consisting of the debtor party's assigned share or, with regard to the Fund, the orphan share), and demand that the debtor party pay such demand amount within 30 days after receipt of the notice. Any demand notice served by a creditor party shall provide that a debtor party may pay the demand amount over a period of time in installment payments. A copy of the demand notice shall be filed with the United States District Court for the district in which the site is located.

"(D) With respect to any response actions or expenditures of a continuing nature, verified statements and demand notices shall be filed with the court and delivered to the debtor parties and the guardian quarterly.

"(E) Where several liable parties, or a liable party and the Administrator or the State, each take actions or incur costs not inconsistent with the National Contingency Plan, different demand notices may be issued concurrently.

"(b) PENALTIES AND DAMAGES.—Except in the case of a challenge to collection duly filed in accordance with subsection (c), if a liable party, including any Federal, State, or local governmental agency, fails to pay the sum specified in a demand notice within 30 days after receipt of the notice (or, in the case of a debtor party paying by installments, within 30 days after an installment payment is due), such party shall be liable for the interest thereon, civil penalties of up to $10,000 per day, and damages of up to an amount equal to 3 times the sum specified in the demand notice. In the case of the orphan share, if the Hazardous Substance Superfund or the Retroactive Liability Fund fails to pay the sum specified in a demand notice within 30 days after receipt of the notice, the Fund or the Retroactive Liability Fund shall be liable for interest thereon and damages of up to the amount equal to 2 times the sum specified in the demand notice.

"(c) CHALLENGES TO ENFORCEMENT.—There shall be no administrative or judicial review of any aspect of a demand notice filed and delivered pursuant to subsection (a) except in accordance with this subsection. Within 30 days after receipt of a demand notice, a liable party or, in the case of the orphan share, the guardian may file a petition with the allocation panel that issued the binding allo-

cation of responsibility decision contending that the costs reflected in the demand notice were incurred for actions inconsistent with the National Contingency Plan. If such a petition is filed, the allocation panel shall conduct an expedited review of the matter. The review shall be limited solely to the issue of the alleged inconsistency of the response actions and costs with the National Contingency Plan. The person challenging the demand notice shall have the burden of proof that such actions and the claimed costs are inconsistent with the National Contingency Plan. The allocation panel's decision shall not be subject to judicial review. Payment need not be made, and no interest shall accrue, pending the allocation panel's decision.

"(d) SUBSEQUENT ADDITIONS TO ORPHAN SHARE.—If good faith collection and enforcement efforts, whether by the Federal or State government or by any other creditor party, against a liable party results in a judicial or administrative determination that such liable party is an orphan party, then such liable party's share will be added to the orphan share amount and will be recoverable from the Hazardous Substance Superfund.

"(e) CONTRIBUTION PROTECTION.—Liable parties that pay their assigned share and comply with the binding allocation of responsibility decision shall have no other liability, under Federal or State law, to any person for costs incurred at the site, and shall be granted covenants not to sue by the Federal Government and the State government concerned, except that the binding allocation of responsibility decision shall not affect any contract for insurance or indemnification.

"SEC. 509. TRANSITION PROVISIONS.

"(a) IN GENERAL.—Except as provided in subsection (b), no person may initiate any administrative or judicial action under section 106, subparagraph (A), (B), or (D) of section 107(a)(1), or section 113, or under any other Federal or State law or regulation, for the recovery of response costs, contribution, or performance of response actions regarding any National Priority List site until 90 days after a final binding allocation of responsibility is issued.

"(b) EXCEPTIONS.—Subsection (a) is subject to only the following exceptions:

"(1) ADMINISTRATIVE ORDERS FOR EMERGENCY REMOVAL ACTIONS.—The President may issue an order under section 106, prior to the issuance of a final binding allocation of responsibility, if the order is limited to those actions required to implement immediate risk reduction measures pending the issuance of the final binding allocation of responsibility decision.

"(2) CONTINUATION OF PENDING RESPONSE ACTIONS.—In any case where, as of the date of enactment of this title, the Administrator or a State has already issued a binding contract for the performance of a remedial investigation/feasibility study or has issued an administrative order or executed a consent decree for the performance of any response action, the binding allocation of responsibility process shall not affect the timing or manner of implementation of such response actions.

"(c) STAY OF EXISTING ACTIONS.—

"(1) STAY OF PENDING ENFORCEMENT ACTIONS.—In any case where, as of the date of enactment of this title, the Administrator or the State has already initiated any administrative or judicial enforcement action regarding the liability of any party under section 106, subparagraph (A), (B), or (D) of section 107(a)(1), or section 113, or under any other Federal or State law or regulation for the response costs, contribution, or performance of response actions, such action shall be automatically stayed until 90 days after a binding allocation of responsibility is issued, any judicial review of such allocation is completed, and a final administrative or judicial allocation decision is rendered.

"(2) STAY OF PENDING PRIVATE PARTY LITIGATION.—In any case where, as of the date of enactment of this title, any private person has initiated any administrative or judicial action regarding the liability of any party at a National Priority List site under section 106, subparagraph (A), (B), or (D) of section 107(a)(1), or section 113, or under any other Federal or State law or regulation for the response costs, contribution, or performance of response actions, such action shall be automatically stayed until 90 days after a binding allocation of responsibility is issued, any judicial review of such allocation is completed, and a final administrative or judicial allocation decision is rendered.

"(d) CREDIT FOR ACTIONS AND COSTS IN PENDING MATTERS.—In the case of any response action performed or cost incurred in any activity carried out pursuant to subsection (b), the liability for such response action shall be governed by, and the costs of implementing any such response action or other activity carried out pursuant to subsection (b), shall be included in, the subsequently issued binding allocation of responsibility for such National Priority List site. In conducting the binding allocation of responsibility, the allocation panel shall, to the extent reasonably possible, give credit for any prior costs incurred or response actions performed at the National Priority List site.

"(e) LIMITATIONS ON EXISTING ACTIONS.—(1) The time period described in paragraph (2) shall not be counted in determining the statute of limitations applicable to any administrative or judicial action under section 106, subparagraph (A), (B), or (D) of section 107(a)(1), or section 113, or under any other Federal or State law or regulation, for the recovery of costs, for contribution, or for the investigation, cleanup, or remediation of any National Priority List site.

"(2) The time period referred to in paragraph (1) is the period beginning on the date that any person first files a petition for the initiation of a binding allocation of responsibility for that site and ending on the date that a binding allocation of responsibility is issued.

"SEC. 510. VOLUNTARY SETTLEMENTS.

"Prior to the issuance of a binding allocation of responsibility decision, any group of potentially responsible parties may submit a private allocation for the National Priority List site (to be known as a 'voluntary binding allocation of responsibility') to the allocation panel. If such voluntary binding allocation of responsibility meets the following criteria, the allocation panel shall promptly adopt it as the binding allocation of responsibility:

"(1) The voluntary binding allocation of responsibility shall be a binding allocation of 100 percent of past, present, and future recoverable response costs at the site.

"(2) The voluntary binding allocation of responsibility shall not allocate any costs or requirements—

"(A) to the orphan share, unless the guardian agrees, in writing, to such allocation; or

"(B) to any person who is not a signatory to the voluntary binding allocation of responsibility.

"(3) Signatories to the voluntary binding allocation of responsibility shall be entitled to contribution protection as specified in section 508(e). Such signatories shall be prohibited from pursuing any cost recovery action or contribution against any non-signatory, but may seek additional recovery against non-signatories based on a contract for insurance or indemnification.

"(4) Signatories to the voluntary binding allocation of responsibility shall be entitled to enforce it in the same manner as any binding allocation of responsibility final decision by the allocation panel.

"SEC. 511. NEW BINDING ALLOCATIONS OF RESPONSIBILITY.

"A binding allocation of responsibility shall constitute a permanent determination of the assigned share of each liable party and of the orphan share and, except for additions to the orphan share pursuant to section 508(d) and judicially mandated changes pursuant to section 507(b), the binding allocation of responsibility shall not be subject to any change or revision for at least 5 years after the date of the binding allocation of responsibility final decision. Thereafter a new binding allocation of responsibility process shall be available only if the party requesting it demonstrates that, due to new information not reasonably available during first binding allocation of responsibility, a 35 percent or greater increase in total waste-in volume has been discovered. If such a request for a new binding allocation of responsibility is granted, the same rules and procedures described for initial binding allocations of responsibility apply to the new or revised binding allocation of responsibility. New binding allocations of responsibility shall only apply to funds actually expended after the effective date of the new binding allocation of responsibility decision, with no credits for funds already expended. Subsequent new binding allocations of responsibility requests are prohibited until 5 years after the date of issuance of the prior new binding allocation of responsibility.".

SEC. 111. SITE REDEVELOPMENT.

Section 107 of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9607) is amended by adding the following at the end thereof:

"(n) SITE REDEVELOPMENT.—

"(1) EXEMPTION.—No person who is a qualified redeveloper shall be liable under this title for costs or damages with respect to the release of any hazardous substance or the threat of any such release from any facility solely by reason of an agreement by such person to redevelop such facility after a response action has been completed (as determined by the President) at such facility.

"(2) QUALIFIED REDEVELOPER.—For purposes of this subsection, the term 'qualified redeveloper' means a person who is not otherwise liable under section 107 and did not cause or contribute to the release or threat of release which necessitated the response action referred to in paragraph (1).".

SEC. 112. LIABILITY OF RESPONSE ACTION CONTRACTORS.

(a) EXTENSION OF NEGLIGENCE STANDARD.—Subsection (a) of section 119 of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 is amended—

(1) in paragraph (1) by striking out "title or under any other Federal law" and inserting in lieu thereof "title, under any other Federal law, or under the law of any State or political subdivision of a State"; and

(2) by adding at the end of paragraph (2) the following: "Such conduct shall be evaluated based on the generally accepted standards and practices in effect at the time and place that the conduct occurred.".

(b) EXTENSION OF INDEMNIFICATION AUTHORITY.—Section 119(c) of such Act is amended by adding at the end of paragraph (1) the following: "Any such agreement may apply to claims for negligence arising under Federal, State, or common law.".

(c) EXTENSION OF COVERAGE.—Section 119(e) of such Act is amended in the text appearing after subparagraph (D)—

(1) by striking out "List, or any removal under this Act," and inserting in lieu thereof "List, any removal under this Act, or any response action under this Act at a facility using an alternative or innovative technology,"; and

(2) by inserting before the period the following: ", or to undertake appropriate natural resource restoration actions necessary to protect and restore any natural resources damaged by such release or threatened release of a hazardous substance or pollutant or contaminant".

(d) INDEMNIFICATION FOR THREATENED RELEASES.—Section 119(c)(5) of such Act is amended in subparagraph (A) by inserting "or threatened release" after "release" both places it appears.

(e) CLARIFICATION OF LIABILITY.—Section 101 of such Act, as amended by section 106, is further amended by adding at the end of paragraph (20) the following:

"(F) The term 'owner or operator' does not include any person carrying out a written contract or agreement with any Federal agency, any State (or any political subdivision of a State), or any responsible party to provide any response action or any form of services or equipment ancillary to such response action. Any such person shall not be considered to have caused or contributed to any release or threatened release of, or to have arranged for disposal or treatment of, or arranged with a transporter for transport for disposal or treatment of, or transported, hazardous substances or pollutants or contaminants. This subparagraph shall not apply to any person potentially responsible under section 106 or 107 other than those persons associated solely with the provision of response action or any form of ancillary services or equipment.".

(f) FEDERAL STATUTE OF REPOSE.—Section 119 of such Act is further amended by adding at the end the following new subsection:

"(g) LIMITATION ON ACTIONS AGAINST RESPONSE ACTION CONTRACTORS.—No action to recover for any injury to property, real or personal, or for bodily injury or wrongful death, or any other expenses or costs arising out of the performance of services under a response action contract, nor any action for contribution or indemnity for damages sustained as a result of such injury, shall be brought against any response action contractor more than 6 years after the completion of work at any site under such contract. The limitation prescribed in this subsection shall not affect any right of indemnification that such response action contractor may have under this section or may acquire by written agreement with any party.".

TITLE II—STATE IMPLEMENTATION

SEC. 201. STATE AUTHORITY.

(a) STATE AUTHORIZATION.—Title I of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9600 et seq.) is amended by adding after section 126 the following new section:

"§ 127. State authority

"(a) STATE PROGRAM AUTHORIZATION.—

"(1) IN GENERAL.—At any time after the promulgation of regulations required by paragraph (2), a State may apply to the Administrator to carry out, under its own legal authorities, response actions and enforcement activities at all facilities listed or proposed for listing on the National Priorities List, or certain categories of facilities listed or proposed for listing on the National Priorities List, within the State. If the Administrator determines that the State meets the criteria for eligibility, the Administrator, pursuant to a contract or agreement entered into between the Administrator and the State, shall authorize the State to assume the responsibilities established under this Act at all such facilities or categories of facilities. Except as otherwise provided in this Act, such responsibilities include, but are not limited to, responding to a release or threatened release of a hazardous substance or pollutant or contaminant; selecting response actions; expending the Fund and the Retroactive Liability Fund in amounts authorized by the Administrator to finance response activities; and taking enforcement actions, including cost recovery actions to recover Fund and the Retroactive Liability Fund expenditures made by the State. In an application for authorization, a State shall acknowledge its responsibility to address all response actions at the facilities for which it seeks authorization.

"(2) PROMULGATION OF REGULATIONS.—Not later than 1 year after the date of the enactment of the Comprehensive Superfund Improvement Act, the Administrator shall issue regulations to determine a State's eligibility for authorization and to establish a process and criteria for withdrawal of such an authorization. A State shall be considered eligible for authorization if the Administrator determines that the State possesses the legal authority, technical capability, and resources necessary to conduct response actions and enforcement activities in a manner that is substantially consistent with this Act and the National Contingency Plan at the facilities listed or proposed for listing on the National Priorities List for which it seeks authorization.

"(b) AUTHORIZED USE OF FUNDS.—At facilities listed on the National Priorities List for which a State is authorized under subsection (a), and at facilities listed on the National Priorities List which are referred to a State under subsection (b), the State shall be eligible for response action financing from the Fund and the Retroactive Liability Fund. The Administrator shall ensure that all allocations of the Fund and the Retroactive Liability Fund to the States for the purpose of undertaking site-specific response actions are based primarily on the relative risks to human health and the environment posed by the facilities eligible for funding. The amount of Fund and Retroactive Liability Fund financing for a State-selected response action at a facility listed on the National Priorities List shall—

"(1) take into account the number and financial viability of parties identified as potentially liable for response costs at such facility, and

"(2) be limited to the amount necessary to achieve a level of response that is not more stringent than that required under this Act.

A State also may obtain Fund financing to develop and enhance its capacity to undertake response actions and enforcement activities. The Administrator, in consultation with the States, shall establish, within 1 year after the date of enactment of the Comprehensive Superfund Improvement Act, specific criteria for allocating expenditures from the Fund and the Retroactive Liability Fund among States for the purposes of undertaking response actions and enforcement activities at referred and State-authorized facilities, and building State capacities to undertake such response actions and enforcement activities.

"(c) STATE COST SHARE.—Notwithstanding section 104(c)(3)(C) of this Act, a State shall pay or assure payment of 10 percent of the costs of all response actions (including response actions at facilities operated by the State or a political subdivision of the State) for which the State receives funds from the Fund under this section. A State the receives funds from the Retroactive Liability Fund under this section shall not be subject to any cost share requirements for the receipt of those funds.

"(d) TERMS AND CONDITIONS; COST RECOVERY.—A contract or agreement for a State authorization or referral under this section is subject to such terms and conditions as the Administrator prescribes. The terms and conditions shall include requirements for periodic auditing and reporting of State expenditures from the Fund and the Retroactive Liability Fund. The contract or agreement may cover a specific facility, a category of facilities, or all facilities listed or proposed to be listed on the National Priorities List in the State. The contract or agreement shall require the State to seek cost recovery, as contemplated by this Act, of all expenditures from the Fund. Ten percent of the moneys recovered by the State may be retained by the State for use in its hazardous substance response program, and the remainder shall be returned to the Fund. Before making further allocations from the Fund to any State, the Administrator shall take into consideration the effectiveness of the State's enforcement program and cost recovery efforts.

"(e) ENFORCEMENT OF AGREEMENTS.—If the Administrator enters into a contract or agreement with a State pursuant to this section, and the State fails to comply with any terms and conditions of the contract or agreement, the Administrator, after providing 60 days notice, may withdraw the State authorization or referral, or seek in the appropriate Federal district court to enforce the contract or agreement to recover any funds advanced or any costs incurred because of the breach of the contract or agreement by the State.

"(f) MORE STRINGENT STATE STANDARDS.—Under either an authorization or referral, a State may select a response action that achieves a level of cleanup that is more stringent than required under section 121 of this Act if the State agrees to pay for the incremental increase in response cost attributable to achieving the more stringent cleanup level. Neither the Fund, the Retroactive Liability Fund, nor any party liable for response costs shall incur costs in excess of those necessary to achieve a level of cleanup required under section 121 of this Act.

"(g) OPPORTUNITY FOR PUBLIC COMMENT.—The Administrator shall make available, for public review and comment, applications for authorization under subsection (a) and applications for referral under subsection (b). The Administrator shall not approve or withdraw authorization or referral from a State unless the Administrator notifies the State, and makes public, in writing, the reasons for such approval or withdrawal.

"(h) PERIODIC REVIEW OF AUTHORIZED STATE PROGRAMS AND REFERRALS.—The Administrator shall conduct a periodic review of authorized State programs and referrals to determine, among other things, whether—

"(1) the response actions were selected and conducted in a manner that was substantially consistent with this Act, the National Contingency Plan, and the contract or agreement between the Administrator and the State;

"(2) the State response costs financed by Fund and Retroactive Liability Fund expenditures were incurred in the manner agreed to by the State, in accordance with the contract or agreement between the Administrator and the State; and

"(3) the State's cost recovery efforts and other enforcement efforts were conducted in accordance with the contract or agreement between the Administrator and the State.

Within 1 year after the date of enactment of the Comprehensive Superfund Improvement Act, the Administrator, in consultation with the States, shall develop specific criteria for periodic reviews of authorized State programs and referrals. The Administrator shall establish a mechanism to make the periodic State reviews available to the public.".

(b) TRANSITION AND CONFORMING AMENDMENTS.—

(1) Sections 104(c)(5), 104(c)(7), 104(d)(1), and 104(d)(2) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 are each amended by inserting after the heading in each paragraph the following—"This paragraph applies only to response actions for which a Record of Decision or other decision document is signed before the date of enactment of the Comprehensive Superfund Improvement Act.".

(2) Section 114(a) of such Act is amended by striking "Nothing" and inserting—"Except as otherwise provided in this Act, nothing";

(3) Paragraph (1) of section 121(f) of such Act is amended to read as follows: "(1) The President may repeal, no earlier than one year after the promulgation of final regulations under sections 127(a)(3) and 127(b)(3), the regulations issued under this paragraph prior to the date of enactment of the Comprehensive Superfund Improvement Act.";

(4) Paragraphs (2) and (3) of section 121(f) of such Act are each amended in the second sentence of subparagraph (A) by striking "does not attain a legally applicable or relevant and appropriate standard, requirement, criteria, or limitation, under the authority of subsection(d)(4)" and inserting in lieu thereof "is not relevant and appropriate under subsection(d),".

(5) Section 302(d) of such Act is amended by striking "Nothing" and inserting—"Except as otherwise provided in this Act, nothing".

SEC. 202. TRANSFER OF AUTHORITIES.

Section 120(g) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9620(g)) is amended by inserting after "the Environmental Protection Agency," the following: "and except as provided in section 127,".

SEC. 203. EPA OVERSIGHT COSTS.

(a) OVERSIGHT COST ACCOUNTING AND APPEAL PROCEDURE.—Section 104(a) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9604(a)) is amended by adding at the end the following new paragraph:

"(5) OVERSIGHT COST ACCOUNTING AND APPEAL PROCEDURE.—(A) The President shall maintain detailed and timely records of the costs incurred under, or in connection with, any oversight contract or arrangement referred to in paragraph (1). The President shall submit such records to the responsible party that has agreed to reimburse the Fund for such costs with each demand or bill for such costs.

"(B) The President shall establish an administrative procedure under which a party that conducts any response action may contest the amount of costs incurred by the President in overseeing the conduct of that response action. The procedure shall be carried out separately from the conduct of the response action at the facility concerned.".

(b) LIMITATION ON OVERSIGHT COSTS.—Any costs of oversight incurred by the President that exceed 50 percent of the response costs incurred by the responsible party or parties at the facility concerned shall be paid by the Fund, unless the responsible party or parties have previously agreed to pay a larger sum under a court decree or the response action is being conducted under an order issued under section 106 of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980.

TITLE III—REMEDY SELECTION

SEC. 301. IMMEDIATE RISK REDUCTION MEASURES.

(a) IMMEDIATE RISK REDUCTION MEASURES.—Section 104(a) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 is amended—

(1) by redesignating paragraphs (1), (2), (3), and (4) as paragraphs (2), (3), (4), and (5), respectively;

(2) in paragraph (5) (as redesignated), by striking out "paragraph (3)" and inserting in lieu thereof "paragraph (4)"; and

(2) by inserting after "(a)" the following new paragraph (1): "(1) IMMEDIATE RISK REDUCTION MEASURES.—

"(A) AUTHORITY TO ACT.—Whenever any hazardous substance, pollutant, or contaminant is released or there is a substantial threat of such a release into the environment, and such release may present an imminent and substantial danger to the public health, the President, or the State in the case of a facility for which a State has responsibility under section 127, is authorized to act to minimize and prevent to the extent possible the endangerment to the public health.

"(B) TYPES OF MEASURES ALLOWED.—The actions that the President or a State may take under this paragraph (hereinafter in this section referred to as 'immediate risk reduction measures') may include, but are not limited to, the following:

"(i) The removal of waste from barrels, tanks, or lagoons.

"(ii) The provision of alternative water supplies or point-of-use treatment.

"(iii) The prevention of discharges to surface waters or ground waters.

"(iv) The installation of fencing.

"(v) The institution of other institutional controls.

"(C) MEASURES PROHIBITED.—The authority provided by this paragraph does not include authority for the President or a State to institute long-term remediation measures.

"(D) TIMING.—The President or a State shall commence immediate risk reduction measures under this paragraph—

"(i) in the case of a facility that is not listed on the National Priorities List, as soon as practicable after the President or the State becomes aware of an endangerment to the public health; and

"(ii) in the case of a facility that is listed on the National Priorities List, not later than 60 days after the facility is so listed.

"(E) COST EFFECTIVENESS.—Any immediate risk reduction measure carried out under this paragraph shall be conducted in the most cost-effective manner practicable.

"(F) FUNDING.—The Fund may be used to pay for immediate risk reduction measures taken under this paragraph. The President may (in accordance with title V) recover the costs of such measures from any person determined to be liable for such costs but, in the case of measures costing less than $1,000,000, the President may choose not to recover such costs.

"(G) JUDICIAL REVIEW.—The decision of the President or a State to act under this subsection is subject to review as provided in chapter 7 of title 5, United States Code, except that a reviewing court may set aside an action only if it is found to be arbitrary, capricious, an abuse of discretion, or otherwise not in accordance with law. Review may be had only in the United States district court for the district in which the facility or site is located.".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect on the date of the enactment of this Act.

SEC. 302. SITE SCORING.

Section 105(c)(1) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9605(c)(1)) is amended—

(1) by inserting "(A)" after "REVISION.—"; and

(2) by adding at the end the following new subparagraph

"(B)(i) After the date of enactment of the Comprehensive Superfund Improvement Act, the hazard ranking system shall be applied to a site or facility only after the site or facility has undergone immediate risk reduction measures pursuant to section 104(a)(1). In applying such ranking system, conditions existing at the site or facility before the immediate risk reduction measures were taken shall not be taken into account.

"(ii) Clause (i) shall apply to all sites and facilities to be newly listed on the National Priorities List after such date of enactment and to any sites already so listed as of such date of enactment but for which a remedial investigation and feasibility study has not been conducted as of such date.

"(iii) As soon as practicable after such date of enactment, the President shall revise the hazard ranking system regulations to reflect the requirements this subparagraph. ".

SEC. 303. LONG-TERM RESPONSE PLAN.

(a) IN GENERAL.—Section 104(a) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended by section 301, is further amended by adding at the end the following new paragraph:

"(6) LONG-TERM RESPONSE PLAN.—

"(A) IN GENERAL.—Before carrying out or allowing another person to carry out a response action at a facility under this subsection, the President, or the State in the case of a facility for which a State has responsibility under section 127, shall prepare a long-term response plan (hereinafter in this section referred to as an 'LTRP' or 'plan') for such facility. The President or State may allow a potentially responsible party to prepare such a plan and to carry out the elements of the plan listed in clauses (i), (ii), and (iv) of subparagraph (B).

"(B) ELEMENTS OF LTRP.—The LTRP shall address the following elements:

"(i) SITE CHARACTERIZATION.—The site characterization element of the plan shall determine the type, nature, and extent of contamination at the facility, including the location of the sources of the release or threatened release. The site characterization component shall be completed within 12 months after a facility is listed on the National Priorities List.

"(ii) RISK ASSESSMENT.—The risk assessment element of the plan shall be carried out in accordance with paragraph (7). The risk

assessment component shall be performed simultaneously with the site characterization component and shall be completed within 12 months after a facility is listed on the National Priorities List.

"(iii) COMMUNITY ADVISORY COUNCILS.—The plan shall take into account any recommendations made by the community advisory council for the facility created under section 117(f). The council shall provide its recommendations with respect to the facility within 12 months after a facility is listed on the National Priorities List.

"(iv) RESPONSE OPTION IDENTIFICATION.—The response option identification element of the plan shall be carried out in accordance with paragraph (8) during the 3-month period beginning on the date on which the elements listed in clauses (i) through (iii) are completed.

"(C) APPLICABILITY.—(i) A long-term response plan shall be required for the following:

"(I) A facility to be newly listed on the National Priorities List after the date of enactment of the Comprehensive Superfund Improvement Act.

"(II) A facility or site listed on the National Priorities List as of such date of enactment but for which a remedial investigation and feasibility study has not been conducted as of such date.

"(III) A facility or site listed on the National Priorities List as of such date of enactment, for which a remedial investigation and feasibility study has been conducted as of such date, but for which a contract has not been executed for remedial design and remedial action as of such date, if the potentially responsible parties and the State in which the facility or site is located agree, within 30 days after such date, to subject themselves to the requirements of an LTRP.

"(ii) A long-term response plan shall not be required for any facility or site with respect to which a contract has been executed for remedial design and remedial action as of such date of enactment. ".

(b) RISK ASSESSMENTS.—(1) Section 104(a) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9604(a)), as amended by section 301 and this section, is further amended by adding at the end the following new paragraph:

"(7) RISK ASSESSMENTS.—

"(A) IN GENERAL.—In carrying out a remedial investigation with respect to a facility, the President or other person carrying out the investigation shall assess the risk to human health and the environment presented by the release or threat of release of a hazardous substance, pollutant, or contaminant. The risk assessment component of the remedial investigation shall be carried out in compliance with regulations promulgated by the President. The President shall ensure that the regulations do not conflict with regional or State guidance on risk assessments. At a minimum, the regulations shall—

"(i) require risk assessments to use exposure factors that accurately describe site or facility conditions; and

"(ii) require that values used to describe quantities of a substance consumed by people accurately reflect average conditions.

"(B) CURRENT RISK VERSUS FUTURE RISK.—In carrying out the risk assessment component of the remedial investigation, the President or other person carrying out the assessment shall separately evaluate (i) the current risks, and (ii) the likely future risks, to human health and the environment, based on current and likely future land use of the site. If the President determines that one or more such risks exist and warrant remedial action, the President shall specify in the record of decision which risks support the decision for remedial action, which risks are current risks, and which risks are likely future risks.

"(C) BEST ESTIMATES VERSUS WORST CASE.—In carrying out the risk assessment component of the remedial investigation, the President or other person carrying out the assessment shall rely to the maximum extent practicable on actual data rather than on assumptions. The President or other person shall provide the most plausible estimate of any risk to human health and the environment. The President or other person also shall describe any assumptions or uncertainties that pertain to such estimate, including the likelihood of human exposure actually occurring. Whenever the President or other person considers it feasible, the President shall provide a quantitative estimate of the uncertainty associated with the most plausible estimate of the risk.".

(1) PERFORMANCE OF RISK ASSESSMENTS BY PRPS.—Section 104(a)(1) of such Act is amended in the second sentence—

(A) by striking out "may" and inserting in lieu thereof "shall"; and

(B) by inserting after "remedial investigation" the following: "(including the risk assessment component of the remedial investigation)".

(c) COMMUNITY ADVISORY COUNCILS.—Section 117 of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9607) is amended by adding at the end the following:

"(f) COMMUNITY ADVISORY COUNCILS.—

"(1) CREATION.—The Administrator shall create a Community Advisory Council for each facility listed on the National Priorities List. Such Council shall be comprised of not more than 20 persons appointed by the Governor of the State in which the facility is located from among persons in the community in which the facility is located. Each such council shall represent a wide variety of local interests.

"(2) PURPOSE.—The Community Advisory Councils shall provide information to potentially responsible parties, the Administrator, and the State with regard to the future use of the facility and affected off-site areas and resources. The councils shall provide a public forum for citizens to voice concerns regarding the response action to be taken and the future use of the site.

"(3) RECOMMENDATIONS.—The President and the State shall taken into consideration any recommendations made by a Community Advisory Council in making decisions regarding any response action under this title at the facility for which such council was established.

"(4) TECHNICAL AND ADMINISTRATIVE SUPPORT FOR COMMUNITY ADVISORY COUNCILS.—The Administrator's regional offices shall provide administrative and technical services for Community Advisory Councils, including technical assistance in understanding this title and the regulations under this title.".

(d) RESPONSE OPTION IDENTIFICATION.—Section 104(a) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9604(a)), as amended by section 301 and this section, is further amended by adding at the end the following new paragraph:

"(8) RESPONSE OPTION IDENTIFICATION.—(A) The response option identification element of a long-term remediation plan shall consist of the development of the range of possible response actions for a facility and the conduct of a cost-benefit analysis on each of the following categories of possible response actions:

"(i) Containment (both permanent and temporary).

"(ii) Remediation.

"(iii) Monitoring.

"(iv) Delisting.

"(v) Institutional controls.

"(B) The President, the State, or the other person carrying out the identification shall take into account advice from the Community Advisory Council created for the facility concerned.

"(C) During the 30-day period occurring after completion of the response option identification, the Community Advisory Council, potentially responsible parties, and any other interested parties may submit comments to the President or the State on preferred options.".

(2) COST-BENEFIT REGULATIONS.— Section 105 of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9605) is amended by adding at the end the following new subsection:

"(h) COST-BENEFIT REGULATIONS.—(1) The President shall promulgate and include in the national contingency plan guidelines for conducting cost/benefit analyses of response actions conducted pursuant to this Act. The guidelines shall include a standard methodology for evaluating benefits and costs over the lifetime of a remedial action.

"(2) In developing the standard methodology under paragraph (1), the President shall seek and take into account suggestions from States and political subdivisions of States for which costs and benefits to include in a cost-benefit analysis, and which methods to use in evaluating the costs and benefits. The costs may include costs related to public welfare.

"(3) In developing the methodology for measuring the costs of a remedial action, the President, at a minimum, shall take into account the following costs:

"(A) Costs associated with the remedial action, including the following:

"(i) Direct capital costs.

"(ii) Operation and maintenance costs.

"(iii) Preconstruction costs, including permitting, siting, and regulatory compliance costs.

"(iv) Capital acquisition, amortization, and debt service costs.

"(v) Consulting costs.

"(vi) Costs and potential liabilities of future environmental remediation if the remedial action does not provide for a permanent remedy.

"(vii) Land acquisition costs.

"(viii) Costs of insurance.

"(B) Avoided or additional costs of cleaning up the contamination using an alternative treatment technology.

"(4) In developing the methodology for measuring the benefits of a remedial action, the President shall, at a minimum, take into account the costs of benefits associated with the remedial action, including the following:

"(A) Increased property values.

"(B) Reduced public health risks.

"(C) Reduced ecological risks.

"(D) Improved environmental quality in the community.".

SEC. 304. LONG-TERM RESPONSE SELECTION.

(a) LONG-TERM RESPONSE SELECTION.—Section 121(a) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9621(a)) is amended to read as follows:

"(a) RESPONSE SELECTION.—

"(1) SECTION 104.—After completion of the long-term response plan for a facility under section 104, the President, or the State in the case of a facility for which a State has responsibility under section 127, shall select that response or combination of responses (from among the options identified in the plan) that best achieves an acceptable level of residual risk reduction at the facility or site (referred to as the 'cleanup goal'), in accordance with the general rules stated in subsection (b).

"(2) SECTION 106.—With respect to actions determined to be necessary by the President to be secured under section 106, the President shall select appropriate remedial actions that are in accordance with this section and, to the extent practicable, the national contingency plan, and which provide for cost-effective response.".

(b) GENERAL RULES FOR RESPONSE SELECTION.—Section 121(b) of such Act is amended to read as follows:

"(b) GENERAL RULES.—

"(1) SELECTION PROCESS.—In selecting a response action under this section, the President (or State, as the case may be) shall review the long-term response plan for the facility or site and consider any recommendations submitted to it from the Community Advisory Council, the potentially responsible parties, and the general public.

"(2) FACTORS TO BE CONSIDERED.—In selecting a response action, the President shall take into account the following:

"(A) Site-specific factors, including the current and likely future uses of the land and the ground water (including any designated uses or institutional controls), the potential for human exposure to contamination, the actual risk to human health, and the degree and type of contamination.

"(B) The economic impact of the action on the potentially responsible parties. In the case of a potentially responsible party which is a municipality or other subdivision of a State (including municipalities that are owners or operators of landfills), the President shall take into account the funding priorities of the community.

"(C) The costs and benefits of the response options, as determined by cost-benefit analysis under section 104(a)(8).

"(3) TYPES OF RESPONSES THAT MAY BE SELECTED.—The types of response actions that the President (or State, as the case may be) may select include the following:

"(A) Monitoring.

"(B) Containment or stabilization, if the President or State finds that any of the following conditions exist with respect to the facility concerned:

"(i) The risks to human health or the environment are low.

"(ii) The costs of other types of remediation, including treatment, are extremely high.

"(iii) No proven technology exists for achieving a permanent and significant decrease in the toxicity, mobility, or volume of the hazardous substance, pollutant, or contaminant concerned that is proportionate to the risk to human health or the environment.

"(C) Institutional controls as part of a permanent remedy. The President shall give preference to using such controls at facilities with low future risk (as determined in the risk assessment component of a Long-Term Response Plan). Such controls include zoning ordinances and other ordinances that restrict access to or use of property (including groundwater management zones), physical barriers that restrict access to property (such as fences), and such other controls as the President (or State) considers appropriate.

"(4) PREFERENCE FOR CERTAIN TYPE OF ACTION.—In selecting a response action, the President (or State) shall, with reference to the factors set forth in section 121(b)(2), prefer response actions that significantly reduce the volume, toxicity, or mobility of the hazardous substances, pollutants, and contaminants, or that significantly reduce actual or threatened exposure to such hazardous substances, pollutants, or contaminants.

"(5) LIMITATION ON STANDARDIZED REMEDIES.—The President (or State) shall not select a response action that is a standardized remedy in any case in which the use of an alternative technology would be less expensive but as protective of health and the environment as the standardized remedy. For purposes of this paragraph, the term 'standardized remedy' means a remedy that is determined by the President to be protective of human health and the environment for a category of facilities.

"(6) COMPLIANCE BOUNDARIES.— The President (or State), in determining the boundaries within which a response action is to be achieved, shall extend site or facility boundaries to include areas subject to easements or other institutional controls, such as zones of groundwater management.

"(7) JUDICIAL REVIEW.—The selection of a response action by the President or a State under this subsection is subject to review as provided in chapter 7 of title 5, United States Code, except that a reviewing court may set aside an action only if it is found to be arbitrary, capricious, an abuse of discretion, or otherwise not in accordance with law. Review may be had only in the United States district court for the district in which the facility or site is located. In any such review, the facts of the case are subject to a trial de novo by the reviewing court. Any appeal of the selection of a response action shall be filed within 60 days after the selection is made.

"(8) DEADLINE FOR IMPLEMENTATION TO BEGIN.—The implementation of a response action selected pursuant to this section shall begin no later than 60 days after the selection has been made and—

"(A) an appeal of such selection has been filed and a court has finally acted upon such appeal; or

"(B) the time for filing an appeal of such selection has expired and no appeal has been filed.".

(c) REPEAL OF ARARs CLEANUP STANDARDS.—Section 121(d) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9621(d)) is amended—

(1) by striking out paragraphs (2), (3), and (4); and

(2) by striking out "(1)".

(d) APPLICABILITY.—The amendments made by this section shall apply with respect to any facility or site with respect to which—

(1) no contract for remedial design and remedial action has been executed as of the date of the enactment of this Act; and

(2) the pertinent parties have not opted to subject themselves to the long-term response plan and related requirements within 30 days after such date of enactment (as described in section 104(a)(6)(C)).

(e) CROSS REFERENCE AMENDMENT.—Section 104(c)(4) of such Act is amended to read as follows:

"(4) SELECTION OF RESPONSE.—The President shall select response actions to carry out this section in accordance with section 121 of this Act.".

SEC. 305. PERIODIC REVIEW.

Section 121(c) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9621(c)) is amended by striking out the first two sentences and inserting in lieu thereof the following: "The President, or the State in the case of a facility for which a State has responsibility under section 127, shall review each response action selected under this section not less often than once every 5 years after the initiation of the action to assure that human health and the environment are being protected by the action being implemented. If upon such review it is the judgment of the President or State that additional actions are appropriate at such site in accordance with section 104, the President or State shall take or require such action, including a supplemental long-term response plan under section 104. In the case of a review carried out by the President, if it is the judgment of the President that additional actions are appropriate at such site in accordance with section 106, the President or State shall take or require such action.".

SEC. 306. DELISTING OF FACILITIES AND SITES.

Section 105 of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9605) is amended by adding at the end the following new subsection:

"(h) DELISTING OF FACILITIES AND SITES.—After a response action selected for a site or facility achieves the cleanup goal set for such facility under section 121(a), the President shall delist the site or facility from the National Priorities List. Such delisting may occur even if monitoring or operation and maintenance are being conducted at the facility.".

TITLE IV—FUNDING

SEC. 401. 5-YEAR EXTENSION OF HAZARDOUS SUBSTANCE SUPERFUND.

(a) EXTENSION OF TAXES.—

(1) The following provisions of the Internal Revenue Code of 1986 are each amended by striking "January 1, 1996" each place it appears and inserting "January 1, 2001":

(A) Section 59A(e)(1) (relating to application of environmental tax).

(B) Paragraphs (1) and (3) of section 4611(e) (relating to application of Hazardous Substance Superfund financing rate).

(2) Paragraph (2) of section 4611(e) of such Code is amended—

(A) by striking "1993" and inserting "1998",

(B) by striking "1994" each place it appears and inserting "1999", and

(C) by striking "1995" each place it appears and inserting "2000".

(b) INCREASE IN AGGREGATE TAX WHICH MAY BE COLLECTED.—Paragraph (3) of section 4611(e) of such Code is amended by striking "$11,970,000,000" each place it appears and inserting "$26,970,000,000" and by striking "December 31, 1995" and inserting "December 31, 2000".

(c) EXTENSION OF REPAYMENT DEADLINE FOR SUPERFUND BORROWING.—Subparagraph (B) of section 9507(d)(3) is amended by striking "December 31, 1995" and inserting "December 31, 2000".

(d) EXTENSION OF AUTHORIZATION OF APPROPRIATIONS TO TRUST FUND.—Subsection (b) of section 517 of the Superfund Revenue Act of 1986 (26 U.S.C. 9507 note) is amended by striking "and" at the end of paragraph (8), by striking the period at the end of paragraph (9) and inserting ", and", and by adding at the end thereof the following new paragraphs:

"(10) 1996, $250,000,000,
"(11) 1997, $250,000,000,
"(12) 1998, $250,000,000,
"(12) 1999, $250,000,000, and
"(13) 2000, $250,000,000,".

SEC. 402. INCREASE IN ENVIRONMENTAL INCOME TAX.

(a) IN GENERAL.—Subsection (a) of section 59A of the Internal Revenue Code of 1986 (relating to environmental tax) is amended by inserting "(0.24 percent in the case of taxable years beginning after December 31, 1994, and before January 1, 2000)".

(b) INCREASED REVENUES NOT DEPOSITED IN SUPERFUND.—Subsection (b) of section 9507 of such Code (relating to Hazardous Substance Superfund) is amended by adding at the end the following new sentence: "Only 50 percent of the taxes received in the Treasury under section 59A with respect to taxable years beginning after December 31, 1994, and before January 1, 2000, shall be taken into account under paragraph (1)."

(c) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to taxable years beginning after December 31, 1994.

SEC. 403. ENVIRONMENTAL FEES AND ASSESSMENTS ON INSURANCE COMPANIES.

(a) IN GENERAL.—The Internal Revenue Code of 1986 is amended by inserting after section ___ the following new section:

"§ . Environmental fees and assessments on insurance companies".

[RESERVED]

(b) CLERICAL AMENDMENTS.—The table of sections for chapter ___ of the Internal Revenue Code of 1986 is amended by inserting after the item relating to section ___ the following:

"§ . Environmental fees and assessments on insurance companies".

SEC. 404. RETROACTIVE LIABILITY FUND.

(a) IN GENERAL.—Subchapter A of chapter 98 of the Internal Revenue Code of 1986 (relating to trust fund code) is amended by adding at the end thereof the following new section:

"SEC. 9512. RETROACTIVE LIABILITY FUND.

"(a) CREATION OF TRUST FUND.—There is established in the Treasury of the United States a trust fund to be known as the 'Retroactive Liability Fund', consisting of such amounts as may be appropriated or credited to such Fund as provided in this section or section 9602(b).

"(b) TRANSFERS TO FUND.—There are hereby appropriated to the Retroactive Liability Fund—

"(1) amounts equivalent to 50 percent of the revenues received in the Treasury from the tax imposed by section 59A (relating to environmental tax) for taxable years beginning after December 31, 1994, and before January 1, 2000; and

"(2) amounts received from fees and assessments imposed by the amendments made by section 403 of this Act.

"(c) EXPENDITURES FROM FUND.—Amounts in the Retroactive Liability Fund shall be available, as provided in appropriation Acts, only for purposes of making expenditures to carry out section 107(n) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980.".

(b) CLERICAL AMENDMENT.—The table of sections for such subchapter A is amended by adding at the end thereof the following new item:

"Sec. 9512. Retroactive Liability Fund."•

By Mr. KENNEDY (for himself, Mrs. KASSEBAUM, Mr. METZENBAUM, Ms. MIKULSKI, Mr. WOFFORD, Mr. BINGAMAN, and Mr. PELL):

S. 1995. A bill to amend the Public Health Service Act to reauthorize migrant, community and homeless health center programs, and for other purposes; to the Committee on Labor and Human Resources.

HEALTH CENTERS REAUTHORIZATION ACT OF 1994

Mr. KENNEDY. Mr. President, today I am introducing the Health Centers Reauthorization Act of 1994, with my colleagues Senators KASSEBAUM, METZENBAUM, MIKULSKI, WOFFORD, PELL, and BINGAMAN. This legislation continues the migrant, community, and homeless health center programs for 1 year. The Labor Committee plans to undertake a full reauthorization of these successful programs next year, following action on health care reform this year. Since the current authorization for these programs expires this year, an extension is needed.

Community and migrant health centers play a vital role in bringing affordable and accessible community-based primary care to millions of Americans in underserved areas. Since its beginning in 1975, the community health center program has been the backbone of Federal efforts to bring quality health care to needy persons and areas throughout the country. In inner cities and isolated rural areas, these health centers have served millions of uninsured and under-insured people, including the elderly, women, and children at risk, and those with other special needs. Nationwide, over 2,000 centers provide basic health services to approximately 6.5 million individuals each year.

In addition to basic care, these centers provide many other services tailored to the needs of the populations they serve, including health education, public health screening, laboratory services, preventive dental care, emergency care, pharmacy services, substance abuse counseling, and certain social services. Many centers maintain extended hours for working families, offer care at multiple sites, use mobile clinics to reach rural patients, employ multilingual staff to reduce barriers to care, and stay in touch with community needs by working closely with local boards.

A key feature of the health center programs is the strong emphasis on preventive care. For the high risk populations they serve, the centers reduce the demand for costly emergency and in-patient hospital care by emphasizing prevention, early intervention, and case management with good followup. One of the many vital missions of the centers is to reduce infant mortality and low birthweight, by reaching out and helping pregnant women and their infants receive timely care.

In Massachusetts, community health centers have played a vital role in providing these services. Over 800,000 persons receive primary and preventive health care through the centers—care that would otherwise be delayed or unavailable for many people without access to other health care providers. In Western Massachusetts, health centers have mobilized to address problems such as high teenage birth rates, increasing rates of HIV infection, and the high incidence of drug abuse and alcohol-related problems. In those areas hard hit by the recession, the centers provide a realistic opportunity for uninsured and struggling families to receive comprehensive care.

As we move forward with health reform, the role of these centers will become an even more vital link in bringing health care to many under-served populations, and will help turn the promise of universal health coverage into the reality of accessible care. I look forward to working with my colleagues to consider this extension bill in a timely manner, and to recognize the important contributions that health centers make to serving so many Americans.

Mr. President I ask unanimous consent that the full text of the bill be printed in the RECORD.

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

S. 1995

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

SECTION 1. SHORT TITLE.

This Act may be cited as the "Health Centers Reauthorization Act of 1994".

SEC. 2. REAUTHORIZATION OF CERTAIN HEALTH CENTER PROGRAMS.

(a) MIGRANT HEALTH CENTERS.—Section 329(h)(2)(A) of the Public Health Service Act (42 U.S.C. 254b(h)(2)(A)) is amended by striking "1994" and inserting "1995".

(b) COMMUNITY HEALTH CENTERS.—Section 330(g) of such Act (42 U.S.C. 254c(g)) is amended—

(1) in paragraph (1)(A), by striking "1994" and inserting "1995"; and

(2) in paragraph (2)(A), by striking "1994" and inserting "1995".

(c) HOMELESS HEALTH SERVICES.—Section 340(q)(1) of such Act (42 U.S.C. 256(q)(1)) is amended by striking "1994" and inserting "1995".

(d) PUBLIC HOUSING HEALTH SERVICES.—Section 340A(p)(1) of such Act (42 U.S.C. 256a(p)(1)) is amended by striking "and 1993" and inserting "through 1995".

Mrs. KASSEBAUM. Mr. President, I am pleased to join my colleague Senator KENNEDY in introducing legislation to reauthorize the Community and Migrant Health Centers Programs, the homeless Health Services Program, and the Public Housing Health Services Program. These programs play a vital role in making health care services more accessible and affordable to the poor and to those residing in rural and urban areas suffering from a shortage of health professionals.

The legislation we are introducing today provides for a 1-year reauthoriza-

tion of current program policy. I had hoped that my colleagues and I on the Committee on Labor and Human Resources would have had the opportunity to hold comprehensive hearings on these programs and consider policy changes which might be necessary to enhance their ability to meet the needs of special populations and of those residing in medically undeserved areas. However, I believe a 1-year reauthorization is appropriate, given the demands health care reform will make on our committee schedule and the need to reassess the role of these programs should Congress pass a comprehensive health care reform plan this year.

By Mr. DURENBERGER:

S. 1996. A bill to amend title XVIII of the Social Security Act to provide Medicare beneficiaries a choice among health plans, and for other purposes; read the first time.

THE MEDICARE CHOICE ACT OF 1994

Mr. DURENBERGER. Mr. President, when President Clinton spoke to the Joint Session of Congress about health care reform, he said that he was introducing a group of reforms which would bring six essential elements to the Nation's health care system: Security, simplicity, savings, choice, quality and responsibility.

My views on where the President's plan meets those goals—and where it falls short—are pretty well known. And in both the Senate and the House, we are now engaged in a useful and productive debate over how best to reach those goals.

I personally believe we are going to meet the President's goals, by passing legislation this year. I believe we are going to meet those goals by changing the market incentives, so that those markets do what only markets can do: Increase efficiency, lower costs, and improve quality. I believe that we will provide security, simplicity, savings, choice, quality, and responsibility. And we will do it without creating cumbersome bureaucracies, Federal or State Government regulatory schemes or price controls.

Mr. President, between the House and the Senate we have about a dozen health reform proposals. But not one of them brings these essential elements of health care reforms to America's seniors and to people with disabilities.

Mr. President, I am blessed with two living parents. My parents are intelligent, educated people who are living a well-deserved retirement in their eighties. Through their experience, I have seen that Medicare part A, Medicare part B, MediGap, and other supplemental plans are often confusing, bureaucratic, time consuming, frustrating, and costly.

I am also blessed with four sons. Through them, I have felt the inequity that my generation is doing them. I know that I am piling on them the obligation to pay for my health care and the health care of my parents. They bear this burden at a time when they are struggling to find jobs with good pay, struggling to pay for expensive education, struggling to cover their own health care costs, and struggling with an uncertain future as they start their own families.

I am blessed to come from a state with fantastic health care providers, with progressive and responsible corporate citizens, with innovative health plans and creative thinkers. Through them, I have learned that the current Medicare system creates inequities and inefficiencies in our system by dictating payments that may or may not accurately reflect costs, and thereby force hidden cost shifts.

Through the country hospitals and country doctors of rural Minnesota, I know that the Medicare system—and Congress' attempts to reduce the deficit on the shoulders of Medicare—is undermining the quality and availability of health care for rural seniors.

And through my work in the Senate, I have learned that the costs of Medicare have soared and are projected to continue to grow at an unsustainable pace. The result will be bankruptcy, a crushing tax burden on future generations, or reduced access to quality medical services.

Many of these problems are addressed in some of the health care reform plans currently under consideration in the Congress. But out of fear that some interest groups might react negatively, every health care reform plan, including the ones of which I am a sponsor, have failed to address the underlying problems and the integration of our senior population and of Americans with disabilities into the 21st century of health care.

I believe they deserve better. They certainly deserve the same benefit as the rest of the population.

That is why I rise today to introduce the Medicare Choice Act: An essential part of health reform that will allow seniors and people with disabilities to fully share in the benefits that we will all receive from the historic health reform legislation of 1994.

For the past year, I have worked closely with my colleague from New Mexico, Senator DOMENICI, to develop this bill. We have approached reform of the Medicare program from two different angles, which I believe serve the program, the Congress and the people well. He, from a budget perspective, realizes the strain of the program's spiralling costs on our deficit. I, from a Medicare policy perspective, recognize the need to increase efficiency in the Medicare program to secure its future.

Later this spring, Senator DOMENICI will be introducing a health care reform bill. The Medicare Choice Act will serve as the core of the Medicare title in his bill. I will continue to work with Senator DOMENICI toward this goal.

I believe this legislation provides the basic structure for integrating Medicare beneficiaries into any health reform proposal. This bill is based on studies conducted by Dr. Bryan Dowd at the Institute for Health Services Research at the University of Minnesota's School of Public Health. Dr. Dowd's work, and Alain Enthoven's before him, introduced the principles of competitive bidding for the Medicare program.

It is my intent to initiate discussion on this essential component of health reform. I am certain that many groups will offer their input on the specifics outlines in my proposal. Debate will be helpful toward crafting a truly comprehensive health care reform bill.

Mr. President, I have served as chairman or ranking member of the Finance Committee's Health Subcommittee for 10 years, and ranking member on its Medicare and Long-term Care Subcommittee for 6. I have been ranking Republican on the Labor and Human Resources Committee's Subcommittee on Disability Policy for 6 years. I have learned a lot.

While serving on these committees, I recognized the need to restructure the Medicare program to fulfill the promise of true health care security. In the 99th Congress, I introduced the Medicare Voucher Act of 1986 to allow Medicare beneficiaries the full range of health care options available to the rest of the population. The concept was the same in that bill as it is today in the Medicare Choice Act—to allow providers to compete for senior and disabled patients who will buy their medical care with a voucher.

During the following Congress, I introduced the Medicare Private Health Plan Capitation Improvement Act of 1987. This bill sought to: First, promote the provision of high-quality and cost-effective health care to all Medicare beneficiaries; second, manage an individual's lifetime expenditures; third, prohibit discrimination based on an individual's health or disability status, the area where they live, or the health plan they choose; fourth, increase an individual's choice of health plans; and fifth, provide for equitable capitation payments to health plans. The goals of this bill were identical to the goals of the Medicare Choice Act of 1994.

I continue to believe that restructuring the market to encourage competition and consumer choice is preferable to the alternative—more regulation.

Mr. President, the Medicare Choice Act, which I introduce today, is, in my view, an essential part of any health care reform discussion that really wants to get serious about health care reform that benefits all Americans.

We actually planted the seeds for this bill in 1982. That year we created TEFRA risk contracts—these contracts allowed seniors to choose more benefits, at a lower cost and with less pa-

perwork, through Health Maintenance Organizations [HMO's]. Unfortunately, we tied that program too tightly to the flawed fee-for-service payment scheme of Medicare. The result is that HMO's never had much enthusiasm for the project, and now have reduced their participation in many areas of the country. The promise that seniors would have a real choice in health care is disappearing.

The Medicare Choice Act will deliver on that promise. There is every reason to do it now, when we are actively engaged in the larger issues of health care reform.

Let's look at the six essential elements of health care reform—and how this bill will bring them to seniors.

First, security. Right now, there is little security in Medicare. While the program currently pays the many bills for seniors, the future is not certain. The Social Security and Medicare Board of Trustees predicts virtual bankruptcy by 1999. Absent a significant increase in taxes or the deficit, the current alternative is to further reduce spending. This will inevitably lead to loss of benefits, rationing, and second-class care for seniors and people with disabilities.

The Medicare Choice Act offers an alternative. While eligible persons will still have the option of participating in the traditional fee-for-service Medicare program, they will also have the choice of new Medicare health plans. these plans will match, and in most cases exceed, the benefits now available under Medicare. They will work to keep costs down while improving benefits and quality. It is our best hope for ending the cost spiral that threatens the future of Medicare. It is our best hope for security.

Next, choice. Under this plan seniors will be able to choose from a variety of plans tailored to their needs. Just as participants in the Federal Employees' Health Benefits Program [FEHBP] or, in my State, the Minnesota Employee Benefits Program are able to make a choice of plans every year, seniors will be able to choose each year the plan that best fits their needs. The plans will be presented in simple comparisons, without any fine print or hidden exclusions. Seniors will have one-stop shopping for health care, and their choices will be explained in plain language. They will be able to see what the options cost, and how the costs compare.

MediGap policies and supplemental policies will be included in the comparisons. In short, seniors will have the same ability to choose that we are planning for the rest of us in health care reform. In the future, these same plans offer access to long-term care services as well.

Next, simplicity. Under this act, people will be able to opt for Medicare health plans that virtually eliminate paperwork, copays, deductibles, and confusing presentations of MediGap and supplemental options.

This bill also enhances the option for retirees to stay with their employer's plan. I have often wondered why retirees should not receive health care at age 65 just as they received it at age 64. What could be simpler? One's 65th birthday need not be the introduction to the Federal medical bureaucracy. Under this bill, one of the options seniors can choose will be to continue in their former employer's health plan, as long as it at least matches current Medicare benefits. Under this provision, the only change at age 65 is the Federal contribution toward the plan's premium.

Savings and quality are essential elements of health care reform, and are intrinsically related. In health care reform, most of us are looking for savings to come from reforming the market and letting competition in the market place drive costs down while improving quality. There is no reason why the senior and disabled population should be left out of this benefit.

With people able to choose between plans based on services and costs, the plans will strive, as any competitor does, to increase services while lowering costs. This is our best hope for getting Medicare costs under control without the reduction of quality, availability, and services that will inevitably result from continuing efforts to squeeze money out of Medicare.

What is uniquely better about the Medicare Choice Act is that seniors and the disabled will not only see savings, they will get to keep savings when they spend less.

Finally, we need a system that places responsibility where it belongs. Under the bill, seniors will be responsible for making choices based on their needs and the costs.

Health plans will be responsible for maintaining the health of their members and using the best medicine efficiently in order to compete.

And the Federal Government will live up to its responsibility to provide the financial security that was the original intent to Medicare. No one will be surrepitously and irresponsibly shifting cost from the Federal Government to individuals.

Mr. President, there are many details that we need to work out in health care reform. I am excited by the progress I see that we are making every day. I do not share the pessimism of some Members of Congress, who believe that we cannot accomplish great things this year in health reform.

We can do it, and we will. And when we do, I want to include older Americans and Americans with disabilities in health care reform. The Medicare Choice Act begins this process—which should be, I believe the seventh essential element of health care reform.

By Mrs. FEINSTEIN (for herself, Mr. MOYNIHAN, Mrs. KASSEBAUM, Mrs. BOXER, Mr. MCCAIN, Mr. RIEGLE, Mr. GRAHAM, Mr. STEVENS, Mr. BRADLEY, Mr. MACK, Mr. CAMPBELL, Mr. BINGAMAN, Mr. DECONCINI, Mr. JOHNSTON, and Mr. WELLSTONE):

S. 1997. A bill to amend title 13, United States Code, to require that the Secretary of Commerce produce and publish, at least every 2 years, current data relating to the incidence of poverty in the United States; to the Committee on Governmental Affairs.

POVERTY DATA IMPROVEMENT ACT

• Mrs. FEINSTEIN. Madam President, I join with Senators MOYNIHAN, KASSEBAUM, BOXER, MCCAIN, RIEGLE, GRAHAM, STEVENS, BRADLEY, MACK, BINGAMAN, CAMPBELL, DECONCINI, JOHNSTON, and WELLSTONE to introduce legislation that will reform the way in which the Federal Government distributes funds for programs that serve low-income communities.

This legislation, which was recently passed on the suspension calendar by the House of Representatives—and is entitled the Poverty Data Improvement Act of 1994—will substantially improve census tracking of low-income people living in communities throughout the Nation. This, in turn, will assure taxpayers that money from the Federal Government, for those programs which have funding based on the incidence of poverty, will be spent where there is the most need.

Each year, more than $20 billion is provided to State and local governments based on data relating to income and poverty levels. However, these funds are distributed using census figures which are compiled just once each decade. Since there are constant shifts in income levels from one census to another, Federal funding allocations are made using data which is far from accurate, and which can be as much as 14 years old. This has often prevented funds from reaching those communities in the greatest need.

Among Federal programs which use income or poverty criteria in allocation formulas are:

The Chapter 1 Education Program, which is the Federal government's largest program to support the education of disadvantaged children.

The Community Development Block Grant Program [CDBG], which as mayor of San Francisco, I found to be one of the most effective Federal programs. It allows communities to undertake a wide range of economic development and neighborhood revitalization efforts which can help stimulate the local economy as well as improve the quality of life for some of the more marginalized communities in our Nation's cities.

The Job Training Partnership Act, which provides comprehensive training to youths and young adults in high-poverty areas.

The HOME Program, which allows local governments to implement housing strategies designed to increase home ownership and affordable housing opportunities for low-income people.

Also included are: Low Income Tax Credits, the Federal Housing Finance Board Affordable Housing Program, the Federal Housing Finance Board Community Investment Program, the Rural Housing Program, and others.

The legislation, which we are introducing today, directs the Secretary of Commerce to publish—for each State, county or borough, local government unit—including Alaska Native villages, and school district—data relating to the incidence of poverty, at least biennially.

Tracking these more gradual shifts in the poor population will provide for a more effective targeting of scarce Federal dollars. A more frequent and accurate count will reduce the dramatic changes in the reallocation of Federal funds, and will allow local units of government to better plan their resources whether that funding goes up or down.

This means that those communities which experience a decline, in their poor populations, will not experience sudden and sharp cuts in the Federal funds they relay upon. And, communities which experience an increase in their poor populations will receive Federal funding, in a more timely manner, so that they can serve the people as they need it and when they need it.

I'd like to give you some examples of the difference this legislation would have made had it been in effect for last year's chapter 1 funding allocations. The 1992-93 total basic, plus concentration, chapter 1 grants to California were $541,365,000 because they were based on the 1980 census. Had the 1990 census been used, the estimated allocation for California would have been $682,005,000. That is a difference of $140,640,000 for just 1 year. This difference reflects the increase in California's poor school age children during the 1980's.

For Idaho, the actual allocation was $17,998,000 versus what would have been $19,511,000 had the 1990 census been used. For Wyoming, the actual allocation was $7,628,000, versus what would have been $10,555,000. For Wisconsin, $87,403,000 actual, versus $105,416,000 with the 1990 census. For Oklahoma, $59,601,000 versus $75,325,000. And for Texas the actual chapter 1 allocations were $388,007,000, whereas if the 1990 census had been used, the amount would have been $513,493,000—a difference of $125,486,000 for just 1 year.

It just makes no sense for the Federal Government to distribute scarce Federal dollars, which are intended to help those most in need, on demographic data which is as much as 14 years old.

And let me just say that this is not a matter of winners and losers. This is a matter of accuracy and fairness involving the distribution of Federal funds, and I think it will be very difficult for anyone to argue against that.

Let me give you one more example. The recession did not hit many parts of the country until after 1989. So the number of people that fell below the poverty line, in those areas, was far fewer then, and this is reflected in the 1990 census. However, this also means that the Federal funding allocations, for those communities, are set for the next 10 years, even though the incidence of poverty jumped sharply soon after the census was taken.

So you see, the census becomes a snapshot, as it were, of regional economic conditions as they exist at the time of the census. And this in turn locks into place Federal funding allocations for the next 10 years.

This legislation will correct that.

At any given point in time, the economic circumstances of a given region can change. When they do, the number of people that fall into, or out of, poverty, also changes. Without intercensal poverty data, communities with a high incidence of poverty will not receive the Federal funds to which they are entitled. At the same time, other communities will receive Federal dollars, for the next 10 years, even if their poor population has declined.

Compared to the large amounts which are disbursed each year, the cost of producing the data required by this legislation is small. The Bureau of Census has estimated that the annual cost will be approximately $400,000—a minuscule amount, indeed, when considering the large number of people who will be denied assistance due to the flaw in the current system.

This legislation will ensure a more frequent collection of income and poverty data, and will expedite the flow of Federal funds to the neediest populations in our Nation, at the time when those funds are needed the most. It will also greatly improve the planning and budgeting process for State and local governments at every level.

This is legislation whose time has come.

Madam President, I ask unanimous consent that the text of the bill be printed in the RECORD.

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

S. 1997

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 "Poverty Data Improvement Act of 1994".

SEC. 2. CONGRESSIONAL FINDINGS.

The Congress finds that—

(1) more than $20,000,000,000 is provided to State and local governments each year, under various Federal programs, based on data relating to income and poverty status;

(2) the infrequency with which such data are collected diminishes their reliability and usefulness for public policy purposes;

(3) the relative lack of intercensal data can prevent Federal funds from reaching those populations that are in greatest need, as reflected in the dramatic and often unforeseen shifts in the way Federal funds are reallocated following each decennial census;

(4) the more frequent collection of data relating to income and poverty status would allow policymakers to target scarce program funds more effectively and in a more timely fashion; and

(5) the cost of producing the data needed to achieve the ends described in paragraph (4) would be small compared to the amounts that are distributed based on such data.

SEC. 3. REQUIREMENT.

(a) IN GENERAL.—Subchapter IV of chapter 5 of title 13, United States Code, is amended by inserting after section 181 the following:

"§ 181A. Data relating to poverty

"(a) The Secretary, to the extent feasible, shall produce and publish for each State, county or borough, and local unit of general purpose government, including Alaska native village, for which data are compiled in the most recent census of population taken under section 141(a), and for each school district, data relating to the incidence of poverty. Such data may be produced by means of sampling, estimation, or any other method that the Secretary determines will produce current, comprehensive, and reliable data.

"(b) Data under this section—

"(1) shall include—

"(A) for each school district, the number of children age 5 to 17, inclusive, in families below the poverty level; and

"(B) for each state and county referred to in subsection (a), the number of individuals age 65 or over below the poverty level, and

"(2) shall be published in 1996 and at least every second year thereafter.

"(c)(1) If reliable data could not otherwise be produced, the Secretary may, for purposes of subsection (b)(1)(A), aggregate school districts, but only to the extent necessary to achieve reliability.

"(2) Any data produced under this subsection shall be appropriately identified and shall be accompanied by a detailed explanation as to how and why aggregation was used (including the measures taken to minimize any such aggregation).

"(d) If the Secretary is unable to produce and publish the data required under this section for any State, county, local unit of general purpose government, or school district in any year specified in subsection (b)(2), a report shall be submitted by the Secretary to the President of the Senate and the Speaker of the House of Representatives, not later than 90 days before the commencement of the following year, enumerating each government or school district excluded and giving the reasons for the exclusion.

"(e) In carrying out this section, the Secretary shall use the same criteria relating to poverty as were used in compiling the then most recent census of population taken under section 141(a) (subject to such periodic adjustments as may be necessary to compensate for inflation and other similar factors).".

(b) CONFORMING AMENDMENT.—The table of sections for chapter 5 of title 13, United States Code, is amended by inserting after the item relating to section 181 the following:

"181A. Data relating to poverty.".●

By Mr. MOYNIHAN:

S. 1998. A bill to provide for the acquisition of certain lands formerly oc-

cupied by the Franklin D. Roosevelt family, and for other purposes; to the Committee on Energy and Natural Resources.

ROOSEVELT FAMILY LAND ACQUISITION ACT

• Mr. MOYNIHAN. Mr. President, there cannot be many houses designed by our Presidents. We have the opportunity to acquire one for the National Park Service, and we should certainly do so. I refer to Top Cottage, where Franklin Roosevelt intended to live at the end of his Presidency. It was the site of many historic occasions, and is a most significant part of the Hyde Park estate.

This bill authorizes the acquisition of Top Cottage. I urge my colleagues to support this effort while the opportunity presents itself. The president of the Franklin and Eleanor Roosevelt Institute assures me that the Institute will help raise funds for this purpose.

Hyde Park is a wonderful tribute to President Roosevelt, but it is incomplete without this parcel. This bill gets us closer to its acquisition, and I hope we can act on it promptly.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

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

S. 1998

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

SECTION 1. ACQUISITION OF ROOSEVELT FAMILY LANDS.

(a) IN GENERAL.—

(1) GENERAL AUTHORITY.—The Secretary of the Interior (hereinafter referred to as the "Secretary") may acquire, by purchase with donated or appropriated funds, donation, or otherwise, lands and interests in land (including development rights and easements) in the properties located at Hyde Park, New York, that were owned by Franklin D. Roosevelt or his family at the time of his death, as depicted on the map entitled "Roosevelt Family Estate" and dated November 19, 1993.

(2) LIMITATIONS.—

(A) RESIDENTIAL PROPERTY.—the Secretary may only acquire those residential properties on the lands and interests in land depicted on the map referred to in subsection (a) that were owned or occupied by Franklin D. Roosevelt or his family, including his parents, siblings, wife, and children.

(B) STATE LANDS.—Lands and interests in land depicted on the map referred to in subsection (a) that owned by the State of New York, or a political subdivision of the State, may only be acquired by donation.

(3) PRIORITY.—In acquiring lands and interests in land pursuant to this section, the Secretary shall, to the extent possible, give priority to acquiring the tract of lands commonly known as the "Open Park Hodhome Tract", as generally depicted on the map referred to in subsection (a).

(4) COSTS.—The Secretary may pay the costs, including title search and survey, associated with the acquisition of lands and interests in land pursuant to this section.

(b) ADMINISTRATION.—Lands and interests in land acquired by the Secretary pursuant to this section shall be added to, and administered as part of, the Franklin Delano Roosevelt National Historic Site or the Eleanor Roosevelt National Historic Site, as appropriate.

(c) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as are necessary to carry out this Act.•

By Mr. MOYNIHAN (for himself and Mr. D'AMATO):

S. 1999. A bill to establish the Lower East Side Tenement Museum National Historic Site; to the Committee on Energy and Natural Resources.

LOWER EAST SIDE TENEMENT MUSEUM NATIONAL HISTORIC SITE ACT OF 1994

• Mr. MOYNIHAN. Mr. President, I introduce a bill that will authorize a small but most significant addition to the National Park System. For 150 years the Lower East Side of New York City has been the most vibrant, populous, and famous immigrant neighborhood in the Nation. From the first waves of Irish and German immigrants to Italians and Eastern European Jews to the Asian, Latin, and Caribbean immigrants arriving today, the Lower East Side has provided millions their first American home.

For many of them that home was a brick tenement; six or so stories, no elevator, maybe no plumbing, maybe no windows, a business on the ground floor, and millions of our forbears upstairs. The Nation has with great pride preserved log cabins, farm houses, and other symbols of our agrarian roots. We have recently reopened Ellis Island to commemorate and display the first stop for 12 million immigrants who arrived in New York City. Until now we have not preserved a sample of urban, working class life as part of the immigrant experience. For many of those who disembarked on Ellis Island the next stop was a tenement on the Lower East Side, such as the one at 97 Orchard Street. It is here that the Lower East Side Tenement Museum will show us what that next stop was like.

The tenement at 97 Orchard was built in the 1860's, during the first phase of tenement construction. It provided housing for 20 families on a plot of land planned for a single-family residence. Each floor had four three-room apartments, each of which had two windows in one of the rooms and none in the others. The privies were in the back, as was the spigot that provided water for everyone. The public bathhouse was down the street.

In 1900 this block was the most crowded per acre on earth. Conditions improved after the passage of the New York Tenement House Act of 1901, though the crowding remained. Two toilets were installed on each floor. A skylight was installed over the stairway and interior windows were cut in the walls to allow some light throughout each apartment. For the first time the ground floor became commercial space. In 1918 electricity was installed. Further improvements were mandated in 1935, but the owner chose to board the building up rather than follow the new regulations. It remained boarded up for 60 years until the idea of a museum took hold.

The Tenement Museum will keep at least one apartment in the dilapidated condition in which it was found when reopened, to show visitors the process of urban archeology. Others will be restored to show how actual families lived at different periods in the building's history. At a nearby site there will be interpretive programs to better explain the larger experience of gaining a foothold on America in the Lower East Side of New York. There are also plans for programmatic ties with Ellis Island and its precursor, Castle Clinton. And the museum plans to play an active role in the immigrant community around it, further integrating the past and present immigrant experience on the Lower East Side.

The Tenement Museum is to be affiliated with the National Park Service. That is the purpose of this legislation. The Museum will be able to enter into cooperative agreements with the Park Service for technical assistance, and with the Statue of Liberty/Ellis Island and Castle Clinton for interpretation and other operations. It will be a productive partnership.

Mr. President, I believe the Tenement Museum provides an outstanding opportunity to preserve and present an important stage of the immigrant experience and the move for social change in our cities at the turn of the century. I know of no better place than 97 Orchard Street to do so, and no other place in the National Park system doing so already. I look forward to the realization of this grand idea.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

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

S. 1999

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 "Lower East Side Tenement Museum National Historic Site Act of 1994".

SEC. 2. DEFINITIONS.

As used in this Act:

(1) The term "Secretary" means the Secretary of the Interior.

(2) The term "historic site" means the Lower East Side Tenement Museum designated as a national historic site by section 4.

(3) The term "Museum" means the Lower East Side Tenement Museum at 97 Orchard Street, New York City, in the State of New York, and related facilities owned or operated by the Museum.

SEC. 3. FINDINGS AND PURPOSES.

(a) FINDINGS.—The Congress finds that—

(1) the Lower East Side Tenement Museum at 97 Orchard Street is an outstanding survivor of the vast number of humble buildings

that housed immigrants to New York City during the greatest wave of immigration in American history;

(2) the Museum is well suited to represent a profound social movement involving great numbers of unexceptional but courageous people;

(3) no single identifiable neighborhood in the United States absorbed a comparable number of immigrants;

(4) the Lower East Side Tenement Museum is dedicated to interpreting immigrant life on the Lower East Side and its importance to United States history, within a neighborhood long associated with the immigrant experience in America; and

(5) the National Park Service found the Lower East Side Tenement Museum to be nationally significant, suitable, and feasible for inclusion in the National Park System.

(b) PURPOSES.—The purposes of this Act are—

(1) to assure the preservation, maintenance, and interpretation of this site and to interpret in the site and in the surrounding neighborhood, the themes of early tenement life, the house reform movement, and tenement architecture in the United States;

(2) to ensure the continuation of the Museum at this site, the preservation of which is necessary for the continued interpretation of the nationally significant immigrant phenomenon associated with the New York City's Lower East Side, and its role in the history of immigration to the United States; and

(3) to enhance the interpretation of the Castle Clinton National Historic Monument and Ellis Island National Historic Monument through cooperation with the Museum.

SEC. 4. ESTABLISHMENT OF HISTORIC SITE.

In order to further the purposes of this Act and the Act of August 21, 1935 (16 U.S.C. 461–7), the Lower East Side Tenement Museum at 97 Orchard Street, in the city of New York, State of New York, is hereby designated as a national historic site.

SEC. 5. ACQUISITION OR COOPERATIVE AGREEMENT.

(a) IN GENERAL.—In furtherance of the purposes of this Act and the Act of August 21, 1935 (16 U.S.C. 461–7), the Secretary may either acquire the historic site with donated or appropriated funds or enter into cooperative agreements with the Lower East Side Tenement Museum designed to effectuate the purposes of this Act.

(b) TECHNICAL AND FINANCIAL ASSISTANCE.—Such agreements may include provisions by which the Secretary will provide technical assistance to mark, restore, interpret, operate, and maintain the historic site and may also include provisions by which the Secretary will provide financial assistance to the Museum to acquire ownership of and to maintain the historic site, or to mark, interpret, and restore the historic site, including the making of preservation-related capital improvements and repairs.

(c) ADDITIONAL PROVISIONS.—Such agreement may also contain provisions that—

(1) the Secretary, acting through the National Park Service, shall have the right of access at all reasonable times to all public portions of the property covered by such agreement for the purpose of conducting visitors through such properties and interpreting them to the public; and

(2) no changes or alterations shall be made in such properties except by mutual agreement between the Secretary and the other parties to such agreements.

SEC. 6. LAND ACQUISITION.

The Secretary is authorized to acquire properties owned or occupied or required by the Museum or to assist the Museum in the acquisition of properties which it occupies or requires through the use of appropriated funds or by donation or purchase with donated funds.

SEC. 7. APPROPRIATIONS.

There are hereby authorized to be appropriated such sums as may be necessary to carry out the purposes of this Act.•

By Mr. DODD (for himself and Mr. KENNEDY):

S. 2000. A bill to authorize appropriations for fiscal years 1995 through 1998 to carry out the Head Start Act and the Community Services Block Grant Act, and for other purposes; to the Committee on Labor and Human Resources.

HUMAN SERVICES REAUTHORIZATION ACT

• Mr. DODD. Mr. President, I introduce on behalf of myself and Senator KENNEDY, the Human Services Reauthorization Act of 1994. This bill is the vehicle we will use in the Labor Committee to reauthorize an important collection of antipoverty programs over the next several months. The Human Services Act consists of several social programs that have deep roots in our Nation's history of helping disadvantaged families make a better life for themselves. The most well known of these programs are Head Start, the Low-Income Home Energy Assistance Program, and the Community Services Block Grant.

The administration's proposals for reauthorizing each of these three programs has already been introduced. The Head Start reauthorization proposal which was introduced by Senator KENNEDY is S. 1862. Just last week I introduced the administration's proposal for Community Services Block Grant—S. 1937—and LIHEAP—S. 1938. The President's suggestions in these areas will be carefully considered and reviewed as we put together our umbrella proposal for these and other programs contained in the Human Services Act in committee next month.

Many of the programs in the Human Services Act can be traced back to the war on poverty. Since then, they have undergone many structural and administrative changes, but the central principles they embody endure and are proof that antipoverty efforts have not all gone for naught.

These programs share a common orientation, in that they work within the community to address the needs of individuals living there. They share a common goal, that of helping people move toward self-sufficiency. They see families' needs as a whole and seek to address them comprehensively.

In hearings on the three major programs, people they have helped told us over and over of how they needed a helping hand and found it in their community—through a knock on the door from a Head Start outreach worker, a supportive hand on the shoulder from a community action worker when a child was ill, through a local agency offering energy assistance with dignity to an elderly couples with nowhere else to turn.

Mr. President, as we hear the ever-present drumbeat of welfare reform, I would suggest to my colleagues that they look to some of these programs for ideas about how to help families move toward self-sufficiency. Their philosophy is one that promotes solutions to poverty that are comprehensive, supportive, and based in the communities in which families live. There is much to be said for this approach, and I look forward to working with my colleagues to continue these important programs.

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. 2000

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 Human Services Reauthorization Act of 1994".

(b) TABLE OF CONTENTS.—The table of contents is as follows:

Sec. 1. Short title, table of contents.

TITLE I—HEAD START ACT

Sec. 101. Authorization of appropriations.

TITLE II—COMMUNITY SERVICES BLOCK GRANT ACT

Sec. 201. Authorization of appropriations.

TITLE III—DEMONSTRATION PARTNERSHIP AGREEMENTS ADDRESSING THE NEEDS OF THE POOR

Sec. 301. Authorization of appropriations.

TITLE IV—LOW-INCOME HOME ENERGY ASSISTANCE ACT OF 1981

Sec. 401. Authorization of appropriations.

TITLE V—COORDINATED SERVICES FOR CHILDREN, YOUTH, AND FAMILIES

Sec. 501. Authorization of appropriations.

TITLE I—HEAD START ACT

SEC. 101. AUTHORIZATION OF APPROPRIATIONS.

Section 639 of the Head Start Act (42 U.S.C. 9834) is amended—

(1) in subsection (a)—

(A) by striking "and $7,660,000,000" and inserting "$7,660,000,000"; and

(B) by inserting before the period the following: ", and such sums as may be necessary for each of the fiscal years 1995 through 1998";

(2) in subsection (b), by striking "1996" and inserting "1998"; and

(3) in subsection (c)(2), by striking "1992, 1993, and 1994" and inserting "1992 through 1998".

TITLE II—COMMUNITY SERVICES BLOCK GRANT ACT

SEC. 201. AUTHORIZATION OF APPROPRIATIONS.

(a) GENERAL AUTHORIZATION.—Section 672(b) of the Community Services Block Grant Act (42 U.S.C. 9901(b)) is amended—

(1) by striking "and $500,000,000" and inserting "$500,000,000"; and

(2) by inserting before "to carry out the provisions" the following: ", and such sums as may be necessary for each of the fiscal years 1995 through 1998".

(b) COMMUNITY FOOD AND NUTRITION PROGRAMS.—Section 681A(d) of such Act (42 U.S.C. 9910a(d)) is amended—

(1) by striking "and $25,000,000" and inserting "$25,000,000"; and

(2) by inserting before "to carry out this section" the following: ", and such sums as may be necessary for each of the fiscal years 1995 through 1998".

TITLE III—DEMONSTRATION PARTNERSHIP AGREEMENTS ADDRESSING THE NEEDS OF THE POOR

SEC. 301. AUTHORIZATION OF APPROPRIATIONS.

Section 408(h) of the Human Services Reauthorization Act of 1986 (42 U.S.C. 9910b(h)) is amended—

(1) in paragraph (1), by striking "1992, 1993, and 1994" and inserting "1992 through 1998"; and

(2) in paragraph (2), by striking "1992 through 1994" and inserting "1992 through 1998".

TITLE IV—LOW-INCOME HOME ENERGY ASSISTANCE ACT OF 1981

SEC. 401. AUTHORIZATION OF APPROPRIATIONS.

Section 2602 of the Low-Income Home Energy Assistance Act of 1981 (42 U.S.C. 8621) is amended—

(1) in subsection (b), by striking "1993, 1994, and 1995" and inserting "1993 through 1998"; and

(2) in subsection (d), by striking "1993, 1994, and 1995" and inserting "1993 through 1998".

TITLE V—COORDINATED SERVICES FOR CHILDREN, YOUTH, AND FAMILIES

SEC. 501. AUTHORIZATION OF APPROPRIATIONS.

(a) IN GENERAL.—Section 934 of the Augustus F. Hawkins Human Services Reauthorization Act of 1990 (42 U.S.C. 12340) is amended—

(1) in subsection (a)(1), by striking "for fiscal years 1992, 1993, and 1994" and inserting "for each of the fiscal years 1992 through 1998"; and

(2) in subsection (d), by striking "1992 through 1994" and inserting "1992 through 1998".

(b) NATIONAL CLEARINGHOUSE.—Section 960 of such Act (42 U.S.C. 12355) is amended—

(1) in subsection (a), by striking "1992 through 1994" and inserting "1992 through 1998"; and

(2) in subsection (b), by striking "1992 through 1994" and inserting "1992 through 1998".●

By Mr. MOYNIHAN:

S. 2001. A bill to improve the administration of the Women's Rights National Historical Park in the State of New York, and for other purposes; to the Committee on Energy and Natural Resources.

WOMEN'S RIGHTS NATIONAL HISTORICAL PARK EXPANSION ACT

● Mr. MOYNIHAN. Mr. President, I introduce legislation that will add several important properties to the Women's Rights National Historic Park in Seneca Falls, NY. In 1980 I introduced legislation to commemorate an idea, that of equal rights for women. It is commemorated in Seneca Falls because that is where in 1948 the Declaration of Sentiments was signed, stating that "all men and women are created equal" and that women should have equal political rights with men. From this beginning sprang the 19th amendment and all the other advances for women this century and last.

With the historic park authorized in 1980, we began the planning, held a design competition, and paid for the construction. The park is now in operation and a tremendous success. Visitorship increased 50 percent in fiscal year 1993 to 30,000. However, the park is not complete. As can be expected when starting such a venture from zero, not all the important properties could be acquired at the outset. Several remain in private hands or under the control of the trust for public land, and this bill authorizes their addition to the park.

These properties include the last remaining parcel of the original Elizabeth Cady Stanton property, necessary so that the Stanton House can be restored to its original condition, and the Young House in Waterloo, important for safety, resource preservation, and preserving the historic scene at the M'Clintock House. The other two are the Baldwin property, which would provide a visitor contact facility, restrooms, and boat docking facilities, and a maintenance facility now being rented by the park.

These additions to the park will add tremendously to the enjoyment and value of a visit. The National Park Service supports them, and in fact this legislation is the top priority for the North Atlantic region. We must pass it promptly, for time is not a luxury; the Nies property is in the early stages of foreclosure. I urge my colleagues to support this bill, and to come to the Women's Rights Park themselves. It is a trip well worth making.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

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

S. 2001

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

SECTION 1. INCLUSION OF ADDITIONAL PROPERTIES.

Section 1601(c) of the Public Law 96-607 (16 U.S.C. 410*ll*) is amended—

(1) by striking "initially" in the second sentence;

(2) in paragraph (8), by striking "and" the last place it appears;

(3) in paragraph (9) by striking the period and inserting a semicolon; and

(4) by adding at the end the following new paragraphs:

"(10) not to exceed 1 acre, plus improvements, as determined by the Secretary, in Seneca Falls for development of a maintenance facility;

"(11) dwelling, 1 Seneca Street, Seneca Falls;

"(12) dwelling, 10 Seneca Street, Seneca Falls;

"(13) parcels adjacent to Wesleyan Chapel Block, including Clinton Street, Fall Street, and Mynderse Street, Seneca Falls; and

"(14) dwelling, 12 East Williams Street, Waterloo.".

SEC. 2. MISCELLANEOUS AMENDMENTS.

Section 1601 of Public Law 96-607 (16 U.S.C. 410*ll*) is amended—

(1) in subsection (g), by adding at the end the following new sentence: "Funds available to the Secretary for the purposes of the park shall be available to establish and administer within the park education and research facilities and programs on the history of women's rights pursuant to cooperative agreements with appropriate public or private entities.";

(2) in paragraph (5) of subsection (h), by striking "ten years" and inserting "25 years"; and

(3) in subsection (i)—

(A) by striking "$700,000" and inserting "$1,500,000"; and

(B) by striking "$500,000" and inserting and "$15,000,000".●

By Mr. EXON:

S. 2002. A bill to authorize appropriations for the National Railroad Passenger Corporation, and for other purposes; to the Committee on Commerce, Science, and Transportation.

AMTRAK INVESTMENT ACT OF 1994

● Mr. EXON. Mr. President, I am proud to introduce by request the administration's Amtrak Reauthorization Act. As the chairman of the Senate Surface Transportation Subcommittee and long time advocate for the Amtrak system, this legislation represents an historic turning point in the history of American passenger rail.

For the first time in 12 years, a President of the United States has put forward a positive vision for Amtrak. This legislation calls for a world class system and takes the first step towards that goal.

It is especially gratifying that a former staff member of the Senate Surface Transportation Subcommittee has had such a noticeable influence on the administration's agenda for Amtrak. Prior to entering public service, Don Itzkoff, the Deputy Administrator of the Federal Rail Administration warned the Nation in his book and columns that America's passenger rail system was moving off the track. With Don's help, the Clinton administration has put forward an Amtrak bill which will help get America back on the track.

Of course, Mr. President, I have many of my own ideas about how to improve Amtrak service and maximize the return on Federal passenger rail investments. We must foster a customer friendly mode of operation, maximize the value of Amtrak assets and real estate, take a creative approach to generating advertising revenues and utilize information age technologies to improve operational efficiencies. I will discuss those ideas in much more detail when the subcommittee holds hearings soon after the spring recess.

I look forward to working with my colleagues and the Clinton administration to make Amtrak a world class railroad.●

By Mr. AKAKA:

S. 2003. A bill for the relief of the heirs, successors, or assigns of Sadae

Tamabayashi; to the Committee on the Judiciary.

SADAE TAMABAYASHI PRIVATE RELIEF LEGISLATION

• Mr. AKAKA. Mr. President, I introduce a bill for the relief of the family of Sadae Tamabayashi.

In 1941, Mrs. Tamabayashi was the owner of Paradise Clothes Cleaning Shop in Honolulu, HI. On the morning of December 7, she and her family lost everything that they owned. The attack on Pearl Harbor not only had a national repercussion, but it affected the lives of many individuals as well, especially for those who lived in Hawaii at the time. For Sadae Tamabayashi and her family, the bombing was devastating to their livelihood.

On the morning of December 7, Paradise Clothes Cleaning Shop was destroyed by fire which started as a result of the attack on Pearl Harbor and the subsequent retaliatory shots by U.S. Armed Forces. The entire building and its contents, which included the Tamabayashi's family quarters, were destroyed.

The Tamabayashi family attempted to seek compensation through the War Damage Corporation Claims Service Office in 1942. Their efforts were to no avail. Their claim for reparations was denied by the Corporation because Mrs. Tamabayashi was a Japanese national. However, the United States prohibited Mrs. Tamabayashi from becoming a citizen under the Immigration Act of 1924, which sought to exclude persons of Japanese descent. It was not until 1952, 7 years after the end of the World War II, that the 1924 Immigration Act was repealed, and Asians were finally given equal status in this country.

The family of Sadae Tamabayashi seeks fair treatment of their mother's losses. I hope that my colleagues will support this effort to bring to a close this sad chapter in the lives of the Tamabayashi family.•

By Mr. DOLE (for himself, Mr. HEFLIN, Mr. CRAIG, and Mr. BROWN):

S. 2006. A bill to require Federal agencies to prepare private property taking impact analyses, and for other purposes; to the Committee on Governmental Affairs.

PRIVATE PROPERTY RIGHTS

Mr. DOLE. Mr. President, as I have traveled around the country over the past year, time and again I have heard from the people that Congress must do more to stop the tide of infringement on private property rights. I believe Members on both sides of the aisle have heard this message. Even President Clinton has said that he wants to "put people first." One way he can do this is to ensure that government mandates and government bureaucrats do not run over individual citizens and individual rights.

Today, Senator HEFLIN and I are introducing the Private Property Rights Act of 1994. Now, a lot has been said on this floor regarding private property rights. I think many of us agree on the need to protect private property. The question is—How do we best vote and get government out of peoples backyards? This bill is very simple.

The legislation would require Federal agencies to conduct a takings impact assessment when promulgating any agency policy, regulation, guideline, or recommending legislative proposals to Congress. This bill does not stop legitimate regulatory processes and it only applies to any action which could result in an actual taking.

The assessment must consider the effect of the agency action, the cost of the action to the Federal Government, the reduction in value to private property owners and require the agency to consider alternatives to taking private property.

I seem to recall that the rights of property owners are supposed to be protected from the Federal Government under the fifth amendment and from State governments by the 14th amendment. Unfortunately, those who have sworn to uphold our Constitution are not always as vigilant as they need to be. Let's face it, there are billions of dollars in claims filed against the Federal Government by landowners who believe their private property has been taken.

It is important to note that a taking can occur even though title to the property remains with the original owner and the government has only placed restrictions on its use. Fortunately, courts have recognized these partial taking are subject to just compensation. Unfortunately, the only check on the enforcement of the Constitution has been through the court system, wherein citizens can, at the expense of vast amounts of money and time, ensure the government complies with the Constitution.

Mr. President, I ask my colleagues to talk with their small businessmen and women, their farmers, their ranchers, those who believe in the private property rights contained in our Constitution, what they think about this most appropriate legislation. When they do, I am certain they will agree that we should move this legislation in 1994.

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. 2006

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 "Private Property Rights Act of 1994".

SEC. 2. FINDINGS.

The Congress finds that—

(1) the protection of private property from a taking by the Government without just compensation is an integral protection for private citizens incorporated into the Constitution by the Fifth Amendment and made applicable to the States by the Fourteenth Amendment; and

(2) Federal agencies should take into consideration the impact of Governmental actions on the use and ownership of private property.

SEC. 3. PURPOSE.

The Congress, recognizing the important role that the use and ownership of private property plays in ensuring the economic and social well-being of the Nation, declares that it is the policy of the Federal Government to use all practicable means and measures to minimize takings of private property by the Federal Government.

SEC. 4. DEFINITIONS.

For purposes of this Act—

(1) the term "agency" means an Executive agency as defined under section 105 of title 5, United States Code, and—

(A) includes the United States Postal Service; and

(B) does not include the General Accounting Office; and

(2) the term "taking of private property" means any action whereby private property is taken in such a way as to require compensation under the Fifth Amendment to the United States Constitution.

SEC. 5. PRIVATE PROPERTY TAKING IMPACT ANALYSIS.

(a) IN GENERAL.—The Congress authorizes and directs that, to the fullest extent possible—

(1) the policies, regulations, and public laws of the United States shall be interpreted and administered in accordance with the policies under this Act; and

(2) all agencies of the Federal Government shall submit a certification to the Attorney General of the United States that a private property taking impact analysis has been completed before issuing or promulgating any policy, regulation, proposal, recommendation (including any recommendation or report on proposal for legislation), or related agency action which could result in a taking or diminution of use or value of private property.

(b) CONTENT OF ANALYSIS.—A private property taking impact analysis shall be a written statement that includes—

(1) the specific purpose of the policy, regulation, proposal, recommendation, or related agency action;

(2) an assessment of whether a taking of private property may occur under such policy, regulation, proposal, recommendation, or related agency action;

(3) the effect of the policy, regulation, proposal, recommendation, or related agency action on the use or value of private property, including an evaluation of whether such policy, regulation, proposal, recommendation, or related agency action requires compensation to private property owners;

(4) alternatives to the policy, regulation, proposal, recommendation, or related agency action that would lessen the adverse effects on the use or value of private property;

(5) an estimate of the cost to the Federal Government if the Government is required to compensate a private property owner; and

(6) an estimate of the reduction in use or value of any affected private property as a result of such policy, regulation, proposal, recommendation, or related agency action.

(c) PUBLIC AVAILABILITY OF ANALYSIS.—An agency shall—

(1) make each private property taking impact analysis available to the public; and

(2) to the greatest extent practicable, transmit a copy of such analysis to the owner or any other person with a property right or interest in the affected property.

(d) PRESUMPTIONS IN PROCEEDINGS.—For the purpose of any agency action or administrative or judicial proceeding, there shall be a rebuttable presumption that the costs, values, and estimates in any private property takings impact analysis shall be outdated and inaccurate, if—

(1) such analysis was completed 5 years or more before the date of such action or proceeding; and

(2) such costs, values, or estimates have not been modified within the 5-year period preceding the date of such action or proceeding.

SEC. 6. RULES OF CONSTRUCTION.

Nothing in this Act shall be construed to—

(1) limit any right or remedy, or bar any claim of any person relating to such person's property under any other law, including claims made under section 1346 or 1402 of title 28, or chapter 91 of title 28; or

(2) constitute a conclusive determination of the value of any property for purposes of an appraisal for the acquisition of property, or for the determination of damages.

SEC. 7. STATUTE OF LIMITATIONS.

No action may be filed in a court of the United States to enforce the provisions of this Act on or after the date occurring 6 years after the date of the submission of the certification of the applicable private property taking impact analysis with the Attorney General.

SEC. 8. EFFECTIVE DATE.

The provisions of this Act shall take effect 120 days after the date of the enactment of this Act.

Mr. HEFLIN. Mr. President, I rise today as an original cosponsor of the Private Property Rights Act of 1994. This bill recognizes the important role the use and ownership of property plays in American society and declares the policy of the Federal Government to be one that will minimize takings of private property. This bill will require Federal agencies to certify to the Attorney General that a taking impact assessment has been completed prior to promulgating any agency policy to Congress. The takings impact assessment will consider the effect of the agency action, the cost of the action to the Federal Government, the reduction in value to private property owners and require the agency to consider alternatives to taking private property.

This bill will ensure that the impact on private property rights is duly considered in Federal Government agencies' regulatory activities. In no way does it limit an agency's authority to regulate or meet a legislative mandate. But it does require Government decisionmakers to analyze the potential impact of their regulatory actions on private property rights and to minimize those actions to the fullest extent possible. Compliance with this act will help avoid inadvertent takings of constitutionally guaranteed rights and therefore reduce the Federal Government's financial liability for such compensable takings.

Government regulations too often harm American farmers and others by taking away the value of their land. For example, farmers complain that their property rights can be taken away without just compensation or due process when they are denied a wetlands permit. This legislation will give farmers and other private citizens a chance to be heard in court if they believe the Government has not properly followed its own procedures to make sure it does not take private property without adequate compensation.

The Private Property Rights Act of 1994 will give statutory weight to procedures like those outlined in Executive Order 12630, issued by former President Reagan. Many organizations which strongly defend private property rights are supportive of this legislation, including the American Forest Council, National Cattlemen's Association, National Farmers Organization, National Milk Producers Association, National Water Resources Association, and the U.S. Chamber of Commerce. Private property rights are the foundation of American agricultural production and the individual liberties we all enjoy. This bill provides a strategic method for balancing the Government's necessary action and protecting these private rights.

I urge my colleagues to join me in supporting this important legislation.

ADDITIONAL COSPONSORS

S. 689

At the request of Mr. BRADLEY, the name of the Senator from Connecticut [Mr. LIEBERMAN] was added as a cosponsor of S. 689, a bill to improve the interstate enforcement of child support and parentage court orders, and for other purposes.

S. 773

At the request of Mr. LAUTENBERG, the name of the Senator from Vermont [Mr. JEFFORDS] was added as a cosponsor of S. 773, a bill to require the Administrator of the Environmental Protection Agency to establish a program to encourage voluntary environmental cleanup of facilities to foster their economic redevelopment, and for other purposes.

S. 1231

At the request of Mr. MOYNIHAN, the name of the Senator from Colorado [Mr. CAMPBELL] was added as a cosponsor of S. 1231, a bill to provide for simplified collection of employment taxes on domestic services, and for other purposes.

S. 1350

At the request of Mr. INOUYE, the names of the Senator from Nevada [Mr. BRYAN] and the Senator from California [Mrs. FEINSTEIN] were added as cosponsors of S. 1350, a bill to amend the Earthquake Hazards Reduction Act of 1977 to provide for an expanded Federal program of hazard mitigation and insurance against the risk of catastrophic natural disasters, such as hurricanes, earthquakes, and volcanic eruptions, and for other purposes.

S. 1539

At the request of Mr. INOUYE, the names of the Senator from Maryland [Mr. SARBANES], the Senator from Alaska [Mr. STEVENS], the Senator from Nevada [Mr. REID], the Senator from Alabama [Mr. HEFLIN], the Senator from Utah [Mr. HATCH], the Senator from North Dakota [Mr. CONRAD], the Senator from Hawaii [Mr. AKAKA], the Senator from Rhode Island [Mr. PELL], the Senator from Pennsylvania [Mr. WOFFORD], the Senator from Illinois [Mr. SIMON], the Senator from Minnesota [Mr. WELLSTONE], the Senator from New Jersey [Mr. LAUTENBERG], the Senator from Florida [Mr. GRAHAM], the Senator from Arizona [Mr. DECONCINI], the Senator from California [Mrs. FEINSTEIN], and the Senator from Mississippi [Mr. COCHRAN] were added as cosponsors of S. 1539, a bill to require the Secretary of the Treasury to mint coins in commemoration of Franklin Delano Roosevelt on the occasion of the 50th anniversary of the death of President Roosevelt.

S. 1569

At the request of Ms. MOSELEY-BRAUN, her name was added as a cosponsor of S. 1569, a bill to amend the Public Health Service Act to establish, reauthorize, and revise provisions to improve the health of individuals from disadvantaged backgrounds, and for other purposes.

S. 1724

At the request of Mr. JOHNSTON, the name of the Senator from Louisiana [Mr. BREAUX] was added as a cosponsor of S. 1724, a bill to authorize the Secretary of Health and Human Services to award a grant for the establishment of the National Center for Sickle Cell Disease Research, and for other purposes.

S. 1727

At the request of Mr. COHEN, the names of the Senator from Virginia [Mr. WARNER], the Senator from Massachusetts [Mr. KENNEDY], the Senator from Vermont [Mr. JEFFORDS], the Senator from Hawaii [Mr. INOUYE], and the Senator from Maryland [Ms. MIKULSKI] were added as cosponsors of S. 1727, a bill to establish a National Maritime Heritage Program to make grants available for educational programs and the restoration of America's cultural resources for the purpose of preserving America's endangered maritime heritage.

S. 1728

At the request of Mr. BRYAN, the name of the Senator from New Hampshire [Mr. SMITH] was added as a cosponsor of S. 1728, a bill to provide regulatory capital guidelines for treat-

ment of real estate assets sold with limited recourse by depository institutions.

S. 1814

At the request of Mr. DASCHLE, the name of the Senator from Mississippi [Mr. LOTT] was added as a cosponsor of S. 1814, a bill to amend the Internal Revenue Code of 1986 to provide that a taxpayer may elect to include in income crop insurance proceeds and disaster payments in the year of the disaster or in the following year.

S. 1836

At the request of Mr. DOLE, the name of the Senator from Montana [Mr. BURNS] was added as a cosponsor of S. 1836, a bill for the relief of John Mitchell.

S. 1916

At the request of Mr. SIMON, the name of the Senator from Michigan [Mr. LEVIN] was added as a cosponsor of S. 1916, a bill to amend chapter 44 of title 18, United States Code, to increase certain firearm license application fees and require the immediate suspension of the license of a firearm licensee upon conviction of a violation of that chapter, and for other purposes.

S. 1920

At the request of Mr. DOMENICI, the name of the Senator from Utah [Mr. HATCH] was added as a cosponsor of S. 1920, a bill to amend title XIV of the Public Health Service Act (commonly known as the "Safe Drinking Water Act") to ensure the safety of public water systems, and for other purposes.

S. 1933

At the request of Mr. MCCAIN, the name of the Senator from Colorado [Mr. BROWN] was added as a cosponsor of S. 1933, a bill to repeal the Medicare and Medicaid Coverage Data Bank, and for other purposes.

S. 1942

At the request of Mr. EXON, the name of the Senator from South Dakota [Mr. PRESSLER] was added as a cosponsor of S. 1942, a bill to authorize appropriations for the local rail freight assistance program.

S. 1952

At the request of Mr. JOHNSTON, the names of the Senator from Illinois [Mr. SIMON], the Senator from California [Mrs. BOXER], the Senator from New Mexico [Mr. BINGAMAN], the Senator from California [Mrs. FEINSTEIN], the Senator from Hawaii [Mr. AKAKA], the Senator from Illinois [Ms. MOSELEY-BRAUN], the Senator from Alabama [Mr. HEFLIN], the Senator from North Carolina [Mr. FAIRCLOTH], the Senator from Iowa [Mr. GRASSLEY], the Senator from Oklahoma [Mr. BOREN], the Senator from Maryland [Mr. SARBANES], the Senator from Mississippi [Mr. COCHRAN], the Senator from Connecticut [Mr. LIEBERMAN], the Senator from Utah [Mr. HATCH], the Senator from Delaware [Mr. BIDEN], the Senator from Tennessee [Mr. MATHEWS], the Senator from Michigan [Mr. LEVIN], the Senator from Nevada [Mr. BRYAN], the Senator from Ohio [Mr. METZENBAUM], the Senator from Kentucky [Mr. FORD], the Senator from Virginia [Mr. ROBB], the Senator from Connecticut [Mr. DODD], the Senator from Maryland [Ms. MIKULSKI], the Senator from Iowa [Mr. HARKIN], the Senator from South Dakota [Mr. DASCHLE], the Senator from North Carolina [Mr. HELMS], the Senator from Arkansas [Mr. BUMPERS], the Senator from Arkansas [Mr. PRYOR], the Senator from Kentucky [Mr. MCCONNELL], the Senator from New York [Mr. D'AMATO], the Senator from Texas [Mrs. HUTCHISON], the Senator from Colorado [Mr. CAMPBELL], the Senator from Wisconsin [Mr. FEINGOLD], the Senator from Wyoming [Mr. WALLOP], the Senator from New Mexico [Mr. DOMENICI], the Senator from West Virginia [Mr. BYRD], the Senator from Vermont [Mr. LEAHY], the Senator from Nebraska [Mr. EXON], the Senator from New Jersey [Mr. BRADLEY], the Senator from Idaho [Mr. KEMPTHORNE], the Senator from Idaho [Mr. CRAIG], the Senator from Utah [Mr. BENNETT], the Senator from Tennessee [Mr. SASSER], the Senator from West Virginia [Mr. ROCKEFELLER], and the Senator from Michigan [Mr. RIEGLE] were added as cosponsors of S. 1952, a bill to authorize the minting of coins to commemorate the 175th anniversary of the founding of the United States Botanic Garden.

S. 1979

At the request of Mrs. MURRAY, the name of the Senator from Maryland [Ms. MIKULSKI] was added as a cosponsor of S. 1979, a bill to require employers to post, and to provide to employees individually, information relating to sexual harassment that violates title VII of the Civil Rights Act of 1964, and for other purposes.

SENATE JOINT RESOLUTION 90

At the request of Mr. ROBB, the names of the Senator from Utah [Mr. HATCH], the Senator from Oregon [Mr. HATFIELD], the Senator from Minnesota [Mr. DURENBERGER], the Senator from Washington [Mrs. MURRAY], and the Senator from Alaska [Mr. MURKOWSKI] were added as cosponsors of Senate Joint Resolution 90, a joint resolution to recognize the achievements of radio amateurs, and to establish support for such amateurs as national policy.

SENATE JOINT RESOLUTION 165

At the request of Mr. COCHRAN, the name of the Senator from Colorado [Mr. BROWN] was added as a cosponsor of Senate Joint Resolution 165, a joint resolution to designate the month of September 1994 as "National Sewing Month."

SENATE JOINT RESOLUTION 172

At the request of Mr. DOLE, the names of the Senator from Colorado [Mr. BROWN], the Senator from Maryland [Ms. MIKULSKI], the Senator from Illinois [Mr. SIMON], the Senator from Massachusetts [Mr. KENNEDY], the Senator from Hawaii [Mr. AKAKA], the Senator from Alaska [Mr. MURKOWSKI], and the Senator from West Virginia [Mr. ROCKEFELLER] were added as cosponsors of Senate Joint Resolution 172, a joint resolution designating May 30, 1994, through June 6, 1994, as a "Time for the National Observance of the Fiftieth Anniversary of World War II."

SENATE RESOLUTION 70

At the request of Mr. BRADLEY, the names of the Senator from Massachusetts [Mr. KENNEDY], and the Senator from Kentucky [Mr. MCCONNELL] were added as cosponsors of Senate Resolution 70, a resolution expressing the Sense of the Senate regarding the need for the President to seek the advice and consent of the Senate to the ratification of the United Nations Convention on the Rights of the Child.

SENATE RESOLUTION 190

At the request of Mr. D'AMATO, the name of the Senator from South Dakota [Mr. PRESSLER] was added as a cosponsor of Senate Resolution 190, a resolution expressing the Sense of the Senate that the President should work to achieve a clearly defined and enforceable agreement with allies of the United States which establishes a multilateral export control regime to stem the proliferation of products and technologies to rogue regimes that would jeopardize the national security of the United States.

AMENDMENT NO. 1581

At the request of Mr. FAIRCLOTH his name was added as a cosponsor of Amendment No. 1581 intended to be proposed to S. 540, a bill to improve the administration of the bankruptcy system, address certain commercial issues and consumer issues in bankruptcy, and establish a commission to study and make recommendations on problems with the bankruptcy system, and for other purposes.

SENATE RESOLUTION 196—PRINTING REPORT ENTITLED "DEVELOPMENTS IN AGING: 1993"

Mr. PRYOR submitted the following resolution; which was referred to the Committee on Rules and Administration:

S. RES. 196

Resolved, That there shall be printed for the use of the Special Committee on Aging, in addition to the usual number of copies, the maximum number of copies of volumes 1 and 2 of the annual report of the committee to the Senate, entitled "Developments in Aging: 1993", which additional copies may be printed at a cost not to exceed $1,200.

SENATE RESOLUTION 197—RELATING TO THE IMPORTATION OF DIRTY GASOLINE

Mr. BAUCUS (for himself, Mr. FORD, Mr. WARNER, Mr. BREAUX, and Mr.

WOFFORD) submitted the following resolution; which was referred to the Committee on Finance:

S. RES. 197

Whereas, the "Clean Air Act Amendments of 1990" (CAAA 1990) is legislation critical for preserving American health and environment;

Whereas, the reformulated gasoline program is a key provision of the CAAA 1990;

Whereas, the integrity of the clean fuels requirement of the CAAA necessarily involves EPA verification of data submitted;

Whereas, the DPA must be able to verify with certainty the foreign submitted data substantiating 1990 baseline standards of foreign refiners of reformulated gasoline;

Whereas, the final reformulated gasoline rule issued by EPA on December 15, 1993 recognizes the difficulty EPA has verifying the baseline of gasoline produced abroad and attempts to protect the integrity of the clean fuels requirement in the CAAA 1990;

Whereas, foreign refiners might be entitled to a claim that the December 15 EPA rule denies them national treatment obligations owed them by the United States under the General Agreement on Tariffs and Trade (GATT);

Whereas, the GATT provides a recognized exception to GATT obligations of "national treatment" by virtue of a measure's importance to protecting human, animal or plant life or health;

Whereas, the reformulated gasoline EPA rule can be reasonably found to fall within this GATT article XX exception: Therefore be it

Resolved, That it is the Sense of the Senate that the reformulated gasoline rule should stand as previously promulgated;

And that the United States Trade Representative should vigorously defend the reformulated gasoline rule under the GATT;

And that if the United States re-opens the reformulated gasoline rule, the new proposed rule to permit foreign refineries to use their own 1990 baselines should be subject to rigorous and extensive public notice and comment to ensure that it does not consequently result in an increase in the levels of ozone over the current reformulated gasoline rule, and does not result in discrimination against domestic refiners of reformulated gasoline.

Mr. BAUCUS. Mr. President: I submit a Sense-of-the-Senate resolution regarding recent, deplorable actions of our State Department to weaken our Federal Clean Air Act in order to appease the Venezuelan gasoline industry.

In our dealings with foreign governments, Woodrow Wilson said, we must have open covenants, openly arrived at. A recent secret agreement by the State Department shows why he was right.

The problem is as follows The Clean Air Act as we all remember, is designed among other things to reduce smog and clean up the air in our cities. Now, as it happens, Venezuelan gasoline is particularly rich in a class of contaminants called olefins. With three times the average American level of olefins, Venezuelan gasoline would contribute significantly to urban smog.

Under Clean Air Act regulations, other countries that export gasoline to the United States must clean up their gasoline to conform with our domestic regulations. It seems only fair that foreign producers who want to sell their gasoline in this country comply with our domestic standards. But Venezuela refuses to do that. The gasoline industry of Venezuela does not want to spend the money to comply with our standards.

So, they filed a GATT challenge against the United States claiming the Clean Air Act is a discriminatory trade barrier. And, on top of this, the Venezuelan Government hired high-priced Washington lobbyists to lobby our own Government for help.

A BACK-DOOR DEAL

The State Department obliged. But surprisingly enough, it went well beyond the usual practice of pleading the Venezuelan case. Instead, our own State Department went behind the back of Congress and negotiated a special deal for Venezuela. Under this agreement, Venezuela will drop its GATT challenge, we will allow Venezuela to use its own standard for reduction of ozone, and we will cap total sales of Venezuelan gasoline in the United States at approximately the current level. This deal is billed as a compromise, but it does not look like one to me. Venezuela got everything it wanted. They get to continue to export large quantities of dirty gasoline to the United States.

Mr. President, think what kind of signal this sends to domestic industry and to the rest of the world. U.S. refiners are struggling to meet the tough standards set by the Clean Air Act. But we are going to give foreign refiners an easy way out. Moreover, manufacturers all over the world will think they can get the same special treatment that Venezuela did if they challenge other U.S. environmental laws as trade barriers. Changing this regulations sets a dangerous precedent.

No public comment, no public criticism, no input from industry or environmental groups went into this deal. There was no consultation with Congress before this deal was cut—at least not with the Environment Committee members or the committee staff. And the result of this deal is a momentous and frightening change in the law. This is simply not the sort of thing we should permit.

UNITED STATES HAS A STRONG CASE

On a substantive level, we have a strong case to make in the GATT challenge and we should not back down. The Clean Air Act is not an environmental law designed to block imports. It is legislation to ensure that every American can breath clean, healthy air. All we ask is to enforce the Clean Air Act as strictly with foreign manufacturers as we do with domestic manufacturers.

I think this law is fair, and the regulation EPA published last December is fair. And even if the GATT panel disagrees on that point, I think we still will win.

Article XX of the GATT provides that "nothing in this Agreement shall be construed to prevent the adoption or enforcement by any contracting party of measures * * * necessary to protect human, animal or plant life or health * * *" This exception clearly covers the EPA's reformulated gas regulation, which is based on sound science and intended to be used to reduce life and health-threatening smog in urban areas. If Venezuela wants to contest this at the GATT, we should not get spooked. We should mount a strong defense.

NEED FOR A SENATE RESOLUTION

What we should not have done at this point—in fact, what we should never do—is to try and resolve the issue in secret. We should not make domestic environmental policy through secret negotiations by the State Department. That is what has apparently happened in this case. And that is why this short, simple resolution is so important.

It restates our goal in the Clean Air Act of 1990—to make our air cleaner and healthier.

It reminds us of the substantive case—that if we let foreign refineries use weak or contrived data to avoid making our air cleaner, we discriminate against the domestic refiners we have asked to meet high standards, and we put our own citizens at risk of lung disease.

And perhaps most important, it gives some in the executive branch a strong reminder that attempts to ease foreign policy while keeping Congress and the American public in the dark are not the American way of Government.

SENATE RESOLUTION 198—RELATING TO THE DEATH OF LUIS DONALDO COLOSIO

Mr. DODD (for himself and Ms. MIKULSKI) submitted the following resolution; which was considered and agreed to:

S. RES. 198

Whereas Luis Donaldo Colosio was selected by the Institutional Revolutionary Party to be its official candidate for the August Presidential elections in Mexico;

Whereas Mr. Colosio had ably served the people of Mexico as a government official in the administration of President Carlos Salinas de Gortari; and had demonstrated during his tenure as Secretary of Social Development a compassion for the underprivileged and an understanding of the need for economic and political reforms in order to better meet the aspirations of all of the people of Mexico;

Whereas Mr. Colosio had demonstrated that he was among the most progressive and promising leaders of his country;

Whereas, on March 23, during a campaign event in Tijuana in the presence of more than one thousand people, Mr. Colosio was savagely shot and killed;

Whereas today the people of Mexico are mourning the tragic and untimely death of Mr. Colosio: Now, therefore, be it

Resolved by the Senate, That it

(1) condemns this senseless act of violence;

(2) joins with President Clinton on extending the condolences of the American people to the people of Mexico, and most especially to the Colosio family, who have all endured a devastating and terrible loss; and

(3) pledges the full and unequivocal support of the United States to the government and people of Mexico during this difficult and trying time.

AMENDMENTS SUBMITTED

CONGRESSIONAL BUDGET CONCURRENT RESOLUTION

SPECTER AMENDMENT NO. 1597

Mr. SPECTER proposed an amendment to the concurrent resolution (S. Con. Res. 63) setting forth the congressional budget for the U.S. Government for the fiscal years 1995, 1996, 1997, 1998, and 1999; as follows:

At the end of title III add the following new section:

SEC. . SENSE OF THE CONGRESS ON SHIFTING THE ALLOCATION OF ANTI-DRUG FUNDS FROM INTERNATIONAL ANTI-DRUG PROGRAMS TO DRUG TREATMENT AND PREVENTION PROGRAMS.

(a) FINDINGS.—The Congress finds that—

(1) in 1991 over 11,000 hectares of opium production were eradicated out of over 238,000 hectares under opium cultivation;

(2) in 1992 over 22,000 hectares of opium production were eradicated, but the amount of hectares under opium cultivation grew to over 255,000 hectares;

(3) in the face of a successful opium eradication program in 1992, the amount of land under active opium cultivation grew by 6,700 hectares;

(4) in 1991 over 6,500 hectares of coca leaf production were eradicated out of over 212,700 hectares under cultivation;

(5) in 1992 fewer than 5,300 hectares of coca leaf production were eradicated, and the amount of hectares under active coca leaf cultivation grew to almost 217,000;

(6) the amount of land under active coca leaf production grew by 5,300 hectares in 1992, and coca leaf production increased by 1,200 metric tons over production in 1991;

(7) the Drug Enforcement Administration has reported that the purity of cocaine available in the United States has increased since 1990, which demonstrates that adequate supplies of cocaine continue to be produced and smuggled into the United States;

(8) the Drug Enforcement Administration has reported that the price of cocaine available in the United States has remained stable or declined since 1990, again demonstrating that adequate supplies of cocaine are being produced and smuggled into the United States;

(9) many observers of national drug policy have come to conclude that the efforts of the United States to reduce the supply of drugs through international law enforcement and training, economic development, and crop substitution programs in foreign nations cannot succeed in reducing the supply of drugs available in the United States;

(10) recent studies demonstrate that drug treatment and prevention programs have achieved notable success in reducing drug use and associated criminality, including the commission of violent crime by drug users;

(11) the current national capacity to provide drug treatment falls far short of being able to provide adequate treatment to drug users who need and want treatment;

(12) additional resources are needed to add drug treatment capacity and to expand drug prevention programs.

(b) SENSE OF CONGRESS.—It is the sense of the Congress that—

(1) in setting forth the budget authority and outlay amounts in this resolution, Congress should take note of the failure of past spending to support international anti-drug programs, including but not limited to those of the Agency for International Development, the Bureau of International Narcotics Matters and the Bureau of Politico-Military Affairs of the Department of State, and the Drug Enforcement Administration; and

(2) the budget authority and outlay amounts in this resolution should be reallocated from international anti-drug programs to support successful drug treatment and prevention programs that will curb the demand for illegal drugs; and

(3) one-half of the budget authority and outlay amounts to combat illegal drugs be expended to reduce the demand for illegal drugs in the United States and one-half of such amounts be expended to reduce the supply of such drugs in the United States;

(4) no budget authority or outlay amounts reallocated in accordance with the provisions of this section shall be taken from budget authority and outlay amounts for foreign aid or international development other than those accounts that support international anti-drug programs.

GRAMM (AND HUTCHISON) AMENDMENT NO. 1598

Mr. GRAMM (for himself and Mrs. HUTCHISON) proposed an amendment to the concurrent resolution Senate Concurrent Resolution 63, supra; as follows:

On page 11, decrease the amount on line 14 by $187,000,000.

On page 11, decrease the amount on line 15 by $31,000,000.

On page 11, decrease the amount on line 22 by $187,000,000.

On page 11, decrease the amount on line 23 by $94,000,000.

On page 12, decrease the amount on line 5 by $187,000,000.

On page 12, decrease the amount on line 6 by $187,000,000.

On page 12, decrease the amount on line 13 by $187,000,000.

On page 12, decrease the amount on line 14 by $187,000,000.

On page 12, decrease the amount on line 21 by $187,000,000.

On page 12, decrease the amount on line 22 by $187,000,000.

On page 13, decrease the amount on line 1 by $40,000,000.

On page 13, decrease the amount on line 8 by $7,000,000.

On page 13, decrease the amount on line 14 by $40,000,000.

On page 13, decrease the amount on line 15 by $20,000,000.

On page 13, decrease the amount on line 21 by $40,000,000.

On page 13, decrease the amount on line 22 by $40,000,000.

On page 14, decrease the amount on line 3 by $40,000,000.

On page 14, decrease the amount on line 4 by $40,000,000.

On page 14, decrease the amount on line 10 by $40,000,000.

On page 14, decrease the amount on line 11 by $40,000,000.

On page 14, decrease the amount on line 18 by $183,000,000.

On page 14, decrease the amount on line 19 by $31,000,000.

On page 15, decrease the amount on line 2 by $183,000,000.

On page 15, decrease the amount on line 3 by $92,000,000.

On page 15, decrease the amount on line 10 by $183,000,000.

On page 15, decrease the amount on line 11 by $183,000,000.

On page 15, decrease the amount on line 18 by $183,000,000.

On page 15, decrease the amount on line 19 by $183,000,000.

On page 16, decrease the amount on line 2 by $183,000,000.

On page 16, decrease the amount on line 3 by $183,000,000.

On page 16, decrease the amount on line 11 by $335,000,000.

On page 16, decrease the amount on line 12 by $56,000,000.

On page 16, decrease the amount on line 18 by $335,000,000.

On page 16, decrease the amount on line 19 by $168,000,000.

On page 16, decrease the amount on line 25 by $335,000,000.

On page 17, decrease the amount on line 1 by $335,000,000.

On page 17, decrease the amount on line 7 by $335,000,000.

On page 17, decrease the amount on line 8 by $335,000,000.

On page 17, decrease the amount on line 14 by $335,000,000.

On page 17, decrease the amount on line 15 by $335,000,000.

On page 17, decrease the amount on line 22 by $95,000,000.

On page 17, decrease the amount on line 23 by $16,000,000.

On page 18, decrease the amount on line 5 by $95,000,000.

On page 18, decrease the amount on line 6 by $48,000,000.

On page 18, decrease the amount on line 13 by $95,000,000.

On page 18, decrease the amount on line 14 by $95,000,000.

On page 18, decrease the amount on line 21 by $95,000,000.

On page 18, decrease the amount on line 22 by $95,000,000.

On page 19, decrease the amount on line 5 by $95,000,000.

On page 19, decrease the amount on line 6 by $95,000,000.

On page 19, decrease the amount on line 14 by $635,000,000.

On page 18, decrease the amount on line 15 by $106,000,000.

On page 19, decrease the amount on line 22 by $635,000,000.

On page 19, decrease the amount on line 23 by $318,000,000.

On page 20, decrease the amount on line 5 by $635,000,000.

On page 20, decrease the amount on line 6 by $635,000,000.

On page 20, decrease the amount on line 13 by $635,000,000.

On page 20, decrease the amount on line 14 by $635,000,000.

On page 20, decrease the amount on line 21 by $635,000,000.

On page 20, decrease the amount on line 22 by $635,000,000.

On page 22, decrease the amount on line 23 by $282,000,000.

On page 22, decrease the amount on line 24 by $47,000,000.
On page 23, decrease the amount on line 7 by $282,000,000.
On page 23, decrease the amount on line 8 by $141,000,000.
On page 23, decrease the amount on line 15 by $282,000,000.
On page 23, decrease the amount on line 16 by $282,000,000.
On page 23, decrease the amount on line 23 by $282,000,000.
On page 23, decrease the amount on line 24 by $282,000,000.
On page 24, decrease the amount on line 7 by $282,000,000.
On page 24, decrease the amount on line 8 by $282,000,000.
On page 24, decrease the amount on line 17 by $2,132,000,000.
On page 24, decrease the amount on line 18 by $355,000,000.
On page 24, decrease the amount on line 25 by $2,137,000,000.
On page 25, decrease the amount on line 1 by $1,066,000,000.
On page 25, decrease the amount on line 8 by $2,132,000,000.
On page 25, decrease the amount on line 9 by $2,132,000,000.
On page 25, decrease the amount on line 16 by $2,132,000,000.
On page 25, decrease the amount on line 17 by $2,132,000,000.
On page 25, decrease the amount on line 24 by $2,132,000,000.
On page 25, decrease the amount on line 25 by $2,132,000,000.
On page 26, decrease the amount on line 8 by $450,000,000.
On page 26, decrease the amount on line 9 by $75,000,000.
On page 26, decrease the amount on line 15 by $450,000,000.
On page 26, decrease the amount on line 16 by $225,000,000.
On page 26, decrease the amount on line 22 by $450,000,000.
On page 26, decrease the amount on line 23 by $450,000,000.
On page 27, decrease the amount on line 5 by $450,000,000.
On page 27, decrease the amount on line 6 by $450,000,000.
On page 27, decrease the amount on line 12 by $450,000,000.
On page 27, decrease the amount on line 13 by $450,000,000.
On page 30, decrease the amount on line 20 by $99,000,000.
On page 30, decrease the amount on line 21 by $17,000,000.
On page 31, decrease the amount on line 2 by $99,000,000.
On page 31, decrease the amount on line 3 by $50,000,000.
On page 31, decrease the amount on line 9 by $99,000,000.
On page 31, decrease the amount on line 10 by $99,000,000.
On page 31, decrease the amount on line 16 by $99,000,000.
On page 31, decrease the amount on line 17 by $99,000,000.
On page 31, decrease the amount on line 23 by $99,000,000.
On page 31, decrease the amount on line 24 by $99,000,000.
On page 32, decrease the amount on line 6 by $16,000,000.
On page 32, decrease the amount on line 7 by $3,000,000.
On page 32, decrease the amount on line 13 by $16,000,000.
On page 32, decrease the amount on line 14 by $8,000,000.
On page 32, decrease the amount on line 20 by $16,000,000.
On page 32, decrease the amount on line 21 by $16,000,000.
On page 33, decrease the amount on line 2 by $16,000,000.
On page 33, decrease the amount on line 3 by $16,000,000.
On page 33, decrease the amount on line 9 by $16,000,000.
On page 33, decrease the amount on line 10 by $16,000,000.
On page 33, decrease the amount on line 17 by $30,000,000.
On page 33, decrease the amount on line 18 by $5,000,000.
On page 33, decrease the amount on line 25 by $30,000,000.
On page 34, decrease the amount on line 1 by $15,000,000.
On page 34, decrease the amount on line 8 by $30,000,000.
On page 34, decrease the amount on line 9 by $30,000,000.
On page 34, decrease the amount on line 16 by $30,000,000.
On page 34, decrease the amount on line 17 by $30,000,000.
On page 34, decrease the amount on line 24 by $30,000,000.
On page 34, decrease the amount on line 25 by $30,000,000.
On page 36, decrease the amount on line 20 by $516,000,000.
On page 36, decrease the amount on line 21 by $86,000,000.
On page 37, decrease the amount on line 2 by $516,000,000.
On page 37, decrease the amount on line 3 by $257,000,000.
On page 37, decrease the amount on line 9 by $516,000,000.
On page 37, decrease the amount on line 10 by $516,000,000.
On page 37, decrease the amount on line 16 by $516,000,000.
On page 37, decrease the amount on line 17 by $516,000,000.
On page 37, decrease the amount on line 23 by $516,000,000.
On page 37, decrease the amount on line 24 by $516,000,000.
On page 41, increase the amount on line 11 by $5,000,000,000.
On page 41, increase the amount on line 12 by $833,000,000.
On page 41, increase the amount on line 18 by $5,000,000,000.
On page 41, increase the amount on line 19 by $2,499,000,000.
On page 41, increase the amount on line 25 by $5,000,000,000.
On page 42, increase the amount on line 1 by $5,000,000,000.
On page 42, increase the amount on line 7 by $5,000,000,000.
On page 42, increase the amount on line 8 by $5,000,000,000.
On page 42, increase the amount on line 14 by $5,000,000,000.
On page 42, increase the amount on line 15 by $5,000,000,000.

SIMON (AND OTHERS) AMENDMENT NO. 1599

Mr. SIMON (for himself, Mr. BOND, and Mr. PRYOR) proposed an amendment to the concurrent resolution Senate Concurrent Resolution 63, supra; as follows:

At the appropriate place in the resolution, insert the following new section:

SEC. . INTERNAL REVENUE SERVICE COMPLIANCE INITIATIVE.

(a) ADJUSTMENTS.—For purposes of points of order under the Congressional Budget and Impoundment Control Act of 1974 and concurrent resolutions on the budget—

(1) the discretionary spending limits under section 601(a)(2) of that Act (and those limits as cumulatively adjusted) for the current fiscal year and each outyear;

(2) the allocations to the Committees on Appropriations under sections 302(a) and 602(a) of that Act; and

(3) the levels for major functional category 800 (General Government) and the appropriate budgetary aggregates in the most recently agreed to concurrent resolution on the budget,

shall be adjusted to reflect the amounts of additional new budget authority or additional outlays (as compared with the amounts requested for the Internal Revenue Service in the President's Budget for fiscal year 1995) reported by the Committee on Appropriations in appropriations Acts (or by the committee of conference on such legislation) for the Internal Revenue Service compliance initiative activities in any fiscal year, but not to exceed in any fiscal year $405,000,000 in new budget authority and $405,000,000 in outlays.

(b) REVISED LIMITS ALLOCATIONS, LEVELS, AND AGGREGATES.—Upon the reporting of legislation pursuant to subsection (a), and again upon the submission of a conference report on such legislation in either House (if a conference report is submitted), the Chairmen of the Committees on the Budget of the Senate and the House of Representatives shall file with their respective Houses appropriately revised—

(1) discretionary spending limits under section 601(a)(2) of the Congressional Budget Act of 1974 (and those limits as cumulatively adjusted) for the current fiscal year and each outyear;

(2) allocations to the Committees on Appropriations under sections 302(a) and 602(a) of that Act; and

(3) levels for major functional category 800 (General Government) and the appropriate budgetary aggregates in the most recently agreed to concurrent resolution on the budget,

to carry out this subsection. These revised discretionary spending limits, allocations, functional levels, and aggregates shall be considered for purposes of congressional enforcement under that Act as the discretionary spending limits, allocations, functional levels, and aggregates.

(c) REPORTING REVISED ALLOCATIONS.—The Committees on Appropriations of the Senate and the House of Representatives may report appropriately revised allocations pursuant to sections 302(b) and 602(b) of the Congressional Budget Act of 1974 to carry out this section.

(d) CONTINGENCIES.—This section shall not apply to any additional new budget authority or additional outlays unless—

(1) in the case of such budget authority or outlays for any fiscal year after fiscal year 1995, the Secretary of the Treasury certifies—

(A) to the Chairmen of the Committees on the Budget of the Senate and the House of Representatives, and

(B) to the Chairmen of the Committee on Finance of the Senate and the Committee on Ways and Means of the House of Representatives,

that there has been enacted into law a Taxpayer Bill of Rights 2 which is substantially

similar to that contained in the conference report to H.R. 11, 102d Congress, 2d Session;

(2) the Secretary of the Treasury certifies to the chairmen described in paragraph (1)(A) that the Internal Revenue Service will initiate and implement an educational program with respect to the Taxpayer Bill of Rights 1 and 2 for any new employees hired pursuant to such budget authority or outlays;

(3) the Director of the Congressional Budget Office certifies to the chairmen described in paragraph (1)(A) that such budget authority or outlays will not increase the Federal budget deficit; and

(4) any funds made available pursuant to such budget authority or outlays are available only for the purpose of carrying out Internal Revenue Service compliance initiative activities.

(e) SUNSET.—This section shall expire September 30, 1998.

GRAHAM (AND OTHERS) AMENDMENT NO. 1600

Mr. GRAHAM (for himself, Mr. KERREY, Mr. LIEBERMAN, Mr. GREGG, Mr. BROWN, Mr. ROBB, and Mr. DOMENICI) proposed an amendment to the concurrent resolution Senate Concurrent Resolution 63, supra; as follows:

It is the sense of the Senate that legislation should be enacted providing enforceable limits to control the growth of entitlement or mandatory spending.

NUNN (AND OTHERS) AMENDMENT NO. 1601

Mr. NUNN (for himself, Mr. DOMENICI, Mr. ROBB, and Mr. DANFORTH) proposed an amendment to the concurrent resolution Senate Concurrent Resolution 63, supra; as follows:

S. 1601

Strike all that occurs beginning on page 5 line 1 and ending on page 45 line 20 and insert in lieu thereof the following:

Fiscal year 1995; $1,242,400,000,000.
Fiscal year 1996; $1,303,300,000,000.
Fiscal year 1997; $1,367,700,000,000.
Fiscal year 1998; $1,435,700,000,000.
Fiscal year 1999; $1,505,100,000,000.

(B) For purposes of section 710 of the Social Security Act (excluding the receipts and disbursements of the Hospital Insurance Trust Fund), the appropriate levels of total new budget authority are as follows:

Fiscal year 1995; $1,149,200,000,000.
Fiscal year 1996; $1,202,100,000,000.
Fiscal year 1997; $1,256,100,000,000.
Fiscal year 1998; $1,312,800,000,000.
Fiscal year 1999; $1,367,800,000,000.

(3) BUDGET OUTLAYS.—(A) For purposes of comparison with the maximum deficit amount under sections 601(a)(1) and 606 of the Congressional Budget Act of 1974 and for purposes of the enforcement of this resolution, the appropriate levels of total budget outlays are as follows:

Fiscal year 1995; $1,216,300,000,000.
Fiscal year 1996; $1,276,600,000,000.
Fiscal year 1997; $1,335,300,000,000.
Fiscal year 1998; $1,380,800,000,000.
Fiscal year 1999; $1,433,400,000,000.

(B) For purposes of section 710 of the Social Security Act (excluding the receipts and disbursements of the Hospital Insurance Trust Fund), the appropriate levels of total budget outlays are as follows:

Fiscal year 1995; $1,124,000,000,000.
Fiscal year 1996; $1,176,400,000,000.
Fiscal year 1997; $1,224,700,000,000.
Fiscal year 1998; $1,259,500,000,000.
Fiscal year 1999; $1,297,900,000,000.

(4) DEFICITS.—(A) For purposes of comparison with the maximum deficit amount under sections 601(a)(1) and 606 of the Congressional Budget Act of 1974 and for purposes of the enforcement of this resolution, the amounts of the deficits are as follows:

Fiscal year 1995; $238,600,000,000.
Fiscal year 1996; $245,200,000,000.
Fiscal year 1997; $255,600,000,000.
Fiscal year 1998; $244,400,000,000.
Fiscal year 1999; $243,200,000,000.

(B) For purposes of section 710 of the Social Security Act (excluding the receipts and disbursements of the Hospital Insurance Trust Fund), the amounts of the deficits are as follows:

Fiscal year 1995: $246,600,000,000.
Fiscal year 1996: $251,500,000,000.
Fiscal year 1997: $256,900,000,000.
Fiscal year 1998: $240,900,000,000.
Fiscal year 1999: $231,400,000,000.

(5) PUBLIC DEBT.—The appropriate levels of the public debt are as follows:

Fiscal year 1995: $4,963,600,000,000.
Fiscal year 1996: $5,272,000,000,000.
Fiscal year 1997: $5,587,200,000,000.
Fiscal year 1998: $5,890,200,000,000.
Fiscal year 1999: $6,182,800,000,000.

(6) DIRECT LOAN OBLIGATIONS.—The appropriate levels of total new direct loan obligations are as follows:

Fiscal year 1995: $26,700,000,000.
Fiscal year 1996: $32,100,000,000.
Fiscal year 1997: $33,800,000,000.
Fiscal year 1998: $35,700,000,000.
Fiscal year 1999: $37,800,000,000.

(7) PRIMARY LOAN GUARANTEE COMMITMENTS.—The appropriate levels of new primary loan guarantee commitments are as follows:

Fiscal year 1995: $199,700,000,000.
Fiscal year 1996: $174,400,000,000.
Fiscal year 1997: $164,600,000,000.
Fiscal year 1998: $164,100,000,000.
Fiscal year 1999: $163,500,000,000.

SEC. 3. DEBT INCREASE AS A MEASURE OF DEFICIT.

The amounts of the increase in the public debt subject to limitation are as follows:

Fiscal year 1995: $306,700,000,000.
Fiscal year 1996: $308,400,000,000.
Fiscal year 1997: $315,200,000,000.
Fiscal year 1998: $303,000,000,000.
Fiscal year 1999: $292,500,000,000.

SEC. 4 DISPLAY OF FEDERAL RETIREMENT TRUST FUND BALANCES

The balances of the Federal retirement trust funds are as follows:

Fiscal year 1995: $1,161,100,000,000.
Fiscal year 1996: $1,275,200,000,000.
Fiscal year 1997: $1,396,900,000,000.
Fiscal year 1998: $1,524,200,000,000.
Fiscal year 1999: $1,651,300,000,000.

SEC. 5. SOCIAL SECURITY.

(a) SOCIAL SECURITY REVENUES.—For purposes of Senate enforcement under sections 302 and 311 of the Congressional Budget Act of 1974, the amounts of revenues of the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund are as follows:

Fiscal year 1995: $360,500,000,000.
Fiscal year 1996: $379,600,000,000.
Fiscal year 1997: $399,000,000,000.
Fiscal year 1998: $419,500,000,000.
Fiscal year 1999: $439,800,000,000.

(b) SOCIAL SECURITY OUTLAYS.—For purposes of Senate enforcement under sections 302 and 311 of the Congressional Budget Act of 1974, the amounts of outlays of the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund are as follows:

Fiscal year 1995: $287,600,000,000.
Fiscal year 1996: $301,300,000,000.
Fiscal year 1997: $312,300,000,000.
Fiscal year 1998: $324,400,000,000.
Fiscal year 1999: $337,000,000,000.

SEC. 6. MAJOR FUNCTIONAL CATEGORIES.

The Congress determines and declares that the appropriate levels of new budget authority, budget outlays, new direct loan obligations, and new primary loan guarantee commitments for fiscal years 1995 through 1999 for each major functional category are:

(1) National Defense (050):

Fiscal year 1995:
(A) New budget authority, $263,800,000,000.
(B) Outlays, $270,700,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.

Fiscal year 1996:
(A) New budget authority, $255,300,000,000.
(B) Outlays, $261,000, 000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.

Fiscal year 1997:
(A) New budget authority, $252,000,000,000.
(B) Outlays, $256,400, 000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.

Fiscal year 1998:
(A) New budget authority, $258,700,000,000.
(B) Outlays, $256,600,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.

Fiscal year 1999:
(A) New budget authority, $265,100,000,000.
(B) Outlays, $257,600,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.

(2) International Affairs (150):

Fiscal year 1995:
(A) New budget authority, $19,300,000,000.
(B) Outlays, $18,100,000,000.
(C) New direct loan obligations, $3,200,000,000.
(D) New primary loan guarantee commitments, $18,000,000,000.

Fiscal year 1996:
(A) New budget authority, $17,200,000,000.
(B) Outlays, $17,300,000,000.
(C) New direct loan obligations, $2,800,000,000.
(D) New primary loan guarantee commitments, $18,500,000,000.

Fiscal year 1997:
(A) New budget authority, $17,000,000,000.
(B) Outlays, $17,300,000,000.
(C) New direct loan obligations, $2,600,000,000.
(D) New primary loan guarantee commitments, $18,500,000,000.

Fiscal year 1998:
(A) New budget authority, $16,800,000,000.
(B) Outlays, $17,600,000,000.
(C) New direct loan obligations, $2,400,000,000.
(D) New primary loan guarantee commitments, $18,500,000,000.

Fiscal year 1999:
(A) New budget authority, $17,000,000,000.
(B) Outlays, $17,500,000,000.
(C) New direct loan obligations, $2,400,000,000.
(D) New primary loan guarantee commitments, $16,500,000,000.

(3) General Science, Space, and Technology (250):

Fiscal year 1995:
(A) New budget authority, $17,300,000,000.
(B) Outlays, $17,200,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1996:
(A) New budget authority, $17,200,000,000.
(B) Outlays, $17,200,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, $17,300,000,000.
(B) Outlays, $17,300,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, $17,400,000,000.
(B) Outlays, $17,300,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1999:
(A) New budget authority, $17,600,000,000.
(B) Outlays, $17,500,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(4) Energy (270):
Fiscal year 1995:
(A) New budget authority, $6,300,000,000.
(B) Outlays, $5,000,000,000.
(C) New direct loan obligations, $1,400,000,000.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1996:
(A) New budget authority, $5,900,000,000.
(B) Outlays, $5,200,000,000.
(C) New direct loan obligations, $1,500,000,000.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, $5,900,000,000.
(B) Outlays, $5,000,000,000.
(C) New direct loan obligations, $1,500,000,000.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, $6,100,000,000.
(B) Outlays, $4,700,000,000.
(C) New direct loan obligations, $1,500,000,000.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1999:
(A) New budget authority, $5,700,000,000.
(B) Outlays, $4,400,000,000.
(C) New direct loan obligations, $1,500,000,000.
(D) New primary loan guarantee commitments, $0.
(5) Natural Resources and Environment (300):
Fiscal year 1995:
(A) New budget authority, $21,700,000,000.
(B) Outlays, $21,300,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1996:
(A) New budget authority, $22,200,000,000.
(B) Outlays, $21,500,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments. $0.
Fiscal year 1997:
(A) New budget authority, $22,100,000,000.
(B) Outlays, $21,600,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, $22,000,000,000.
(B) Outlays, $21,500,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1999:
(A) New budget authority, $21,600,000,000.
(B) Outlays, $21,400,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(6) Agriculture (350):
Fiscal year 1995:
(A) New budget authority, $12,300,000,000.
(B) Outlays, $11,600,000,000.
(C) New direct loan obligations, $10,100,000,000.
(D) New primary loan guarantee commitments, $7,400,000,000.
Fiscal year 1996:
(A) New budget authority, $12,500,000,000.
(B) Outlays, $11,400,000,000.
(C) New direct loan obligations, $9,700,000,000.
(D) New primary loan guarantee commitments, $7,400,000,000.
Fiscal year 1997:
(A) New budget authority, $13,000,000,000.
(B) Outlays, $11,700,000,000.
(C) New direct loan obligations, $9,700,000,000.
(D) New primary loan guarantee commitments, $7,400,000,000.
Fiscal year 1998:
(A) New budget authority, $13,200,000,000.
(B) Outlays, $12,000,000,000.
(C) New direct loan obligations, $9,800,000,000.
(D) New primary loan guarantee commitments, $7,400,000,000.
Fiscal year 1999:
(A) New budget authority, $13,700,000,000.
(B) Outlays, $12,500,000,000.
(C) New direct loan obligations, $9,900,000,000.
(D) New primary loan guarantee commitments, $7,400,000,000.
(7) Commerce and Housing Credit (370):
Fiscal year 1995:
(A) New budget authority, $7,700,000,000.
(B) Outlays, −$8,300,000,000.
(C) New direct loan obligations, $2,800,000,000.
(D) New primary loan guarantee commitments, $117,900,000,000.
Fiscal year 1996:
(A) New budget authority, $5,300,000,000.
(B) Outlays, −$10,800,000,000.
(C) New direct loan obligations, $3,000,000,000.
(D) New primary loan guarantee commitments, $103,200,000,000.
Fiscal year 1997:
(A) New budget authority, $5,100,000,000.
(B) Outlays, −$3,400,000,000.
(C) New direct loan obligations, $3,100,000,000.
(D) New primary loan guarantee commitments, $95,900,000,000.
Fiscal year 1998:
(A) New budget authority, $5,200,000,000.
(B) Outlays, −$2,900,000,000.
(C) New direct loan obligations, $3,200,000,000.
(D) New primary loan guarantee commitments, $96,900,000,000.
Fiscal year 1999:
(A) New budget authority, $6,200,000,000.
(B) Outlays, −$900,000,000.
(C) New direct loan obligations, $3,400,000,000.
(D) New primary loan guarantee commitments, $99,500,000,000.
(8) Transportation (400):
Fiscal year 1995:
(A) New budget authority, $42,900,000,000.
(B) Outlays, $38,800,000,000.
(C) New direct loan obligations, $100,000,000.
(D) New primary loan guarantee commitments, $500,000,000.
Fiscal year 1996:
(A) New budget authority, $41,800,000,000.
(B) Outlays, $39,600,000,000.
(C) New direct loan obligations, $100,000,000.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, $43,200,000,000.
(B) Outlays, $40,100,000,000.
(C) New direct loan obligations, $100,000,000.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, $44,000,000,000.
(B) Outlays, $40,300,000,000.
(C) New direct loan obligations, $100,000,000.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1999:
(A) New budget authority, $44,600,000,000.
(B) Outlays, $40,500,000,000.
(C) New direct loan obligations, $100,000,000.
(D) New primary loan guarantee commitments, $0.
(9) Community and Regional Development (450):
Fiscal year 1995:
(A) New budget authority, $9,500,000,000.
(B) Outlays, $9,300,000,000.
(C) New direct loan obligations, $2,200,000,000.
(D) New primary loan guarantee commitments, $3,600,000,000.
Fiscal year 1996:
(A) New budget authority, $9,000,000,000.
(B) Outlays, $8,900,000,000.
(C) New direct loan obligations, $2,200,000,000.
(D) New primary loan guarantee commitments, $3,600,000,000.
Fiscal year 1997:
(A) New budget authority, $9,000,000,000.
(B) Outlays, $9,000,000,000.
(C) New direct loan obligations, $2,200,000,000.
(D) New primary loan guarantee commitments, $3,600,000,000.
Fiscal year 1998:
(A) New budget authority, $9,000,000,000.
(B) Outlays, $9,100,000,000.
(C) New direct loan obligations, $2,200,000,000.
(D) New primary loan guarantee commitments, $3,600,000,000.
Fiscal year 1999:
(A) New budget authority, $9,000,000,000.
(B) Outlays, $9,000,000,000.
(C) New direct loan obligations, $2,200,000,000.
(D) New primary loan guarantee commitments, $3,600,000,000.
(10) Education, Training, Employment, and Social Services (500):
Fiscal year 1995:
(A) New budget authority, $57,600,000,000.
(B) Outlays, $53,600,000,000.
(C) New direct loan obligations, $5,500,000,000.
(D) New primary loan guarantee commitments, $19,000,000,000.

Fiscal year 1996:
(A) New budget authority, $58,200,000,000.
(B) Outlays, $55,500,000,000.
(C) New direct loan obligations, $11,500,000,000.
(D) New primary loan guarantee commitments, $14,000,000,000.
Fiscal year 1997:
(A) New budget authority, $59,900,000,000.
(B) Outlays, $58,100,000,000.
(C) New direct loan obligations, $13,200,000,000.
(D) New primary loan guarantee commitments, $13,200,000,000.
Fiscal year 1998:
(A) New budget authority, $61,700,000,000.
(B) Outlays, $60,600,000,000.
(C) New direct loan obligations, $15,100,000,000.
(D) New primary loan guarantee commitments, $12,300,000,000.
Fiscal year 1999:
(A) New budget authority, $63,200,000,000.
(B) Outlays, $62,200,000,000.
(C) New direct loan obligations, $16,800,000,000.
(D) New primary loan guarantee commitments, $11,200,000,000.
(11) Health (550):
Fiscal year 1995:
(A) New budget authority, $124,300,000,000.
(B) Outlays, $122,500,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $400,000,000.
Fiscal year 1996:
(A) New budget authority, $136,600,000,000.
(B) Outlays, $135,500,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $300,000,000.
Fiscal year 1997:
(A) New budget authority, $150,900,000,000.
(B) Outlays, $149,800,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $200,000,000.
Fiscal year 1998:
(A) New budget authority, $166,600,000,000.
(B) Outlays, $165,400,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $100,000,000.
Fiscal year 1999:
(A) New budget authority, $184,100,000,000.
(B) Outlays, $182,500,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(12) Medicare (570):
Fiscal year 1995:
(A) New budget authority, $162,400,000,000.
(B) Outlays, $160,500,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1996:
(A) New budget authority, $180,500,000,000.
(B) Outlays, $178,200,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, $198,500,000,000.
(B) Outlays, $196,100,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, $217,700,000,000.
(B) Outlays, $215,100,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1999:
(A) New budget authority, $242,300,000,000.
(B) Outlays, $239,000,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(13) For purposes of section 710 of the Social Security Act, Federal Supplementary Medical Insurance Trust Fund:
Fiscal year 1995:
(A) New budget authority, $56,000,000,000.
(B) Outlays, $55,200,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1996:
(A) New budget authority, $65,200,000,000.
(B) Outlays, $64,200,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, $73,300,000,000.
(B) Outlays, $72,200,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, $81,300,000,000.
(B) Outlays, $80,200,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1999:
(A) New budget authority, $92,200,000,000.
(B) Outlays, $90,900,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(14) Income Security (600):
Fiscal year 1995:
(A) New budget authority, $219,900,000,000.
(B) Outlays, $220,400,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1996:
(A) New budget authority, $234,500,000,000.
(B) Outlays, $229,100,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, $249,100,000,000.
(B) Outlays, $242,600,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, $261,000,000,000.
(B) Outlays, $253,000,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1999:
(A) New budget authority, $272,600,000,000.
(B) Outlays, $264,200,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(15) Social Security (650):
Fiscal year 1995:
(A) New budget authority, $6,800,000,000.
(B) Outlays, $9,400,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1996:
(A) New budget authority, $6,300,000,000.
(B) Outlays, $9,400,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, $8,300,000,000.
(B) Outlays, $11,500,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, $9,000,000,000.
(B) Outlays, $12,300,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1999:
(A) New budget authority, $9,800,000,000.
(B) Outlays, $13,200,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(16) Veterans Benefits and Services (700):
Fiscal year 1995:
(A) New budget authority, $37,200,000,000.
(B) Outlays, $36,600,000,000.
(C) New direct loan obligations, $1,400,000,000.
(D) New primary loan guarantee commitments, $32,900,000,000.
Fiscal year 1996:
(A) New budget authority, $37,600,000,000.
(B) Outlays, $36,600,000,000.
(C) New direct loan obligations, $1,300,000,000.
(D) New primary loan guarantee commitments, $27,400,000,000.
Fiscal year 1997:
(A) New budget authority, $38,500,000,000.
(B) Outlays, $38,300,000,000.
(C) New direct loan obligations, $1,400,000,000.
(D) New primary loan guarantee commitments, $25,800,000,000.
Fiscal year 1998:
(A) New budget authority, $38,600,000,000.
(B) Outlays, $38,500,000,000.
(C) New direct loan obligations, $1,400,000,000.
(D) New primary loan guarantee commitments, $25,600,000,000.
Fiscal year 1999:
(A) New budget authority, $39,700,000,000.
(B) Outlays, $39,600,000,000.
(C) New direct loan obligations, $1,500,000,000.
(D) New primary loan guarantee commitments, $25,300,000,000.
(17) Administration of Justice (750):
Fiscal year 1995:
(A) New budget authority, $18,300,000,000.
(B) Outlays, $17,100,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1996:
(A) New budget authority, $20,800,000,000.
(B) Outlays, $19,100,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, $21,600,000,000.
(B) Outlays, $20,600,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, $22,700,000,000.
(B) Outlays, $22,000,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1999:
(A) New budget authority, $24,000,000,000.
(B) Outlays, $23,000,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.

(18) General Government (800):
Fiscal year 1995:
(A) New budget authority, $14,000,000,000.
(B) Outlays, $13,700,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1996:
(A) New budget authority, $13,500,000,000.
(B) Outlays, $14,700,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, $13,400,000,000.
(B) Outlays, $13,900,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, $13,100,000,000.
(B) Outlays, $13,400,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1999:
(A) New budget authority, $13,500,000,000.
(B) Outlays, $13,500,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(19) Net Interest (900):
Fiscal year 1995:
(A) New budget authority, $247,100,000,000.
(B) Outlays, $247,100,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1996:
(A) New budget authority, $266,900,000,000.
(B) Outlays, $266,900,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, $281,600,000,000.
(B) Outlays, $281,600,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, $295,700,000,000.
(B) Outlays, $295,700,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1999:
(A) New budget authority, $310,200,000,000.
(B) Outlays, $310,200,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(20) For purposes of section 710 of the Social Security Act, Net Interest (900):
Fiscal year 1995:
(A) New budget authority, $257,600,000,000.
(B) Outlays, $257,600,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1996:
(A) New budget authority, $277,600,000,000.
(B) Outlays, $277,600,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, $292,400,000,000.
(B) Outlays, $292,400,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, $306,300,000,000.
(B) Outlays, $306,300,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1999:
(A) New budget authority, $320,000,000,000.
(B) Outlays, $320,000,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(21) The corresponding levels of gross interest on the public debt are as follows:
Fiscal year 1995: $311,800,000,000.
Fiscal year 1996: $330,900,000,000.
Fiscal year 1997: $346,500,000,000.
Fiscal year 1998: $362,400,000,000.
Fiscal year 1999: $378,800,000,000.
(22) Allowances (920):
Fiscal year 1995:
(A) New budget authority, −$9,400,000,000.
(B) Outlays, −$12,200,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1996:
(A) New budget authority, −$7,700,000,000.
(B) Outlays, −$9,600,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, −$8,400,000,000.
(B) Outlays, −$21,900,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, −$11,600,000,000.
(B) Outlays, −$40,200,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1999:
(A) New budget authority, −$23,200,000,000.
(B) Outlays, −$62,000,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(23) Undistributed Offsetting Receipts (950):
Fiscal year 1995:
(A) New budget authority, −$36,100,000,000.
(B) Outlays, −$36,100,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1996:
(A) New budget authority, −$30,300,000,000.
(B) Outlays, −$30,300,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, −$30,300,000,000.
(B) Outlays, −$30,300,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, −$31,200,000,000.
(B) Outlays, −$31,200,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1999:
(A) New budget authority, −$31,600,000,000.
(B) Outlays, −$31,600,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(24) For purposes of section 710 of the Social Security Act, Undistributed Offsetting Receipts (950):
Fiscal year 1995:
(A) New budget authority, −$33,500,000,000.
(B) Outlays, −$33,500,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1996:
(A) New budget authority, −$27,100,000,000.
(B) Outlays, −$27,100,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, −$27,600,000,000.
(B) Outlays, −$27,600,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, −$28,300,000,000.
(B) Outlays, −$28,300,000,000.
(C) New direct loan obligations. $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1999:
(A) New budget authority, −$28,500,000,000.
(B) Outlays, −$28,500,000,000.
(C) New direct loan obligations. $0.
(D) New primary loan guarantee commitments, $0.

SEC. 6A. SENSE OF THE SENATE ON CONTROLLING NON-SOCIAL SECURITY MANDATORY SPENDING.

It is the sense of the Senate that the Congress should—

(1) enact this year annual caps on mandatory spending that take effect beginning in fiscal year 1996;

(2) include within such caps all mandatory spending programs except Social Security, deposit insurance and net interest;

(3) provide that the caps shall be set so that programs providing benefits to individuals may grow for inflation, changes in the numbers of beneficiaries, and an additional growth allowance of—

4.0% in 1996,
3.5% in 1997,
3.0% in 1998, and
2.0% in 1999 and thereafter; and

(4) provide that the caps shall be adjusted annually in the President's budget for changes in inflation and the number of beneficiaries in mandatory spending programs since the caps were enacted (excluding any changes due to legislation); and

(5) provide that if total mandatory spending exceeds the formula in section (3), the caps shall be enforced by—

(A) requiring the President's budget to comply with the caps, including submission of proposals to reduce mandatory spending to stay within the caps if a breach is expected under current law;

(B) supermajority points-of-order prohibiting the consideration of future budget resolutions or legislation that would breach the caps, and

(C) at the conclusion of each session of Congress, a sequestration procedure that would reduce mandatory spending by the amount of any breach of the cap in the upcoming year by reducing those programs growing faster than inflation, beneficiary changes, and the additional growth allowance for that year.

(6) Provides for a period of not less than 60 days before such sequestration for committees of the House and the Senate with jurisdiction over mandatory programs which are determined to be exceeding these allowable spending levels to report legislation that reduces direct spending in their jurisdiction by an amount sufficient to eliminate the excess spending.

(7) Ensures that reductions in federal spending for mandatory programs required

by such legislation is not to be achieved by shifting costs to state and local governments.

SASSER AMENDMENT NO. 1602

Mr. SASSER proposed an amendment to amendment No. 1601 proposed by Mr. NUNN to the concurrent resolution Senate Concurrent Resolution 63, supra; as follows:

Strike all after the first word in the pending amendment and insert the following:

Fiscal year 1995: $1,242,400,000,000.
Fiscal year 1996: $1,303,500,000,000.
Fiscal year 1997: $1,368,600,000,000.
Fiscal year 1998: $1,437,900,000,000.
Fiscal year 1999: $1,509,600,000,000.

(B) For purposes of section 710 of the Social Security Act (excluding the receipts and disbursements of the Hospital Insurance Trust Fund), the appropriate levels of total new budget authority are as follows:

Fiscal year 1995: $1,149,200,000,000.
Fiscal year 1996: $1,202,300,000,000.
Fiscal year 1997: $1,257,000,000,000.
Fiscal year 1998: $1,315,000,000,000.
Fiscal year 1999: $1,372,300,000,000.

(3) BUDGET OUTLAYS.—(A) For purposes of comparison with the maximum deficit amount under sections 601(a)(1) and 606 of the Congressional Budget Act of 1974 and for purposes of the enforcement of this resolution, the appropriate levels of total budget outlays are as follows:

Fiscal year 1995: $1,216,300,000,000.
Fiscal year 1996: $1,283,200,000,000.
Fiscal year 1997: $1,352,500,000,000.
Fiscal year 1998: $1,412,000,000,000.
Fiscal year 1999: $1,485,100,000,000.

(B) For purposes of section 710 of the Social Security Act (excluding the receipts and disbursements of the Hospital Insurance Trust Fund), the appropriate levels of total budget outlays are as follows:

Fiscal year 1995: $1,124,000,000,000.
Fiscal year 1996: $1,183,200,000,000.
Fiscal year 1997: $1,241,900,000,000.
Fiscal year 1998: $1,290,700,000,000.
Fiscal year 1999: $1,349,600,000,000.

(4) DEFICITS.—(A) For purposes of comparison with the maximum deficit amount under sections 601(a)(1) and 606 of the Congressional Budget Act of 1974 and for purposes of the enforcement of this resolution, the amounts of the deficits are as follows:

Fiscal year 1995: $238,600,000,000.
Fiscal year 1996: $252,000,000,000.
Fiscal year 1997: $272,800,000,000.
Fiscal year 1998: $275,600,000,000.
Fiscal year 1999: $294,900,000,000.

(B) For purposes of section 710 of the Social Security Act (excluding the receipts and disbursements of the Hospital Insurance Trust Fund), the amounts of the deficits are as follows:

Fiscal year 1995: $246,600,000,000.
Fiscal year 1996: $258,300,000,000.
Fiscal year 1997: $274,100,000,000.
Fiscal year 1998: $272,100,000,000.
Fiscal year 1999: $283,100,000,000.

(5) PUBLIC DEBT.—The appropriate levels of the public debt are as follows:

Fiscal year 1995: $4,963,600,000,000.
Fiscal year 1996: $5,278,800,000,000.
Fiscal year 1997: $5,611,200,000,000.
Fiscal year 1998: $5,945,400,000,000.
Fiscal year 1999: $6,289,700,000,000.

(6) DIRECT LOAN OBLIGATIONS.—The appropriate levels of total new direct loan obligations are as follows:

Fiscal year 1995: $26,700,000,000.
Fiscal year 1996: $32,100,000,000.
Fiscal year 1997: $33,800,000,000.
Fiscal year 1998: $35,700,000,000.
Fiscal year 1999: $37,800,000,000.

(7) PRIMARY LOAN GUARANTEE COMMITMENTS.—The appropriate levels of new primary loan guarantee commitments are as follows:

Fiscal year 1995: $199,700,000,000.
Fiscal year 1996: $174,400,000,000.
Fiscal year 1997: $164,600,000,000.
Fiscal year 1998: $164,100,000,000.
Fiscal year 1999: $163,500,000,000.

SEC. 3. DEBT INCREASE AS A MEASURE OF DEFICIT.

The amounts of the increase in the public debt subject to limitation are as follows:

Fiscal year 1995: $306,700,000,000.
Fiscal year 1996: $315,200,000,000.
Fiscal year 1997: $332,400,000,000.
Fiscal year 1998: $334,200,000,000.
Fiscal year 1999: $344,200,000,000.

SEC. 4. DISPLAY OF FEDERAL RETIREMENT TRUST FUND BALANCES.

The balances of the Federal retirement trust funds are as follows:

Fiscal year 1995: $1,161,100,000,000.
Fiscal year 1996: $1,275,200,000,000.
Fiscal year 1997: $1,396,900,000,000.
Fiscal year 1998: $1,524,200,000,000.
Fiscal year 1999: $1,651,300,000,000.

SEC. 5. SOCIAL SECURITY.

(a) SOCIAL SECURITY REVENUES.—For purposes of Senate enforcement under sections 302 and 311 of the Congressional Budget Act of 1974, the amounts of revenues of the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund are as follows:

Fiscal year 1995: $360,500,000,000.
Fiscal year 1996: $379,600,000,000.
Fiscal year 1997: $399,000,000,000.
Fiscal year 1998: $419,500,000,000.
Fiscal year 1999: $439,800,000,000.

(b) SOCIAL SECURITY OUTLAYS.—For purposes of Senate enforcement under sections 302 and 311 of the Congressional Budget Act of 1974, the amounts of outlays of the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund are as follows:

Fiscal year 1995: $287,600,000,000.
Fiscal year 1996: $301,300,000,000.
Fiscal year 1997: $312,300,000,000.
Fiscal year 1998: $324,400,000,000.
Fiscal year 1999: $337,000,000,000.

SEC. 6. MAJOR FUNCTIONAL CATEGORIES.

The Congress determines and declares that the appropriate levels of new budget authority, budget outlays, new direct loan obligations, and new primary loan guarantee commitments for fiscal years 1995 through 1999 for each major functional category are:

(1) National Defense (050):

Fiscal year 1995:
(A) New budget authority, $263,800,000,000.
(B) Outlays, $270,700,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.

Fiscal year 1996:
(A) New budget authority, $255,300,000,000.
(B) Outlays, $261,000,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.

Fiscal year 1997:
(A) New budget authority, $252,000,000,000.
(B) Outlays, $256,400,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.

Fiscal year 1998:
(A) New budget authority, $258,700,000,000.
(B) Outlays, $256,600,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.

Fiscal year 1999:
(A) New budget authority, $265,100,000,000.
(B) Outlays, $257,600,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.

(2) International Affairs (150):

Fiscal year 1995:
(A) New budget authority, $19,300,000,000.
(B) Outlays, $18,100,000,000.
(C) New direct loan obligations, $3,200,000,000.
(D) New primary loan guarantee commitments, $18,000,000,000.

Fiscal year 1996:
(A) New budget authority, $17,200,000,000.
(B) Outlays, $17,300,000,000.
(C) New direct loan obligations, $2,800,000,000.
(D) New primary loan guarantee commitments, $18,500,000,000.

Fiscal year 1997:
(A) New budget authority, $17,000,000,000.
(B) Outlays, $17,300,000,000.
(C) New direct loan obligations, $2,600,000,000.
(D) New primary loan guarantee commitments, $18,500,000,000.

Fiscal year 1998:
(A) New budget authority, $16,800,000,000.
(B) Outlays, $17,600,000,000.
(C) New direct loan obligations, $2,400,000,000.
(D) New primary loan guarantee commitments, $18,500,000,000.

Fiscal year 1999:
(A) New budget authority, $17,000,000,000.
(B) Outlays, $17,500,000,000.
(C) New direct loan obligations, $2,400,000,000.
(D) New primary loan guarantee commitments, $16,500,000,000.

(3) General Science, Space, and Technology (250):

Fiscal year 1995:
(A) New budget authority, $17,300,000,000.
(B) Outlays, $17,200,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.

Fiscal year 1996:
(A) New budget authority, $17,200,000,000.
(B) Outlays, $17,200,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.

Fiscal year 1997:
(A) New budget authority, $17,300,000,000.
(B) Outlays, $17,300,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.

Fiscal year 1998:
(A) New budget authority, $17,400,000,000.
(B) Outlays, $17,300,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.

Fiscal year 1999:
(A) New budget authority, $17,600,000,000.
(B) Outlays, $17,500,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.

(4) Energy (270):

Fiscal year 1995:
(A) New budget authority, $6,300,000,000.
(B) Outlays, $5,000,000,000.
(C) New direct loan obligations, $1,400,000,000.
(D) New primary loan guarantee commitments, $0.

Fiscal year 1996:
(A) New budget authority, $5,900,000,000.
(B) Outlays, $5,200,000,000.
(C) New direct loan obligations, $1,500,000,000.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, $5,900,000,000.
(B) Outlays, $5,000,000,000.
(C) New direct loan obligations, $1,500,000,000.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, $6,100,000,000.
(B) Outlays, $4,700,000,000.
(C) New direct loan obligations, $1,500,000,000.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1999:
(A) New budget authority, $5,700,000,000.
(B) Outlays, $4,400,000,000.
(C) New direct loan obligations, $1,500,000,000.
(D) New primary loan guarantee commitments, $0.
(5) Natural Resources and Environment (300):
Fiscal year 1995:
(A) New budget authority, $21,700,000,000.
(B) Outlays, $21,300,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1996:
(A) New budget authority, $22,200,000,000.
(B) Outlays, $21,500,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, $22,100,000,000.
(B) Outlays, $21,600,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, $22,000,000,000.
(B) Outlays, $21,500,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1999:
(A) New budget authority, $21,600,000,000.
(B) Outlays, $21,400,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(6) Agriculture (350):
Fiscal year 1995:
(A) New budget authority, $12,300,000,000.
(B) Outlays, $11,600,000,000.
(C) New direct loan obligations, $10,100,000,000.
(D) New primary loan guarantee commitments, $7,400,000,000.
Fiscal year 1996:
(A) New budget authority, $12,500,000,000.
(B) Outlays, $11,400,000,000.
(C) New direct loan obligations, $9,700,000,000.
(D) New primary loan guarantee commitments, $7,400,000,000.
Fiscal year 1997:
(A) New budget authority, $13,000,000,000.
(B) Outlays, $11,700,000,000.
(C) New direct loan obligations, $9,700,000,000.
(D) New primary loan guarantee commitments, $7,400,000,000.
Fiscal year 1998:
(A) New budget authority, $13,200,000,000.
(B) Outlays, $12,000,000,000.
(C) New direct loan obligations, $9,800,000,000.
(D) New primary loan guarantee commitments, $7,400,000,000.
Fiscal year 1999:
(A) New budget authority, $13,700,000,000.
(B) Outlays, $12,500,000,000.
(C) New direct loan obligations, $9,900,000,000.
(D) New primary loan guarantee commitments, $7,400,000,000.
(7) Commerce and Housing Credit (370):
Fiscal year 1995:
(A) New budget authority, $7,700,000,000.
(B) Outlays, −$8,300,000,000.
(C) New direct loan obligations, $2,800,000,000.
(D) New primary loan guarantee commitments, $117,900,000,000.
Fiscal year 1996:
(A) New budget authority, $5,300,000,000.
(B) Outlays, −$10,800,000,000.
(C) New direct loan obligations, $3,000,000,000.
(D) New primary loan guarantee commitments, $103,200,000,000.
Fiscal year 1997:
(A) New budget authority, $5,100,000,000.
(B) Outlays, −$3,400,000,000.
(C) New direct loan obligations, $3,100,000,000.
(D) New primary loan guarantee commitments, $95,900,000,000.
Fiscal year 1998:
(A) New budget authority, $5,200,000,000.
(B) Outlays, −$2,900,000,000.
(C) New direct loan obligations, $3,200,000,000.
(D) New primary loan guarantee commitments, $96,600,000,000.
Fiscal year 1999:
(A) New budget authority, $6,200,000,000.
(B) Outlays, −$900,000,000.
(C) New direct loan obligations, $3,400,000,000.
(D) New primary loan guarantee commitments, $99,500,000,000.
(8) Transportation (400):
Fiscal year 1995:
(A) New budget authority, $42,900,000,000.
(B) Outlays, $38,800,000,000.
(C) New direct loan obligations, $100,000,000.
(D) New primary loan guarantee commitments, $500,000,000.
Fiscal year 1996:
(A) New budget authority, $41,800,000,000.
(B) Outlays, $39,600,000,000.
(C) New direct loan obligations, $100,000,000.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, $43,200,000,000.
(B) Outlays, $40,100,000,000.
(C) New direct loan obligations, $100,000,000.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, $44,000,000,000.
(B) Outlays, $40,300,000,000.
(C) New direct loan obligations, $100,000,000.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1999:
(A) New budget authority, $44,600,000,000.
(B) Outlays, $40,500,000,000.
(C) New direct loan obligations, $100,000,000.
(D) New primary loan guarantee commitments, $0.
(9) Community and Regional Development (450):
Fiscal year 1995:
(A) New budget authority, $9,500,000,000.
(B) Outlays, $9,300,000,000.
(C) New direct loan obligations, $2,200,000,000.
(D) New primary loan guarantee commitments, $3,600,000,000.
Fiscal year 1996:
(A) New budget authority, $9,000,000,000.
(B) Outlays, $8,900,000,000.
(C) New direct loan obligations, $2,200,000,000.
(D) New primary loan guarantee commitments, $3,600,000,000.
Fiscal year 1997:
(A) New budget authority, $9,000,000,000.
(B) Outlays, $9,000,000,000.
(C) New direct loan obligations, $2,200,000,000.
(D) New primary loan guarantee commitments, $3,600,000,000.
Fiscal year 1998:
(A) New budget authority, $9,000,000,000.
(B) Outlays, $9,100,000,000.
(C) New direct loan obligations, $2,200,000,000.
(D) New primary loan guarantee commitments, $3,600,000,000.
Fiscal year 1999:
(A) New budget authority, $9,000,000,000.
(B) Outlays, $9,000,000,000.
(C) New direct loan obligations, $2,200,000,000.
(D) New primary loan guarantee commitments, $3,600,000,000.
(10) Education, Training, Employment, and Social Services (500):
Fiscal year 1995:
(A) New budget authority, $57,600,000,000.
(B) Outlays, $53,600,000,000.
(C) New direct loan obligations, $5,500,000,000.
(D) New primary loan guarantee commitments, $19,000,000,000.
Fiscal year 1996:
(A) New budget authority, $58,200,000,000.
(B) Outlays, $55,500,000,000.
(C) New direct loan obligations, $11,500,000,000.
(D) New primary loan guarantee commitments, $14,000,000,000.
Fiscal year 1997:
(A) New budget authority, $59,900,000,000.
(B) Outlays, $58,100,000,000.
(C) New direct loan obligations, $13,200,000,000.
(D) New primary loan guarantee commitments, $13,200,000,000.
Fiscal year 1998:
(A) New budget authority, $61,700,000,000.
(B) Outlays, $60,600,000,000.
(C) New direct loan obligations, $15,100,000,000.
(D) New primary loan guarantee commitments, $12,300,000,000.
Fiscal year 1999:
(A) New budget authority, $63,200,000,000.
(B) Outlays, $62,200,000,000.
(C) New direct loan obligations, $16,800,000,000.
(D) New primary loan guarantee commitments, $11,200,000,000.
(11) Health (550):
Fiscal year 1995:
(A) New budget authority, $123,800,000,000.
(B) Outlays, $122,500,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $400,000,000.
Fiscal year 1996:
(A) New budget authority, $136,600,000,000.
(B) Outlays, $135,500,000,000.

(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $300,000,000.
Fiscal year 1997:
(A) New budget authority, $150,900,000,000.
(B) Outlays, $149,800,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $200,000,000.
Fiscal year 1998:
(A) New budget authority, $166,600,000,000.
(B) Outlays, $165,400,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $100,000,000.
Fiscal year 1999:
(A) New budget authority, $184,100,000,000.
(B) Outlays, $182,500,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(12) Medicare (570):
Fiscal year 1995:
(A) New budget authority, $162,400,000,000.
(B) Outlays, $160,500,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1996:
(A) New budget authority, $180,500,000,000.
(B) Outlays, $178,200,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, $198,500,000,000.
(B) Outlays, $196,100,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, $217,700,000,000.
(B) Outlays, $215,100,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1999:
(A) New budget authority, $242,300,000,000.
(B) Outlays, $239,000,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(13) For purposes of section 710 of the Social Security Act, Federal Supplementary Medical Insurance Trust Fund:
Fiscal year 1995:
(A) New budget authority, $56,000,000,000.
(B) Outlays, $55,200,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1996:
(A) New budget authority, $65,200,000,000.
(B) Outlays, $64,200,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, $73,300,000,000.
(B) Outlays, $72,200,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, $81,300,000,000.
(B) Outlays, $80,200,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1999:
(A) New budget authority, $92,200,000,000.
(B) Outlays, $90,900,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(14) Income Security (600):
Fiscal year 1995:
(A) New budget authority, $219,900,000,000.
(B) Outlays, $220,400,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1996:
(A) New budget authority, $234,500,000,000.
(B) Outlays, $229,100,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, $249,100,000,000.
(B) Outlays, $242,600,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, $261,000,000,000.
(B) Outlays, $253,000,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1999:
(A) New budget authority, $272,600,000,000.
(B) Outlays, $264,200,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(15) Social Security (650):
Fiscal year 1995:
(A) New budget authority, $6,800,000,000.
(B) Outlays, $9,400,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1996:
(A) New budget authority, $6,300,000,000.
(B) Outlays, $9,400,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, $8,300,000,000.
(B) Outlays, $11,500,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, $9,000,000,000.
(B) Outlays, $12,300,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1999:
(A) New budget authority, $9,800,000,000.
(B) Outlays, $13,200,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(16) Veterans Benefits and Services (700):
Fiscal year 1995:
(A) New budget authority, $37,200,000,000.
(B) Outlays, $36,600,000,000.
(C) New direct loan obligations, $1,400,000,000.
(D) New primary loan guarantee commitments, $32,900,000,000.
Fiscal year 1996:
(A) New budget authority, $37,600,000,000.
(B) Outlays, $36,600,000,000.
(C) New direct loan obligations, $1,300,000,000.
(D) New primary loan guarantee commitments, $27,400,000,000.
Fiscal year 1997:
(A) New budget authority, $38,500,000,000.
(B) Outlays, $38,300,000,000.
(C) New direct loan obligations, $1,400,000,000.
(D) New primary loan guarantee commitments, $25,800,000,000.
Fiscal year 1998:
(A) New budget authority, $38,600,000,000.
(B) Outlays, $38,500,000,000.
(C) New direct loan obligations, $1,400,000,000.
(D) New primary loan guarantee commitments, $25,600,000,000.
Fiscal year 1999:
(A) New budget authority, $39,700,000,000.
(B) Outlays, $39,600,000,000.
(C) New direct loan obligations, $1,500,000,000.
(D) New primary loan guarantee commitments, $25,300,000,000.
(17) Administration of Justice (750):
Fiscal year 1995:
(A) New budget authority, $18,300,000,000.
(B) Outlays, $17,100,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1996:
(A) New budget authority, $20,800,000,000.
(B) Outlays, $19,100,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, $21,600,000,000.
(B) Outlays, $20,600,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, $22,700,000,000.
(B) Outlays, $22,000,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1999:
(A) New budget authority, $24,000,000,000.
(B) Outlays, $23,000,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(18) General Government (800):
Fiscal year 1995:
(A) New budget authority, $14,000,000,000.
(B) Outlays, $13,700,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1996:
(A) New budget authority, $13,500,000,000.
(B) Outlays, $14,700,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, $13,400,000,000.
(B) Outlays, $13,900,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, $13,100,000,000.
(B) Outlays, $13,400,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1999:
(A) New budget authority, $13,500,000,000.
(B) Outlays, $13,500,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(19) Net Interest (900):
Fiscal year 1995:
(A) New budget authority, $247,100,000,000.
(B) Outlays, $247,100,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1996:

(A) New budget authority, $267,100,000,000.
(B) Outlays, $267,100,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, $282,500,000,000.
(B) Outlays, $282,500,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, $297,900,000,000.
(B) Outlays, $297,900,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1999:
(A) New budget authority, $314,700,000,000.
(B) Outlays, $314,700,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(20) For purposes of section 710 of the Social Security Act, Net Interest (900):
Fiscal year 1995:
(A) New budget authority, $257,600,000,000.
(B) Outlays, $257,600,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1996:
(A) New budget authority, $277,800,000,000.
(B) Outlays, $277,800,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, $293,300,000,000.
(B) Outlays, $293,300,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, $308,500,000,000.
(B) Outlays, $308,500,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1999:
(A) New budget authority, $324,500,000,000.
(B) Outlays, $324,500,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(21) The corresponding levels of gross interest on the public debt are as follows:
Fiscal year 1995: $311,800,000,000.
Fiscal year 1996: $331,100,000,000.
Fiscal year 1997: $347,400,000,000.
Fiscal year 1998: $364,600,000,000.
Fiscal year 1999: $383,300,000,000.
(22) Allowances (920):
Fiscal year 1995:
(A) New budget authority, −$9,400,000,000.
(B) Outlays, −$12,200,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1996:
(A) New budget authority, −$7,700,000,000.
(B) Outlays, −$3,000,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, −$8,400,000,000.
(B) Outlays, −$5,600,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, −$11,600,000,000.
(B) Outlays, −$11,200,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1999:
(A) New budget authority, −$23,200,000,000.
(B) Outlays, −$14,800,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(23) Undistributed Offsetting Receipts (950):
Fiscal year 1995:
(A) New budget authority, −$36,100,000,000.
(B) Outlays, −$36,100,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1996:
(A) New budget authority, −$30,300,000,000.
(B) Outlays, −$30,300,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, −$30,300,000,000.
(B) Outlays, −$30,300,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, −$31,200,000,000.
(B) Outlays, −$31,200,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1999:
(A) New budget authority, −$31,600,000,000.
(B) Outlays, −$31,600,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(24) For purposes of section 710 of the Social Security Act, Undistributed Offsetting Receipts (950):
Fiscal year 1995:
(A) New budget authority, −$33,500,000,000.
(B) Outlays, −$33,500,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1996:
(A) New budget authority, −$27,100,000,000.
(B) Outlays, −$27,100,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, −$27,600,000,000.
(B) Outlays, −$27,600,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, −$28,300,000,000.
(B) Outlays, −$28,300,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1999:
(A) New budget authority, −$28,500,000,000.
(B) Outlays, −$28,500,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.

SENSE OF THE CONGRESS THAT HEALTH CARE REFORM SHOULD CONTRIBUTE TO DEFICIT REDUCTION.

(a) FINDINGS.—The Congress finds that—

(1) millions of Americans fear that job loss, illness, or a pre-existing condition will deprive them of health insurance;

(2) some 39 million Americans, most of them working Americans, are without health insurance;

(3) the cost of health care in America is growing at a rate of 8 percent a year, more than double the annual inflation rate;

(4) the only areas in the Federal budget that are growing faster than the economy as a whole are the health care programs, growing at 11 percent a year;

(5) we must constrain the growth of those mandatory programs that are growing faster than the Consumer Price Index plus population plus 4 percent in 1996, 3.5 percent in 1997, 3 percent in 1998, and 2 percent in 1999;

(6) almost all health care reform proposals, both Democratic and Republican assume some savings from Federal health care programs will be used to offset the costs of comprehensive health reform proposals designed to correct the above listed problems.

(b) SENSE OF THE CONGRESS.—It is the sense of the Congress that Congress should adopt comprehensive health care reform that will curtail the growth of health care spending and devote the savings both to lower the deficit and to offset the cost of whatever comprehensive health reform legislation that Congress ultimately enacts.

TWIN FALLS COUNTY LANDFILL ACT OF 1993

CRAIG AMENDMENT NO. 1603

Mr. CRAIG proposed an amendment to the bill (S. 1402) to convey a certain parcel of public land to the county of the Twin Falls, ID, for use as a landfill, and for other purposes; as follows:

Revise section 2(a) to read as follows:

"(a) Effective on the tender by the County of Twin Falls, Idaho, of the fair market value for the lands described in subsection (b) to the Secretary of the Interior, all right, title, and interest in and to such lands, except for subsurface minerals which are reserved to the United States, is transferred by operation of law to the County of Twin Falls. The Secretary shall evidence such conveyance as soon as possible thereafter by appropriate quitclaim deed."

In section 2, delete subsections (b) and (c) and redesignate subsection (d) as (b).

At the end of the bill add a new subsection (c) as follows:

"(c) Subject to valid existing rights, the lands referred to in subsection (b) are withdrawn from location, entry, and patent under the United States mining laws and from disposition under all laws pertaining to mineral and geothermal leasing, and mineral materials, and all amendments thereto."

UNDER SECRETARY FOR HEALTH IN THE DEPARTMENT OF VETERANS' AFFAIRS ACT

ROCKEFELLER AMENDMENT NO. 1604

Mr. FORD (for Mr. ROCKEFELLER) proposed an amendment to the bill (S. 1534) to amend title 38, United States Code, to repeal a requirement that the Under Secretary for Health in the Department of Veterans' Affairs be a doctor of medicine; as follows:

Strike out all after the enacting clause and insert in lieu thereof the following:

SECTION 1. MODIFICATION TO PHYSICIAN REQUIREMENT FOR CERTAIN SENIOR VETERANS HEALTH ADMINISTRATION OFFICIALS.

(a) UNDER SECRETARY.—Section 305 of title 38, United States Code, is amended—

(1) in subsection (a)(2), by striking out "shall be a doctor of medicine and shall be" and inserting in lieu thereof "shall (except as provided in subsection (d)(1)) be a doctor of medicine. The Under Secretary shall be";

(2) in subsection (d)—

(A) by adding at the end of paragraph (1) the following: "If at the time such a commission is established both the position of Deputy Under Secretary for Health and the position of Associate Deputy Under Secretary for Health are held by individuals who are doctors of medicine, the individual appointed by the President as Under Secretary for Health may be someone who is not a doctor of medicine. In any case, the Secretary shall develop, and shall furnish to the commission, specific criteria which the commission shall use in evaluating individuals for recommendations under paragraph (3).";

(B) by redesignating paragraph (4) as paragraph (5);

(C) by inserting after the first sentence of paragraph (3) the following: "In a case in which, pursuant to paragraph (1), the individual to be appointed as Under Secretary does not have to be a doctor of medicine, the commission may make recommendations without regard to the requirement in subsection (a)(2)(A) that the Under Secretary be appointed on the basis of demonstrated ability in the medical profession."; and

(D) by designating the sentence beginning "the commission shall submit" as paragraph (4).

(b) DEPUTY AND ASSOCIATE DEPUTY UNDER SECRETARY.—SECTION 7306 OF SUCH TITLE IS AMENDED—

(1) in subsection (a), by inserting "(except as provided in subsection (c))" in paragraphs (1) and (2) after "and who shall";

(2) in subsection (c)—

(A) by inserting "(1)" and "(c)"; and

(B) by adding at the end the following:

"(2) If at the time of the appointment of the Deputy Under Secretary for Health under subsection (a)(1), both the position of Under Secretary for Health and the position of Associate Deputy Under Secretary for Health are held by individuals who are doctors of medicine, the individual appointed as Deputy Under Secretary for Health may be someone who is not a doctor of medicine.

"(3) If at the time of the appointment of the Associate Deputy Under Secretary for Health under subsection (a)(2), both the position of Under Secretary for Health and the position of Deputy Under Secretary for Health are held by individuals who are doctors of medicine, the individual appointed as Associate Deputy Under Secretary for Health may be someone who is not a doctor of medicine.".

SEC. 2. REQUIREMENT RELATING TO MEMBERS OF COMMISSION TO RECOMMEND APPOINTEES.

Section 305(d)(2) of title 38, United States Code, is amended—

(1) by striking out "A commission" and inserting in lieu thereof "(A) Subject to subparagraph (B), a commission";

(2) by redesignating subparagraphs (A), (B), (C), (D), (E), and (F) as clauses (i), (ii), (iii), (iv), (v), and (vi), respectively; and

(3) by adding at the end the following new subparagraph (B):

"(B) Not less than five of the members of the commission shall be doctors of medicine.".

Amend the title so as to read: "An Act to amend title 38, United States Code, to allow one of the three senior officials in the Veterans Health Administration of the Department of Veterans Affairs to be an individual who is not a doctor of medicine, and for other purposes.".

PREVENTIVE HEALTH SERVICES AND HEALTH PROFESSIONS AMENDMENTS ACT OF 1993

KENNEDY AMENDMENT NO. 1605

Mr. MITCHELL (for Mr. Kennedy) proposed an amendment to the bill (S. 1569) to amend the Public Health Service Act to establish, reauthorize and revise provisions to improve the health of individuals from disadvantaged backgrounds, and for other purposes; as follows:

Strike out all after the enacting clause and insert in lieu thereof the following:

SECTION 1. SHORT TITLE; REFERENCE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "Disadvantaged Minority Health Improvement Act of 1993".

(b) REFERENCE.—Except as otherwise expressly provided, whenever in this Act an amendment or a repeal is expressed in terms of an amendment to, or a repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Public Health Service Act (42 U.S.C. 201 et seq.).

(c) TABLE OF CONTENTS.—The table of contents is as follows:

Sec. 1. Short title; reference; table of contents.
Sec. 2. Findings.

TITLE I—HEALTH POLICY

Sec. 101. Office of Minority Health.
Sec. 102. Agency Offices of Minority Health.
Sec. 103. State Offices of Minority Health.
Sec. 104. Assistant Secretary of Health and Human Services for Civil Rights.

TITLE II—HEALTH SERVICES

Sec. 201. Health services for residents of public housing.
Sec. 202. Issuance of regulations regarding language as impediment to receipt of services.
Sec. 203. Health services for Pacific Islanders.

TITLE III—HEALTH PROFESSIONS

Sec. 301. Loans for disadvantaged students.
Sec. 302. Cesar Chavez primary care scholarship program.
Sec. 303. Thurgood Marshall scholarship program.
Sec. 304. Loan repayments and fellowships regarding faculty positions at health professions schools.
Sec. 305. Centers of excellence.
Sec. 306. Educational assistance regarding undergraduates.
Sec. 307. Area health education centers.

TITLE IV—RESEARCH AND DATA COLLECTION

Sec. 401. Office of Research on Minority Health.
Sec. 402. Activities of Agency for Health Care Policy and Research.
Sec. 403. Data collection by National Center for Health Statistics.

TITLE V—MISCELLANEOUS

Sec. 501. Revision and extension of program for State Offices of Rural Health.
Sec. 502. Technical corrections relating to health professions.
Sec. 503. Clinical traineeships.
Sec. 504. Demonstration project grants to States for Alzheimer's disease.
Sec. 505. Medically underserved area study.
Sec. 506. Programs regarding birth defects.
Sec. 507. Demonstration projects regarding diabetic-retinopathy.
Sec. 508. Mexican Border State Analytical Laboratories.
Sec. 509. Construction of regional centers for research on primates.

TITLE VI—GENERAL PROVISIONS

Sec. 601. Effective date.

SEC. 2. FINDINGS.

Section 1(b) of the Disadvantaged Minority Health Improvement Act of 1990 (42 U.S.C. 300u-6 note) is amended to read as follows—

"(b) FINDINGS.—Congress finds that—

"(1) the health status of individuals from racial and ethnic minorities in the United States is significantly lower than the health status of the general population and has not improved significantly since the issuance of the 1985 report entitled "Report of the Secretary's Task Force on Black and Minority Health";

"(2) racial and ethnic minorities are disproportionately represented among the poor;

"(3) racial and ethnic minorities suffer disproportionately high rates of cancer, heart disease, diabetes, substance abuse, acquired immune deficiency syndrome, and other diseases and disorders;

"(4) the incidence of infant mortality among African Americans is almost double that for the general population;

"(5) Mexican-American and Puerto Rican adults have diabetes rates twice that of non-Hispanic whites;

"(6) a third of American Indian deaths occur before the age of 45;

"(7) according to the 1990 Census, African Americans, Hispanics, American Indians, and Asian/Pacific Islanders constitute approximately 12.1 percent, 9 percent, 0.08 percent, and 2.9 percent, respectively, of the population of the United States;

"(8) minority health professionals have historically tended to practice in low-income areas, medically underserved areas, and to serve racial and ethnic minorities;

"(9) minority health professionals have historically tended to engage in the general practice of medicine and specialties providing primary care;

"(10) reports published in leading medical journals indicate that access to health care among minorities can be substantially improved by increasing the number of minority professionals;

"(11) diversity in the faculty and student body of health professions schools enhances the quality of education for all students attending the schools; and

"(12) health professionals need greater access to continuing medical education programs to enable such professionals to upgrade their skills (including linguistic and cultural competence skills) and improve the quality of medical care rendered in minority communities.".

TITLE I—HEALTH POLICY

SEC. 101. OFFICE OF MINORITY HEALTH.

Section 1707 (42 U.S.C. 300u-6) is amended by striking subsection (b) and all that follows and inserting the following:

"(b) DUTIES.—With respect to improving the health of racial and ethnic minorities,

the Secretary, acting through the Deputy Assistant Secretary for Minority Health, shall carry out the following:

"(1) Establish short-range and long-range goals and objectives and coordinate all other activities within the Public Health Service that relate to disease prevention, health promotion, service delivery, and research concerning such individuals. The Director of the Centers for Disease Control and Prevention, the Administrator of the Health Resources and Services Administration, the Director of the Agency for Health Care Policy and Research, the Administrator of the Substance Abuse and Mental Health Services Administration and the Director of the National Institutes of Health shall consult with the Deputy Assistant Secretary for Minority Health to ensure the coordination of all activities within the Public Health Service as they relate to disease prevention, health promotion, service delivery, and research concerning such individuals.

"(2) Carry out the following types of activities by entering into interagency agreements with other agencies of the Public Health Service:

"(A) Support research, demonstrations and evaluations to test new and innovative models.

"(B) Increase knowledge and understanding of health risk factors.

"(C) Develop mechanisms that support better information dissemination, education, prevention, and service delivery to individuals from disadvantaged backgrounds, including racial and ethnic minorities.

"(3) Support a national minority health resource center to carry out the following:

"(A) Facilitate the exchange of information regarding matters relating to health information and health promotion, preventive health services, and education in the appropriate use of health care.

"(B) Facilitate access to such information.

"(C) Assist in the analysis of issues and problems relating to such matters.

"(D) Provide technical assistance with respect to the exchange of such information (including facilitating the development of materials for such technical assistance).

"(4) Establish a national center that shall carry out programs to improve access to health care services for individuals with limited English proficiency by facilitating the removal of impediments to the receipt of health care that result from such limitation.

"(5) With respect to grants and contracts that are available under certain minority health programs, the Secretary shall ensure that the agencies of the Public Health Service—

"(A) inform entities, as appropriate, that the entities may be eligible for the awards;

"(B) provide technical assistance to such entities in the process of preparing and submitting applications for the awards in accordance with the policies of the Secretary regarding such application; and

"(C) inform populations, as appropriate, that members of the populations may be eligible to receive services or otherwise participate in the activities carried out with such awards.

"(6) Not later than September 1 of each year, the Deputy Assistant Secretary of Minority Health shall prepare and submit to the Secretary a report summarizing the activities of each Office of Minority Health within the Public Health Service, including the Office of Research on Minority Health at the National Institutes of Health.

"(c) ADVISORY COMMITTEE.—

"(1) IN GENERAL.—The Secretary shall establish an advisory committee to be known as the Advisory Committee on Minority Health (in this subsection referred to as the 'Committee').

"(2) DUTIES.—The Committee shall provide advice to the Secretary on carrying out this section, including advice on the development of goals and specific program activities under subsection (b)(1) for each racial and ethnic group.

"(3) CHAIRPERSON.—The Deputy Assistant Secretary for Minority Health shall serve as the Chairperson of the Committee.

"(4) COMPOSITION.—The Committee shall be composed of no fewer than 12, and not more than 18 individuals, who are not officers or employees of the Federal Government. The Secretary shall appoint the members of the Committee from among individuals with expertise regarding issues of minority health. The membership of the Committee shall be equitably representative of the various racial and ethnic groups. The Secretary may appoint representatives from selected Federal agencies to serve as ex officio, non-voting members of the Committee.

"(5) TERMS.—Each member of the Committee shall serve for a term of 4 years, except that the Secretary shall initially appoint a portion of the members to terms of 1 year, 2 years, and 3 years.

"(6) VACANCIES.—If a vacancy occurs on the Committee, a new member shall be appointed by the Secretary within 90 days from the date that the vacancy occurs, and serve for the remainder of the term for which the predecessor of such member was appointed. The vacancy shall not affect the power of the remaining members to execute the duties of the Committee.

"(7) COMPENSATION.—Members of the Committee who are officers or employees of the United States shall serve without compensation. Members of the Committee who are not officers or employees of the United States shall receive, for each day (including travel time) they are engaged in the performance of the functions of the Committee, compensation at rates that do not exceed the daily equivalent of the annual rate in effect for grade GS–18 of the General Schedule under title 5, United States Code.

"(d) CERTAIN REQUIREMENTS REGARDING DUTIES.—

"(1) RECOMMENDATIONS REGARDING LANGUAGE AS IMPEDIMENT TO HEALTH CARE.—The Secretary, acting through the Director of the Office of Refugee Health, the Director of the Office of Civil Rights, and the Director of the Office of Minority Health of the Health Resources and Services Administration, shall make recommendations regarding activities under subsection (b)(4).

"(2) EQUITABLE ALLOCATION REGARDING ACTIVITIES.—In awarding grants or contracts under section 338A, 338B, 340A, 724, 737, 738, or 1707, the Secretary shall ensure that such awards are equitably allocated with respect to the various racial and ethnic populations.

"(3) CULTURAL COMPETENCY OF SERVICES.—The Secretary shall ensure that information and services provided pursuant to subsection (b) are provided in the language and cultural context that is most appropriate for the individuals for whom the information and services are intended.

"(4) PEER REVIEW.—The Secretary shall ensure that each application for a grant, contract or cooperative agreement under this section undergoes appropriate peer review.

"(e) REPORTS.—Not later than January 31 of fiscal year 1995 and of each second year thereafter, the Secretary shall submit to the Congress a report describing the activities carried out under this section during the preceding 2 fiscal years and evaluating the extent to which such activities have been effective in improving the health of racial and ethnic minorities.

"(f) GRANTS AND CONTRACTS REGARDING DUTIES.—

"(1) AUTHORITY.—In carrying out subsection (b), the Secretary may enter into grants and contracts with public and nonprofit private entities.

"(2) EVALUATION AND DISSEMINATION.—The Secretary shall, directly or through contracts with public and private entities, provide for evaluations of projects carried out with financial assistance provided under paragraph (1) during the preceding 2 fiscal years. The report shall be included in the report required under subsection (e) for the fiscal year involved.

"(g) DEFINITION.—As used in this section, the term 'racial and ethnic minority group' means Hispanics, Blacks, Asian Americans, Pacific Islanders, Native Americans, and Alaskan Natives. The term 'Hispanic' means individuals whose origin is Mexican, Puerto Rican, Cuban, Central or South American, or any other Spanish-speaking country, including Spain or the Caribbean Islands, and individuals identifying themselves as Hispanic, Latino, Spanish, or Spanish-American.

"(h) FUNDING.—

"(1) AUTHORIZATION OF APPROPRIATIONS.—For the purpose of carrying out this section, there is authorized to be appropriated $20,500,000 for fiscal year 1994, and such sums as may be necessary for each of the fiscal years 1995 through 1998.

"(2) ALLOCATION OF FUNDS BY SECRETARY.—Of the amounts appropriated under paragraph (1) for a fiscal year in excess of $15,000,000, the Secretary shall make available not less than $3,000,000 for activities to improve access to health care services for individuals with limited English proficiency, including activities identified in subsection (b)(4).".

SEC. 102. AGENCY OFFICES OF MINORITY HEALTH.

Title XVII (42 U.S.C. 300u et seq.) is amended by adding at the end the following new section:

"SEC. 1709. AGENCY OFFICES OF MINORITY HEALTH.

"(a) IN GENERAL.—The Secretary shall ensure that an Office of Minority Health is operating at the Centers for Disease Control and Prevention, the Health Resources and Services Administration, the Substance Abuse and Mental Health Services Administration, and the Agency for Health Care Policy and Research. Such Offices shall ensure that services and programs carried out within each such respective agency or office—

"(1) are equitably delivered with respect to racial and ethnic groups;

"(2) provide culturally and linguistically competent services; and

"(3) utilize racial and ethnic minority community-based organizations to deliver services.

"(b) REPORTS.—Each Office of Minority Health within the Public Health Service, including the Office of Research on Minority Health at the National Institutes of Health, shall submit a report, not later than May 1 of each year, to the Deputy Assistant Secretary for Minority Health (as provided for in section 1707(b)) describing the accomplishments or programs of the plan, the budget allocation and expenditures for, and the development and implementation of, such health programs targeting racial and ethnic minority populations. The Secretary shall ensure the participation and cooperation of

each Agency in the development of the annual report.".

SEC. 103. STATE OFFICES OF MINORITY HEALTH.

Title XVII (42 U.S.C. 300u et seq.), as amended by section 102, is further amended by adding at the end the following new section:

"SEC. 1710. GRANTS TO STATES FOR OPERATION OF OFFICES OF MINORITY HEALTH.

"(a) IN GENERAL.—The Secretary, acting through the Deputy Assistant Secretary for Minority Health (as provided for in section 1707), may make grants to States for the purpose of improving the health status in minority communities, through the operation of State offices of minority health established to monitor and facilitate the achievement of the Health Objectives for the Year 2000 as they affect minority populations.

"(b) ADMINISTRATION OF PROGRAM.—The Secretary may not make a grant to a State under subsection (a) unless such State agrees that the program carried out by the State with amounts received under the grant will be administered directly by a single State agency.

"(c) CERTAIN REQUIRED ACTIVITIES.—The Secretary may not make a grant to a State under subsection (a) unless such State agrees that activities carried out by an office operated under the grant received pursuant to such subsection will—

"(1) establish and maintain within the State a clearinghouse for collecting and disseminating information on—

"(A) minority health care issues;

"(B) research findings relating to minority health care; and

"(C) innovative approaches to the delivery of health care and social services in minority communities;

"(2) coordinate the activities carried out in the State that relate to minority health care, including providing coordination for the purpose of avoiding redundancy in such activities;

"(3) identify Federal and State programs regarding minority health, and providing technical assistance to public and nonprofit entities regarding participation in such program; and

"(4) develop additional Healthy People 2000 objectives for the State that are necessary to address the most prevalent morbidity, mortality and disability concerns for racial and ethnic minority groups in the State.

"(d) REQUIREMENT REGARDING ANNUAL BUDGET FOR THE OFFICE.—The Secretary may not make a grant to a State under subsection (a) unless such State agrees that, for any fiscal year for which the State receives such a grant, the office operated under such grant will be provided with an annual budget of not less than $75,000.

"(e) CERTAIN USES OF FUNDS.—

"(1) RESTRICTIONS.—The Secretary may not make a grant to a State under subsection (a) unless such State agrees that—

"(A) if research with respect to minority health is conducted pursuant to the grant, not more than 10 percent of the amount received under the grant will be expended for such research; and

"(B) amounts provided under the grant will not be expended—

"(i) to provide health care (including providing cash payments regarding such care);

"(ii) to conduct activities for which Federal funds are expended—

"(I) within the State to provide technical and other nonfinancial assistance under subsection (m) of section 340A;

"(II) under a memorandum of agreement entered into with the State under subsection (h) of such section; or

"(III) under a grant under section 388I;

"(iii) to purchase medical equipment, to purchase ambulances, aircraft, or other vehicles, or to purchase major communications equipment;

"(iv) to purchase or improve real property; or

"(v) to carry out any activity regarding a certificate of need.

"(2) AUTHORITIES.—Activities for which a State may expend amounts received under a grant under subsection (a) include—

"(A) paying the costs of establishing an office of minority health for purposes of subsection (a);

"(B) subject to paragraph (1)(B)(ii)(III), paying the costs of any activity carried out with respect to recruiting and retaining health professionals to serve in minority communities or underserved areas in the State; and

"(C) providing grants and contracts to public and nonprofit entities to carry out activities authorized in this section.

"(f) REPORTS.—The Secretary may not make a grant to a State under subsection (a) unless such State agrees—

"(1) to submit to the Secretary reports containing such information as the Secretary may require regarding activities carried out under this section by the State; and

"(2) to submit a report not later than January 10 of each fiscal year immediately following any fiscal year for which the State has received such a grant.

"(g) REIMBURSEMENT OF APPLICATION.—The Secretary may not make a grant to a State under subsection (a) unless an application for the grant is submitted to the Secretary and the application in such form, is made in such manner, and contains such agreements, assurances, and information as the Secretary determines to be necessary to carry out such subsection.

"(h) NONCOMPLIANCE.—The Secretary may not make payments under subsection (a) to a State for any fiscal year subsequent to the first fiscal year of such payments unless the Secretary determines that, for the immediately preceding fiscal year, the State has complied with each of the agreements made by the State under this section.

"(i) AUTHORIZATION OF APPROPRIATIONS.—

"(1) IN GENERAL.—For purposes of making grants under subsection (a) there are authorized to be appropriated $3,000,000 for fiscal year 1995, $4,000,000 for fiscal year 1996, and $3,000,000 for fiscal year 1997.

"(2) AVAILABILITY.—Amounts appropriated under paragraph (1) shall remain available until expended.

"(j) TERMINATION OF PROGRAM.—No grant may be made under this section after the aggregate amounts appropriated under subsection (i)(1) are equal to $10,000,000.".

SEC. 104. ASSISTANT SECRETARY OF HEALTH AND HUMAN SERVICES FOR CIVIL RIGHTS.

(a) IN GENERAL.—Part A of title II (42 U.S.C. 202 et seq.), as amended by section 2010 of Public Law 103-43, is amended by adding at the end the following new section:

"SEC. 229. ASSISTANT SECRETARY FOR CIVIL RIGHTS.

"(a) ESTABLISHMENT OF POSITION.—There shall be in the Department of Health and Human Services an Assistant Secretary for Civil Rights, who shall be appointed by the President, by and with the advice and consent of the Senate.

"(b) RESPONSIBILITIES.—The Assistant Secretary shall perform such functions relating to civil rights as the Secretary may assign.".

(b) CONFORMING AMENDMENT.—Section 5315 of title 5, United States Code, is amended, in the item relating to Assistant Secretaries of Health and Human Services, by striking "(5)" and inserting "(6)".

TITLE II—HEALTH SERVICES

SEC. 201. HEALTH SERVICES FOR RESIDENTS OF PUBLIC HOUSING.

Section 340A(p)(1) (42 U.S.C. 256a(p)(1)) is amended—

(1) by striking "$35,000,000 for fiscal year 1991" and inserting "$12,000,000 for fiscal year 1994"; and

(2) by striking "1992 and 1993" and inserting "1995 and 1996".

SEC. 202. ISSUANCE OF REGULATIONS REGARDING LANGUAGE AS IMPEDIMENT TO RECEIPT OF SERVICES.

(a) PROPOSED RULE.—Not later than the expiration of the 90-day period beginning on the date of the enactment of this Act, the Secretary of Health and Human Services (in this section referred to as the "Secretary") shall issue a proposed rule regarding policies to reduce the extent to which having limited English proficiency constitutes a significant impediment to individuals in establishing the eligibility of the individuals for—

(1) participation in health programs under the Public Health Service Act;

(2) the receipt of services under such programs and under programs under titles XVIII and XIX of the Social Security Act; or

(3) participation in programs or activities otherwise receiving financial assistance from the Secretary or receiving services under such programs or activities.

(b) FINAL RULE.—

(1) IN GENERAL.—Not later than the expiration of the 1-year period beginning on the date of the enactment of this Act, the Secretary shall issue a final rule regarding the policies described in subsection (a).

(2) FAILURE TO ISSUE BY DATE CERTAIN.—If the Secretary fails to issue a final rule under paragraph (1) before the expiration of the period specified in such paragraph, the proposed rule issued under subsection (a) is upon such expiration deemed to be the final rule under paragraph (1) (and shall remain in effect until the Secretary issues a final rule under such paragraph).

SEC. 203. HEALTH SERVICES FOR PACIFIC ISLANDERS.

Section 10 of the Disadvantaged Minority Health Improvement Act of 1990 (42 U.S.C. 254c-1) is amended—

(1) in subsection (b)—

(A) in paragraph (2)—

(i) by inserting ", substance abuse" after "availability of health"; and

(ii) by striking ", including improved health data systems";

(B) in paragraph (3)—

(i) by striking "manpower" and inserting "care providers"; and

(ii) by striking "by—" and all that follows through the end thereof and inserting a semicolon;

(C) by striking paragraphs (5) and (6);

(D) by redesignating paragraphs (7), and (8) as paragraphs (5) and (6), respectively;

(E) in paragraph (5) (as so redesignated), by striking "and" at the end thereof;

(F) in paragraph (6) (as so redesignated), by striking the period and inserting a semicolon; and

(G) by inserting after paragraph (6) (as so redesignated), the following new paragraphs:

"(7) to provide primary health care, preventive health care, and related training to American Samoan health care professionals; and

"(8) to improve access to health promotion and disease prevention services for rural American Samoa.";

(2) in subsection (f)—

(A) by striking "there is" and inserting "there are"; and

(B) by striking "$10,000,000" and all that follows through "1993" and inserting "$5,000,000 for fiscal year 1994, and such sums as may be necessary for each of the fiscal years 1995 and 1996"; and

(3) by adding at the end thereof the following new subsection:

"(g) STUDY AND REPORT.—

"(1) STUDY.—Not later than 180 days after the date of enactment of this subsection, the Secretary, acting through the Administrator of the Health Resources and Services Administration, shall enter into a contract with a public or nonprofit private entity for the conduct of a study to determine the effectiveness of projects funded under this section.

"(2) REPORT.—Not later than July 1, 1995, the Secretary shall prepare and submit to the Committee on Labor and Human Resources of the Senate and the Committee on Energy and Commerce of the House of Representatives a report describing the findings made with respect to the study conducted under paragraph (1).".

TITLE III—HEALTH PROFESSIONS

SEC. 301. LOANS FOR DISADVANTAGED STUDENTS.

Section 724(f)(1) (42 U.S.C. 292t(f)(1)) is amended—

(1) by striking "there is" and inserting "there are"; and

(2) by striking "$15,000,000 for fiscal year 1993" and inserting "$8,000,000 for fiscal year 1994, and such sums as may be necessary for each of the fiscal years 1995 and 1996".

SEC. 302. CESAR CHAVEZ PRIMARY CARE SCHOLARSHIP PROGRAM.

Section 736 (42 U.S.C. 293) is amended—

(1) by striking the section heading and inserting the following:

"SEC. 736. CESAR CHAVEZ PRIMARY CARE SCHOLARSHIP PROGRAM.";

(2) in subsection (c)—

(A) by striking "there is" and inserting "there are"; and

(B) by striking "$11,000,000 for fiscal year 1993" and inserting "$10,500,000 for fiscal year 1994, and such sums as may be necessary for each of the fiscal years 1995 and 1996".

SEC. 303. THURGOOD MARSHALL SCHOLARSHIP PROGRAM.

Section 737 (42 U.S.C. 293a) is amended—

(1) by striking the section heading and inserting the following:

"SEC. 737. THURGOOD MARSHALL SCHOLARSHIP PROGRAM.";

(2) in subsection (a)—

(A) in paragraph (1), by inserting "(to be known as Thurgood Marshall Scholars)" after "providing scholarships to individuals"; and

(B) in paragraph (3), by inserting "schools offering programs for the training of physician assistants," after "public health,"; and

(3) in subsection (h), by striking paragraph (1) and inserting the following new paragraph:

"(1) AUTHORIZATION OF APPROPRIATIONS.—For the purpose of carrying out this section, there are authorized to be appropriated $17,100,000 for fiscal year 1994, and such sums as may be necessary for each of the fiscal years 1995 and 1996.".

SEC. 304. LOAN REPAYMENTS AND FELLOWSHIPS REGARDING FACULTY POSITIONS AT HEALTH PROFESSIONS SCHOOLS.

Section 738 (42 U.S.C. 293b) is amended—

(1) in subsection (a)—

(A) in paragraph (2), by striking "disadvantaged backgrounds who—" and inserting "racial or ethnic groups that are underrepresented in the health professions who—"

(B) in paragraph (5)—

(i) by striking "; and" in subparagraph (A) and inserting a period;

(ii) by striking "unless—" and all that follows through "the individual involved" in subparagraph (A) and inserting "unless the individual involved"; and

(iii) striking subparagraph (B);

(C) by striking paragraph (6); and

(D) by redesignating paragraph (7) as paragraph (6); and

(2) in subsection (b)(2)(B), by striking "$30,000" and inserting "$50,000";

(3) in subsection (c)—

(A) by striking "there is" and inserting "there are"; and

(B) by striking "$4,000,000 for fiscal year 1993" and inserting "$1,100,000 for fiscal year 1994, and such sums as may be necessary for each of the fiscal years 1995 and 1996".

SEC. 305. CENTERS OF EXCELLENCE.

Section 739 (42 U.S.C. 293c) is amended—

(1) in subsection (b)—

(A) in paragraph (2), by inserting before the semicolon the following: "through collaboration with public and nonprofit private entities to carry out community-based programs to prepare students in secondary schools and institutions of higher education for attendance at the health professions school";

(B) in paragraph (4), by striking "and" at the end thereof;

(C) in paragraph (5), by striking the period and inserting "; and"; and

(D) by adding at the end thereof the following new paragraph:

"(6) to train the students of the school at community-based health facilities that provide health services to a significant number of minority individuals and that are located at a site remote from the main site of the teaching facilities of the school.";

(2) in subsection (e)—

(A) by striking the subsection heading and inserting "AUTHORITY REGARDING CONSORTIA.—";

(B) by striking paragraph (1) and inserting the following new paragraph:

"(1) IN GENERAL.—The Secretary may make a grant under subsection (a) to any school of medicine, osteopathic medicine, dentistry, clinical psychology, or pharmacy that has in accordance with paragraph (2) formed a consortium of schools.";

(C) in paragraph (2), by striking subparagraphs (A) through (D) and inserting the following new subparagraphs:

"(A) the consortium consists of—

"(i) the health professions school seeking the grant under subsection (a); and

"(ii) one or more schools of medicine, osteopathic medicine, dentistry, pharmacy, nursing, allied health, or public health, or graduate programs in mental health practice;

"(B) the schools of the consortium have entered into an agreement for the allocation of such grant among the schools; and

"(C) each of the schools agrees to expend the grant in accordance with this section."; and

(D) by adding at the end the following paragraph:

"(3) AUTHORITY FOR COLLECTIVELY MEETING RELEVANT REQUIREMENTS IN CERTAIN CASES.—With respect to meeting the conditions specified in subsection (c)(4) for Native American Centers of Excellence, the Secretary may make a grant to any school that has in accordance with paragraphs (1) and (2) formed a consortium of schools that meets such conditions (without regard to whether the schools of the consortium individually meet such conditions).".; and

(3) in subsection (i)—

(A) in paragraph (1), by striking "such sums as may be necessary for fiscal year 1993" and inserting "$25,000,000 for fiscal year 1994, and such sums as may be necessary for each of the fiscal years 1995 and 1996"; and

(B) in paragraph (2)(C) by adding at the end the following: "Health professions schools described in subsection (c)(2)(A) shall be eligible for grants under this subparagraph in a fiscal year if the amount appropriated for the fiscal year under paragraph (1) is greater than $23,500,000. Such schools shall be eligible to apply only for grants made from the portion of such amount that exceeds $23,500,000.".

SEC. 306. EDUCATIONAL ASSISTANCE REGARDING UNDERGRADUATES.

Section 740 (42 U.S.C. 293d) is amended—

(1) in subsection (a)(1), by adding at the end the following new sentence: "To be eligible for such a grant, a school shall have in place a program to assist individuals from disadvantaged backgrounds in gaining entry into a health professions school or completing the course of study at such a school.";

(2) in subsection (d)(1)—

(A) by striking "there is" and inserting "there are"; and

(B) by striking "1993" and inserting "1994, and such sums as may be necessary for each of the fiscal years 1995 and 1996".

(3) in subsection (d)(2)(B), by adding at the end thereof the following new sentence: "Scholarship recipients under this section shall be known as 'Cesar Chavez Primary Care Scholars'.".

SEC. 307. AREA HEALTH EDUCATION CENTERS.

Section 746(d)(2)(D) (42 U.S.C. 293j(d)(2)(D)) is amended by inserting "and minority health" after "disease prevention".

TITLE IV—RESEARCH AND DATA COLLECTION

SEC. 401. OFFICE OF RESEARCH ON MINORITY HEALTH.

Section 404 (42 U.S.C. 283b), as added by section 151 of Public Law 103–43, is amended by adding at the end the following subsections:

"(c) PLAN.—The Director of the Office, shall collaborate with the Deputy Assistant Secretary for Minority Health (as provided for in section 1707), to develop and implement a plan for carrying out the duties required by subsection (b). The Director, in consultation with the Deputy Assistant Secretary for Minority Health, shall review the plan not less often than annually, and revise the plan as appropriate.

"(d) EQUITY REGARDING VARIOUS GROUPS.—The Director of the Office shall ensure that activities under subsection (b) address equitably all minority groups.

"(e) ADVISORY COMMITTEE.—

"(1) ESTABLISHMENT.—In carrying out subsection (b), the Secretary shall establish an advisory committee to be known as the Advisory Committee on Research on Minority Health (in this subsection referred to as the 'Advisory Committee').

"(2) COMPOSITION.—

"(A) VOTING AND NONVOTING MEMBERS.—The Advisory Committee shall be composed of voting members appointed in accordance with subparagraph (B) and the ex officio nonvoting members described in subparagraph (C).

"(B) VOTING MEMBERS.—The Advisory Committee shall include not fewer than 12, and not more than 18, voting members who are not officers or employees of the Federal Gov-

ernment. The Director of the Office shall appoint such members to the Advisory Committee from among physicians, practitioners, scientists, consumers and other health professionals, whose clinical practices, research specialization, or professional expertise includes a significant focus on research on minority health or on the barriers that minorities must overcome to participate in clinical trials. The membership of the Advisory Committee shall be equitably representative of the minority groups served by the Office.

"(C) EX OFFICIO NONVOTING MEMBERS.—The Deputy Assistant Secretary for Minority Health and the Directors of each of the national research entities shall serve as ex officio nonvoting members of the Advisory Committee (except that any of such Directors may designate an official of the institute involved to serve as such member of the Committee in lieu of the Director).

"(3) CHAIRPERSON.—The Director of the Office shall serve as the chairperson of the Advisory Committee.

"(4) DUTIES.—The Advisory Committee shall—

"(A) advise the Director of the Office on appropriate research activities to be undertaken by the national research institutes with respect to—

"(i) research on minority health;

"(ii) research on racial and ethnic differences in clinical drug trials, including responses to pharmacological drugs;

"(iii) research on racial and ethnic differences in disease etiology, course, and treatment; and

"(iv) research on minority health conditions which require a multidisciplinary approach;

"(B) report to the Director of the Office on such research;

"(C) provide recommendations to such Director regarding activities of the Office (including recommendations on priorities in carrying out research described in subparagraph (A)); and

"(D) assist in monitoring compliance with section 492B regarding the inclusion of minorities in clinical research.

"(5) BIENNIAL REPORT.—

"(A) PREPARATION.—The Advisory Committee shall prepare a biennial report describing the activities of the Committee, including findings made by the Committee regarding—

"(i) compliance with section 492B;

"(ii) the extent of expenditures made for research on minority health by the agencies of the National Institutes of Health; and

"(iii) the level of funding needed for such research.

"(B) SUBMISSION.—The report required in subparagraph (A) shall be submitted to the Director of the National Institutes of Health for inclusion in the report required in section 403.

"(f) REPRESENTATIVES OF MINORITIES AMONG RESEARCHERS.—The Secretary, acting through the Assistant Secretary for Personnel Administration and in collaboration with the Director of the Office, shall determine the extent to which minorities are represented among senior physicians and scientists of the national research institutes and among physicians and scientists conducting research with funds provided by such institutes, and as appropriate, carry out activities to increase the extent of such representation.

"(g) DEFINITIONS.—For purposes of this part:

"(1) MINORITY HEALTH CONDITIONS.—The term 'minority health conditions', with respect to individuals who are members of minority groups, means all diseases, disorders, and conditions (including with respect to mental health)—

"(A) unique to, more serious, or more prevalent in such individuals;

"(B) for which the factors of medical risk or types of medical intervention are different for such individuals, or for which it is unknown whether such factors or types are different for such individuals; or

"(C) with respect to which there has been insufficient research involving such individuals as subjects or insufficient data on such individuals.

"(2) RESEARCH ON MINORITY HEALTH.—The term 'research on minority health' means research on minority health conditions, including research on preventing such conditions.

"(3) MINORITY GROUPS.—The term 'minority groups' means Blacks, American Indians, Alaskan Natives, Asian/Pacific Islanders, and Hispanics, including subpopulations of such groups.".

SEC. 402. ACTIVITIES OF AGENCY FOR HEALTH CARE POLICY AND RESEARCH.

Section 902(b) (42 U.S.C. 299a(b)) is amended to read as follows:

"(b) REQUIREMENTS WITH RESPECT TO CERTAIN POPULATIONS.—In carrying out subsection (a), the Administrator shall undertake and support research, demonstration projects, and evaluations with respect to the health status of, and the delivery of health care to—

"(1) the populations of medically underserved urban or rural areas (including frontier areas); and

"(2) low-income groups, minority groups, and the elderly.".

SEC. 403. DATA COLLECTION BY NATIONAL CENTER FOR HEALTH STATISTICS.

Section 306(n) of the Public Health Service Act (42 U.S.C. 242k(n)), as redesignated by section 501(a)(5)(B) of Public Law 103-183 (107 Stat. 2237), is amended to read as follows:

"(n)(1) For health statistical and epidemiological activities undertaken or supported under this section, there are authorized to be appropriated such sums as may be necessary for each of the fiscal years 1995 through 1998.

"(2) Of the amounts appropriated under paragraph (1) for a fiscal year, the Secretary shall obligate not more than an aggregate $5,000,000 for carrying out subsections (h), (l), and (m) with respect to particular racial and ethnic population groups, except that not more than $100,000 may be expended in the aggregate for the administration of activities under subsection (m) and for activities described in paragraph (2) of such subsection.".

TITLE V—MISCELLANEOUS

SEC. 501. REVISION AND EXTENSION OF PROGRAM FOR STATE OFFICES OF RURAL HEALTH.

(a) MATCHING FUNDS.—Section 338J(b) (42 U.S.C. 254r(b)) is amended to read as follows:

"(b) REQUIREMENT OF MATCHING FUNDS.—

"(1) IN GENERAL.—With respect to the costs to be incurred by a State in carrying out the purpose described in subsection (a), the Secretary may not make a grant under such subsection unless the State agrees to provide non-Federal contributions toward such costs, in cash, in an amount that is not less than $1 for each $1 of Federal funds provided in the grant.

"(2) DETERMINATION OF AMOUNT CONTRIBUTED.—In determining the amount of non-Federal contributions in cash that a State has provided pursuant to paragraph (1), the Secretary may not include any amounts provided to the State by the Federal Government.".

(b) AUTHORIZATION OF APPROPRIATIONS.—Section 338J(j)(1) (42 U.S.C. 254r(j)(1)) is amended—

(1) by striking "and" after "1992,"; and

(2) by inserting before the period the following: ", and $5,000,000 for each of the fiscal years 1994 through 1996".

(c) TERMINATION OF PROGRAM.—Section 338J(k) (42 U.S.C. 254r(k)) is amended by striking $10,000,000" and inserting "$20,000,000".

SEC. 502. TECHNICAL CORRECTIONS RELATING TO HEALTH PROFESSIONS.

(a) HEALTH EDUCATION ASSISTANCE LOAN DEFERMENT FOR BORROWERS PROVIDING HEALTH SERVICES TO INDIANS.—

(1) IN GENERAL.—Section 705(a)(2)(C) is amended by striking "and (x)" and inserting "(x) not in excess of three years, during which the borrower is providing health care services to Indians through an Indian health program (as defined in section 108(a)(2)(A) of the Indian Health Care Improvement Act (25 U.S.C. 1616a(a)(2)(A)); and (xi)".

(2) CONFORMING AMENDMENTS.—Section 705(a)(2)(C) is further amended—

(A) in clause (xi) (as so redesignated) by striking "(ix)" and inserting "(x)"; and

(B) in the matter following such clause (xi), by striking "(x)" and inserting "(xi)".

(3) EFFECTIVE DATE.—The amendments made by this subsection shall apply with respect to services provided on or after the first day of the third month that begins after the date of enactment of this Act.

(b) MAXIMUM STUDENT LOAN PROVISION.—

(1) IN GENERAL.—Section 722(a)(1) (42 U.S.C. 292r(a)(1)), as amended by section 2014(b)(1) of Public Law 103-43, is amended by striking "the sum of" and all that follows through the end thereof and inserting "the cost of attendance (including tuition, other reasonable educational expenses, and reasonable living costs) for that year at the educational institution attended by the student (as determined by such educational institution).".

(2) THIRD AND FOURTH YEARS.—Section 722(a)(2) (42 U.S.C. 292r(a)(2)), as amended by section 2014(b)(1) of Public Law 103-43, is amended by striking "the amount $2,500" and all that follows through "including such $2,500" and inserting "the amount of the loan may, in the case of the third or fourth year of a student at school of medicine or osteopathic medicine, be increased to the extent necessary".

(c) REQUIREMENT FOR SCHOOLS.—Section 723(b)(1) (42 U.S.C. 292s(b)(1)), as amended by section 2014(c)(2)(A)(ii) of Public Law 103-43 (107 Stat. 216), is amended by striking "3 years before" and inserting "4 years before".

(d) SERVICE REQUIREMENT FOR PRIMARY CARE LOAN BORROWERS.—Section 723(a) (42 U.S.C. 292s(a)) is amended in subparagraph (B) of paragraph (1), by striking "through the date on which the loan is repaid in full" and inserting "for 5 years after completing the residency program".

(e) PREFERENCE AND REQUIRED INFORMATION IN CERTAIN PROGRAMS.—

(1) TITLE VII.—Section 791 (42 U.S.C. 295j) is amended by adding at the end thereof the following subsection:

"(d) EXCEPTIONS.—

"(1) IN GENERAL.—To permit new programs to compete equitably for funding under this section, those new programs that meet the criteria described in paragraph (3) shall qualify for a funding preference under this section.

"(2) DEFINITION.—As used in this subsection, the term 'new program' means any

program that has graduated less than three classes. Upon graduating at least three classes, a program shall have the capability to provide the information necessary to qualify the program for the general funding preferences described in subsection (a).

"(3) CRITERIA.—The criteria referred to in paragraph (1) are the following:

"(A) The mission statement of the program identifies a specific purpose of the program as being the preparation of health professionals to serve underserved populations.

"(B) The curriculum of the program includes content which will help to prepare practitioners to serve underserved populations.

"(C) Substantial clinical training experience is required under the program in medically underserved communities.

"(D) A minimum of 20 percent of the faculty of the program spend at least 50 percent of their time providing or supervising care in medically underserved communities.

"(E) The entire program or a substantial portion of the program is physically located in a medically underserved community.

"(F) Student assistance, which is linked to service in medically underserved communities following graduation, is available to the students in the program.

"(G) The program provides a placement mechanism for deploying graduates to medically underserved communities.".

(2) TITLE VIII.—Section 860 (42 U.S.C. 298b-7) is amended by adding at the end thereof the following subsection:

"(f) EXCEPTIONS.—

"(1) IN GENERAL.—To permit new programs to compete equitably for funding under this section, those new programs that meet the criteria described in paragraph (3) shall qualify for a funding preference under this section.

"(2) DEFINITION.—As used in this subsection, the term 'new program' means any program that has graduated less than three classes. Upon graduating at least three classes, a program shall have the capability to provide the information necessary to qualify the program for the general funding preferences described in subsection (a).

"(3) CRITERIA.—The criteria referred to in paragraph (1) are the following:

"(A) The mission statement of the program identifies a specific purpose of the program as being the preparation of health professionals to serve underserved populations.

"(B) The curriculum of the program includes content which will help to prepare practitioners to serve underserved populations.

"(C) Substantial clinical training experience is required under the program in medically underserved communities.

"(D) A minimum of 20 percent of the faculty of the program spend at least 50 percent of their time providing or supervising care in medically underserved communities.

"(E) The entire program or a substantial portion of the program is physically located in a medically underserved community.

"(F) Student assistance, which is linked to service in medically underserved communities following graduation, is available to the students in the program.

"(G) The program provides a placement mechanism for deploying graduates to medically underserved communities.".

(f) DEFINITIONS.—Section 799(6) (42 U.S.C. 295p(6)) is amended—

(1) in subparagraph (B) by striking "; or" at the end thereof;

(2) in subparagraph (C) by striking the period and inserting a semicolon; and

(3) by adding at the end thereof the following:

"(D) ambulatory practice sites designated by State Governors as shortage areas or medically underserved communities for purposes of State scholarships or loan repayment or related programs; or

"(E) practices or facilities in which not less than 50 percent of the patients are recipients of aid under title XIX of the Social Security Act or eligible and uninsured.".

(g) GENERALLY APPLICABLE MODIFICATIONS REGARDING OBLIGATED SERVICE.—

(1) IN GENERAL.—Section 795(a)(2) (42 U.S.C. 295n(a)(2)), is amended—

(A) in subparagraph (A), by striking "speciality in" and inserting "field of"; and

(B) in subparagraph (B), by striking "speciality" and inserting "field"; and

(2) EFFECTIVE DATE.—Each amendment made by paragraph (1) shall take effect as if such subsection had been enacted immediately after the enactment of the Health Professions Education Extension Amendments of 1992.

(h) RECOVERY.—Part G of title VII (42 U.S.C. 295j et seq.) is amended by inserting after section 795, the following new section:

"SEC. 796. RECOVERY.

"(a) IN GENERAL.—If at any time within 20 years (or within such shorter period as the Secretary may prescribe by regulation for an interim facility) after the completion of construction of a facility with respect to which funds have been paid under section 720(a) (as such section existed one day prior to the date of enactment of the Health Professions Education Extension Amendments of 1992 (Public Law 102-408)—

"(1)(A) in case of a facility which was an affiliated hospital or outpatient facility with respect to which funds have been paid under such section 720(a)(1), the owner of the facility ceases to be a public or other nonprofit agency that would have been qualified to file an application under section 605;

"(B) in case of a facility which was not an affiliated hospital or outpatient facility but was a facility with respect to which funds have been paid under paragraph (1) or (3) of such section 720(a), the owner of the facility ceases to be a public or nonprofit school, or

"(C) in case of a facility which was a facility with respect to which funds have been paid under such section 720(a)(2), the owner of the facility ceases to be a public or nonprofit entity,

"(2) the facility ceases to be used for the teaching or training purposes (or other purposes permitted under section 722 (as such section existed one day prior to the date of enactment of the Health Professions Education Extension Amendments of 1992 (Public Law 102-408)) for which it was constructed, or

"(3) the facility is used for sectarian instruction or as a place for religious worship, the United States shall be entitled to recover from the owner of the facility the base amount prescribed by subsection (c)(1) plus the interest (if any) prescribed by subsection (c)(2).

"(b) NOTICE.—The owner of a facility which ceases to be a public or nonprofit agency, school, or entity as described in subparagraph (A), (B), or (C) of subsection (a)(1), as the case may be, or the owner of a facility the use of which changes as described in paragraph (2) or (3) of subsection (a), shall provide the Secretary written notice of such cessation or change of use within 10 days after the date on which such cessation or change of use occurs or within 30 days after the date of enactment of this subsection, whichever is later.

"(c) AMOUNT.—

"(1) BASE AMOUNT.—The base amount that the United States is entitled to recover under subsection (a) is the amount bearing the same ratio to the then value (as determined by the agreement of the parties or in an action brought in the district court of the United States for the district in which the facility is situated) of the facility as the amount of the Federal participation bore to the cost of construction.

"(2) INTEREST.—

"(A) IN GENERAL.—The interest that the United States is entitled to recover under subsection (a) is the interest for the period (if any) described in subparagraph (B) at a rate (determined by the Secretary) based on the average of the bond equivalent rates of ninety-one-day Treasury bills auctioned during that period.

"(B) PERIOD.—The period referred to in subparagraph (A) is the period beginning—

"(i) if notice is provided as prescribed by subsection (b), 191 days after the date on which the owner of the facility ceases to be a public or nonprofit agency, school, or entity as described in subparagraph (A), (B), or (C) of subsection (a)(1), as the case may be, or 191 days after the date on which the use of the facility changes as described in paragraph (2) or (3) of subsection (a), or

"(ii) if notice is not provided as prescribed by subsection (b), 11 days after the date on which such cessation or change of use occurs,

and ending on the date the amount the United States is entitled to recover is collected.

"(d) WAIVER.—The Secretary may waive the recovery rights of the United States under subsection (a)(2) with respect to a facility (under such conditions as the Secretary may establish by regulation) if the Secretary determines that there is good cause for waiving such rights.

"(e) LIEN.—The right of recovery of the United States under subsection (a) shall not, prior to judgment, constitute a lien on any facility.".

SEC. 503. CLINICAL TRAINEESHIPS.

Section 303(d)(1) (42 U.S.C. 242a(d)(1)) is amended by inserting "counseling" after "family therapy,".

SEC. 504. DEMONSTRATION PROJECT GRANTS TO STATES FOR ALZHEIMER'S DISEASE.

(a) IN GENERAL.—Section 398(a) (42 U.S.C. 280c-3(a)) is amended—

(1) in the matter preceding paragraph (1), by striking "not less than 5, and not more than 15,";

(2) in paragraph (2)—

(A) by inserting after "disorders" the following: "who are living in single family homes or in congregate settings"; and

(B) by striking "and" at the end;

(3) by redesignating paragraph (3) as paragraph (4); and

(4) by inserting after paragraph (2) the following:

"(3) to improve access for individuals with Alzheimer's disease or related disorders, particularly such individuals from ethnic, cultural, or language minorities and such individuals who are living in isolated rural areas, to services that—

"(A) are home-based or community-based long-term care services; and

"(B) exist on the date of enactment of this paragraph; and".

(b) DURATION.—Section 398A (42 U.S.C. 280c-4) is amended—

(1) in the title, by striking "LIMITATION ON";

(2) in subsection (a)—

(A) in the heading, by striking "LIMITATION ON"; and

(B) by striking "may not exceed" and inserting "may exceed"; and

(3) in subsection (b), in paragraphs (1)(C) and (2)(C), by inserting ", and any subsequent year," after "third year".

(c) AUTHORIZATION OF APPROPRIATIONS.—Section 398B(e) (42 U.S.C. 280c-5(e)) is amended by striking "and 1993" and inserting "through 1998".

SEC. 505. MEDICALLY UNDERSERVED AREA STUDY.

(a) IN GENERAL.—The Secretary of Health and Human Services shall conduct a study concerning the feasibility and desirability of, and the criteria to be used for, combining the designations of "health professional shortage area" and "medically underserved area" into a single health professional shortage area designation.

(b) REQUIREMENTS.—As part of the study conducted under subsection (a), the Secretary of Health and Human Services, in considering the statutory and regulatory requirements necessary for the creation of a single health professional shortage area designation, shall—

(1) review and report on the application of current statutory and regulatory criteria used—

(A) in designating an area as a health professional shortage area;

(B) in designating an area as a medically underserved area; and

(C) by a State in the determination of the health professional shortage area designations of such State; and

(2) review the suggestions of public health and primary care experts.

(c) REPORT.—Not later than 1 year after the date of enactment of this Act, the Secretary of Health and Human Services shall prepare and submit to the appropriate committees of Congress a report concerning the findings of the study conducted under subsection (a) together with the recommendations of the Secretary.

(d) RECOMMENDATIONS.—In making recommendations under subsection (c), the Secretary of Health and Human Services shall give special consideration to (and describe in the report) the unique impact of designation criteria on different rural and urban populations, and ethnic and racial minorities, including—

(1) rational service areas, and their application to frontier areas and inner-city communities;

(2) indicators of high medical need, including fertility rates, infant mortality rates, pediatric population, elderly population, poverty rates, and physician to population ratios; and

(3) indicators of insufficient service capacity, including language proficiency criteria for ethnic populations, annual patient visits per physician, waiting times for appointments, waiting times in a primary care physician office, excessive use of emergency facilities, low annual office visit rate, and demand on physicians in contiguous rural or urban areas.

SEC. 506. PROGRAMS REGARDING BIRTH DEFECTS.

Section 317C of the Public Health Service Act (42 U.S.C. 247b-4), as added by section 306 of Public Law 102-531 (106 Stat. 3494), is amended to read as follows:

"PROGRAMS REGARDING BIRTH DEFECTS

"SEC. 317C. (a) The Secretary, acting through the Director of the Centers for Disease Control and Prevention, shall carry out programs—

"(1) to collect, analyze, and make available data on birth defects, including data on the causes of such defects and on the incidence and prevalence of such defects;

"(2) to provide information and education to the public on the prevention of such defects;

"(3) to operate centers for the conduct of applied epidemiologic research and study of such defects, and to improve the education, training, and clinical skills of health professionals with respect to the prevention of such defects; and

"(4) to carry out demonstration projects for the prevention of such defects.

"(b) NATIONAL CLEARINGHOUSE.—In carrying out subsection (a)(1), the Secretary shall establish and maintain a National Information Clearinghouse on Birth Defects to collect and disseminate to health professionals and the general public information on birth defects, including the prevention of such defects.

"(c) GRANTS AND CONTRACTS.—

"(1) IN GENERAL.—In carrying out subsection (a), the Secretary may make grants to and enter into contracts with public and nonprofit private entities. Recipients of assistance under this subsection shall collect and analyze demographic data utilizing appropriate sources as determined by the Secretary.

"(2) SUPPLIES AND SERVICES IN LIEU OF AWARD FUNDS.—

"(A) Upon the request of a recipient of an award of a grant or contract under paragraph (1), the Secretary may, subject to subparagraph (B), provide supplies, equipment, and services for the purpose of aiding the recipient in carrying out the purposes for which the award is made and, for such purposes, may detail to the recipient any officer or employee of the Department of Health and Human Services.

"(B) With respect to a request described in subparagraph (A), the Secretary shall reduce the amount of payments under the award involved by an amount equal to the costs of detailing personnel and the fair market value of any supplies, equipment, or services provided by the Secretary. The Secretary shall, for the payment of expenses incurred in complying with such request, expend the amounts withheld.

"(3) APPLICATION FOR AWARD.—The Secretary may make an award of a grant or contract under paragraph (1) only if an application for the award is submitted to the Secretary and the application is in such form, is made in such manner, and contains such agreements, assurances, and information as the Secretary determines to be necessary to carry out the purposes for which the award is to be made.

"(d) BIENNIAL REPORT.—Not later than February 1 of fiscal year 1995 and of every second such year thereafter, the Secretary shall submit to the Committee on Energy and Commerce of the House of Representatives, and the Committee on Labor and Human Resources of the Senate, a report that, with respect to the preceding 2 fiscal years—

"(1) contains information regarding the incidence and prevalence of birth defects and the extent to which birth defects have contributed to the incidence and prevalence of infant mortality;

"(2) contains information under paragraph (1) that is specific to various racial and ethnic groups; and

"(3) contains an assessment of the extent to which each approach to preventing birth defects has been effective, including a description of effectiveness in relation to cost;

"(4) describes the activities carried out under this section; and

"(5) contains any recommendations of the Secretary regarding this section.

"(e) AUTHORIZATION OF APPROPRIATIONS.—For the purpose of carrying out this section, there are authorized to be appropriated such sums as may be necessary for each of the fiscal years 1994 through 1997.".

SEC. 507. DEMONSTRATION PROJECTS REGARDING DIABETIC-RETINOPATHY.

(a) IN GENERAL.—The Secretary of Health and Human Services, acting through the Director of the National Eye Institute and in consultation with the Director of the Centers for Disease Control and Prevention, may make grants to public and nonprofit private entities for demonstration projects to serve the populations specified in subsection (b) by carrying out, with respect to the eye disorder known as diabetic retinopathy, all activities regarding information, dissemination, early detection, education, and prevention.

(b) RELEVANT POPULATIONS.—The populations referred to in subsection (a) are minority populations that have diabetes mellitus.

(c) AUTHORIZATION OF APPROPRIATIONS.—For the purpose of carrying out this section, there is authorized to be appropriated $1,000,000 for each of the fiscal years 1995 through 1997.

SEC. 508. MEXICAN BORDER STATE ANALYTICAL LABORATORIES.

(a) IN GENERAL.—The Secretary of Health and Human Services, acting through the Director of the Centers for Disease Control and Prevention, may make grants to eligible entities to establish and operate State laboratories to analyze human, wildlife, air, water, and soil samples. The laboratories shall serve the border region.

(b) ELIGIBLE ENTITY.—To be eligible to receive a grant under subsection (a), an entity shall be a State that borders Mexico.

(c) APPLICATIONS REQUIREMENTS.—No grant may be made under subsection (a) unless an application has been submitted to and approved by the Secretary of Health and Human Services.

(d) AUTHORIZATION OF APPROPRIATIONS.—For the purpose of carrying out subsection (a), there are authorized to be appropriated such sums as may be necessary for each of the fiscal years 1995 through 1997.

SEC. 509. CONSTRUCTION OF REGIONAL CENTERS FOR RESEARCH ON PRIMATES.

Section 481B of the Public Health Service Act (42 U.S.C. 287a-3), as added by section 1503 of Public Law 103-43 (107 Stat. 178), is amended to read as follows:

"CONSTRUCTION OF REGIONAL CENTERS FOR RESEARCH ON PRIMATES

"SEC. 481B. With respect to activities carried out by the National Center for Research Resources to support regional centers for research on primates, the Director of NIH may, for each of the fiscal years 1994 through 1996, reserve from the amounts appropriated under section 481A(h) not more than $3,000,000 for the purpose of making awards of grants and contracts to public and nonprofit private entities to construct, renovate, or otherwise improve such regional centers. The reservation of such amounts for any fiscal year is subject to the availability of qualified applicants for such awards.".

TITLE VI—GENERAL PROVISIONS

SEC. 601. EFFECTIVE DATE.

This Act and the amendments made by this Act shall take effect October 1, 1993, or upon the date of the enactment of this Act, whichever occurs later.

METZENBAUM (AND OTHERS) AMENDMENT NO. 1606

Mr. MITCHELL (for Mr. METZENBAUM for himself, Ms. MOSELEY-BRAUN, Mr. INOUYE, Mr. SIMON, Mrs. KASSEBAUM, and Mrs. FEINSTEIN) proposed an amendment to amendment No. 1505 proposed by Mr. KENNEDY to the bill S. 1569, supra; as follows:

At the appropriate place, insert the following new title:

TITLE —MULTIETHNIC PLACEMENT

SEC. 01. SHORT TITLE.

This Act may be cited as the "Multiethnic Placement Act of 1994".

SEC. 02. FINDINGS AND PURPOSE.

(A) FINDINGS.—Congress finds that—

(1) nearly 500,000 children are in foster care in the United States;

(2) tens of thousands of children in foster care are waiting for adoption;

(3) 2 years and 8 months is the median length of time that children wait to be adopted;

(4) child welfare agencies should work to eliminate racial, ethnic, and national origin discrimination and bias in adoption and foster care recruitment, selection, and placement procedures; and

(5) active, creative, and diligent efforts are needed to recruit parents, from every race and culture, for children needing foster care or adoptive parents.

(b) PURPOSE.—It is the purpose of this Act to decrease the length of time that children wait to be adopted and to prevent discrimination in the placement of children on the basis of race, color, or national origin.

SEC. 03. MULTIETHNIC PLACEMENTS.

(a) ACTIVITIES.—

(1) PROHIBITION.—An agency, or entity, that receives Federal assistance and is involved in adoption or foster care placements may not—

(A) categorically deny to any person the opportunity to become an adoptive or a foster parent, solely on the basis of the race, color, or national origin of the adoptive or foster parent, or the child, involved; or

(B) delay or deny the placement of a child for adoption or into foster care, or otherwise discriminate in making a placement decision, solely on the basis of the race, color, or national origin of the adoptive or foster parent, or the child, involved.

(2) PERMISSIBLE CONSIDERATION.—An agency or entity to which paragraph (1) applies may consider the race, color, or national origin of a child as a factor in making a placement decision if such factor is relevant to the best interests of the child involved and is considered in conjunction with other factors.

(3) DEFINITION.—As used in this subsection, the term "placement decision" means the decision to place, or to delay the placement of, a child in a foster care or an adoptive home, and includes the decision of the agency or entity involved to seek the termination of birth parent rights or otherwise make a child legally available for adoptive placement.

(b) LIMITATION.—The Secretary of Health and Human Services shall not provide placement and administrative funds under section 474(a)(3) of the Social Security Act (42 U.S.C. 674(a)(3)) to an agency or entity described in subsection (a) that is not in compliance with subsection (a).

(c) EQUITABLE RELIEF.—Any individual who is aggrieved by an action in violation of subsection (a), taken by an agency or entity described in subsection (a), shall have the right to bring an action seeking relief in a United States district court of appropriate jurisdiction.

(d) CONSTRUCTION.—Nothing in this section shall be construed to affect the application of the Indian Child Welfare Act of 1978 (25 U.S.C. 1901 et seq.).

LEVIN (AND KASSEBAUM) AMENDMENT NO. 1607

Mr. MITCHELL (for Mr. LEVIN for himself and Mrs. KASSEBAUM) proposed an amendment to amendment No. 1605 proposed by Mr. KENNEDY to the bill S. 1569, supra; as follows:

At the end of the amendment, insert the following:

TITLE . VOLUNTARY MUTUAL REUNIONS

SEC. . FACILITATION OF REUNIONS.

The Secretary of Health and Human Services, in the discretion of the Secretary and at no net expense to the Federal Government, may use the facilities of the Department of Health and Human Services to facilitate the voluntary, mutually requested reunion of an adult adopted child who is 21 or older with—

(1) any birth parent of the adult child; or

(2) any adult adopted sibling, who is 21 or older, of the adult child,

if all such persons involved in any such reunion have, on their own initiative, expressed a desire for a reunion.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON INDIAN AFFAIRS

Mr. FORD. Mr. President, I ask unanimous consent that the Committee on Indian Affairs and the Senate Committee on Labor and Human Resources be authorized to meet on Friday, March 25, 1994, beginning at 10 a.m., in 485 Russell Senate Office Building on the Headstart Programs serving Native Americans.

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

COMMITTEE ON THE JUDICIARY

Mr. FORD. Mr. President, I ask unanimous consent that the Committee on the Judiciary be authorized to meet during the session of the Senate on Friday, March 25, 1994 to hold a hearing on the nominations of Fortunato "Pete" Benavides, of Texas, to be United States circuit judge for the fifth circuit, Ruben Castillo, of Illinois, to be U.S. district judge for the northern district of Illinois and Audrey Collings, of California, to be U.S. district judge for the central district of California.

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

COMMITTEE ON LABOR AND HUMAN RESOURCES

Mr. FORD. Mr. President, I ask unanimous consent that the Committee on Labor and Human Resources and the Committee on Indian Affairs be authorized to meet for a joint hearing on Indian Issues in Head Start Reauthorization, during the session of the Senate on March 25, 1994, at 10 a.m.

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

ADDITIONAL STATEMENTS

RETIREMENT OF WILLIAM A. HILLIARD

• Mr. HATFIELD. Mr. President, I rise today to offer a tribute to one of the leading editors in American journalism who hails from the State of Oregon.

William A. Hilliard will retire this spring as editor of the Oregonian after a distinguished career spanning more than 42 years. A man known for his commitment to his work and his community, Mr. Hilliard long ago established a reputation that symbolized the highest standards of his profession.

Mr. Hilliard rose from the ranks at the Oregonian through diligence, determination, and hard work. His story is one of diligence, determination, and hard work. His story is one of pioneering. He started as a copy aid in 1952 and rose to become the Oregonian's top editor in 1982, with overall supervision over both news and editorial divisions. He was the first black employee in the Oregonian's news department, the first black city editor of a major daily, one of only a handful of black editors of a large metropolitan newspaper, and now the first black officer of the American Society of Newspaper Editors.

Ironically, as a boy he had been denied a delivery route for the Oregonian in his predominately white neighborhood. One of his college professors once told him that he had no future in newspapers because of his color. But he was determined to change things. He studied at the University of Oregon, the premier journalism school in the Northwest, and later transferred to Pacific University, where he served as editor of the school's newspaper and graduated with honors.

Despite his brilliant college career, Mr. Hilliard could not get a job with a mainstream newspaper so he started his own—the Portland Challenger. Eventually, he was offered a position as a copyboy at the Oregonian. He never looked back from there.

As a reporter, he typified the track of many young journalists, moving through the ranks and working his way up the ladder through perseverance. He spent a year in sports and moved to the cityside desk in 1954, covering police, politics, and city hall. His first big story was the Holt Korean Babylift in 1956. When he was named city editor in 1971 it was considered national news, warranting an article in Time magazine.

As city editor, Mr. Hilliard presided over the Oregonian's coverage of a contentious period in our Nation's history; the Vietnam war, antiwar protests, and race riots. During this time, the Oregonian started regular coverage of civil rights issues, poverty, and race relations.

When beset by obstacles that would have defeated many people, Mr.

Hilliard confronted them and pushed ahead with hard work.

A headline from an American Society of Newspaper Editors Bulletin story written by Jud Randall, a retired assistant to Mr. Hilliard and veteran journalist, put it aptly: "ASNE's Next President Is Known for Pushing Quiet—But Persistent Change."

Under Mr. Hilliard's direction, the Oregonian has moved into the mainstream of the new electronic publishing era, redesigned its pages, and received numerous State and regional awards for its coverage.

Mr. Hilliard's diplomatic grace, caring nature, and commitment to progressive social change has made a big difference not only in Oregon, but in the Pacific Northwest, the American news industry, and the Nation as a whole.

He was once described by the late Robert C. Maynard, former editor and publisher of the Oakland Tribune, as "a legend to many journalists of color" and a "beacon of encouragement" to young journalists of all races and colors. Indeed, he was in the same league with journalism pioneers like Maynard for he helped pave the way and launch the careers of countless young reporters and editors.

I have known Mr. Hilliard for many years and pushed for him to be appointed as one of four panelists at the nationally televised Presidential debates between President Jimmy Carter and then-candidate Ronald Reagan in 1980. While we may not have always agreed on the editorial direction of the Oregonian, you could always depend on Bill Hilliard to instill a sense of fairness in his work. I congratulate him and wish him well in his newest endeavor.●

TRIBUTE TO DR. WILSON H. ELKINS

● Mr. SARBANES. Mr. President, I rise today to bring to our colleagues' attention the remarkable legacy of Wilson H. Elkins who served the people of Maryland and the Nation for 24 years as President of the University of Maryland. Dr. Elkins passed away March 17 at the age of 85.

Dr. Elkins was a native of Texas, and a graduate of the University of Texas with both B.A. and M.A. degrees. Wilson Elkins was both an outstanding student and star athlete. He earned eight varsity letters in football, basketball, and track, as well as election to Phi Beta Kappa and served as president of the Student Government Association and captain of the basketball team. He was a Rhodes Scholar at Oxford University where he earned both the B. Litt. and Ph.D. degrees.

After teaching at the University of Texas and serving as president of several colleges in the State, Wilson Elkins was named the 21st president of the University of Maryland in 1954 where he served during a period of tremendous growth and rebuilding of the university's academic programs.

Mr. President, the leadership of Dr. Wilson Elkins during a period of such remarkable growth and change laid the basis for the outstanding reputation the University of Maryland and its component colleges, campuses, divisions and other units enjoy today. Dr. Elkins was indeed, "a lifelong champion of an educated citizen" as the president of the University of Maryland's University College said. For these achievements, thousands of Marylanders and indeed our whole Nation are grateful.

Mr. President, on Monday, March 28, a memorial service for Dr. Wilson Elkins will be held in the University of Maryland university chapel in College Park. I ask that several editorials and obituaries commending the accomplishments of Dr. Elkins be reprinted in the RECORD at this point.

The material follows:

[From the Baltimore Sun, Mar. 19, 1994]

WILSON H. ELKINS

Lyndon Johnson called him "Bull," an apt nickname for Wilson Homer Elkins. He picked up the moniker as a star athlete at the University of Texas, and when he came to College Park in 1954 to succeed Harry Clifton "Curley" Byrd as president of the University of Maryland, Dr. Elkins needed a bull's strength and single-mindedness.

The university's academic accreditation was threatened because Byrd had emphasized athletics over scholarship. Restoring a healthy balance was one of football star Elkins' first moves. It infuriated the state's sports establishment. But a year later, accreditation was reaffirmed, and construction began on a new library.

Wilson Elkins guided the university for 24 years. He was not wildly popular with students, who demonstrated, occupied campus buildings, blocked U.S. 1 in College Park several times and hurled epithets at him during Board of Regents meetings. (Dr. Elkins was to say later that the decision to close the university during the riots of 1970 was one of the toughest of his presidency.) He never gave in to students, never pampered and seldom glad-handed, even in Annapolis, where legislators who were university alumni longed for the glory days of Curley Byrd.

During Dr. Elkins' remarkable tenure, enrollment and budgets soared, schools of social work and architecture were founded, the university was decentralized, research activities multiplied and the Baltimore County campus sprouted in a Catonsville corn field. "It was not the location I would have chosen if money had not been a factor," Dr. Elkins was to say in his memoirs. But the UM president, who had been a Rhodes Scholar as well as a quarterback, understood the relationship of money and politics. That was one of the reasons for Wilson Elkins' professional longevity; he outlasted all of his fellow presidents, handing out more than 150,000 degrees over 40 consecutive years as a college president in Texas and Maryland.

In retrospect, Maryland needed a bull in 1954—and in 1970. All Wilson Elkins did for the state was drag its flagship university into the 20th century. In the wake of his death at 85 this week, Marylanders can be thankful.

[From the Baltimore Evening Sun, Mar. 22, 1994]

Wilson H. Elkins, who died last week at age 85, was never a popular figure at the University of Maryland, where he ruled for 24 years as its president. Yet he changed the course of UM dramatically. He saved it from becoming a backwater school famous only for its football teams.

What was the real "Bull" Elkins like? George H. Callcott, a UM professor and resident historian of the institution, edited Dr. Elkins' taped "memoirs" in 1981. Here's how Professor Callcott sized up UM's best president:

"Wilson Elkins is a quiet, formal man, almost laconic, with none of the volubility of the proverbial Texan. Vice presidents who worked in adjacent offices for 20 years still call him only 'Dr. Elkins,' and so of course I do. He is cautious in manner, slow to come to a firm opinion, but he does not change easily when he has made up his mind.

"People still call him 'The Bull' behind his back, to refer to his square-jawed resolution. Powerful ambition and total self-control lie behind his cool exterior, but after these things he is a simple man, without much mystery.

"There are no hidden layers of meaning in his speech or thinking. He is wary of intellectual constructs and clever phrases. He approaches administration and life itself with a direct, reasonable common sense. He knows exactly what he knows with perfect clarity, and he doesn't worry much about the rest. Here he stands . . . I think there is a unity to his career and convictions: the curious unity of athletics and education, or democracy and excellence. Colleges, like the playing fields, provide opportunity; and in colleges, as on the playing fields, mediocrity is weeded out and quality is recognized. His first convocation address at Maryland was entitled, 'A Quantity of Quality,' and he has returned to that theme repeatedly—democracy and excellence, both; competition and victory."

[From the Baltimore Sun, Mar. 18, 1994]

WILSON ELKINS, PRESIDED OVER UM NEARLY 25 YEARS

(By DeWitt Bliss)

Wilson H. Elkins, president of the University of Maryland during a quarter-century of social change and dramatic growth, died of cancer early yesterday at the UM Medical Center in Baltimore. He was 85.

Dr. Elkins presided over the institution from 1954 to 1978—a period that saw its racial integration, Vietnam War protests, the opening of the Baltimore County campus and creation of a statewide university system.

When he began his tenure, the university's reaccreditation had been delayed by the Middle States Association of Colleges and Secondary Schools. The Phi Beta Kappa honorary society had refused to establish a chapter there.

At his retirement, UM not only had a chapter of the honorary society, but was a member of the Association of American Universities—an organization composed of the nation's major research universities. Faculty tenure, sabbatical and governance systems had been established. Schools of social work and architecture had been opened, a faculty club established, and a new library had been built.

T. Benjamin Massey, president of the UM system's University College, which also was established by Dr. Elkins, described him as "a lifelong champion of an educated citizen"

and "a leading force in higher education for almost three decades"—and "really the guy who built the modern University of Maryland."

But Dr. Elkins himself, in a 1974 interview published in College Management Magazine, discounted a suggestion in the Washington Post that the University of the previous 20 years was his creation. "I've had something to do with it," he said.

Louis L. Kaplan, a former chairman of the university's Board of Regents, described Dr. Elkins as a "fundamentally modest person" who did not put on acts to show his importance.

"He was one of the best presidents we ever had," Mr. Kaplan said.

Dr. Elkins built up not only the university, but its standards of academic excellence. In 1961, UM refused entrance to 144 graduates of Maryland high schools—the first time such students who did not meet university standards had not been admitted if their parents insisted.

Retired Baltimore Circuit Judge Mary Arabian, a current regent who also served during the Elkins years, described him as a "wonderful leader," and a "remarkable" and scholarly man whose influence over the school continued into the 1990s.

Within the past six months, she said, Dr. Elkins had testified in opposition to a proposal before the regents—one that was dropped in part because of his testimony.

"He was very effective," she said, "You do not expect someone to come back from the distant past."

Dr. Elkins' administration included the turbulent years of student demonstrations, when Maryland students took over U.S. 1 three times between 1968 and 1972 in anti-war demonstrations that eventually brought the National Guard to the College Park campus.

Dr. Massey said Dr. Elkins had "a calm demeanor" during that era of protest, "but was forceful when he had to be. He consulted broadly but never shirked making the decision."

Born in Medina, Texas, Dr. Elkins was a 1932 graduate of the University of Texas where he had served as president of the student body, was elected to Phi Beta Kappa and won eight varsity letters in football, basketball and track.

He also received a master's degree there and, as a Rhodes Scholar, earned a bachelor's degree in literature and his doctorate at Oxford University in England.

Before coming to Maryland, he had been president in Texas of San Angelo Junior College and Texas Western College, a branch of the University of Texas.

His first wife, the former Dorothy Blackburn, died in 1971.

He is survived by his wife, the former Vivian Noh Andrews; two daughters, Carol Neal of University Park and Margaret Frost of Reading, Conn.; two stepsons, Bruce Andrews of New York City and Tom Andrews of Lyons, Colo.; six grandchildren and a great-grandson.

A memorial service will be held at 3 p.m. March 28, in College Park Chapel.

Memorial donations may be made to the Wilson Elkins Professorship at the University of Maryland Foundation, Metzerot Road, Adelphi 20783.

[From the Washington Post, Mar. 18, 1994]

EX-U-MD. PRESIDENT WILSON ELKINS DIES

(By Bart Barnes)

Wilson H. Elkins, 85, who served as president of the University of Maryland from 1954 to 1978 and guided the institution through a period of unprecedented growth and change, died of complications related to cancer yesterday at the University of Maryland Hospital in Baltimore.

Dr. Elkins's presidency at Maryland spanned an era of campus unrest and turmoil when many college chief executives had a limited tenure in office. But he served longer than anyone else at Maryland, and few college presidents elsewhere matched his professional longevity.

He began his presidency at a 7,000-student university with an annual budget of $23 million, a strong football tradition and weak academic credentials. The Middle States Association of Colleges and Secondary Schools had threatened to withdraw accreditation and Phi Beta Kappa, the academic honor society, refused to authorize a chapter on the Maryland campus.

On taking the helm at College Park, Dr. Elkins declared that rebuilding the university's academic credibility would be his primary mission. A year after he took office, the Middle States Association reaffirmed its accreditation, and construction began on a new library.

During the 1960s, the physics department acquired a cyclotron, and Phi Beta Kappa finally authorized a chapter. The faculty was upgraded, and tenure and sabbatical systems were developed. Maryland was admitted to membership in the Association of American Universities, which includes the top 57 research universities in the country. Enrollment soared to 78,000, and the annual budget was more than $300 million.

Dr. Elkins was born on a farm in West Texas, and he grew up in San Antonio. He worked his way through the University of Texas, where he had a partial athletic scholarship and won letters in basketball, track and football (he played quarterback).

After teaching in Texas for a year, he won a Rhodes Scholarship and spent three years at Oxford University in England, receiving a doctorate in history and economics. After oxford he taught at the University of Texas for two years. Later he was president of the state junior college at San Angelo and then president of what is now the University of Texas at El Paso.

His years at Maryland coincided with the baby boom generation's coming of college age and an era of rapid expansion at colleges throughout the nation. The University of Maryland added a campus in Baltimore County and another on the Eastern Shore and enlarged its overseas program to accommodate swelling enrollment.

This surge in enrollment, coupled with an unpopular war in Vietnam, brought an era of turmoil and protest to campuses everywhere. Dr. Elkins, stern and laconic with a reputation as a no-nonsense administrator, later recalled this period as the most unpleasant of his years as an educator.

Protesting students periodically blocked Route 1, which passes through the College Park campus. University offices were seized, ceremonies disrupted and the National Guard was called out.

Dr. Elkins took a hard line towards the protestors. "It is very important for the maintenance of order that, when there is an occupation of a building, that you suspend them and get them out," he argued.

Radical students, he once said, "should be thrown off every campus." In 1971, he blocked promotions for two College Park faculty members who had protested the suspensions of students involved in campus protest. But when other faculty members threatened to resign unless Dr. Elkins relented, he approved the promotions. When Dr. Elkins became the target of obscene remarks in two campus publications, he responded by banning the publications.

He retired on June 30, 1978, less than 10 days before his 70th birthday, amid a storm of controversy over the appointment of an avowed Marxist, Bertell Ollman, to head the political science department at College Park.

The appointment had been approved at all levels up to Dr. Elkins's office. When politicians in the state found out about it, they began to complain. After weighing the issue for several weeks, Dr. Elkins took no action on the appointment, and the decision fell to his successor, John S. Toll, who turned Ollman down.

In retirement, Dr. Elkins continued to participate in university functions.

His first wife, the former Dorothy Blackburn, died in 1971.

Survivors include his wife, the former Vivian Noh Andrews of College Heights Estates; two daughters from his first marriage, Carol Neal of University Park and Margaret Frost of Redding, Conn.; two stepsons, Bruce Andrews of New York and Tom Andrews of Lyons, Colo.; and six grandchildren.•

COMMENDING THE NATIONAL GAY AND LESBIAN TASK FORCE POLICY INSTITUTE FOR THEIR EFFORTS TO COMBAT ANTIGAY VIOLENCE

• Mr. SIMON. Mr. President, I applaud the National Gay and Lesbian Task Force Policy Institute [NGLTF] for their work to document the extent of anti-gay violence and its victimization. For the past 9 years, NGLTF has issued an annual report examining anti-gay violence in America. I bring your attention to their latest report, entitled "Anti-Gay/Lesbian Violence, Victimization, & Defamation in 1993." While increasing public awareness of the problem of anti-gay violence, this report helps generate constructive solutions. I commend the NGLTF for their continuing efforts, and I would like to share with you some of their recent findings.

Encouragingly, the report indicates an overall decrease in the number of anti-gay incidents reported in Boston, Chicago, Denver, Minneapolis-St. Paul, New York City, and San Francisco. The reported incidents include harassment, threats, physical assault, vandalism, arson, police abuse, kidnaping, extortion, and murder. The six cities documented a total of 1,813 of these incidents in 1993. This represents a 14-percent decrease over the all-time high reported in 1992, and the first annual decline after 5 years of a steady and dramatic rise in the number of anti-gay incidents. Although promising, these figures still represent a 127 percent increase from the number of episodes reported 5 years ago.

Only Denver experienced an increase in the number of reported incidents. The report attributes this increase to the passage of amendment 2, an anti-gay statewide ballot initiative in Colo-

rado. Following passage of that initiative, 41 percent of the year's 204 anti-gay incidents occurred in a 2-month time span. Overall, Denver reported a 12-percent increase.

The report shows a decrease in the number of threats, physical assaults, robberies, reports of police abuse, and anti-gay murders. However, anti-gay arson, vandalism, bomb threats, and harassment continued to rise.

The increase in the severity of the reported anti-gay incidents represents a disturbing trend. Although the number of reported incidents declined in 1993, victims reported the occurrence of multiple criminal or victimizing acts during each incident. Nationwide the number of multiple offenses during anti-gay incidents rose 22 percent from 1992.

Although these numbers present a startling picture of the level of hate in our society today, some specific examples more graphically describe the problem. The NGLTF reports that in January 1993, a teenager dragged a 55-year-old Vietnamese man to the rocks on Laguna Beach, CA, kicked him with steel-toed boots and beat him unconscious. Police could not identify the race of the victim for several days because of the severity of his facial and skull fractures. The teen admitted he drove to Laguna Beach looking for gay people to harass.

In Wichita, KS, two men shot a gay man and robbed him of his wallet when he stopped to help them dislodge their car in January 1993. The men admitted to "stalking faggots." Their actions left the gay man a quadriplegic.

In Fairfax County, VA, three male teenagers burned a gay man on his neck and head with cigarettes. The teenagers then followed the man, calling him a "fag" and "queer," and threw beer cans at his head.

These stories and the data present a sad story about the level of anti-gay bias in this country. While reports like this one won't put an end to the violence and the hatred, they are extremely valuable in ensuring continued public awareness.

I thank NGLTF for their efforts and urge them to continue to inform all of us about the incidents of anti-gay violence so that we will continue to search for solutions.•

S. 1920, A BILL TO REAUTHORIZE THE SAFE DRINKING WATER ACT

• Mr. GORTON. Mr. President, whenever I travel across my State I hear about the Safe Drinking Water Act. Whether I'm holding town meetings, visiting with small business owners, or talking with the mayors and residents of the small rural towns which make up my State, the Safe Drinking Water Act is a top concern.

I hear two common themes: the costs of compliance with the act do not necessarily correspond to a direct public health benefit, and that the act's "one-size-fits-all" approach does not meet the needs of small communities.

Instead of spending their resources on identifying, monitoring, testing, and treating those contaminants which do pose a health risk and are known to exist within a given water system, rural communities are expending their dwindling resources on identifying and monitoring for contaminants which, in many cases do not appear in their water systems, nor pose a public health threat.

Federal assistance is desperately needed by our States and small communities. For proof positive of this fact, take a look at the State of Washington:

In 1993, the Washington State Department of Public Health conducted a "needs assessment survey" and determined that by 1999 the State's water systems will need $700 million in capital funding to comply with current SDWA requirements. Washington State is only one of many States in dire need of Federal assistance to provide safe, clean drinking water to its citizens.

Moreover, an EPA resource model shows that the Washington State Department of Health needs 170 people to effectively administer the act, however, the State currently only has 45 people to help with administration, of which 70 percent is funded by the State.

Perhaps even more distressing is the costs which compliance with the act requires local governments and their residents to absorb.

For example, the city of Entiat estimates that the average household water bill will increase from $15 per month to $28. The city of South Bend—population 1,570—tells us that in order to meet SDWA requirements it would cost the city $1.5 million. The city contends that it would be impossible to absorb this cost, as 33 percent of the population is made up of retired citizens. The average combined water, sewer and garbage bill totals $40 per month. SDWA requirements would tack on an estimated $10 per month.

Mr. President, these are the communities I continue to hear from—small, rural communities which, almost inevitably, bear the cost of expensive Federal regulations.

Yet another example, Mayor Hartman, of Coulee Dam, WA, population 1,100, wrote urging me to support S. 1920. He wrote:

> We urge your support of the legislation which will look at health threats as they might exist at each location and cooperatively work towards resolving these problems on an individual basis, rather than assuming the same health threats exist in all surface waters.

If you listen closely to this statement, it sounds as if Mayor Hartman is an expert on the Safe Drinking Water Act—in fact I would bet that he is probably more knowledgeable on the specifics of the act than most members of Congress. Clearly, Mayor Hartman wants to provide safe, clean water to his residents. But we need to give him the resources and the flexibility to achieve his goal.

It is these pleas from the town of Coulee Dam and the city of Entiat, WA, which make clear to me that one of the most important provisions of S. 1920 is the authorization of appropriations for both grants and a state revolving loan fund. Although some might balk at the authorization included within this bill—because the price tag is high—even this amount may not be enough to assist communities across the United States in their effort to provide safe, affordable drinking water to their residents. In my opinion this will be money well spent. These moneys will help small communities meet their SDWA needs and put an end to the unfunded mandates within the act.

The authorization of appropriations to conduct research on contaminants is $20 million for each of fiscal year's 1994–98.

Previous authorizations for grants to States ranged from $37.2 million in fiscal year 1987 to $40.15 million in fiscal year 1991. S. 1920 authorizes appropriations for grants to States at the following levels fiscal year 1994, $100 million, fiscal year 1995, $125 million, fiscal year 1996, $150 million, fiscal year 1997, $150 million, and fiscal year 1998, $150 million.

SCIENCE AND REALITY BASED CONTAMINANT REQUIREMENTS

The central component of this bill is this: The bill would require that maximum contaminant levels, and corresponding enforcement regulations, be based upon an assessment of public health information data. This is the basic thrust of the bill. By focusing our Federal, State and local resources on those contaminants which pose public health threats we will stop the process of identifying contaminants simply for the sake of identification. This bill shifts the focus of contaminant identification to focus upon those contaminants which actually exist in a given water supply and scientific research determines to pose a public health threat.

It is important to note that the bill stipulates that each maximum contaminant level [MCL] established shall be set at the level at which no known or anticipated adverse effects on the health of persons occur and which allows an adequate margin of safety. In other words, this bill ensures that we will be providing safe water to our citizens. The bill requires that water systems will use the best technology, treatment techniques, and other means in order to comply with the MCL.

The bill also requires the Administrator to consider public health risk re-

duction benefits and cost when making technology and treatment determinations. This cost-benefit component has been one for which communities across my State have been fighting. And it just makes sense.

Time and again I hear from Washingtonians that their communities are required under existing law to construct costly filtration systems when, in fact little if no benefit can be derived from its construction. This provision is common sense. We need to ensure that Federal, State and local dollars are being used wisely, because, after all, resources are in short supply.

This legislation addresses the needs of our small, rural communities, and recognizes that not all water systems are alike across this Nation. S. 1920 direct the Administrator to establish best technology treatment techniques [BTTT] for public water systems serving less than 1,000 people, BTTT for systems serving between 1,000 and 10,000 people, and BTTT for systems serving over 10,000 people. In addition to technology, watershed protection and pollution prevention shall be considered appropriate best technology for purposes of compliance with drinking water regulations.

This is another important component of the legislation—especially for Washington State. In Washington State water sources are often located in pristine and rural settings which are unique to the Northwest. It is important to understand, and a simple look on the map would illustrate this point clearly, that the Northwest is geographically different than the Midwest or the Northeast sections of our Nation. We have problems with different contaminants in our water sources. Consequently, in Washington State watershed protection is a good course of action, many communities tell me, in order to protect the water supply from contamination.

SUPPORT FOR S. 1920

Mr. President, a broad coalition of associations support S. 1920. This legislation is supported by the National Governors Association, National League of Cities, U.S. Conference of Mayors, Association of Metropolitan Water Agencies, National Association of Counties, National Association of Regulatory Utility Commissioners, Association of State Drinking Water Administrators, National Rural Water Association, American Water Works Association, National Association of Water Companies, National Conference of State Legislators, National Association of Regulator Utility Commissioners.

More specifically to Washington State, S. 1920 is supported by Washington State's Governor Mike Lowry. I ask that a copy of the Governor's letter on this subject be included within the RECORD upon completion of my remarks.

Other Washington groups support S. 1920, the Seattle Water Department, the Tacoma Water Department, the Everett Public Works Department, the town of Coulee Dam, the Washington Associated Water Systems, the city of Chelan, to name a few.

I am holding a safe drinking water forum over the Easter recess to listen to the concerns of the many cities and towns across Washington State, mayors, small business owners, citizens and interested groups. I hope to learn what's working with the current act and how we can make it better for our residents.

In summary, I am proud to cosponsor S. 1920 because I believe it answers the problems of many of my constituents, and will help us provide safe, clean water to Washington State residents.

The letter follows:

OFFICE OF THE GOVERNOR,
Olympia, WA, January 21, 1994.

Hon. SLADE GORTON,
Hart Senate Office Building, Washington, DC.

DEAR SLADE: As Governor of Washington, and a former member of Congress, I am writing to urge your support of HB 3392, the Safe Drinking Water Act Amendments of 1993 and HB 1701, an act to create a state revolving fund for public water systems.

HB 3392 is a bipartisan measure cosponsored by Congressmen Jim Slattery (D-KS) and Tom Bliley (R-VA). I understand that this bill has been cosponsored by approximately 60 additional members of Congress, although not yet by any member of the Washington Delegation. I am writing to ask you to consider becoming a cosponsor, and otherwise fully support this measure.

HB 3392 represents the work of a broad coalition of groups knowledgeable about the current Safe Drinking Water Act (SDWA) and motivated to assure better public health protection through the revisions proposed in HR 3392. The National Governors Association (NGA) is one of the members of the coalition that developed HR 3392, which tracks the recommendations for changes to the SDWA adopted by the NGA in 1992. HR 3392 is also supported by the National League of Cities, National Association of Counties, Association of State Drinking Water Administrators, U.S. Conference of Mayors, National Rural Water Association, American Water Works Association, National Conference of State Legislators, and National Association of Regulatory Utility Commissioners. Washington representatives have actively participated in most, if not all, of these groups' work on what has become known as the "Coalition bill." These and other groups are vitally and directly interested in assuring that we all have safe and reliable drinking water supplies.

There is near-universal agreement that the SDWA as it currently exists, and is being implemented by the Environmental Protection Agency (EPA), has major flaws that must be corrected. These problems include overly-cumbersome and complicated rules, massive costs for water systems (particularly for small system customers), major increases in implementation costs on administering states like Washington, and inadequate research on health effects, to name a few. I see serious problems being created by the SDWA in this state, including the following:

Of the nearly 5000 water systems in Washington subject to the SWDA, all but 170 are considered "small" by the EPA (either community systems with fewer than 1000 hookups or non-community systems). These small systems, when forced to do the monitoring, testing, or treatment required by the EPA under its new rules will face potentially major rate increases that could drive monthly household charges up to $100 or more. The EPA has not adequately addressed this issue, stating that it bases its economic analysis on "large municipal system" costs, which does not reflect the reality of the vast majority of systems in Washington. HB 3392 makes special provision for small system problems, including the development by EPA of appropriate technology for different size systems.

EPA's "one size fits all" approach to setting national standards does not account for regional or state differences. Washington, for instance, does not have the history of chemical pollution that more industrialized states have, nor the widespread use of lead pipes like many major eastern cities have. Yet the EPA rules require Washington's systems to conduct the same types of expensive testing and monitoring as are appropriate in areas where these types of contaminants may be expected to be found. HB 3392 would allow tailoring of monitoring and testing by each state to its own circumstances, and provide additional flexibility to the states in determining appropriate water treatment requirements.

The 1993 Public Water System Needs Assessment conducted by the Department of Health concluded that by 1999 the state's water systems will need nearly $700 million in capital funding to meet SDWA requirements. The study noted that figure could increase significantly if existing exceptions are not maintained (e.g., the City of Seattle may be required to spend approximately $300 million to build a filtration plant for the Cedar River if it does not continue to receive its exception under the SDWA). There is not now any major federal funding program for such federally-driven capital costs (like there was for wastewater treatment under the Clean Water Act). Congress has appropriated $599 million in start-up money in FY 94 for the proposed Drinking Water State Revolving Fund. That funding will lapse on September 30 if such a program has not been authorized. HB 3392's one major omission is authorization for such a program. However, Congressmen Waxman has an act (HB 1701) that would authorize such a program independently of the re-authorization of the SDWA in HB 3392. Given that these major costs will be incurred regardless of the prospective changes in the SDWA, the State Revolving Fund program envisioned in HB 1701 should be enacted immediately.

According to the EPA's model, the Department of Health will have to increase its level of staffing from the current 73.5 FTE's to approximately 170 by 1998 in order to have a program that satisfies the EPA. Most of these increases would be directly due to administration of existing and proposed rules under the SDWA. EPA currently provides only about 30% of our Drinking Water Program funding, even though more than half the Program's functions and activities are directly generated by the SDWA. For the current fiscal year, the EPA proposed no increase in grants to the states for administering, although Congress on its own initiative added another $5 million for the states. The heavy increase in workload being forced on the states can only be done through major increases in federal funding, which the current Administration has not proposed to provide. The state of Washington cannot afford

such increases, given its current fiscal problems and the future limitations on state revenues imposed under Initiative 601. HB 3392 will provide the major increases in state funding necessary.

I think I can safely characterize the 1986 Safe Drinking Water Act amendments as well-intentioned legislation, based on the best available information at the time, that in its implementation has gone awry. We now know much more than we did in 1986, particularly with regard to the existence of many contaminants, their potential health effects, and the enormous costs that will have to be borne by utilities and state and local governments to implement the rules enacted by the EPA. While there is a lot we still don't know, I think it is time to make a mid-course correction to the SDWA, based on knowledge accumulated over the past seven years. HB 3392 will do that.

Although I am asking that you support HB 3392 (and any Senate version I understand may be introduced), I am aware that SB 1547 (the "Baucus bill") also contains a number of provisions that would materially improve the SDWA and its administration. Many of these changes are meritorious and deserve your support. However, at this point, HB 3392 represents the work of a large number of organizations, and the consensus of a variety of viewpoints, including those of the Governors of the 50 states. Because of the lengthy debate and compromise that has already gone into this bill, it warrants your strong efforts on its behalf.

Finally, I want to note that, despite its broad support from a range of organizations, HB 3392 is being criticized as "weakening" of public health protection. I do not believe that claim is accurate, and I am not aware of any such criticisms being made by Washington organizations knowledgeable about drinking water issues. The public health of our citizens can only be adequately protected if reasonable decisions are made on the allocation of our resources to all the types of threats being made to public health. We cannot afford to divert scarce resources to theoretical public health threats and away from real and demonstrable ones, of which we have many.

In my one year as Governor, I have become well aware that the citizens of this state will no longer tolerate increasingly expensive burdens imposed on them by any level of government without clear delineation of the need. They are willing to support good public policy, with clearly stated objectives, and reasonable measures to achieve them. HB 3392 will go a long way toward assuring that, at least with regard to safe and reliable water supplies.

Sincerely,

MIKE LOWRY,
Governor.•

REGARDING S. 1541

• Mr. MCCAIN. Mr. President, recently I cosponsored legislation, S. 1541, a bill which addresses issues regarding private express mail delivery. I wanted to take this opportunity to explain the rationale behind my doing so.

First, I strongly support the U.S. Postal Service. I believe the USPS is the finest postal delivery system in the world. The men and women who keep the mail flowing to and from every corner of the country, from small towns such as Queen Creek, AZ, to large metropolises such as New York City, deserve our praise and admiration.

Second, if we are to maintain a first-rate, high-quality postal system that delivers to every address in America, we must allow our national post office to maintain its monopoly status and should not privatize the USPS. I believe that privatizing the USPS would severely limit the ability of all Americans to use the mails regardless of their place of residence. Because of that belief, I would fight privatizing the Postal Service.

Third, although I believe the USPS must be allowed to continue to be our Nation's only regular mail carrier, I believe there is room in the mail delivery industry for overnight express carriers who can fulfill certain specific requirements as allowed by law.

Currently the law allows for any American to choose the overnight mail carrier of his or here choice. Carriers other than the USPS have certain restrictions placed upon them. I believe that such limitations are entirely appropriate and should be maintained.

I am concerned, however, that postal inspectors may be using subjective criteria to fine or punish companies for using private overnight carriers. If we were to take a poll of every business in America, I would wager that the vast majority, perhaps nearly all, would not be aware that unless a package is truly urgent they are forbidden by law from using a private overnight delivery service. Additionally, I doubt many businesses would know what qualifies as urgent and what does not.

We must rectify this situation. We need less big brother Government and must place more trust in the American people.

We must make sure that all individuals and businesses know what rights they possess regarding the mail. We must also be sure that every person who uses a private overnight delivery service understands exactly what is defined as urgent or nonurgent. Unfortunately, as I have stated, there is no clear delineation on what qualifies as urgent or nonurgent.

I believe the Congress must address this issue and decide how it best be addressed. The Congress should establish a bright line test regarding this issue. Such a bright line would allow everyone to know what is permitted and act accordingly.

To ensure that this issue is debated, I have supported S. 1541. This should not in any way be interpreted as a lack of support for the Postal Service. Quite the contrary is true.

I believe that when the Congress clarifies this issue, the Postal Service will better be able to do its job and the businesses and individuals who need to send overnight mail will know their rights and obligations. This is the appropriate role of Congress.

Because of this measure, the Postmaster General has stated that the Postal Service will cease these investigatory raids. I applaud his doing so.

I am now hopeful that we can establish criteria to address any concerns that still exist.

I am hopeful that the U.S. Postal Service and the public will benefit from this discussion and that this issue once and for all will be clarified.•

EUROPE IS NO MODEL FOR CREATING JOBS

• Mr. MACK. Mr. President, last week in Detroit the leaders of the Group of Seven convened a jobs summit to ostensibly attack the problem of persistent global joblessness.

The summiteers blamed global unemployment on everything from technological changes that replace labor with capital to shifting demands for less educated workers to those with higher skills.

Little was said about what many believe to be the major cause of unemployment: high governmental taxes and regulations that increase the cost of labor. This problem is particularly acute in Europe where the expansive social welfare net and its component taxes have pushed unemployment to 12 percent in most European countries.

Ironically, President Clinton's domestic policies—including a costly Government-controlled health care plan—threaten to bring this Eurosclerosis to America. Indeed, the Congressional Budget Office says the Clinton plan would require a 27-percent tax increase by 2004, the biggest tax increase in our history.

I would like to bring to the attention of the Senate two cogent articles on why Europe is no model for creating jobs—one by my former House colleague Jack Kemp, co-director of Empower America and honorary co-chairman of the Alexis de Tocqueville Institution, entitled "Forget Europe as a Model for Creating Jobs" which appeared in the Los Angeles Times and the other by Cesar Conda, executive director of the de Tocqueville Institution, entitled "An Agenda for the Jobs Summit" which appeared in the Journal of Commerce.

Both Secretary Kemp and Mr. Conda argue that the taxes on labor required to fund Europe's social welfare state have become a serious disincentive to job creation. The solution, as Secretary Kemp put it, "lies in unleashing the creative power of America's small business owners through lower taxes on both labor and capital."

We should keep the European experience in mind as we proceed with the debate over health care reform. I ask that these articles be printed in the RECORD immediately following my remarks.

The articles follow:

[From the Los Angeles Times, Mar. 20, 1994]

FORGET EUROPE AS A MODEL FOR CREATING JOBS—CLINTON'S HEALTH PLAN HAS THE SAME BLIND SPOT—BROADER BENEFITS REQUIRE HIGHER TAXES.

(By Jack Kemp)

One of the most consistent facts about American economic life over the past several years has been the almost weekly announcement of massive job cutbacks or layoffs by Fortune 500 firms.

What should America do? President Clinton thinks he has the answer. "We simply must figure out how to create more jobs," he said back in January. "We have a lot to learn from the Europeans," he added, citing European job-training programs and the ability to move people "from school to work into good-paying jobs."

There is only one problem with this job-growth tutorial. Europe has nothing to teach. Every country on that continent, except Switzerland, is experiencing unemployment well above America's 6.5% rate. Several European countries have unemployment rates well into double digits, including Belgium, 14%; Denmark, 12.4%; France, 12%, and Spain, 23.1%. Britain is the only European nation with an unemployment rate lower today than a year ago.

Europe's high unemployment rates have a single root causes, the failure to create enough new jobs. Between 1982 and 1992, the six largest European countries combined created just 6.9 million jobs, while the European labor force increased by 7.5 million. Over the same period, the United States created 18 million new jobs, while the labor force grew by 18.8 million.

There are many reasons why we created so many more jobs in the 1980s, but one of the most important is that European employers pay significantly higher taxes on labor. In Belgium, for example, government-mandated charges on labor as a percentage of GDP have risen from 19.6% in 1970 to 29.5% in 1981; in Italy, from 12.7% to 23.6%. Only Great Britain's rate has remained steady. By contrast, the U.S. rate was 15.9% in 1970, 19.4% in 1991.

So, this much we can learn from Europe: A welfare state with national health insurance and expensive fringe benefits has an insatiable appetite. And the main burden of financing this largess always falls on working men and women.

With his national health-care plan, President Clinton would set America on Europe's descending path. Although he tells us that few workers will pay more than they do now, history is clear: All national health-insurance schemes inevitably cost far more than anyone projected when the programs were adopted.

Government has a dismal track record in predicting the burden its programs will impose on future taxpayers. Look at Medicare. When that program was enacted in 1965, the Johnson Administration estimated that it would cost $8 billion per year by 1990. The actual cost? $98 billion.

Even if we take the Clinton projections at face value, his health plan will still lead to a 27% increase in federal taxes by the year 2004, according to a study from the Alexis de Tocqueville Institution.

Clinton defends this vast expansion of federal taxation on the grounds that higher taxes will be offset by lower health-insurance costs. This is just a semantic game. Would people really be better off if the government increased their taxes by the amount of their annual food costs while providing free food at the same time. Of course not, because the government cannot provide anything as efficiently as the market and because the costs would quickly rise far beyond expectations, leading to tax increases or reduced benefits. Also, in the process, people would lose the freedom to choose.

Health care will not escape this fate. Quality will decline because patients and doctors will be forced into more rigid government constraints. As in Canada, a model for the Clinton Administration, people will wait months or even years for simple operations, and many will be denied access to treatment because the plan managers judge them too old to benefits never mind their physicians opinions.

To these costs we must add a price paid in jobs. As the European example shows higher benefits lead to higher taxes, which, in the end, lead to higher unemployment. A recent DRI/McGraw Hill study predicts that by the year 2000, the Clinton health plan will cause 1 million jobs to disappear—a conservative estimate.

Instead of invoking a European model of job creation that creates no jobs, President Clinton should study the lesson of America's job explosion in the 1980s. He would find that the key to job creation lies in unleashing the creative power of America's entrepreneurs and small business owners through lower taxes on both labor and capital. Viewing entrepreneurs as a endless funding source for an insatiable federal government is a prescription for employment stagnation—or worse.

[From the Journal of Commerce, Mar. 15, 1994]

AN AGENDA FOR THE JOBS SUMMIT

(By Cesar V. Conda)

This week the leaders of the major industrialized countries are attending a jobs summit in Detroit to tackle the global problem of persistent unemployment. Ironically, much of President Bill Clinton's domestic policy agenda—including his costly nationalized health-care plan—is based on the European model of government that even the Europeans now believe is responsible for their lingering joblessness.

Between 1982 and 1992, the United States generated 18 million jobs, more than triple the number created by the major European economies over the same period. According to the Organization for Economic Cooperation and Development, the unemployment rate for last year in most European countries was about 11% to 12% compared to only 6.7% in the United States. Perhaps the most disturbing comparison is the difference in long-term unemployment rates: In 1989, more than half of the unemployed people in the European Union countries were out of work for a year or more, compared to only 6.3% in this country, according to David Henderson of the Hoover Institution.

Labor Secretary Robert Reich has circulated a white paper to the Group of 7 arguing that joblessness in Europe is primarily caused by a shift in demand from less educated workers to workers with problem-solving skills. With all due respect to Mr. Reich, he completely misses the point: The demand and supply for European workers—skilled and unskilled—has declined because of the growing burden of the social welfare state and its component taxes on the private economy. This social spending, including unemployment insurance, retirement benefits and nationalized health care, has reduced the incentives for employers to hire and for people to work.

According to the OECD, social spending in the European Union will account for 21.5% of GDP this year, up from 16.4% in 1989—double the percentage rise in the last downturn in the early 1980s. The OECD says the EU social spending exceeds U.S. and Japanese levels by 50% and 78%, respectively. Because of this expansion in the Social welfare state, the total business tax burden has risen to 61% in Germany and 52% in France compared to "only" 45% in the United States, according to the German Industry Institute.

This high tax burden on European employees—combined with government-mandated employer spending for certain social insurance benefits—has contributed to the high and rising cost of labor. The Bureau of Labor Statistics reports that hourly compensation costs in 1992 were 60% higher in Germany in the United States; 50% higher in Sweden; 20% to 25% higher in Italy; and 5% higher in France. To stay competitive, European businesses have been forced to either shed jobs or relocate to countries with lower labor costs.

Europe's lavish social welfare state has had a more insidious effect: It has reduced the incentive for people for work. For example, in Italy, unemployment insurance compensates up to 80% of lost wages; in France, an unemployed worker could collect benefits for 2½ years.

To their credit, Europe's political leaders have either taken or are considering steps to reduce the social welfare state. In 1993, France froze spending on state pensions. Germany reduced unemployment insurance and the U.K. ordered a complete review of welfare spending. Moreover, the Europeans are considering payroll tax cuts and other reforms that would increase labor flexibility and reduce costs. As reported by the Financial Times, a draft OECD paper on joblessness concludes that "a significant revenue-neutral cut in payroll taxes could yield import increases in employment over the medium term."

While Europe is beginning to "see the light" with regard to jobs, America is close to imitating the failed European model. From 1988 to 1993, income and payroll taxes were raised several times. Over this period, several new laws were enacted including the Americans with Disabilities Act, the Family and Medical Leave Act, the Civil Rights Act and various environmental, health and safety regulations. These have added to the total cost of employment and are a major reason why employers have become more reluctant to hire full-time workers. Indeed, anecdotal evidence suggests many businesses are keeping their full-time work forces below 50 to avoid the coverage threshold under the new Family and Medical Leave Act.

Today, Congress is debating the Clinton nationalized health reform plan, which would require businesses to pay for 80% of their employees health insurance coverage, resulting in a new 7.9% payroll tax. Overall, the Congressional Budget Office says the Clinton plan would lead to a 27% increase in federal taxes by the year 2004, the largest peacetime tax increase in U.S. history. Private studies say the plan could destroy anywhere from 900,000 to 3.1 million jobs.

Yes, the rate of U.S. economic growth in recent months has been impressive and, yes, the rate of unemployment has dropped to 6.5%. But economic growth in this expansion is averaging only 2.7% a year, significantly lower than the 5% average annual growth of the previous postwar recoveries.

And although job growth averaged 150,000 a month in 1993, it has yet to compare to the Reagan expansion, which generated an average of 183,000 jobs a month for seven years. Major governmental policy shocks, including

a nationalized health plan, could limit the job creating potential of this expansion.

To restart the global jobs engine, the Group of 7 should adopt a strategy of limiting governmental tax and regulatory burdens. The European economies should radically reform their social welfare systems with an eye toward reducing labor costs, increasing labor market flexibility and eliminating work disincentives. Ironically, the Clinton administration has said that Japan needs a sizable income tax rate cut.

Here in the United States we should reduce taxes and regulations on workers and entrepreneurs. A number of U.S. governors have done this at the state level, including John Engler of Michigan, Carroll Campbell of South Carolina, Kirk Fordice of Mississippi, Tommy Thompson of Wisconsin and Christine Todd Whitman of New Jersey. At the very least, we should reject the failed European model that would almost certainly grind America's dynamic job creation machine to a halt.•

COST OF PRESIDENT CLINTON'S HEALTH CARE PLAN

• Mr. MACK. Mr. President, a major element of the debate over President Clinton's health care plan is its cost. The Congressional Budget Office identified the compulsory payments by individuals and businesses to health alliances as taxes.

Along with the other elements of the President's plan, this will add over half a trillion dollars to Federal revenues. According to Bruce Barlett of the Alexis de Tocqueville Institution, this would be a massive 27-percent incerase in Federal revenues—a tax increase over four times greater than any tax increase Congress has passed in recent years.

As we know all too well, taxes matter, and tax increase have damaging effects on working, saving, and investing. Moreover, those damaging effects are almost always underestimated.

Before we move forward on this massive tax increase, we must consider the effects of those taxes very carefully. The following article by Bruce Bartlett—and I ask that his analysis be inserted into the RECORD in its entirety—is well worth examining in this light.

The article follows:

[From the Washington Times, Mar. 7, 1994]

THE DEVIL OF THE CLINTON HEALTH PLAN IS IN THE DETAIL—HOW TO QUADRUPLE FEDERAL REVENUE

(By Bruce Bartlett)

According to the Congressional Budget Office (CBO), by the year 2004, when the Clinton health plan is fully phased-in, its effect will be to increase federal taxes by over 27 percent. Without the health plan, total federal receipts are estimated to be $2,054 trillion, and the health plan would increase this figure by $566 billion, raising the revenue total to $2.62 trillion.

The vast bulk of these new revenues, $513 billion, will come from compulsory payments by individuals and businesses to health alliances. The CBO correctly concluded that these payments are, in fact, taxes, because they involve exercise of the federal government's sovereign power and because the health alliances are governmental institutions.

Addtional revenues will come from three main sources. First is the increase in ordinary federal income and payroll taxes arising from higher wages. Wages are expected to rise because for most employers the cost of providing health benefits to their employees is expected to fall. The savings are assumed to be given to employees in the form of higher wages. By 2004, these higher wage levels would increase federal revenues by $34 billion.

The second major source of new revenue is from higher tobacco taxes. These taxes would roughly quadruple the tax on cigarettes and other tobacco products. The federal tax on cigarettes, for example, would rise from 24 cents per pack to 99 cents. Federal revenues, however, would not quadruple because the higher taxes will significantly reduce smoking and perhaps increase smuggling of cigarettes, as now happens along the U.S.-Canadian border as the result of an increase in Canadian cigarette taxes. Thus, according to CBO, federal revenue would only triple, from $5.6 billion to $16.6 billion. This is a smaller increase than projected by the Clinton administration, although many private economists believe that even the lower CBO figure is unlikely to be achieved given the Canadian experience.

The last major revenue increase will come from excluding health insurance from cafeteria plans offered by employers. (Cafeteria compensation plans allow workers to choose an individual package of benefits from a menu, so that some workers might choose higher pension benefits in lieu of health benefits, for example.) This would raise $7 billion by 2004. A 1 percent assessment on corporate health alliances would raise another $1 billion, as would extension of the current health insurance tax to presently uncovered state and local government employees. There are also a few other minor tax changes.

A tax increase of this magnitude during peacetime is unprecedented in American history. The largest tax increase in recent years, the Tax Equity and Fiscal Responsibility Act of 1982, for example, only increased revenues by less than 6 percent, whereas the Clinton plan proposes to increase revenues by more than 27 percent.

Although it is difficult to isolate the effects of the increased taxes from the overall economic impact of the Clinton health plan, the CBO admits that the overall effect would be to reduce employment and real output in the economy. This fact is confirmed by a recent study from DRI/McGraw-Hill, commissioned by the Citizens for a Sound Economy Foundation, which estimates that the combination of universal health coverage, employer mandate, corporate assessment and taxes would, by the year 2000, reduce real GDP by $75 billion, increase unemployment by 900,000, raise the inflation rate by 0.3 percent, and increase the federal budget deficit by $115 billion.

To be sure, such estimates must be treated as tentative. As the CBO points out, there is just no precedent for estimating the effects of changes of this magnitude on the economy. Prudence, therefore, suggests that we at least try to find out more about these possible effects before moving forward with the largest domestic tax and spending program in history.•

FREE ENTERPRISE MONTH

• Mr. GORTON. Mr. President, I would like to express my support for the Free Enterprise Month of January 1994, sponsored by the Distributive Education Clubs of America [DECA]. DECA is a national youth leadership development organization with approximately 800,000 members throughout the United States and Canada. DECA is promoting the Phillips Petroleum free enterprise project to make the public more aware of the free enterprise system and its importance in our society. In order to spread the word of free enterprise we need to demonstrate a combined effort by the business, government, and education communities. Therefore, I support this effort to develop a better understanding of the socioeconomic environment we live in today. Free enterprise is an important part of America's strength and I give Free Enterprise Month my full support. Thank you, Mr. President.•

FACES OF THE HEALTH CARE CRISIS

• Mr. RIEGLE. Mr. President, I rise today in my continuing effort to put real faces on the health care crisis confronting our Nation. I would like to share the story of Tracy, from the Detroit metro area in Michigan. Tracy has asked that I not use her full name, because she fears discrimination from employers if her health condition is known. Tracy is uninsured, does not have a doctor, and needs surgery that will cost between $4,000 and $5,000 and then continuing medical care.

Tracy is a single 39-year-old woman with no children. In August 1992, she was diagnosed with endometriosis which is a condition where the cells lining the uterus grow uncontrollably outside the uterus. These tumors can grow anywhere in the abdominal cavity and can result in severe pain for some women. There is no known cause or cure for this condition, but there are treatments that can slow the growth of these cells.

Tracy suffers from a great deal of pain as a result of this illness. The nonsurgical treatments have failed to ease her pain or control the progression of the disease.

Tracy has had various part-time and temporary administrative jobs over the last few years, which often did not provide any health insurance coverage. The last time she had employer-sponsored insurance was in 1989. She held a full-time position with a small trucking firm that transported paint. The combination of exhaust and paint fumes, however, caused her bronchitis to flare up. After 8 months on this job Tracy became so incapacitated that she had to leave. It was one of the few jobs in her 20 years of employment that offered any health insurance coverage at all. Since she left that company she has worked in various positions, without any employer provided health insurance.

In June 1992, Tracy purchased a major medical insurance policy with a monthly premium of $125. Her family was concerned that Tracy's job did not provide coverage and helped her purchase this individual policy. When Tracy bought her insurance she was not ill. She had never been diagnosed as having endometriosis, nor had she ever received any treatments for the condition. Tracy started feeling pelvic pain in late July and sought medical advice. In August she had outpatient laparoscopy surgery to diagnose and treat her condition. Her doctor determined that she had endometriosis.

The surgery and medical care cost over $4,000. Although Tracy's insurance company paid a portion of the bills, it denied her claim for hospital services because they classified her endometriosis as a pre-existing condition. Tracy has been fighting the denial from the insurance company for 2 years. The $3,000 hospital bill for the surgery remains unpaid. The company has said that it paid a portion of her medical charges in error.

The health insurance company stated that Tracy has not proven that her endometriosis did not exist before the policy went into effect. They place the burden on Tracy to prove that she was not ill. Tracy did not renew her health insurance policy, because it seemed ridiculous to pay a premium when the company refused all her claims related to her condition.

Because of her chronic bronchitis and the endometriosis, Tracy is not able to work full time and relies on her family for support and to pay her medical costs. For the 20 months since the endometriosis was diagnosed, Tracy has been paying for all of her treatments and doctor visits out-of-pocket. One 6-month hormone treatment cost over $2,500 for the prescription and the specialist office visits, all of which Tracy had to ask her parents to pay.

As if this financial burden were not enough, Tracy has also faced discrimination and barriers to care because of her uninsured status. Her doctor, who had been treating her since 1992, has informed her that his office is no longer seeing uninsured, self-pay patients. Tracy is not delinquent in paying her doctor bills. In fact, her bills are completely paid. But because the medical practices does not want to take the risk that an uninsured patient will not pay his or her bill, the physician will no longer see her as a patient. Under the current health system, Tracy will continue to be faced with this sort of discrimination—whether it comes from a provider or from an insurance company in the form of a preexisting condition exclusion.

Tracy is trying to work part time, but the pain of her endometriosis is sometimes overwhelming. The nonsurgical treatments have failed to help her and she is facing the prospect of another surgical procedure, again at a cost of $4,000 to $5,000. But she has no doctor and no insurance. She is desperate to find a new doctor who can control her pain, but she does not want to face the prospect of being turned down as a patient because of her uninsured status.

At this point she is considering buying a health insurance policy that she knows would not cover her treatment costs for this disease, but would at least enable her to say she has insurance and therefore gain access to a physician.

Mr. President, we must enact comprehensive health care reform to provide a guarantee of coverage for all Americans so that people like Tracy receive the care they need without discrimination. Today, when people like Tracy are forced to leave the work force because of an illness they give up the health coverage they need. When you lose your job it means you lose your health insurance. If you do not work for the right kind of company, or work part time, you often do not have coverage at all. We need reform so that Americans have the security of ongoing coverage no matter what their employment status or their ability to pay.

Without health care reform, individuals, like Tracy, who suffer from chronic conditions, find it impossible to buy insurance because of the pre-existing condition clauses. And health insurance companies have incentives to deny claims for medically necessary care, because it is cheaper to encourage sick people to give up their coverage.

Mr. President, we must enact health reform to ensure that individuals like Tracy get timely preventive care and medical treatment and have access to the providers they need. I will continue to work with my colleagues in the Senate and with the White House to make sure that health care reform becomes a reality this year.•

COMMEMORATION OF THE INDUSTRIAL BUSINESSWOMEN'S GROUP ACCOMPLISHMENTS

• Mr. RIEGLE. Mr. President, today I rise to honor the Industrial Businesswomen's Group [IBG], an outstanding service club whose contributions to my hometown of Flint, MI, reflects the true spirit of community service.

On April 11, after 60 years of making our community a finer place to live, the Industrial Businesswomen's Group will disband. The Flint Industrial Businesswomen's Group started in 1934 after Harlow H. Curtis, Buick Motor Division's general manager asked his secretary, Alice Dewey, to organize a club patterned after a group he had heard of organized at General Motors in Detroit, MI, "to foster employee-corporation relations."

Approximately 538 women attended the initial meeting on April 10, 1934, chose the club's name and elected Alice Dewey as their first president. Ms. Dewey "helped extend women's influence in the community by emphasizing service to worthwhile causes."

Over the years the Industrial Businesswomen's Group record of community involvement is without comparison. In the early years, the club's activities were mostly social. But as the needs of the community changed over time, the Industrial Businesswomen's Group adapted to meet them. The club has had a prominent role in the establishment of programs that will continue even as the group disbands. These include the formation of Big Sisters of Flint and Genesee County in 1955, the annual Harvest Ball for the mentally and physically disabled, and Operation Santa Clause in which gifts are collected for needy children.

With over six decades of commitment and dedication to those in need from Flint and Genesee County, our community is surely saddened by the disbanding of the Industrial Businesswomen's Group but will forever be grateful for their immense beneficiary.•

SPECTER AMENDMENT 1378 ON SHIFTING ALLOCATION FOR ANTIDRUG PROGRAMS

• Mr. LEAHY. Mr. President, I want to give my views on the amendment of Senator SPECTER, which calls for a reallocation from international antidrug programs to drug treatment and prevention programs.

I am a strong supporter of programs to reduce the domestic demand for drugs. I believe these programs are essential to solving the drug problem in this country. The President shares this view, which is why the overwhelming bulk of funds for antidrug programs are aimed at reducing demand here at home.

But I do not believe we should ignore the source of the drugs that are coming to this country, and for that reason I do not agree with the Senator's amendment.

As chairman of the Foreign Operations Subcommittee which appropriates funds for international antidrug programs, I was a strong critic of the Bush administration's Andean Drug Initiative. In fact, I included a provision in the fiscal year 1994 foreign operations bill which withholds funding for antidrug programs in the Andean countries until the administration develops a new strategy and consults with the Congress about it.

I recently met with State Department counselor Tim Wirth, who oversees this program, and we discussed the Clinton administration's proposed international antidrug strategy and some of my concerns. The administration plans a shift in emphasis away from transit zone interdiction and in favor of supporting the democratic in-

stitutions and law enforcement capabilities of the source countries. This is a step in the right direction, if it is done in ways that are consistent with protecting human rights and without involving U.S. personnel in combat operations. There are other aspects of the administration's proposed strategy that continue to concern me, and my discussions with them on this are continuing.

But while I agree with the Senator that there is no point in throwing money away on programs that do not work and he is right to be critical of the past administration's international antidrug program, I cannot agree with his solution. The solution is to give the new administration a chance to reshape the international antidrug program so it can achieve its goals, not to scrap the whole idea and walk away from these countries.

Colombia, Bolivia, and Peru are under constant threat of the drug cartels. Many of the traffickers are closely connected to guerrilla groups. They threaten the very survival of these governments. It would be folly for the United States to end all support for their efforts to combat the traffickers.

Rather than reallocate the small amount of funds available for international antidrug programs, I would hope that the Senator would work with me to assist the administration in developing a strategy that reflects our concerns.●

A FUTURE UKRAINE

● Mr. LAUTENBERG. Mr. President, recently, Ukrainian President Leonid Kravchuk visited our country. This was an important visit, because the United States relationship with Ukraine is of enormous strategic importance to our country.

In a recent article in Foreign Affairs, Zbigniew Brzezinski argues that the future stability and independence of Ukraine is of paramount importance to America's foreign policy interests. Many other analysts, both within and outside the Clinton administration agree with this assessment. The key question is, what will best insure Ukraine's stability and independence?

Many are concerned about the economic conditions in Ukraine. Inflation stands at an annual rate of 6,500 percent, and an energy crisis has led to sharp reductions in industrial output, temporary layoffs of hundreds of thousands of workers, and the closing of the universities for most of the winter.

In spite of these problems, the United States Government should uphold the independence of Ukraine and demonstrate its support of the inviolability of its borders.

Mr. President, in the midst of these tensions, Ukraine will hold an election on Sunday, March 27. Ukrainian citizens will go to the polls to elect a new parliament. The current parliament was elected back in 1990, before Ukraine was an independent state and before it had substantial experience in running a free and fair election.

This upcoming election will go a long way toward determining what kind of a future Ukraine will have. For one thing, it may start the process of breaking the political log-jam that has made it difficult for the Ukrainian Government to more effectively address the country's desperate economic situation. In addition, if the elections are perceived by the people of Ukraine as being free and fair, they will hopefully begin a process of strengthening the Ukrainian people's thrust in their government and belief in the reform process, which has been badly shattered by the events of the past several years. Clearly, a strong relationship between the people of Ukraine and the government they elect to represent them will bode well for the future of democracy in Ukraine.

Mr. President, on Sunday the 27th, the people of Ukraine will have an opportunity to demonstrate their commitment to democratic principles. I look forward to free and fair elections and a long United States relationship with a democratic Ukraine.●

THE RAY FAMILY, HEMOPHILIA, AND THE AIDS EPIDEMIC

● Mr. GRAHAM. Mr. President, on December 13, 1992, Ricky Ray, a teenage boy in east Orange County, FL, died at home after his 6-year battle against AIDS and 15-year or lifelong battle with hemophilia. I attended Ricky's funeral later that week and read a letter from then President-elect Bill Clinton who, like I, was profoundly affected by this incredible human being and his family.

This tragic story begins over 10 years earlier when the first case of immune deficiency linked to blood products was reported in a Floridian with hemophilia in January 1982. As documented in Randy Shilt's book "And the Band Played On: Politics, People, and the AIDS Epidemic," evidence grew over the year that others with hemophilia were being infected and at least two transfusion-related AIDS cases were also reported. In June 1982, the first warning was issued by the Centers for Disease Control [CDC] to clotting-concentrate manufacturers, other Federal health agencies and the National Hemophilia Foundation.

According to Harvey M. Sapolsky and Stephen L. Boswell in "The History of Transfusion AIDS: Practice and Policy Alternatives",

> Weighing this evidence, the CDC epidemiologists began warning representatives of the several blood-banking organizations that the blood supply was possibly being contaminated with AIDS. These discussions culminated in a meeting in Atlanta in early January 1983, at which proposals were presented to screen out from the blood donor pool members of high-risk groups.

Sapolsky and Boswell add,

> The opposition of the whole-blood collectors delayed governmental action intended to reduce the risks of AIDS transmission through transfusions. It was not until March 1983 that the Centers for Disease Control made public the recommendations for widespread screening.

Moreover, it was not until even February 1984 that manufacturers included warnings about AIDS on their blood products—over 18 months after CDC's original warning.

Calls for blood testing for evidence of hepatitis B with a core antibody test were also being made during the period. According to Sapolsky and Boswell,

> The Food and Drug Administration's Blood Products Advisory Committee studied the issues pertaining to screening the blood supply in early 1984, concluding that surrogate testing, and most specifically the hepatitis B core antibody test, was not appropriate as a means of identifying those at high risk for developing AIDS because it screened out too much of the blood supply.

While some testing did occur like that at Standord University Blood Bank, it was far from pervasive.

In March 1985, the FDA licensed and put into place the first blood test for HIV antibodies. Meanwhile, due to the fact that clotting factors are made from pooled plasma lots composed of thousands of donors, approximately one-half of the estimated 20,000 Americans with hemophilia contracted AIDS. The result was, as Michael McLeod reports in his article "Bad Blood" which was printed in the Orlando Sentinel on December 19, 1993, "a quite death march, caused by one of the worst medically induced calamities in history—one that has claimed more than 1,600 Americans already, with at least 8,000 more sure to follow." Ricky Ray tested positive for HIV in 1986.

In remembering Ricky, words such as perseverance and wisdom come to mind. Ricky and his family have, since that revelation in 1986, lived with the pain and questions caused by this horrible virus called AIDS. If that is not enough, there was also the pain of being banned from school in 1987, having their home burned down by an arsonist shortly thereafter, and spending a tremendous amount of time in court fighting with the DeSoto County School District and the pharmaceutical companies that sold the Ray family the contaminated blood products.

Despite it all, Ricky was committed to teach others about his disease. His mother, Louise Ray, said of Ricky in a recent article written by Monica Davey at the St. Petersburg Times, "He believed that his track in life was to educate people about a disease that nobody know about. He believed that was his purpose." His father Clifford added,

"Ricky was a very old soul. He had a wisdom about him."

Like others with hemophilia and AIDS, Ricky was interested in answers to the questions of why. Why did this happen and why was not more done to prevent this tragedy? If nothing else, we certainly owe it to the hemophilia community to find answers to these questions and to do everything possible to prevent further recurrences.

As a result, I joined Senator EDWARD M. KENNEDY and Congressman PORTER GOSS in requesting from Secretary Donna Shalala of the Department of Health and Human Services a thorough review of the transmission of HIV through blood products to approximately half of this Nation's hemophilia population and up to 90 percent among those with the most severe form of hemophilia. As Congressman GOSS and I wrote in a letter to House Energy and Commerce Committee Chairman JOHN DINGELL, "Our mission is twofold: first, it is critical to make sure the Nation's blood-supply and our supply of lifesaving blood clotting factors are now free on HIV contamination; second, we believe we owe it to those who were infected and their families to find out what went wrong."

Secretary Shalala requested the study to be conducted by the National Academy of Sciences. We are all hopeful for a thorough, yet speedy, review of these issues. However, with a person in the hemophilia community dying every day from AIDS, we cannot just patiently wait for their conclusions. We must continue to seek answers and move to protect others from similar fates.

First, and foremost, we must ensure that our Nation's blood supply is truly safe for both the hemophilia community and all Americans who face the possibility that they may need a blood transfusion at some point in their lifetime.

For example, the FDA has a catalog of Red Cross violations since 1988 that is 500 pages long and has more than 3000 violations. In addition, according to a "Dateline NBC" report, there have been "more than 1,700 cases in the past 5 years in which blood had to be recalled from Red Cross and non-Red Cross blood banks across the country." The FDA, as a result, has resorted to suing the Red Cross, which is responsible for nearly half of the Nation's blood supply.

Second, we should ensure that we assist those 10,000 HIV-infected people and their families with their primary needs. Whether this is addressed by Congress this year through the provision of universal health care coverage or not, we must adequately address the health and human needs of this population and others affected by AIDS.

Third, as Harold L. Dalton, and editor of "AIDS Law Today: A New Guide for the Public," writes:

* * * we should remember that just as the law frames society's response to the AIDS epidemic, the society as a whole shapes the law. Like it or not, we must decide what kind of society we will be: mean-spirited, shortsighted, and judgmental or compassionate, clearheaded, and accepting. In the end, society will determine where the burden of AIDS—social, financial, and emotional—will fall. We can make the choice consciously and purposely, or we can make it by indirection or default, but make it we will.

When Ricky saw the headline that "Ryan White loses battle with AIDS", he was very upset. As quoted by McLeod, he said to his mother, "If I die, don't let them write that about me. Don't let them say that I lost. Just because you die, that doesn't mean you gave up. That doesn't mean you lost." Ricky is right because his call for answers, help for those with AIDS and fight for the safety of the blood supply lives on.

Mr. President, I ask that additional information concerning this matter be printed in the RECORD.

The material follows:

[From the Philadelphia Inquirer, Feb. 4, 1994]

AIDS A BIG FACTOR IN DEATHS OF HEMOPHILIACS

(By Gilbert M. Gaul)

A new federal study documents the devastating effect of AIDS on America's hemophiliacs.

The death rate among hemophiliacs with the most common form of the hereditary bleeding disorder, hemophilia A, tripled between 1979–1989, chiefly because of AIDS, according to a report in the February issue of the American Journal of Hematology.

During the same period, the median age at death for people with hemophilia A plummeted from 57 years to 40 years, researchers from the U.S. Centers for Disease Control reported.

The study found that 470 people with hemophilia A who died between 1987 and 1989 had AIDS or HIV infection listed as the cause of death. The 470 accounted for more than half of all those with hemophilia A who died during that period.

The president of the National Hemophilia Foundation, a New York advocacy group, said the findings confirmed what hemophiliacs and their families already knew.

"We have known that this devastation has been going on for years." said Alan Brownstein. "But for people who want to see the numbers, their study displays the dramatic reversal of all of the progress that had been made in the lifespan of hemophiliacs in the 1970."

According to the foundation, about 17,000 Americans have hemophilia A. More than 80 percent of people with severe hemophilia A are believed to have been infected with AIDS in the early to mid-1980s through the use of tainted blood-clotting medicine, called Factor VIII. The first case of AIDS in hemophiliacs was reported in 1981.

To date, about 4,000 people with hemophilia A are officially listed as having been infected with AIDS according to the CDC.

"It's safe to say that more than 2,000 people with hemophilia A have died of AIDS." Brownstein said. Currently, about 30 more people per month are dying, he said.

The lifespan of hemophiliacs increased in the 1970s, but then dropped dramatically in the late 1980s as hemophiliacs started to die from AIDS. After peaking in 1983 to a median lifespan of 64 years, the median age at death in hemophiliacs fell to 40 in 1989, the study found. The lifespan of hemophiliacs today now resembles what it was 20 years ago, before modern treatments were available.

According to the researchers, the risk of getting AIDS from tainted blood products has been virtually eliminated since 1985 because of new screening procedures and safer clotting medicines.

In a related development, Brownstein yesterday said foundation officials were competing draft legislation to compensate AIDS-infected hemophiliacs and their families. They hope to present it to Congress in March.

Under the foundation's proposal, those hemophiliacs would be eligible for financial help for medical bills and family support from Medicare and Social Security. The legislation would also create a special trust fund to meet the needs of people who have been financially devastated by AIDS, Brownstein said.

"We're pursuing this on the basis that the federal government had a major responsibility in monitoring the safety of the blood supply. We're not casting blame. We're saying the system didn't work."

["Dateline NBC," Oct. 5, 1993]

SAFETY OF AMERICA'S BLOOD SUPPLY

JANE PAULEY. A ten-year old in California. A carpenter in Montana. They have something in common. Both acquired AIDS from blood transfusions.

BOB JONES. AIDS was the last thing on the face of this Earth that I was worried about.

PAULEY. It happened long after blood screening began.

ELIZABETH DOLE. American Red Cross blood is the safest it's ever been. It's the safest in the world.

PAULEY. It's not always safe enough. Tonight, a Dateline investigation into laboratories and blood banks.

STONE PHILLIPS. What does that say about the safety of the blood supply?

Dr. DAVID KESSLER. The risks are rare but they're real.

PAULEY. Do you know what you need to know about blood?

Whether it's a surgical procedure or an accident, any one of us could need a blood transfusion. That's why our first story is so important: the safety of America's blood supply.

The vast majority of blood transfusions are safe. And nothing of what follows should cause you to reject blood if you face a medical emergency. But what you're about to hear is the untold story of the problems the Federal Government's been finding at too many of the nation's blood banks.

STONE PHILLIPS. Problems so serious, the government took the unprecedented step of suing the American Red Cross earlier this year.

Tonight, the results of a six-month Dateline investigation. And for the first time on television, we'll show you the scope of what the Food and Drug Administration described as a continuing pattern of violations, violations that call into question whether the blood supply is as safe as it can be. As FDA Commissioner David Kessler told us, the risks are rare but real.

JONES. I was just totally shocked, stunned. You know, I couldn't say a word, I couldn't think, I couldn't do anything. AIDS was the last thing on the face of this Earth that I was worried about.

PHILLIPS. Bob Jones is a 60-year-old carpenter living with his wife, Shirley, in the

mountains near Bozeman, Montana, far removed from the urban neighborhoods that have become the killing grounds of the AIDS epidemic.

It's hard to imagine anybody being much further from the highrisk groups for HIV infection than you.

SHIRLEY JONES. Right. That's what we thought. Absolutely.

Jones. Well, apparently our high risk was accepting blood from the blood bank.

PHILLIPS. Doctors say Bob Jones is slowly dying of AIDS. What's surprising about his story is how he got it: through a blood transfusion, a transfusion he received more than four years after the government had approved a new test that was supposed to screen blood for AIDS.

In the early years of the AIDS epidemic, before scientists knew much about it, thousands of people contracted AIDS from blood transfusions, including celebrities like tennis star Arthur Ashe.

WOMAN. Today we are licensing a blood test . . .

PHILLIPS. But that changed in 1985 when officials announced a new test that would screen the blood.

There's no doubt the new test did dramatically improve blood safety. Food and Drug Commissioner David Kessler says today your chances of getting AIDS from a blood transfusion are about the same as dying from an allergic reaction to penicillin.

Dr. KESSLER. If you need blood tonight, I mean if you have to be transfused, I can sit here and say that if you need that transfusion, have that transfusion, because the benefits outweigh that risk.

PHILLIPS. Even so, Kessler says the nation's blood system is not as safe as it could be.

Dr. KESSLER. The risks are rare but they're real. And unless it's your own blood, then the risks are out there.

PHILLIPS. Bob Jones says his case is evidence that the risks are greater than most people realize. And as you'll see, our own investigation points to the same disturbing conclusion.

Do you feel that you and your family were misled about the safety of the blood supply?

JONES. I feel not only my family, us and our family, I think the whole world has been misled by it. You see these advertisements on television, "Blood is safer than it ever was." Well, right. It is. They don't tell you how safe it never was.

PHILLIPS. It was November 1989 when Bob Jones was rushed to this hospital near Portland, Oregon. A blood vessel had burst, causing severe internal bleeding. Surgery saved Bob's life. But four months later he got a phone call from the head of the Red Cross blood bank in Portland.

JONES. He told me, he says, "I hate to be the bearer of bad news. But," he said, "one of the donors has turned up positive for HIV."

PHILLIPS. What in the world went through your mind when you heard that?

JONES. I hate to see my family have to go through the next, oh, three, four or five years, whatever it takes. I would have much rather gone out right on the table.

PHILLIPS. You would have rather died in surgery than gone through this.

JONES. That's right.

PHILLIPS. How can contaminated blood get through the screening process? And is it still happening today?

When we started asking those questions, we found a blood safety net which government officials say has potentially dangerous holes. From big-city blood banks, where government records show some critical testing and labeling violations going on year after year, right into 1993; to government computer files that document blood recalls, something we'd never heard of, hundreds of them nationwide during the last five years; and finally, to the headquarters of an organization responsible for nearly half of the nation's blood supply, whose record of repeated safety violations recently landed it in federal court.

When you took this job, did you ever imagine that your biggest enforcement nightmare would be coming from an organization called the American Red Cross?

Dr. KESSLER. It's the hardest thing that I have done. And it had to be done in a way that got the job done and still not scare the public.

PHILLIPS. In order to understand why FDA Commissioner David Kessler has taken the Red Cross to court and how people as unlikely as Bob Jones are still getting AIDS from blood transfusions, we wanted to find out more about how blood is tested for safety.

Dr. ED ENGLEMAN. This is the laboratory in which the blood is tested.

PHILLIPS. Ed Engleman is a medical doctor, research scientist, and director of the blood bank at Stanford University. He's also testified as a paid expert in court cases against the Red Cross. He says all blood must pass a series of sophisticated tests, screening everything from hepatitis to syphilis to the AIDS virus.

Dr. ENGLEMAN. Each virus is different.

PHILLIPS. But even if every stop in the AIDS test is followed to the letter, contaminated blood still can slip through because the test has an inherent weakness, something blood banks know but you may have heard little about The problem is that the test doesn't actually look for the AIDS virus itself, but for the immune system's response to it, the antibodies.

Dr. ENGLEMAN. And once a person is infected with the virus, it takes time for the antibodies to form. It may take a few weeks, it may take four or five months.

PHILLIPS. If a donor is recently infected, it may not show up.

Dr. ENGLEMAN. That's correct.

PHILLIPS. That means the test has a built-in blind spot. And since each unit of blood usually is split into different components, each component going to a different patient, one bad unit could infect several people.

In the case of Bob Jones, it turns out the donor had been recently infected with the AIDS virus and the blood test didn't catch it. But in a lawsuit, Bob Jones's attorney, Monte Back, claimed the Red Cross in Portland overlooked what should have been a clear warning.

Each number on this computer printout represents a blood sample taken and tested for AIDS. On the list, one stands out. It's the blood that went to Bob Jones. Although not above the cutoff that would have prevented its release, this blood tested far higher than the other samples in the batch.

MONTE BECK. If you see an unusual test result that's five times higher than anybody else on that test that day, that's telling you something.

PHILLIPS. But if I'm the lab technician and I know what my cutoff point is, I might not flag it.

BECK. Well, you might not flag it, but you should.

PHILLIPS. Dr. Engleman agrees. He says although blood-testing equipment is better than ever, all lab technicians need to be encouraged to use their judgment in close calls. Often that's not the case, even in his own lab.

DR. ENGLEMAN. So if somebody comes up with a test that is just below the cutoff, you've trained that individual to ignore it.

PHILLIPS. This past March, just one day after these opening arguments began in court, the Red Cross settled the Bob Jones case, agreeing to pay him an undisclosed amount of money but admitting no mistakes.

FRED KYLE. We shouldn't imply that this was the fault of the American Red Cross, because it was not.

PHILLIPS. Fred Kyle is in charge of Red Cross blood banks nationwide.

KYLE. The American Red Cross, in the case of the Jones incident, followed every single procedure that we have to the letter and every single procedure that the Food and Drug Administration requires to the letter.

PHILLIPS. While the FDA did not find fault with the Red Cross's handling of the Jones case, these government inspection reports, obtained by Dateline through the Freedom of Information Act, show the Red Cross does have a record of repeatedly failing to follow blood test procedures, not only for AIDS but for other potentially fatal diseases as well.

In Portland, government inspectors reported in 1991 that the Red Cross failed to properly calibrate its testing equipment, failed to follow proper test procedures. And record-keeping was so sloppy that during one inspection the government found blood which had failed an AIDS test about to be shipped out.

DR. KESSLER. There was a great deal of concern.

PHILLIPS. And Kessler says the problems weren't just in Portland, but at Red Cross blood banks all across the country.

In Waco, Texas, the Red Cross allowed blood to be transfused from a donor with a history of failing AIDS tests. In Farmington, Connecticut, the Red Cross mistakenly released blood taken from known IV drug users. In Washington, D.C., the blood bank failed to follow up on hundreds of cases in which donors gave blood but later tested positive for AIDS.

DR. KESSLER. It wasn't any one individual violation. What it was was going in year-in and year-out and seeing the same violations. That's what concerned us most.

ELIZABETH DOLE [May 20, 1991]. There can be no higher trust than the blood of life we distribute.

DR. KESSLER. The government's findings came in spite of repeated pledges, in 1988 and again in 1991, that the Red Cross would upgrade its blood system.

DOLE. The key here is that we're going to make it as safe as it can be made, or we're not going to collect blood.

PHILLIPS. Did you talk to Elizabeth Dole about this, head of the Red Cross?

DR. KESSLER. I spoke to the entire leadership of the American Red Cross.

PHILLIPS. Unpersuaded their voluntary transformation program to overhaul equipment and training would address the problems quickly enough, Commissioner Kessler made what he calls his most difficult and most important decision. In May of this year, he took the American Red Cross to court, where both sides agreed that if the improvements weren't made by specific deadlines, the Red Cross would answer to a federal judge.

KYLE. I don't accept the fact or the allegation that the American Red Cross has dragged its feet at all on maintaining absolute safety in our operations.

PHILLIPS. Absolute safety?

KYLE. Absolute confidence that we have maximum safety.

PHILLIPS. This is the FDA's catalog of Red Cross violations since 1988. It's 500 pages, more than 3000 violations. I mean that's a pretty sizable document.

KYLE. It certainly is.

Stone, I think that if we have rigorous regulatory enforcement, which absolutely is necessary and we welcome it, we are always going to have observations of how we can improve our operations. But that's a different thing than saying that there is a problem with the safety of the blood supply, or the efficiency or safety of our operations. That's two different things.

KESSLER. We were seeing too many units that were released where there was just a breach in one of the levels of protection. There were just too many unsuitable units being shipped.

PHILLIPS. When we come back, blood recalls, trying to get some of those unsuitable units back after they've been shipped out. And more blood banks cited by the FDA. We'll tell you which ones, why they got in trouble, and how in some cases the government threatened to shut them down.

PHILLIPS. As we just heard, there is a blind spot in the test used to screen blood for the AIDS virus, making it inevitable that blood from some recently infected donors will slip through. That's a problem both for Red Cross blood banks and for private ones as well. But the question is, given that, how should blood banks respond once they've learned that one of their donors has tested positive for the virus? What responsibilities do they have to notify patients who may have received tainted blood? As we discovered, that's another problem area for the FDA.

Jessie Lee Fagan was hardly the picture of a child struggling with cancer, perhaps because she beat it.

ROGER FAGAN [father]. When we heard the word "remission," that was just the best news I've ever heard.

PHILLIPS. So why is Jessie in a California hospital bed today? Well, it turns out in overcoming leukemia she received dozens of blood transfusions. And somewhere along the way, long after AIDS screening began, she apparently got blood contaminated with the AIDS virus.

DENISE FAGAN [mother]. I just thought, "Oh, my God. How did it happen." I thought this blood was safe.

PHILLIPS. Now, more than two years after she was diagnosed with AIDS, doctors still don't know the source of the contaminated blood, leaving open the possibility that an infected donor may have given more tainted blood that slipped through. And yet when local health officials tried to find the donor, they say their efforts were actually thwarted by the Los Angeles Chapter of the American Red Cross, which provided much of Jessie's blood.

This March 1992 letter about Jessie's case was sent by the public health director in Kern County, California to the L.A. Chapter of the Red Cross. It said, "Your agency has refused to provide us important information that would solve the missing link and prevent further blood contamination and the spread of AIDS."

The Red Cross says it was only trying to protect donor confidentiality. But other documents obtained by Dateline show that the Los Angeles Red Cross, in a number of cases, has been slow to notify patients who may have received contaminated blood.

An AIDS transfusion case reported in October of 1991. The blood donor isn't contacted until February of '92. And as of May '92, more than six months later, the blood recipients hadn't been contacted.

Dr. ENGLEMAN. I think that's—I think that's criminal. I think it's absolutely irresponsible. Because not only do you have the blood donor who hasn't been contacted immediately, now you have the recipients who are infected and capable of infecting other people.

Dr. KESSLER. Was it sloppy? Was it the result of not realizing that they had to adhere to rigid standards? Sure.

KYLE. The L.A. center did not move as fast in the past as we insist they move now.

PHILLIPS. And in fact, there was a failure to promptly try to contact people who might have received contaminated blood.

KYLE. In the past, they weren't moving as fast as we wanted them to. Yeah.

PHILLIPS. The implications there are pretty serious. I mean if people don't know that they may have been contaminated, what's going to happen? They're going to go out and contaminate others, potentially, with the virus.

Dr. KESSLER. It is very serious. And that's why we've taken the actions that we've taken.

PHILLIPS. Although the Red Cross has been the focus of the government's enforcement effort, Dateline discovered the problems haven't been limited to that organization. Records show that within the past year the government shut down a non-Red Cross blood bank in Putnam County, Florida, and one in Spokane, Washington, which was allowed to reopen only after a management shakeup. And the FDA has threatened to close down other blood banks, as well, for AIDS and non-AIDS-related violations, including Life Source, the largest blood bank in the Chicago area, cited for failing to perform blood tests properly and not keeping an accurate list of ineligible donors. The Irwin Memorial Blood Center, the largest in San Francisco, cited for failing to test blood correctly and failing to properly investigate cases of possible AIDS-contaminated transfusions. The Wobley (?) Blood Bank, the largest in Dallas, cited for mistakenly allowing people who fail the AIDS test to keep donating blood, some of it actually distributed for transfusion.

Dateline has learned that federal inspectors thought those violations in Dallas were so serious, they considered pursuing criminal charges because of the repeated release of unsuitable blood, blood that wasn't adequately screened.

All these blood centers were ultimately allowed to remain open after convincing the FDA they were upgrading their equipment and procedures.

Dr. KESSLER. What we're saying is that if there's not immediate correction, we're going to close down and stop allowing you to ship blood. I mean it's as serious as you get.

PHILLIPS. And there's more. A Dateline analysis of government computer records uncovered more than 1700 cases in the past five years in which blood had to be recalled from Red Cross and non-Red Cross blood banks across the country. In more than 500 of those cases, records show the recalls were because the blood had failed at least one of the safety checks meant to screen out AIDS.

This map shows the states, 36 of them plus the District of Columbia, in which blood banks have reported AIDS-related recalls since 1991.

Now, a recall doesn't mean the blood was necessarily infected, but it does mean there was a mistake in the safety screening.

What does that say about the safety of the blood supply?

Dr. KESSLER. It doesn't allow me to sleep very well at night, knowing that, you know, that we have to recall blood.

PHILLIPS. Your staff has told us that only a very small fraction of the blood that's recalled is actually recovered.

Dr. KESSLER. That's correct.

PHILLIPS. Well, doesn't that leave a very big unresolved medical issue out there, blood that you don't know whether it's contaminated or not contaminated?

Dr. KESSLER. Certainly, if there is a breach in a layer of protection, there is no question that the blood poses risks.

KYLE. I think we are doing a disservice, I truly do, if we imply that the blood supply in this country is not safe. Because it is safe.

PHILLIPS. In spite of the problems, the Red Cross and other blood banks point to the following statistic as evidence that the blood supply is extraordinary safe.

KYLE. Since there was testing for the HIV virus in 1985, there have, I believe, been in the United States 21 identified cases of transfusion-related HIV.

PHILLIPS. That figure comes from the Centers for Disease Control, the CDC, and it's been repeated year after year to reassure the public that the risk of getting AIDS from blood transfusions is very low. The most recent CDC statistic is actually 25 cases in the past eight years. That's an average of just three a year out of millions of transfusions. But Dateline discovered that number may not tell the whole story.

Remember Bob Jones? His blood transfusion was in November 1989, but Dateline discovered that his case hasn't been included yet in the CDC's numbers.

JONES. I don't think they're telling us the truth on that, because of my not being listed.

PHILLIPS. The government says it doesn't count cases like Jone's until the patient develops full-blown AIDS. Experts say that can take years, even after patients have tested positive for the AIDS virus.

How many uncounted cases are there? Nobody knows for sure. But Commissioner Kessler told Dateline that instead of three transfusion AIDS cases each year, the real number today could range from 70 to several hundred.

Dr. KESSLER. You're dealing with, at most, I think, several hundred cases a year. And when you recognize that there are somewhere between 12 and 18 million units a year that are transfused, the risk is small.

PHILLIPS. Several hundred per year is a lot more than 25 since 1985.

Dr. KESSLER. That's—Stone, that's the best estimate that I have. That's the best number that I can give you today.

PHILLIPS. In the end, for people like Jessie Lee Fagan and Bob Jones, it's no longer about estimates or numbers. It's about doing everything possible to make an imperfect system safer.

JONES. I'd like to see them fix this up so's that my grandkids and your grandkids aren't fighting this 20–30 years from now, if there's anybody left.

PHILLIPS. The American Red Cross told us just last week that instead of two or three cases, it now estimates there may be as many as 89 cases each year of HIV contracted through blood transfusions.

So, what should you do?

Well, first, you cannot get AIDS by donating. So don't be afraid to give blood.

Second, and we repeat, nothing you've heard tonight should prevent you from ac-

cepting blood in a medical emergency. But if you need surgery and it is not an emergency, FDA Commissioner David Kessler urges everyone, if at all possible, to set aside their own blood.

[Dateline NBC, Dec. 14, 1993]

HEMOPHILIACS NOT TOLD OF CLOTTING FACTOR'S AIDS RISK

JANE PAULEY. If only we knew then what we do now. But back when the magnitude of the AIDS crises was only beginning to be understood, one group of people at high risk slipped between the cracks of what we knew and what we didn't yet know. Thousands are dead or dying.

Was this tragedy preventable?

STONE PHILLIPS. Our story goes back to the early 1980s, when people with hemophilia began using a blood-clotting agent known as factor. It was convenient and effective, but it was often transmitting the AIDS virus.

Tonight a six-month Dateline investigation shows that there were people in authority who knew about the risks. So why didn't their warnings reach more people?

Here's Lea Thompson.

[Clip of demonstration]

WOMAN: Ten thousand people infected.

LOUISE RAY: They should have at least given these people word that every time you put that needle in your arm, you are playing Russian roulette. I don't appreciate it that they played God with my children's lives.

LEA THOMPSON. Louise Ray's three sons are among the thousands of hemophiliacs who got the AIDS virus by injecting a blood product that was supposed to help them, not kill them.

This is Ricky, Robert and Randy Ray in 1987. They were all born with hemophilia, a bleeding disorder among males that prevents blood from clotting. Like most hemophiliacs, they were treated with infusions of clotting factor, a concentrate made from the blood of up to 20,000 donors.

Mrs. RAY. The only thing that I knew about factor, that it was this miracle drug that made it easier for hemophiliacs.

THOMPSON. It was a miracle. Beginning in the '70s, instead of having to go to the hospital for treatment, hemophiliacs could finally treat themselves at home. And if swelling or bleeding did occur, patients started using it even when it wasn't absolutely necessary.

Mrs. RAY. So we thought it was great, and we never questioned it because we didn't know that we could.

THOMPSON. The Rays say they never would have used factor had they known the risks: that in the early '80s, just one donor with AIDS could contaminate thousands of bottles of clotting factor.

Once they were infected, the Ray brothers paid a heavy price. They were barred from school. Their house was burned to the ground. Today one son, Ricky, is already dead. And Louise knows that inevitably she will lose two more.

Mrs. RAY. I have to wonder every morning when I get up, you know, is this the day that they're going to get sick? Is this the day that we're going to go down that road that I went with with Ricky?

THOMPSON. There were 20,000 hemophiliacs in the United States in the early '80s. By 1985 drug companies had found a way to heat factor to make it safe. But by then it was too late. We now know over 12,000 people were infected with the AIDS virus, nearly two out of every three hemophiliacs. Almost an entire generation wiped out.

Today hemophiliacs are outraged because they have discovered most of those people didn't have to die, that it could have been prevented.

MAN. Facts don't lie.

[Applause]

THOMPSON. Once silent, hemophiliacs are looking to place blame.

MAN. Nail that son of a bitch.

THOMPSON. In a strange twist, they're not only suing the companies that made the factor, but the very organization that claims to protect their interests, the National Hemophilia Foundation, the NHF, which doctors and patients trusted for information, not only about hemophilia but also about AIDS.

MAN. They should have decided in favor of safety, and they didn't.

[Applause]

Mrs. RAY. The National Hemophilia Foundation was supposed to have been there as an advocate for us. They took away our choice and our right to make a medically informed decision for our children. And that's wrong.

THOMPSON. Do you ever step back from this and say, "Almost everybody I represent is going to die?

ALAN BROWNSTEIN. I can't believe it. I can't believe it.

THOMPSON. And this is the man that many hemophiliacs blame the most. Alan Brownstein, the Executive Director of the NHF since 1981.

Hemophiliacs charge that because of the NHF's close ties to drug companies, Brownstein and his former medical advisers failed to adequately warn them.

There are many people who say you just didn't do your job in the early '80s, and as a result they're dying.

BROWNSTEIN. We did all that we could. And I just wish we had more information so that we could have made decisions that could have saved more lives.

THOMPSON. But as the nation's chief consumer advocate for hemophiliacs, the NHF had plenty of information. What it did with it was another matter.

A six-month Dateline investigation has uncovered disturbing evidence that at a time when factor was known to be contaminated, the NHF continually downplayed the danger of using it.

In July of 1982, when little was known about AIDS, the government Centers for Disease Control alerted the NHF that for the first time three hemophiliacs had been discovered with AIDS, and the CDC indicated all signs pointed to clotting factor as the cause.

BROWNSTEIN. We thought, first of all, that we had to get the information out.

THOMPSON. And several days later, the NHF did send out the first of a series of newsletters. While it advised patients to consult their doctors, it emphasized the risk of AIDS was only minimal and that CDC was not advising a change in treatment. In other words, keep using the factor.

Dr. DONALD FRANCIS. The newsletter says that CDC does not recommend changing treatment. That was just not true.

THOMPSON. Dr. Donald Francis was one of the leading scientists at the CDC during the outbreak of the AIDS epidemic. Francis and his colleagues repeatedly warned the NHF about the danger of injecting factor, and by the end of 1982, he says, the NHF should have seen what was going.

Dr. FRANCIS. We were already expressing at that time our fear that half the hemophiliacs might die of this disease.

THOMPSON. If half their members were going to die of AIDS, that fear did not seem to be reflected by the NHF.

DANA KUHN. They're the watchdog. And I felt like if there was any problem with the product, they would make sure that everybody knew about it.

THOMPSON. On March 25th, 1983, Dana Kuhn, a minister and a hemophiliac, broke his foot playing in a church basketball game. At the hospital, even though his injury was not serious, as a precaution they injected him with clotting factor. It was his first and only injection.

Is there a word that can explain how you feel?

KUHN. Betrayed.

THOMPSON. And the reality is, is that you're living with a disease that has no cure.

KUHN. Right. And my children are living with a nightmare, that they don't know when their dad is going to develop symptoms and die of AIDS.

THOMPSON. What Dana Kuhn never knew was three weeks before he received what would be his fatal injection, the CDC issued an even stronger statement: that blood product appeared to be the cause of AIDS in hemophiliacs. But the NHF newsletter five days later failed to mention that.

KUHN. Why weren't we getting warned when you had all this information? That is when we should have been totally warned, and it should have gone over the wire and people should have had a choice.

THOMPSON. It would be three years before Kuhn would discover he had contracted the HIV virus. By then, he had unknowingly passed it to his wife. Patricia Kuhn died 21 days after she was diagnosed with AIDS.

Did you ever dream that she would be the first to go?

KUHN. It just totally destroyed my life when she died. And the toughest part was to tell my children. They didn't understand why their mom died and they would say "It's not fair. It's not fair. Why did God let my mother die?"

THOMPSON. And what's even harder to understand is why, nearly a year after the CDC's first warning, the NHF sent out this May 1983 bulletin with a headline, "NHF Urges Clotting Factor Use Be Maintained." By then, the death toll was rising, and thousands who weren't already infected were still at risk.

Dr. FRANCIS. Clotting factor was not an essential to the survival of a hemophiliac. There were other options for treatment. To say that NHF urges clotting factor use, at least I feel at times, was a death sentence to lots of people.

THOMPSON. Mr. Brownstein, what does the headline say?

BROWNSTEIN. Oh. "NHF Urges Clotting Factor Use Be Maintained," because at that time the risk was minimal, from what we knew. And keep in mind that the leading cause of death in people with hemophilia was bleeding that was not treated with clotting factor.

Dr. FRANCIS. He's clearly in error. It was clear that the leading cause of death in hemophiliacs was not bleeding, but already in January of 1983 the leading cause of death was AIDS.

THOMPSON. And Francis and others charge the NHF never placed enough emphasis on the link between factor and AIDS.

Dateline reviewed all of NHF's newsletters from 1982 to 1985. And although there were some references to potential risks, not once could we find any clear warning not to use factor because it could lead to AIDS.

TOM DREES. And nobody, including my own company, issued a warning.

THOMPSON. Tom Drees is the former head of one of the companies that makes factor. In the early '80s, Drees says, he was fired for

trying to make the factor safer. He claims that while the companies put profits ahead of lives, the NHF looked the other way.

Why would the National Hemophilia Foundation side with the pharmaceutical companies in an issue that it knew was killing its very own people.

DREES. Because it got a substantial amount of its income from the pharmaceutical companies. And over the years, they were always after us to make more contributions.

BROWNSTEIN. They funded a project here and there, but the actual operation of the foundation—zero.

THOMPSON. They were doing things for you that wouldn't have been done if they hadn't paid for them.

BROWNSTEIN. That is correct. That is correct. And those—that is quite typical to get support, but it's also—we are honor-bound to make sure that this support is done without any strings whatsoever.

THOMPSON. There was no conflict of interests.. . .

BROWNSTEIN. Zero.

THOMPSON. . . .In the early '80s with these pharmaceutical companies.

BROWNSTEIN. Zero.

THOMPSON. But the drug companies certainly took advantage of NHF newsletters.

On May 11th of 1983, you put out this bulletin saying "NHF Urges Clotting Factor Use Be Maintained."

BROWNSTEIN. Un-huh.

THOMPSON. Do you have any idea how the pharmaceutical companies used this bulletin?

BROWNSTEIN. No. I know how we use it and I know how we send it to our physicians and to members of our community.

THOMPSON. Here are two memos sent to sales forces.

Dateline has obtained these two 1983 drug company memos with that NHF newsletter attached urging patients to inject factor. Doctors confirm that NHF information was used to push sales.

They took your bulletin and they took it to hospitals and to doctors and said, "This is what the NHF wants to go on. Now please buy my product."

BAD BLOOD—EVERY DAY, A HEMOPHILIAC DIES OF AIDS. IT DIDN'T HAVE TO HAPPEN

(By Michael McLeod)

There's a pool on the third floor of the hotel, but Johnny Kellar hasn't bothered to bring his swimsuit.

At 13, he still has the face of a child, with curly brown hair and a poutish over-bite. But he steers away from the other kids at the convention, staying with the adults instead—sitting in on their meetings, taking part in their protest marches, wearing one of the buttons they've been passing out.

"Cry Bloody Murder," it says.

Johnny, of Clearwater, is wearing the button when he accosts an executive from the National Hemophilia Foundation in the lobby of the Indianapolis hotel.

"You thought I'd be dead by now, didn't you?" Johnny shouts. "Well . . . I'm back!"

Johnny's mother doesn't scold him after the outburst. Nor do any of the other adults. No one even appears surprised. The annual convention of the hemophilia foundation is the one place Johnny Kellar and his anger fit right in.

Like Johnny, many of the people at this convention are dying. Like him, they are intent on speaking their minds, knowing how slim the chances are that they will be back next year to elaborate.

Theirs is not a photogenic catastrophe, no space shuttle blown to bits while millions watched. Until now it has been a quiet death march, caused by one of the worst medically induced calamities in history—one that has claimed more than 1,600 Americans already, with at least 8,000 more sure to follow.

They are among the more than 10,000 hemophiliacs in the United States who contracted AIDS in the early 1980s from a blood based clotting agent that pharmaceutical companies and the National Hemophilia Foundation told them to continue using even after government warnings that it was dangerous.

Fearful of the stigma of AIDS, most hemophiliacs suffered quietly as their numbers diminished. The only hemophiliacs with AIDS who generated publicity were children who were forced into confrontations—Ryan White in Indiana, the three Ray brothers in Florida. Thousands of other hemophiliacs, young and old, fought solitary battles—for hope, for legal redress, for details about how their medicine had been contaminated and why they were not warned.

Lately that has begun to change. Hemophiliacs have banded together, with their strongest bond not commiseration but camaraderie.

Motivated by the Ray family, they have sparked a congressional inquiry into the catastrophe. The Rays, who live in east Orlando, helped persuade U.S. Sens. Bob Graham of Flordia and Edward M. Kennedy of Massachusetts to spearhead the federal investigation soon after the death last year of 15-year-old Ricky Ray. Ricky was the eldest of Clifford and Louis Ray's three hemophiliac sons, all of whom contracted the AIDS virus from the contaminated, blood-based medicine.

The 18-month inquiry by the National Academy of Sciences will focus on the response of federal agencies and private industry to the contamination.

Hemophiliacs also have filed suit against four drug companies and the National Hemophilia Foundation, asserting that because of its close ties to industry the nonprofit consumer group played down the danger of the medicine when it should have been warning them about it.

In that class-action suit filed in October, the drug companies are accused on continuing to sell infected medication even after top scientists, bureaucrats and company executives knew or should have known that it was contaminated with the AIDS virus.

Whatever the results of the congressional inquiry and related legal action, this much is clear following an examination by Florida magazine of internal corporate memorandums, transcripts of public health meetings, lawsuits, government documents and more than 100 interviews with victims and industry leaders:

The imminent death from AIDS of more than half of the hemophiliacs in the United States and thousands more abroad could have been avoided. Questions about the safety of blood-based products emerged in the mid-1970s, long before the AIDS crisis. And as early as 1980 the pharmaceutical industry rejected proven cleansing processes that could have eliminated viruses such as AIDS from the medicine.

In 1982, people responsible for ensuring the safety of the hemophiliac community were officially warned by the federal Centers for Disease Control and Prevention that the blood-based medication was dangerous and probably fatal. Those warnings, however, were not relayed in their entirety to hemophiliacs and their doctors for a year and a half.

Along with the CDC's warnings came two major safety recommendations by the federal health agency that were ignored by all but one of the pharmaceuticals. A 1983 memo shows that three of the companies went further, suggesting "delaying tactics" to evade those recommendations.

Meanwhile, the federal Food and Drug Administration, which oversees the safety of blood products, deferred many critical decisions to the industry by exercising little regulatory control.

By the time the drug companies issued warnings and perfected measures to purify the medicine, thousands in the United States had been infected.

Scientists such as Dr. Donald Francis look back with horror on their futile attempts to persuade industry and government leaders to take emergency action. To Francis, the contamination of the hemophiliac community was a human-wrought catastrophe with all the classic trademarks: the pressure of money, the illusion of invulnerability, the warning voices that go unheard, the chances to change course that slip by unheeded.

"It was like we were standing at a bend in the railroad tracks, and you could hear the sound of an engine and you could feel the tracks vibrating. And everyone was saying, 'No, you're wrong. There's no train coming,'" recalls Francis, an epidemics specialist with the CDC in the 1980s.

To Chicago lawyer Leonard Ring, one of the attorneys in the class-action suit, the tragedy is nothing short of "the largest scandal in U.S. medical history."

Its boundaries actually extend even farther. The same medicine that infected hemophiliacs in the United States was exported to England, Canada, Japan and other countries. Similar scandals involving blood concentrate took place in Germany and in France, where it reached the level of a Watergate, toppling a political party and sending two high-ranking government scientists to jail.

And in Costa Rica, at least 15 hemophiliacs are infected with AIDS because an American company, now called Miles Inc., sent a tainted shipment of the medicine there in 1985, when Miles already had crated an AIDS-free product through heat treatment.

To Miles and the other drug companies that produce the blood concentrate—Rhone-Poulenc Rorer/Armour Pharmaceuticals, Baxter Healthcare Corp. and Alpha Therapeutic Corp.—the contamination of their product was simply a terrible tragedy that was no one's fault.

"The villain here is not any person or company," says Don Hyman, director of corporate communications for Miles Inc. in New Haven, Conn. "Isn't it possible that no one is to blame? Isn't it possible that the villain here is simply a virus?"

Several high-ranking hematologists support the position of these drug companies that the infection of their product with AIDS was no one's fault.

"Hindsight is great, but we had to make logical decisions based on the information we had at the time," says Dr. Louis Aledort, a key figure in the controversy as medical adviser to the National Hemophilia Foundation when the AIDS crisis began. "People have short memories. They forget all the good things we did for hemophiliacs before this happened."

Gainesville hematologist Craig Kitchens, who has testified on behalf of the drug companies in lawsuits brought by hemophiliacs, also feels that blame is being misplaced.

Kitchens says the scientists who voiced early warnings were essentially just lucky.

"If you put 30 guys in a room, one of them is going to predict who is going to win the World Series," he says.

Yet it wasn't just a game of random numbers that doomed thousands of hemophiliacs. Nor was it a single, viral villain.

It was a system of government and private enterprise that failed them precisely when they needed its protection the most.

"They lied to us," says Johnny Kellar. "Do they think we're stupid? It's so obvious. The whole thing was money, money. Money was more important to them than our lives."

Johnny became friends with both Ricky Ray and Jason Christopher, an 11-year-old Tampa hemophiliac who died of AIDS two years ago. Last year, a jury awarded Jason's parents $2 million in their milestone negligence lawsuit against Armour. The jury decided that Armour knew enough in 1982 and 1983 to warn users of the AIDS risk—and that if such a warning had come, Jason's doctor would have changed to a safer treatment. Attorneys for Armour, who are appealing, described the outcome as a "sympathy verdict."

Dave Houston of Palm Harbor was the foreman of that jury. "There was no emotion involved" in the decision, he said.

"We just felt that a company as big as that, a company that supplies anything—food, medicine, whatever—if they ever had the slightest doubt about the safety of anything, they need to take it off the shelf. You may lose a few million, but in the long run you'll save yourself money—and you'll save people's lives."

The jury award was small consolation to Johnny Kellar, who says he now has to fight "the companies" not only for himself but for friends like Jason and Rickey.

"The way I see it, I don't have any choice," he says. "They killed my friends. They gave me AIDS. And if I let them get by with it, they're just going to do it again."

It was a golden age. It was a miracle cure.

In Miami, Maxine Segal's two teenage boys, Doug and Scott, had been in and out of the hospital so often that all their crushes were on candy stripers. Now, instead of spending their weekends hooked up to intravenous lines, they were water-skiing and going to band practice.

In Hershey, Pa., a retired night watchman named Gino Cailone was able at last to take his dream trip to the old country—to a rustic mountain village where indoor plumbing was still a novelty. He came back home beaming, showing off pictures of long-lost cousins pointing at their sinks.

In Fort Pierce, a cattleman named Merlin Dawson had been passing up chances to expand his business because of his health. Now he was establishing herds in South America.

And in Clearwater, the parents of Jason Christopher were relieved that their infant son would grow up like a normal boy.

It was all because of a new, blood-based medicine that had been developed to treat their illness, hemophilia.

The standard misconception about hemophilia is that its victims can bleed to death from a tiny scratch. That's not true. But for many years, the reality was nearly as bad.

Because of a single missing gene, the blood hemophiliacs fails to clot properly. The main problem for hemophiliacs is "spontaneous" internal bleeds that can start for no apparent reason.

Without clotting action, blood can seep into joints repeatedly, eroding cartilage and even bone, causing painful swelling and a form of arthritis. Before World War II, a hemophiliac was usually on crutches or in a wheelchair by the time he reached his teens.

Transmitted by women, hemophilia causes symptoms almost exclusively in males. Its hereditary nature helped to make it a "closet" disease—a family secret. Mothers felt guilty for giving it to their sons. Sons felt like sissies because they were overprotected.

Probably the most famous and overprotected hemophiliac in history was Nicholas II of Russia, one of several aristocrats who inherited the disease from Queen Victoria. But the cloistered image of hemophilia would continue to haunt its victims even into modern times.

For years, the only treatment was an infusion of blood plasma—the translucent, protein-laden part of blood that remains when red blood cells are taken out. Plasma helped save lives, but it did little to stop the crippling effect of bleeds.

Then, in 1964, Stanford University researcher Judith Poole noticed a sediment, or "cryoprecipitate," that accumulated at the bottom of frozen plasma. She tested the substance and discovered that it consisted mostly of the proteins that help blood to clot. If hemophiliacs could be treated with the sediment—Poole called it "cryo" for short—it would at least be better than giving them whole plasma, which taxed the circulatory system and involved long hospital sessions.

Cryo was a turning point for hemophiliacs. Because it could deliver clotting proteins quickly, there now was a way to prevent the painful internal bleeds and joint damage.

Yet it was still cumbersome. It had to be kept frozen, and a doctor was needed to administer it. Then, in 1968, researchers at the American Red Cross and Hyland Laboratories developed a new product, which quickly became known as clotting concentrate.

It was mass-produced by pooling plasma in huge vats, then drawing off the proteins that make blood clot—either Factor VIII, the protein lacked by most hemophiliacs, or Factor IX, another clotting protein. The clotting agent was then stabilized, freeze-dried and bottled.

Now hemophiliacs could treat themselves, thanks to the small, vacuum-packed vials of white crystals—ready to be dissolved in water and injected "early and often," as manufacturers advised.

Patients were euphoric. Doctors basked in their gratitude. A Gainesville hematologist remembers a whole family coming to his office to hug him on their way to the Grand Canyon—the first time they had dared take their hemophiliac son across the Alachua County line.

One physician called the mid-1970s "the golden age of hemophiliacs." A company that distributed clotting concentrate came up with a cartoon super-hero mascot for it, a caped crusader called "Factor Man." If it sounded more like a Saturday morning cartoon character than a medical advance nobody was about to complain.

Like most medications, clotting concentrate had a side effect. Although the concentrate was treated to screen out bacteria, viruses could slip through. Doctors knew that one in particular was inevitable: viral hepatitis

Because the plasma of an average of 20,000 different donors was pooled in huge vats to make clotting concentrate, viral hepatitis became statistically inevitable for hemophiliacs. And doctors knew that a portion of those who contracted hepatitis eventually would die from liver damage caused by the disease.

But it would take decades for viral hepatitis to kill someone who contracted it from clotting concentrate. And because concentrate was so convenient and effective, many doctors, drug manufacturers, the FDA and hemophiliacs themselves accepted the risk.

Others didn't.

Dr. Oscar Ratnoff had no particular inside track on the manufacturing of concentrate. But the Cleveland hematologist had done research into liver diseases. And one of the things he remembered was the massive outbreak of hepatitis during World War II, when soldiers were exposed to pooled plasma.

The incident stuck in his mind as an example of just how volatile plasma from thousands of donors could be. Ratnoff wasn't so sure the trade-off between the convenience of clotting concentrate and the risk of hepatitis was such a good one. Why risk contracting a fatal disease for the sake of convenience?

Many of his colleagues thought Ratnoff was hopelessly old-fashioned and conservative. "Oh," one would later say, "Oscar was always saying things like that."

But as Ratnoff knew, cryo was produced by local blood banks with the plasma of only a dozen or so donors. With a pool that small, chances were excellent that you could avoid hepatitis altogether.

Like any good doctor, Ratnoff decided to explain the risks to his patients and give them a choice.

Five patients chose cryo.

Five shrugged of his warnings and kept using clotting concentrate.

"You're messing with my lifestyle, Doc," said one of them.

There had been no telltale jolt, no sound of massive gears locking in place. But a doomsday machine had begun churning forward, and five more hemophiliacs had just taken their places on board—alongside Jason Christopher, Gino Cialone, Merlin Dawson, Doug and Scott Segal and 10,000 others.

It was a holiday weekend, July 4, 1991, when Calvin Dawson drove from Apopka to Fort Pierce to say goodbye to his brother. By then, Merlin was emaciated. Confined to a wheelchair, he was resigned to death. "This thing is going to kill me," he said. They prayed together. Merlin bound his head, then looked at Calvin and said that he had accepted Christ as his savior, that he wasn't afraid of death, that it had to be better than the suffering he was going through.

Then he swore Calvin to a promise.

"This is the damndest thing to happen to a group of people," he said. "If you do anything, Calvin, find out what happened and why."

What happened is that hemophiliacs unknowingly became part of what Peter Levine, a leading hemophilia researcher, calls an "unbelievable experiment."

That experiment—sanctioned by the FDA and carried out by the pharmaceutical industry—would involve regular, week-after-week exposure to a product made from the bodily fluids of thousands of people. Later, it would be equated to having unprotected sex with 20,000 strangers every week.

Unlike the plasma that was used in cryo, the plasma in clotting concentrate came from blood that was bought and sold—the basis of a loosely regulated, highly competitive $2 billion industry revolving around plasma products.

The foundation of the plasma industry was a system of paid-donor centers, most of them located in impoverished, inner-city neighborhoods where people were paid $10 to $20 per donation.

Two of the companies that produced clotting concentrate for hemophiliacs also had programs to draw plasma from inmates in federal prisons. A string of plasma centers that catered to migrant workers was located along the border between the United States and Mexico. And between 1972 and 1977, a series of American-run plasma centers was operating in Central and South America, from Haiti to Argentina, where they could pay for less per donation.

Hemophiliacs were suddenly at the receiving end of what was quite literally an international bloodstream.

Three of the four companies that sold clotting concentrate would soon become subsidiaries of foreign-owned conglomerates—German, French and Japanese. In the 1970s, the United States became the chief exporter of plasma and clotting concentrate across the world.

It was a profitable system. As everyone would later realize, it was also ideal for spreading a worldwide epidemic.

There were two reasons. Plasma-product manufacturers were now pooling the blood of thousands of people, exponentially increasing the risk of contamination from disease. And plasma centers were paying for the blood of high-risk donors—people who were less likely to be healthy than volunteer donors.

In the midst of the golden age, however, it was difficult to shift the momentum of a multinational industry once its course was set.

As medical director for Hyland Pharmaceuticals, Dr. Edward Shanbrom had overseen the original mass production of clotting concentrate in 1974. He became concerned when technicians who worked close to the huge vats of plasma developed skin rashes and hepatitis.

It was one thing to calculate, on paper, the risk-to-benefit ratio of clotting concentrate. It was another to see people catch a serious disease simply because they came into contact with invisible vapors from the pooling vats.

Shaken, Shanbrom decided to develop a detergent-wash process to make clotting concentrate virus-free. But it took him five years. And when he tried to sell his cleansing process to the drug companies in 1980, they turned him down. A year later, the companies also ignored another kind of cleansing process by a German company, which had tested its new product on a group of 155 hemophiliacs. None of them contracted hepatitis.

Nor was anyone taking note of the warnings of Dr. J. Garrett Allen, a Stanford University surgeon who had once run a blood bank at the University of Chicago. Allen waged a long and unsuccessful campaign to warn people about the dangers of pooled plasma.

"Large pools are highly profitable, but they are medically bankrupt," Allen said in 1987. "This is not a recent consensus. There was no valid reason to not have developed a heat-treatment protocol . . . in the 1970s."

Articles in medical journals from that time were documenting the progression of liver disease caused by hepatitis, which had become the second-leading killer of hemophiliacs, after bleeding. And in 1974, a U.S. Senate subcommittee under Sen. Henry Jackson of Washington began looking into the blood-plasma industry. The inquiry died after Jackson lost his bid for the presidential nomination.

Robert Massie Jr. was an investigator for Jackson at the time. Massie, a hemophiliac with AIDS, is a professor in business ethics at Harvard Divinity College.

"It was clear to anyone who looked at the system that it was absolutely perverted, with little concern for safety, driven by the search for cheap plasma and the desire to maximize profit," he says.

Yet apart from that brief investigation, few questioned the collection methods of the plasma industry or the danger of hepatitis.

And fewer still stopped to wonder: If one virus could slip through, who was to say that another one wouldn't?

Make a wish, they said. The charitable organization that set up dream trips for children with terminal diseases told Johnny Kellar he could go anywhere, meet anyone.

"OK," said Johnny. "I want to meet Arnold Schwarzenegger."

So Johnny and his mother were flown to Hollywood. But when he came face to face with Arnold, Johnny was too nervous to talk. His mother had to relay the boy's request. He didn't want an autograph. he didn't want a souvenir.

"My son says you're the Terminator, and he has a job for you," Marge Kellar said. "He says he wants you to terminate the drug companies for him."

Dr. Donald Francis had spent years battling communicable diseases in impoverished countries—from smallpox to exotic African viruses.

As early as 1981, when the notion still seemed outlandish to many scientists, he suspected that AIDS was caused by a new virus with a long incubation period. Independent and mercurial, the young epidemics specialist was often impatient with the ponderous CDC bureaucracy. He quickly became known as a hothead—a reputation he bolstered by pounding on a table during a key meeting between CDC scientists and balky blood industry leaders during the early months of the AIDS crisis, demanding: "How many deaths do you need?"

It was typical for Francis to get straight to the point, as he did in a conversation with another CDC scientist, Dr. Bruce Evatt, in 1982.

"If your children had hemophilia," Francis asked, "would you let them use clotting concentrate?"

Unlike Francis, Evatt was courtly, soft-spoken. A good listener and a diplomat, he had been around a federal agency long enough to choose his words carefully.

In this case, however, his response was unhesitating. "No," he said.

Yet even though the danger was clear to the two specialists, it would take a year and a half for their warnings to get through to hemophiliacs.

What stood in the way?

Francis would later come up with a theory about that. He calls it "the erroneous consensus spiral," and he says he may some day write a paper about it. His thesis would be that thousands of Americans weren't killed by the AIDS virus. They were victims of the status quo.

Time after time, in the key crisis years of 1982 to 1984, people and institutions who could have saved lives refused to listen to the warnings of specialists.

"I had worked around the world in a variety of government settings, including dictatorships and military regimes, and I have never seen the sort of repression of the truth that I was dealing with then," says Francis, who retired from the CDC two years ago and in now working on an AIDS vaccine for a private biotechnology firm. "We told them what the danger was. We told them what to do about it. And they ignored us."

Evatt, who is still with the CDC, says:

"You have to remember that, at the time, infectious diseases weren't supposed to happen. We thought we had conquered infectious diseases forever. They were supposed to be a thing of the past.

"What happened—the disbelief, the way people reacted—that was just human nature. It's the sort of thing that happens every day. Nobody wants to believe bad news. It's just that in this case, the consequences were so immense."

It was in the spring of 1982 that Evatt, a divisional director at the CDC, began seeing evidence that hemophiliacs were falling ill from the same immune system collapse that was killing gay men. Haitians and intravenous drug users.

Evatt and other CDC scientists had feared it would happen. Hemophiliacs were the canaries in the coal mine—harbingers of a deadly infiltration. The thing—whatever it was—had gotten into the blood supply, into blood plasma, into clotting concentrates. One infected blood donor could taint tens of thousands of units of clotting factor because of the lethal exponentials of the pooling vats.

Eventually, more than half of the nation's 20,000 hemophiliacs would contract a fatal disease through the medicine they had thought of as their salvation. By the time hemophiliacs understood the implications of the infection and the nature of the disease, hundreds of their sexual partners were also infected.

But all those horrors still lay in the future when Evatt's staff, in July 1982, presented evidence of three cases of the mysterious new disease in hemophiliacs.

Evatt knew that for many hemophiliacs, it already might be too late. Thousands more were at grave risk.

He and his staff quickly started working on a plan to alert the blood industry, the FDA and other federal agencies.

Though CDC scientists saw the danger in clotting concentrate—and also in routine blood transfusions—they could only make recommendations about how to deal with it. The CDC wanted blood banks and plasma centers to begin screening donors—that is, to stop taking blood and plasma from homosexuals. That suggestion drew the ire of gay activists, which helped to delay the screening.

CDC doctors also wanted to test blood and plasma for hepatitis and to discard all samples that came out positive. Doing so would make blood products much safer, the CDC reasoned, because eight out of 10 donors with AIDS also had hepatitis.

However, the agency had no authority to enforce those recommendations. That action would have had to come from the FDA or the drug companies themselves. Nor did CDC directly warn hemophiliacs: That responsibility was assumed by the National Hemophilia Foundation.

So for CDC scientists, the critical first years of the AIDS crisis would be like a macabre version of the parlor game in which a whispered message, relayed through several people, becomes muddled by the time it reaches the last in line.

In July 1982, the CDC issued its first official warning about hemophiliacs and AIDS, when Evatt wrote a letter to other federal health agencies, blood banks, the four pharmaceutical companies and Dr. Louis Aledort, the National Hemophilia Foundation's medical director.

"We have been suspicious that it may be transmitted in a manner similar to hepa-

titis, and thus creates a problem for the users of blood products," Evatt wrote. "Hemophiliacs would be prime candidates to develop this syndrome."

Internal memos from the early months of the AIDS crisis, in 1982 and '83 show that the drug companies understood the danger to hemophiliacs.

In a 1982 memo, a doctor with Amour Pharmaceutical wrote: "Deficiency Syndrome [AIDS] is now a major issue. The cases are doubling every six months, it is probably a transmissible disease and may be found in all blood products. High risk groups for Hepatitis B (which includes hemophiliacs) are also high risk for AIDS."

In a deposition for Maryland hemophiliacs's lawsuit, Milton Mozen, medical research director of Miles Inc., said his company knew in October 1983 that the blood concentrate could cause AIDS and that the entire supply of clotting concentrate was contaminated.

Even earlier, the company was aware of its responsibility to warn consumers. In an internal memo sent to top executives, dated Dec. 29, 1982, an attorney for a division of Miles Inc. called Cutter Biological, sent this warning:

"It appears to me to be advisable to include an AIDS warning in our literature . . . litigation is inevitable, and we must demonstrate diligence in passing along whatever we do know to the physicians who prescribe the product."

The company, however, did not issue those warnings for another year and a half.

Meanwhile, doctors and consumers were told the danger was minimal.

Three months after the internal Cutter memo, an article appeared in a Cutter magazine for hemophiliacs.

The article, titled "What is Cutter Biological Doing to Minimize the Risk of AIDS?" claimed that Cutter was "launching an all-out campaign that includes strict precautionary measures to make clotting concentrate safer."

Then it listed Cutter's blood-plasma collecting centers, noting: "There are no Cutter centers in New York, San Francisco, Los Angeles or Miami, where the vast majority of AIDS cases to date have been reported."

The prison where Cutter drew blood was not listed. And anyone familiar with the West Coast might have paused at the very first California city on Cutter's list: Berkeley.

Besides being just a 10-minute subway ride from San Francisco, Berkely is a college town with substantial communities of gays and drug users—the population that doctors knew was most at risk.

And although it was true that Cutter has no plasma center in Miami, it did have one in a run-down section of Fort Lauderdale—a center that had been criticized for safety violations by the FDA.

"That, to me—playing that game of misleading little geographical games with your patients—that was just plain callous," says Dr. Thomas Drees. "That shows you the mind-set of some of these companies."

From 1973 to 1984, Drees was the president of Alpha Therapeutics in Los Angeles, one of the companies that produced clotting concentrate. He now works as a consultant and is one of a few members of the plasma industry who is an outspoken critic of the drug companies.

Drees says he was aggressive in applying safety standards—and was fired specifically for that reason, when the company was taken over by a Japanese conglomerate, Green Cross.

An Alpha spokesperson declined comment.

"My attitude was, if you thought you had a problem, you had a problem," says Drees. "In terms of our safety standards, we always tried to stay a step ahead of whatever the FDA advised. Ethically, morally, that was the way I thought we should do business."

That attitude was not necessarily shared by other clotting-concentrate manufacturers.

One internal memo, dated December 1983, indicates that some of the manufacturers—not including Cutter—were trying to delay a recommendation to initiate plasma-screening measures that the CDC had suggested a year earlier.

"Mike Rodell of Armour proposed a task force to deliberate the details of the recommendation and provide further information in three months," the memo reads. ". . . The general thrust of the task force is to provide a delaying tactic for the implementation of further testings."

The FDA agreed to the formation of the task force, which consisted of drug industry representatives. The task force eventually recommended against the testing that the CDC wanted.

Instead, the drug companies began experimenting with heat-treated clotting concentrate, assuming that heat would kill any fatal virus. By 1984, scientists had finally identified the AIDS virus that destroys the immune system and confirmed it was transmitted through blood products and bodily fluids.

They eventually would learn that a combination of blood-donor screening and heat treating would eliminate the virus from their blood product. By 1985, the clotting concentrate was considered safe—three years after the CDC issued its warning and recommended blood screening.

Even then, hemophiliac activists say, one company continued to use the old, unheated and unscreened clotting concentrate rather than destroy it. Dallas attorney Charles Siegel says he has proof.

Cutter, he says, "dumped" unscreened, unheated and AIDS-tainted clotting concentrate into a foreign market, knowing that it could be contaminated. Siegel is suing Miles Inc. on behalf of 15 Costa Rican hemophiliacs who contracted AIDS from the contaminated concentrate, which was shipped to Costa Rica by Miles' Cutter subsidiary in March 1985. At the time, Cutter had an AIDS-free product available.

"It's very difficult for someone outside of the U.S. to sue a U.S. company," Siegel says. "I honestly think that Cutter just never believed in a million years that anyone [from Costa Rica] would ever sue them over this, and that's why they did it."

As an example of the company's unwillingness to destroy products that might be tainted, Siegel points to a series of Cutter memos recommending the sale of "unscreened" product—meaning raw plasma drawn from donors who had not been screened for AIDs.

"Put unscreened material into finished inventory as soon as possible," reads one such memo, dated March 20, 1986. "Get word to distribution to move existing unscreened finished goods inventory before we move screened material. . . . From a production planning and inventory-control point of view, this current policy is desired. We need the unscreened inventory to meet our 1986 sales requirements and want to avoid large writeoffs."

Siegel contends that such concern for profit was the reason that his Costa Rican clients ended up with AIDS.

Clotting concentrate is one of the most expensive medicines ever made. Someone with severe hemophilia spends roughly $150,000 a year on the treatment. By one estimate, the pharmaceutical industry takes in $250 million a year from the sale of the medicine.

"They had the technology available to make a safer product and ship it to their customers," Siegal says. "So they had to make a choice: Do you sell the old stuff or throw it out? They chose. They decided to just put it in the pipeline."

Donald Hyman, the spokesman for Miles Inc., calls criticism such as Siegel's nothing but hyperbole.

"We reject categorically any allegation that we would put profits over concern for human safety," he stated in a recent news release. "As in all such cases, tragedies such as this create an urge in some people to seek a villain. And the villain here is the AIDS virus."

Miles acted properly, "based on the scientific knowledge of the time, to procure safe and effective bloodclotting products," he wrote. The company "never sold products that its scientists believed could transmit the AIDS virus."

In response to sending nonheat-treated concentrate to Costa Rica, Hyman stated: "Although we can now know the tremendous benefits of heat-treated product, the company, the medical community and regulatory agencies in the various countries did not fully understand these benefits when it was first introduced."

It was just a charity basketball game, something the church had put together that spring in 1983. One of the players was 40-year-old Dana Kuhn, a father of two who was working as an assistant for the church as part of his seminary studies.

He went up for a rebound, came down off balance and wound up breaking a bone in his foot. At the emergency room, he told doctors that he was a mild hemophiliac—with such a faint trace of the disease that he had never had to use clotting concentrate.

They suggested, just be on the safe side, that he should get a shot of concentrate to stave off any bleeding problems that the broken bone might cause.

Kuhn was doubtful. He'd heard rumors that there was a problem with AIDS in the concentrate. But the doctors, he says, assured him it was safe.

"They probably have a way of screening the virus out of this stuff," he remembers thinking as they gave him the injection.

It was the legal responsibility of the drug companies to warn consumers about any danger caused by their products. But there were two other lines of defense for hemophiliacs.

One was the Food and Drug Administration, the federal agency that regulates blood products. The other was the National Hemophilia Foundation, the group with the most direct line of communication to hemophiliacs.

Why, then, did neither the FDA nor the foundation make sure that the pharmaceuticals followed the blood-screening recommendations and other precautions laid out by the CDC in the early 1980s?

At the time, both organizations had critical flaws that hampered their ability to deal with an emergency.

The FDA, during the Reagan deregulation years, left key posts unfilled for years. Morale was low, with many scientists shopping around for new jobs. Regulation also was less than aggressive: In 1983, at the height of the crisis, the FDA agreed to a blood-industry

suggestion to cut down on the number of its inspections of blood banks—from one per year to one every other year.

The FDA has been described in court cases as, by nature, a "passive" agency—one that relies on manufacturers to stay abreast of safety issues relating to their products. In a series of hearings on drug-labeling regulations in 1978, an FDA commissioner said that it was impossible, given staff and funding limitations, for the FDA to operate any other way.

Dr. Donald Francis, the CDC epidemics specialist, gives two reasons why his agency's recommendations were not immediately adopted: the FDA's complacency and resistance from blood banks and pharmaceutical companies.

"They never really sat down and listened to us when we warned them very clearly about what was happening," Francis says. "And now they all have to live with themselves. So, of course, they're going to say that it wasn't their fault, that they did everything they could. But that's simply not true. The truth is that they killed a lot of people."

At a series of meetings of blood industry leaders and federal officials, the CDC warnings and screening recommendations were downplayed and derided.

Where were their studies? How could they be so sure? Weren't they exaggerating? Many at the agency, and within the blood industry, saw the CDC's aggressiveness as the beginnings of a turf war.

"We also agreed that the CDC was getting increasingly involved in areas beyond their area of expertise," reads an internal Cutter memo, dated January 1983.

Among the doubters was Dr. Dennis Donahue, head of the biologics division of the FDA, which was chiefly responsible for overseeing the clotting-concentrate manufacturers.

Like many FDA officials, Donahue had been in the blood-bank industry himself. And an internal Cutter memo mentions that, at the time of the AIDS crisis, Donahue was disillusioned with the FDA and was looking for another job—in the blood industry.

Donahue thought the CDC's suggestion for a stopgap screening test was "absolute nonsense." A Cutter memo, dated Dec. 27, 1982, notes that Donahue "requested that we send him some official notification of our plans so that he could use this as ammunition that voluntary efforts of the industry precluded the need for any further regulation."

In effect, decision making was left to blood bankers, drug company executives and doctors whose careers revolved around clotting concentrate—all people who had a vested interest in the outcome.

Donahue, who is retired, declined to comment, as did an FDA spokeswoman in Washington, citing pending litigation.

"They were gambling that things wouldn't be as bad as the CDC said," says Judy Kavanaugh, a Sarasota attorney who is working on the class-action lawsuit against the pharmaceuticals and the hemophilia foundation. "The tragedy is that they were gambling with people's lives."

Kavanaugh says that a "revolving door" was in operation at the time between FDA officials and the private industry they regulated.

"If you look at the documents, you see an incredible chumminess—among the regulatory agency, the so-called consumer advocacy group for hemophiliacs and the blood industry," she says. "People just seem to move around freely from place to place within this inner circle. It's like a little country club. Everybody has an angle. Everybody has a reason to be pals with the other guy."

The foundation occupied a place in that inner circle. The nonprofit group had come close to bankruptcy in the late 1970s and had discovered a way out: the coattails of the clotting-concentrate manufacturers. Drug companies sponsored foundation conventions and financed the foundation's mailings to members. Internal foundation documents show what the product manufacturers were getting in return for their donations: publicity for their product.

Kavanaugh believes that the foundation was hesitant in its warnings because it didn't want to offend the drug companies.

"They weren't watchdogs," she says. "They were more like lap dogs."

Although the foundation did call for screening of blood donors early in the crisis, its officials continued to downplay the danger of AIDS.

The foundation's executive director, Allan Brownstein, in a speech to drug company representatives in 1983, criticized "scare tactics used by some of the media [that] have created so much fear that . . . the use of product is down."

And even though the CDC continued to warn the blood industry in an escalating series of letters and conferences, the foundation's medical adviser, Dr. Louis Aledort, all but scoffed at the notion that hemophiliacs were at risk.

Aledort had been one of the heroes of the golden age—a key figure in the science, the business and the politics of hemophilia that evolved around clotting concentrate. He successfully lobbied for federally funded centers that offered greatly improved, comprehensive care to hemophiliacs.

Besides acting as medical adviser to the hemophilia foundation, Aledort frequently worked on research projects about hemophilia paid for by one or more of the drug companies that produced clotting concentrate. Drees, the former Alpha president, says his company gave Aledort roughly $25,000 a year.

Aledort also was closely aligned with Cutter. He received money for research from Cutter, helped solicit donations from Cutter for the foundation and contributed articles to a monthly newsletter that the company sent out to hemophiliacs.

In the May 1983 edition of that newsletter, Aledort downplayed the danger of AIDS. By then a dozen hemophiliacs in the United States were known to have developed symptoms of the disease.

"Let's put this in perspective," Aledort wrote. "AIDS is a dreadful, terrible disease that is frightening. Hemophiliacs are frightened . . . but whether and if and how it relates to their therapy [meaning clotting concentrate] is completely unclear." The article continued: "There is no evidence to support that AIDS is transmitted in either cryoprecipitate or concentrate, although it is possible."

Two months earlier, the CDC Morbidity & Mortality Weekly Report had stated: "Blood products . . . appear responsible for AIDS among hemophiliacs who require clotting factor."

And at a meeting earlier that year, Dr. Ratnoff, the Cleveland hematologist, had been invited to share his research, which showed that those of his patients who are using cryo rather than clotting concentrate were not showing any symptoms of the immune disorder.

"There was evidence of what was happening. It wasn't just from me, and it was very clear cut," Ratnoff says today. "But I can assure you it was antithetical to the prevailing view, and there were very powerful forces aligned against it."

Aledort was among the most outspoken of the high-ranking doctors and blood industry leaders who were convinced that the CDC was wrong and that Ratnoff's data were insignificant. Aledort's own theory was that the growing number of hemophiliacs with the immune disorder were only reacting to antigens—bits of foreign protein that were known to be transmitted by blood products.

Aledort's position was that hemophiliacs should continue to use concentrate, despite its possible danger. Several other key hematologists agreed with him.

Their oft-repeated logic was that the "known risk" of hemorrhaging was greater than the "unknown risk" of possible AIDS infection. At that time, scientists were still uncertain whether people who became infected with the AIDS virus would always develop symptoms of the disease. And they also knew that a large percentage of hemophiliacs already had been infected with the virus by the time the CDC issued the warning about it. For them, it was already too late.

But that still left thousands of hemophiliacs who might have been able to avoid infection—perhaps by switching from concentrate to cryo. Evatt himself estimates that roughly half of the hemophiliacs who contracted the AIDS virus were infected after his warning.

The standard of public health is to err on the side of caution. And a key principle of medical ethics is the notion of informed consent: that the patient should be apprised of any risk from treatment.

That may be why Aledort's point of view so astonished one FDA scientist that, at a key 1983 meeting, he asked Aledort to repeat himself, saying, "I just want to make sure I'm hearing what I think I'm hearing."

And the foundation itself became disillusioned with Aledort. In 1983, its executives decided to seek his resignation as medical director. the minutes of an executive committee meeting held in April 1983 spell out the reason:

"Dr. Aledort is not a team player. . . . Dr. Aledort's medical brilliance is accompanied by personality traits which take an excessive amount of time and effort to cope with. . . . There have been isolated but real instances in which Dr. Aledort has failed to properly implement NHF policies which he has not agreed with, and, instead, has interposed a personal position to delay or negate NHF policy."

Like many doctors who were mistaken about AIDS and hemophilia, Aledort, now the director of the hemophilia treatment center and a member of the board of directors at Mount Sinai Hospital in New York, says that he would still do the same thing again, given the information he had.

"We were wrong," he says. "We didn't think it was a virus, and we certainly didn't know it was 100 percent lethal. There were uncertainties."

Aledort describes himself as a "visionary" and a "straight shooter" and says of his dispute with the hemophilia foundation: "They expected me to say, 'Recall all Factor' [clotting concentrate]. They wanted me to say things I disagreed with, and I wouldn't do it." He says he feared that the CDC's warnings would panic hemophiliacs. "All I was saying was, let's stop the ticker tape."

He accuses CDC scientists like Dr. Donald Fancis of "creative recall." He complains

bitterly about hemophiliacs who have picketed banquets in his honor and who refer to him as "the Joseph Mengele of the hemophilia holocaust."

They want somebody's head to roll," says Aledort. "It is like a mob scene out of the French Revolution—'Let's knock off everybody who ever treated us.' Well, that won't solve anything. But this is a fan club country. It's like a ballplayer who makes one bad play. You're remembered for your last mistake, not all the good you did before."

Aledort says he didn't perceive himself as having a conflict of interest. He says of all the studies that he did, funded with drug company money: "Who do you think profits from all those studies? The hemophiliacs do."

But to many, Aledort has come to represent what one hemophiliac advocate calls the "incestuous relationship" among the foundation, the drug companies and the FDA.

"He could have blown the whistle and stopped the train," says Calvin Dawson, whose brother Merlin died of AIDS from the medicine a few weeks after his farewell visit. "Everybody would have listened to Lou Aledort."

Says Ricky Ray's mother, Louise: "He played God with a lot of people's lives. He was in a position to warn us, and he didn't."

Jan Hamilton was a key member of the foundation's board of directors during the early 1980s. She says that the board simply believed what Aledort told them and went along with his suggestions.

"I was at some of those meetings. I can remember getting goose bumps, worrying abut what was going on. But they kept telling us it was not that serious.

"He was the expert. We never thought he would mislead us," she says.

Last year, Hamilton and her husband, who is a pediatrician, were shown for the first time some of the early warning letters to Aledort from the CDC. She says they both began crying.

"I was crying because I felt so bad and so angry and so betrayed," she says. "But I think my husband was crying for a different reason. I think it was because he hates to see people in his profession going against the Hippocratic oath."

The newspaper clipping enraged Ricky Ray. It wasn't the story. It was the headline: "Ryan White loses battle with AIDS."

"Mom," Ricky said, "If I die, don't let them write that about me. Don't let them say that I lost. Just because you die, that doesn't mean you gave up. That doesn't mean you lost."

In their final moments, the pilots of doomed airliners rarely express fear.

Instead, just before the crash, they are angry. They wonder what is wrong with the machine, and they hate it for failing them. They don't appeal to the hereafter. They curse the here and now.

It is something akin to that emotion that imbues the 1993 convention of the National Hemophilia Foundation.

The meeting is not just for hemophiliacs but for health professionals, and some of the seminars and meetings are about promising developments for hemophiliacs. A cure involving gene therapy is tantalizingly close. A new Kind of clotting drug, produced in the lab instead of from human plasma, is already available.

Neither of those subjects comes up in the meetings—support groups, legal seminars and town meetings—for hemophiliacs with AIDS.

Many of them have lost loved ones, and many have only months to live themselves. But it isn't grief or fear that drives them. It's a sense of betrayal best expressed by a woman who stands up at one meeting and compares hemophiliacs with AIDS to incest victims.

"We've gone through all the same stages," she says through her tears. "First disbelief and denial. You just can't believe that someone who was supposed to be protecting you did this to you. Then rage. And then, finally, what you want most is just for the truth to come out, so that you can heal."

Calvin Dawson is here. Dawson, who lives in Apopka, has become a firebrand in the hemophiliac community. He keeps his brother's wheelchair in his office as a reminder of the deathbed promise he made to him to find out what happened and why.

Dana Kuhn is here. Kuhn is the minister who used clotting concentrate just once in his life, after the charity basketball game. The shot gave him the AIDS virus, which he unwittingly transmitted to his wife, who died two years later.

Because his case was so clear-cut, he could have pursued an individual, multi-million-dollar lawsuit. Instead, he became one of the lead plaintiffs in the class-action suit, to give it added credibility.

Michael Druck is here. A 32-year-old Manhattan coin dealer, he is among the leaders of a small group of hemophiliacs with AIDS who have staged protests at testimonial dinners for Aledort and other doctors involved in key decisionmaking roles during the crisis. Like many men at the convention, Druck has an immune system that is paper-thin. His T-cell count—they are the immune cells that the AIDS virus attacks—is measured in single digits. He jokes darkly about talking to another AIDS-infected hemophiliac whose T-cell count was even smaller.

"I offered," says Druck, "to loan him one of mine until Tuesday."

Michael Rosenberg is here. A former publisher, he is one of the elder statesmen of the grass-roots activism among hemophiliacs with AIDS. Everyone can see the change in Rosenberg since last year's meeting. They've seen the same signs before in all the others: the pallor, the way the clothes no longer fit, the hollows in the face that begin to show a little more clearly. Rosenberg is an inspired speaker, but now there is a hesitation. People lean forward in their seats, trying to finish his sentences for him.

Bruce Evatt is here as well. Though he tells people, again and again, that he saw his inability to warn them as "a personal failure," he is considered a hero by many hemophiliacs. There is always a circle of people around him. The CDC pays his expenses to come to the convention—unlike the early years of the crisis when Evatt, traveling to speak to various groups about the threat of AIDS, often had to spend his own money or beg other government agencies for travel funds.

Pharmaceutical company representatives were once a prominent presence at foundation conventions. They set up display tables and "infusion suites" where people could go for free injections.

But there are only a few displays at this year's convention, and those are usually unmanned, with just a brochure or two and a scattering of free pens on the tables. At last year's convention, Maxine Segal walked up to one young man at the Miles Inc. table, took off her glasses and leaned over within a few inches of him. "I just wanted you to see the face of the mother of two boys that your company murdered," she said.

AIDS has taken its fatal course a little more slowly with hemophiliacs than with other victims, but time is running out. One hemophiliac per day dies from AIDS in this country. Those who survive are "getting close to the far edge of the curve," as one AIDS-infected conventioneer phrases it. A mimeographed, homemade cartoon is making the rounds at the convention, depicting a row of gravestones that read "RIP hemophiliac." A speaker at a lectern is addressing the gravestones. "It is with great pleasure we give an award to the pharmaceutical companies and one to the government for their never-tiring battle to find a cure for hemophilia," he says.

Johnny Kellar likes that cartoon a lot. He's been passing it out to people. Though most of the time he stays to himself or listens quietly, he hasn't always been such a loner.

Like many young hemophiliacs with AIDS, he made friends with other infected children, meeting them at camps and in treatment centers—children with no future, drawn together in a kinship that is difficult for adults to fathom.

That was how he became best friends with Jason Christopher, the Tampa youth whose parents won a $2 million lawsuit that helped pave the way for the class-action suit.

Two years ago, Jason and Johnny were being treated in a St. Petersburg hospital, where they played tricks on the nurses—their favorite one being to rig a balloon-and-needle booby trap to explode when the nurses lowered their beds.

Jason was in the final stages of AIDS. But John's problem was different. The doctors gave it a vague name: "failure to thrive." In truth, they could offer no particular physical reason for his listlessness, his loss of appetite, his weight loss. Though he had the AIDS virus, it was not in its active stage. But it would be soon, the doctor warned Johnny's mother, if his tailspin wasn't reversed.

Then, a few months later, Jason died.

And Marge Kellar was surprised when, soon after that, Johnny perked up.

He started eating again. He began speaking on behalf of an AIDS awareness group and asking more questions about how his medicine got contaminated with AIDS.

He adopted a theme song: "Beat It." He liked the lyrics: They'll kick you and beat you and tell you it's fair . . . just beat it.

He visited Ricky Ray when Ricky was on his deathbed.

"Give 'em hell when I'm gone," Ricky told him.

Like so many others, Johnny Kellar has the paper-thin immune system, the single-digit T-cell count. Statistically, he should be dead by now. His mother has come to believe that the only thing keeping him alive is anger. It's as though the raw fuel of adolescence has been drained out of him and replaced by something else. She has begun calling him by a wry nickname: "Old Man."

On this night, the "old man" has left the adults meeting upstairs and has headed for the awards dinner—the social highlight of the convention.

A jazz band is tuning up on stage. Allan Brownstein, executive director of the hemophilia foundation, the man at whom Johnny had shouted earlier, amuses everyone by sitting down at the piano and playing "Chopsticks." Waitresses circle with crystal water pitchers while guests in semiformal wear filter through the ballroom looking for their seats. In all the refined commotion, nobody notices Johnny slip a program off the table.

Johnny glides out of the ballroom, stuffing the paper in his pocket.

"Information," he mutters mysteriously. "I pick up things, here and there. You never know when it might come in handy."

If he notices the slogan at the top of the program, he doesn't say so. But there it is in black and white, the motto that the National Hemophilia Foundation selected for this year's convention: "Securing our future . . . together."•

LOBBY DISCLOSURE BILL

• Mr. LAUTENBERG. Mr. President, yesterday the House of Representatives approved its version of the lobby disclosure bill, including provisions designed to prohibit lobbyists from providing gifts to Members of Congress.

Unfortunately, Mr. President, the House bill is seriously flawed. Most importantly, it includes loopholes that will allow special interests to continue to provide Members with vacation trips to the Caribbean, and free meals with lobbyists at expensive restaurants. These and other loopholes should be closed before the bill is sent to the President.

Mr. President, I have introduced legislation, cosponsored by Senators WELLSTONE and FEINGOLD, which would close the loopholes in the House bill and ban virtually all gifts from lobbyists and their clients. Our bill, S. 1935, is scheduled to come before the Senate no later than May 4. My hope is that the Senate will approve our legislation before the conference on the lobby disclosure bill.

At its most basic level, the twin goals of our bill are simple: First, to help restore public confidence in the Congress, and, second, to reduce the ability of lobbyists and special interests to buy access and exert influence on Capitol Hill.

Mr. President, Americans have always been deeply cynical about their Government. Today that cynicism is evident to all of us, along with their anger. They see Members as captives of special interests, unconcerned about ordinary people. Many feel that Congress is not serving the public well because Members are out to lunch—at expensive restaurants and resorts, with the tab picked by special interests.

Mr. President, I know many of my colleagues believe that these perceptions are inaccurate, or at least overstated. But no one can deny that those perceptions exist and are broadly held by the American people.

They are also understandable. After all, let us say you are a basketball fan. You pay hundreds of dollars to fly to the NCAA Final Four to see your favorite team compete. And then you find out that the referees just came back from a luxury trip to the Caribbean—paid for by the opposing team.

Now, those referees might insist that their free trip will not influence their work. They may claim to be fine, ethical people who care about the good of the game. They may say that their judgments will not be colored by the gifts they received.

And not a fan in the country will believe them.

Well, Mr. President, that is how most Americans feel when they see Members of Congress cast their votes after they have been wined and dined by special interest lobbyists. They think the deck is stacked against them. They do not think it is right. And they do not respect a system that operates that way.

Mr. President, fair or not, as long as the public believes that Congress is beholden to special interests, our credibility, and our ability to lead, is undercut.

Democracy simply cannot function in an atmosphere of distrust. After all, when citizens view everything the Congress does in the worst possible light, they are similarly skeptical about the legislation we propose. That makes it extremely difficult to build public support. And without public support, it becomes almost impossible to address major social problems in a meaningful way.

In other words, Mr. President, restoring public confidence in the Congress is not just important to the institution. It is critical for our country and our future.

That brings me to the second purpose of this legislation.

Mr. President, the need to ban lobbyists' gifts is based on more than the need to restore public confidence in the Congress. We also need to address the disproportionate power of special interests in our political system.

Now, Mr. President, I suspect that many of my colleagues are thinking: come on FRANK, you and I know that Senators are not selling votes for a free meal.

And that is true.

But that is not the point.

The point is this: when lobbyists take a Senator or key staff member out to dinner, they are not just buying a meal. They are buying access. And access is power.

Ordinary citizens do not have that access.

They cannot just take their Senator to a quiet dinner at an expensive restaurant and explain what it is like to be unemployed.

They cannot take their Congressman to a ball game to discuss problems they have making ends meet or educating their kids.

And they certainly cannot spend a relaxing weekend at a tropical resort, playing golf with key legislators while reviewing their concerns and anxieties about the future.

Meanwhile, lobbyists can do all these things. And while they are at that restaurant, or that ball game, or that resort, they can discuss a new tax break, or some other favor that their clients want.

If any Member doubts the value of this kind of access, just ask a lobbyist or their corporate clients. Only the most disingenuous will claim that they provide these exotic trips out of the goodness of their heart. They pay because it gets results.

They pay to buy clout.

Similar thinking is involved when lobbyists give Members tickets to a show or sporting event, or other gifts. Often, the tickets buy access to Members at the event itself. But if not, they buy good will. And good will also is power. It can mean the difference between getting your calls returned, or your letter taken seriously. And that can translate into millions, even billions of dollars—at the expense of ordinary Americans who have no lobbyists to represent them.

Now I know that these kinds of gifts and favors are not unique to Congress. They are the common coin of exchange in a variety of different areas. Which, again, demonstrates that people think they have an impact.

I know I did when I was a CEO in the private sector. My company strictly forbade purchasing agents from accepting gifts from suppliers. There was the potential for undue influence, and the stakes were high. So I took steps to minimize the possibility of abuse.

The same concerns apply to Congress, where the stakes are infinitely greater. And now we have to take steps to minimize abuses here as well.

Before I go further, Mr. President, let me say this.

I know a lot of my colleagues are unhappy with me for proposing this legislation. And that may be putting it mildly. So I want to emphasize a few things.

I did not introduce this bill to tear down the Congress. To the contrary, I want to build it up and strengthen it.

Nor am I offering this legislation to inpugn the integrity of any Member of Congress. The fact is, Members of this body are dedicated public servants who work hard and are genuinely committed to serving the public interest. That is not widely appreciated, but it is true. And I think our bill would only help make that clear.

Nor am I claiming that I am some kind of a saint who thinks he is holier than thou. Listen, in the past most of the Members of this body, myself included, have lived by the rules and accepted certain items. I do not claim otherwise.

But times have changed. Public frustration has reached enormous proportions. And it seems to me that we will never restore public faith in this institution until we make some meaningful changes in the way we do business.

So I want my colleagues to see this as a constructive, not a destructive, proposal. I offer it in that spirit. And I really believe it can make an enormous positive difference in the way we are

viewed, and the way our work is received by the American people.

Mr. President, let me take a few minutes and explain exactly what our bill does and does not do.

First, the bill establishes a general rule. That rule is that no lobbyist or client of a lobbyist may provide any item of value to a Member of Congress or congressional employee.

That includes free meals. Free gold watches. Free trips to the Caribbean. Anything of value.

Similarly, the bill provides that a lobbyist or a client may not provide any item of value to a third party on behalf of a Member or staffer, such as a charitable contribution. Nor may a lobbyist or client provide a gift to an organization that is maintained or controlled by a Member or staffer.

Those, in a nutshell, are the general rules.

However, there are several exceptions. The exceptions are designed to ensure that the legislation is reasonable, and does not interfere with the ability of Members of Congress to perform legitimate representational functions.

For example, the bill allows lobbyists and clients to provide travel-related expenses for a trip that is directly related to the official duties of a Member.

That could include a trip for a meeting, a speaking engagement, or a fact-finding trip.

But what it would not include—and what would be banned by our bill—are trips that are substantially recreational. Golf trips, tennis trips, beach vacations, and so forth. If the activities of a trip are substantially recreational, then travel-related expenses could not be provided by a lobbyist or client.

Similarly, the proposal would prohibit lobbyists or clients from paying for recreational activities, even on a permitted trip. So if a lobbyist pays for a Member to go to a public policy conference, the lobbyist could not also pay for the Member to go to a ball game or a play in the evenings. Of course, Members would be free to participate in such events. They would just have to pay their own way.

For a trip to qualify for the exception from the ban, details about the trip would have to be published in advance in the CONGRESSIONAL RECORD, unless that is impossible because, for example, the trip is arranged while the Congress is out of session.

The legislation also includes an exception to the general gift ban for meals provided by clients who sponsor broadly attended events, such as conferences and conventions, and meetings of organizations, such as a luncheon meeting of a VFW lodge or citizens group.

Another exception is provided for gifts that are clearly motivated by a family relationship or personal friendship, so long as gifts from friends to Members are disclosed.

And there is an exception for greeting cards, personalized plaques, and other items of little intrinsic value.

Mr. President, there are a few other minor exceptions, and I will not go into all of them here. But all would be clarified in regulations. And the legislation would not go into effect for 1 year.

On balance, Mr. President, this is a strong, credible, and reasonable proposal. And we think it is time to act on it.

Mr. President, I would like to introduce into the RECORD material prepared by Common Cause that explains some of the key differences between our bill and the House bill.

The material follows:

SUMMARY OF S. 1935, THE LAUTENBERG-WELLSTONE-FEINGOLD BILL, TO BAN LOBBYISTS AND OTHERS FROM PROVIDING GIFTS TO MEMBERS OF CONGRESS AND THEIR STAFFS

GENERAL PROHIBITION ON GIFTS AND OTHER BENEFITS FROM LOBBYISTS

Lobbyists and their clients would be prohibited from providing (with business or personal funds) any gift or other benefit to a Member of Congress or congressional employee (including spouses and immediate family members). The ban on clients would apply to gifts paid for by organizations that hire or retain lobbyists or by top officials of such organizations. The ban would also apply to gifts given to organizations maintained or controlled by Members or staff, or given to third parties on behalf of Members, such as charitable contributions.

The bill would also ban anyone from paying for travel-related expenditures for recreational trips, such as golf, tennis and ski trips. In addition, lobbyists would be prohibited from paying for any recreational activities or entertainment costs for Members and staff while on a permitted trip.

GIFTS REQUIRED TO BE DISCLOSED

In some limited circumstances, lobbyists and their clients would be allowed to continue to provide certain financial benefits to Members and staff. However, they would have to itemize and disclose these benefits on a Member-by-Member basis.

1. Certain Permitted Travel-Related Expenditures.—Lobbyists and their clients could provide travel-related expenditures in connection with meetings, speaking engagements, fact-finding trips and similar events but only if the trip was directly related to a Member or staff's official duties and if details about the trip were published in advance in the Congressional Record. Such expenditures would also have to be disclosed in the report filed by a lobbyist.

2. Gifts to Members Motivated by a Personal Friendship.—A lobbyist could provide a gift or other benefit to a Member on the basis of a personal friendship under certain limited circumstances. The personal friendship exemption would not apply to any gift for which the lobbyist obtains a tax deduction or reimbursement (including using an expense account of an employee or client, or charging fees to clients for the purpose of reimbursement for the purchase of gifts). However, any gifts provided to Members on the basis of the personal friendship exemption would have to be disclosed by the lobbyist.

GIFTS EXEMPT FROM THE BAN AND DISCLOSURE

1. Gifts to Members and staff motivated by a family relationship.

2. Gifts to staff motivated by a personal friendship as defined narrowly in the bill.

3. Items of little intrinsic value such as a greeting card or personalized plaque, certificate or trophy.

4. Informational materials such as books and videos.

5. Modest refreshments such as coffee, soft drinks or doughnuts offered other than as part of a meal.

6. Home state products used for promotional purposes.

7. Political contributions otherwise reported to the FEC.

8. Honorary degrees.

EXEMPTION FOR FOOD AND MATERIALS AT CERTAIN EVENTS

Clients (but not lobbyists) could provide food and materials to Members and staff at the following types of events:

1. Broadly attended events.—Conventions, conferences, symposia, receptions and similar events.

2. Smaller events.—Bona fide meetings of organizations, provided that the value of the food does not exceed $20.

Neither of these exemptions would apply to expenses for travel or lodging; entertainment collateral to an event; meals other than those in a group setting to which all attendees are invited; a concert, play, motion picture, sporting event or similar public entertainment event; a conference, retreat or similar event for or on behalf of Members and/or staff that is sponsored by an official congressional organization; or an event that is hosted or cohosted with, or in honor of, a Member of Congress or staff.

OTHER PROVISIONS

1. Notification to Members and staff.—Lobbyists would have to notify recipients of any expenditure required to be disclosed in their lobby reports within three weeks of the expenditure. Lobbyists could not include in their report any item that has been returned within 30 days of receipt.

2. Penalties.—Violators would be subject to penalties in accordance with S. 349, the Lobbying Disclosure Act, as approved by the Senate, which provides for fines of up to $200,000 for serious offenses.

3. Regulations.—The President or his designee would be directed to promulgate final regulations to implement the provisions no later than one year after the date of enactment.

4. Study.—A study would be conducted after 18 months to evaluate the bill and to identify any significant problems which may have arisen in its implementation. The study could also include recommendations for statutory changes.

5. Effective Date.—The bill would be effective one year after the date of enactment.•

STRENGTHEN THE LOBBYING DISCLOSURE ACT IN CONFERENCE

• Mr. WELLSTONE. Mr. President, several weeks ago Senator LAUTENBERG and I announced our intention to offer an amendment on the Senate floor soon that would impose tough new restrictions on gifts from lobbyists and their clients.

Following a week of discussions on timing and procedure with the Senate Democratic leadership, a unanimous-consent agreement was reached which provided for Senate floor consideration of our proposal, or a committee-re-

ported alternative, by May 4, 1994. Since our goal all along has been to get a straightforward vote on our legislation as soon as possible, we agreed to introduce it as a separate bill (S. 1935) on March 16, to be considered under the expedited timetable above.

Yesterday, the House passed overwhelmingly its version of the Lobbying Disclosure Act after months of contentious discussion about various of its provisions. While the bill does ban certain gifts and other financial benefits from lobbyists, there are still a number of significant loopholes in it which need to be closed. Our bill is designed to close those loopholes, and we are hopeful that the Senate will have a chance to act on it before a House-Senate conference on the Lobbying Disclosure Act. I was encouraged to read in the papers today that certain key House conferees, appointed yesterday, expect that the bill will be strengthened in conference. I will work to ensure that result.

I ask unanimous consent that a brief comparison of the House and Senate gift provisions of S. 349, a copy of a "Dear Colleague" letter circulated yesterday by myself, Senator FEINGOLD, and Senator LAUTENBERG, and two recent editorials from the New York Times on the legislation, be included in the RECORD along with my statement.

I am hopeful that the Senate Governmental Affairs Committee will approve and report to the floor legislation similar to S. 1935; I intend to continue to work with Subcommittee Chairman LEVIN and Chairman GLENN to ensure enactment of the most thoroughgoing reform legislation possible.

I believe that the Senate should have acted on this issue last year, as it voted virtually unanimously to do in May, 1993. Now that the House has acted on its version, the Senate should express its will on the important policy implications of the gift ban—on the substance of which it has never voted—before the conference committee completes its work on this important measure.

My goal has always been to impose a tough and comprehensive ban on gifts and other financial benefits from lobbyists and their clients, and to require strict disclosure of those few benefits which are not covered by the ban. I urge my colleagues to join in this important political reform effort by cosponsoring S. 1935.

The material follows:

[From Common Cause, March 1994]

LAUTENBERG/WELLSTONE GIFT REFORM LEGISLATION—STRENGTHENING THE GIFT REFORM PROVISIONS IN H.R. 823, AS REPORTED BY THE HOUSE JUDICIARY SUBCOMMITTEE

I. TRAVEL

Problem with H.R. 823: Allows lobbyists to continue to pay for Members' travel for golf and tennis vacation trips; allows lobbyists to pay for travel of spouses and others.

Lautenberg/Wellstone: Prohibits travel-related reimbursements from anyone for recreational trips such as golf, tennis, skiing and similar trips; prohibits reimbursement from a lobbyist for any other trip that is not publicly disclosed in advance in the Congressional Record; prohibits reimbursements for recreational activities while on those trips that are allowed; prohibits reimbursements for expenses for Members' spouses and family members.

II. MEALS AND ENTERTAINMENT

Problem with H.R. 823: Allows executives or other employees of a registered organization which employs or hires a lobbyist to use the organization's money to pay for meals and entertainment for Members and their staffs. For example, a vice president of a corporation registered under the new lobby disclosure law could make undisclosed expenditures of the corporation's funds for meals and entertainment for a Member of Congress and could do so even if the corporation's registered lobbyist took part in the event.

Lautenberg/Wellstone: Bans lobbyists and their clients from providing meals and entertainment, with an exemption allowing clients to provide food at broadly attended events or at meetings of organizations subject to a $20 cap on the cost of food.

III. CHARITABLE CONTRIBUTIONS

Problems with H.R. 823: Does not require disclosure by lobbyists of the recipient organization receiving charitable contributions given on behalf of Members unless that organization is controlled or maintained by a Member.

Lautenberg/Wellstone: Prohibits lobbyists from giving charitable contributions to entities maintained or controlled by a Member or to any entity on behalf of a Member; requires lobbyists to disclose any charitable contribution solicited by congressional staff (which is allowed only if the recipient organization is not maintained or controlled by a Member).

IV. GIFTS GIVEN TO MEMBERS ON BASIS OF PERSONAL FRIENDSHIP

Problem with H.R. 823: Lobbyists have publicly indicated the personal friendship exemption could be used as a means to continue to provide gifts and other financial benefits to Members and to do so without disclosing them.

Lautenberg/Wellstone: Clarifies that a gift or other financial benefit given by a lobbyist to a Member or staff does not meet the test for the personal friendship exemption if a lobbyist uses a firm's expense account to pay for the gift or if a lobbyist charges fees to the client for the propose of compensating him/herself for the cost of an item.

Requires disclosure by a lobbyist of any gift or other financial benefit that is given to a Member on the basis of a claim of personal friendship.

V. OTHER STRENGTHENING CHANGES

Prohibits lobbyists from financing congressional retreats or conferences, or events hosted or cohosted by or in honor of Members;

Prohibits lobbyists from contributing to the legal defense funds of Members;

Prohibits lobbyists and clients from using the funds of a PAC with whom they are affiliated to pay for Members' food and attendance at events.

U.S. SENATE,
Washington, DC, March 22, 1994.

DEAR COLLEAGUE: We have introduced legislation, S. 1935, to prohibit lobbyists and their clients from providing gifts, meals and recreational trips to Members of Congress and congressional employees. The bill will be considered by the full Senate no later than May 4, and we would welcome your cosponsorship.

Of course, none of us believes that Members are selling their votes. However, free meals, free vacations and other gifts often do ensure access—access to Members that generally is not available to ordinary Americans.

Polls continue to demonstrate clearly that public trust in Congress is at an historic low, and the demand for political reform is very high. In part, this is because many Americans believe that special interests have a firm grip on the legislative process, and therefore on the products of that process. Helping to restore the trust and confidence of Americans in the legislative process is the primary goal of this effort.

Our bill would put an end to most meals, gifts, and recreational trips provided by lobbyists or their clients. However, we include reasonable exceptions designed to ensure that the restrictions are not overly burdensome on organizations that hire lobbyists, and to ensure that Members can continue to meet their representational obligations. For example, organizations that hire lobbyists still could provide meals at broadly-attended events such as legislative conferences, banquets, and receptions. In addition, there is an exemption from the gift ban for lobbyists and clients who are family members or personal friends of Members or staff. Other exceptions are noted in the attached summary.

Last May, the Senate went firmly on record in favor of tightening the rules in this area by the end of 1993. It's long past time to act.

We hope you will support the bill. If you have any questions, or would like to cosponsor, please let us know, or have your staff contact Bruce King (Sen. Lautenberg) at x49712, or Colin McGinnis (Sen. Wellstone) at x45641.

Sincerely,

PAUL WELLSTONE.
FRANK R. LAUTENBERG.
RUSSELL D. FEINGOLD.

[From the New York Times, Mar. 8, 1994]

AN HONEST GIFT BAN

At the urging of Senator Frank Lautenberg of New Jersey, the Senate approved a resolution last May committing the chamber to strict new curbs, by the end of 1993, on gift-giving by lobbyists to members of Congress. The deadline passed, but last week Mr. Lautenberg served notice that he was ready to push the matter. That is a promising development for Congressional ethics reform.

Mr. Lautenberg and another strong critic of the unseemly financial ties between lobbyists and lawmaker, Senator Paul Wellstone of Minnesota, made public an amendment they will offer to bar the free meals, resort vacations and other life style enhancers that powerful interests now bestow on members, hoping to buy legislative advantage.

The faint-hearted among their colleagues may not be pleased. But Messrs. Lautenberg and Wellstone have done a real public service by putting forward an honest measure that could move Congress to a higher moral plane.

The measure exposes the major weaknesses in the House's pending gift ban bill, sponsored by Representative John Bryant of Texas. The problem with that bill, as the accompanying chart suggests, is that it is too9 permissive to do much good.

The reason for the House's timidity is depressingly clear. Many House members have

grown accustomed to a life on the dole, and recoil at the idea of giving up their lobbyist-financed golf and tennis outings. House Democrats, who do not normally go out of their way to satisfy the Republican minority, now have Representative Vic Fazio of California conferring with the minority whip, Newt Gingrich, to try to agree on new gift limits.* * *

What both sides seem to be looking for is bipartisan cover for not seem to be looking for is bipartisan cover for not strengthening the Bryant bill.

By moving their measure swiftly in the Senate, Senators Lautenberg and Wellstone will make it much tougher for House leaders to pull a fast one by passing the weaker Bryant bill and claiming a victory for reform. Much as many lawmakers would like to deny it, the public stakes are high. "When lobbyists take a senator to dinner, they're not just buying a meal, they're buying access," observes Mr. Lautenberg. "And access is power."

THE GOLF CLUB SURVIVES

Senator Orrin Hatch has some good news. Tennis, he announced in a recent letter to Congressional colleagues, has been added to the list of activities at the Utah Congressional Golf Challenge, an annual sporting event to which Mr. Hatch plays host in his home state.

Like other such junkets taken in the guise of helping charity or Congressional business, this is a chance for lawmakers to enjoy an expenses-paid vacation at a luxury resort courtesy of big corporate sponsors, whose lobbyists and executives get to play right alongside the House and Senate members. These corporations, of course, care less about golf and tennis than forging personal ties that can help with legislation.

Mr. Hatch's tournament was not mentioned yesterday when the House debated gift-giving to members of Congress, which is too bad. The popular outing points to a critical flaw in the new gift restrictions pushed through by House Democrats who are now loudly proclaiming a victory for ethics.

Some victory. The bill, crafted by John Bryant of Texas to placate the peripatetic and bipartisan House Golf and Tennis Caucus, and shepherded to a lopsided victory by Vic Fazio of California, would not prohibit Mr. Hatch's sporting junket. A loophole-marred provision would bar lobbyists from picking up the tab for lawmakers' meals and entertainment. But the corporate executives who hire the lobbyists could continue to bestow these benefits without the embarrassment of disclosure.

It speaks volumes about the state of Congressional ethics that House Republicans, most of whom ended up voting for yesterday's gift measure, initially balked at accepting even these deficient changes. Democratic leaders, meanwhile, happily latched onto that reluctance as an excuse for not strengthening the Bryant bill.

Realistically, the hope for strong gift reform now rests with the Senate. A tough gift ban measure recently proposed by Senators Frank Lautenberg of New Jersey and Paul Wellstone of Minnesota provides a real chance to change Congress's lobbyist-subsidized life style. It would forthrightly ban gifts of recreational travel, meals and other dubious financial benefits bestowed by lobbyists and the companies who employ them in an effort to influence legislation.

The Lautenberg proposal is now before the Senate's Governmental Affairs Committee, which, under an agreement with the Senate majority leader, George Mitchell, has until April 27 to act on the issue. Floor consideration is assured no later than May 4. The Senate's Democratic leadership should wait until the Senate's gift provisions are acted upon before scheduling a conference with the House.

Prompt action by the Senate on an honest gift reform bill would expose the House bill for the inadequate response it is. It could also force club- and racket-wielding lawmakers, kicking and screaming, onto higher ethical ground.•

BRUCE J. BRUMFIELD ELECTED PRESIDENT, NATIONAL COTTON COUNCIL

• Mr. COCHRAN. Mr. President, I would like to take this opportunity to inform the Senate that a very distinguished agricultural leader from Mississippi has been selected to be the 43d president of the National Cotton Council. Bruce J. Brumfield of Inverness, MS, was elected to this position by the National Cotton Council's board of directors during their annual meeting. This organization represents all of the major segments of the U.S. cotton industry, which includes producers, ginners, warehousemen, merchants, crushers, cooperatives, and manufacturers.

Prior to his election, Bruce was serving as chairman of the National Cotton Council's Farm Program and Economic Policy Program Committee. He has also served as chairman of the organization's Technical Committee and Producer Steering Committee.

A longtime cotton producer, Bruce is a partner in Brumfield Plantation and FTB Farms. While his farming operation deals primarily in cotton production, he also produces soybeans, catfish, and wheat.

Bruce is a past president of Delta Council, having served from 1981 to 1982. The following year, he served as chairman of the Delta Council Executive Committee, comprised of all the past presidents of Delta Council. He currently serves as vice-chairman of the Delta Council Farm Policy Committee.

In addition, he is past president of the Mississippi Cattlemen's Association and serves on the boards of directors of Staplcotn; People's Bank of Indianola; Delta Pride Catfish and Delta Western, Inc. of Indianola; Delta Industries in Jackson; Mississippi Chemical Corp. in Yazoo City; and Bell, Inc. of Inverness. He is also vice-president and a board member of Duncan Gin, Inc. in Inverness.

A graduate of Mississippi State University, he received a bachelor of science degree in animal science. He and his wife, the former Margaret Harris Swayze, have four sons: Bruce, Jr., Harris, Frank, and Hardy. They have two grandsons, Parker and Swayze, and two granddaughters, Meredith and Alexandria.

As we address the numerous challenges for U.S. agriculture and prepare for the 1995 Farm Bill, it is very reassuring that someone of Bruce's outstanding abilities and talents will be providing leadership for the National Cotton Council.•

SIMON/PRYOR/BOND AMENDMENT REGARDING IRS

• Mr. GRASSLEY. Mr. President as the ranking Republican on the Finance Subcommittee that has oversight of the IRS, I have expressed reservations about the Department of Treasury's proposal for additional IRS, agents.

However, I believe the compromise that Senator PRYOR, who is the Chairman of the IRS Oversight Subcommittee, has negotiated with Senators SIMON and BOND alleviates many of my concerns.

My first point is that this proposal should be on-budget. Placing these new agents off-budget is furthering a bad precedent.

Along with my budgetary concerns, I am concerned about the merits and need for an increase in IRS agents.

The IRS has seen a personnel increase of nearly 33 percent since 1982 from 80,000 to approximately 120,000. This is a bigger increase than any other agency or department except the Department of Defense.

Now the IRS wants a further increase in personnel. The agency claims that more revenues can be had. I would suggest that the IRS should give greater consideration to realizing these additional revenues through a reallocation of IRS priorities for auditing. There has been no independent review of the IRS's claims for increased revenues by increasing agents.

It should be noted that the IRS is proposing a 4 percent increase in staff that will at best only increase revenues by .001 percent over five years.

The compromise agreed to goes some way in alleviating my concerns. The amendment will require CBO to verify that the additional IRS agents will, at least, raise more revenue than they cost.

More importantly, the amendment requires that the new taxpayers bill of rights II must be law before funds are made available in fiscal year 1996. I worked closely with the Senator from Arkansas in passing the original taxpayers bill of rights. I look forward to continuing our work on the new bill this year. This legislation will provide further protection and fair treatment of taxpayers.

I congratulate my colleagues Senators. PRYOR, SIMON, and BOND for their well-intentioned efforts and look forward to working closely with them on this matter during conference.•

The PRESIDENT pro tempore. The Chair would inquire whether or not there are further requests in light of the order previously entered?

Mr. FORD. Mr. President, that completes our agenda at the moment. I believe the hour of 11 o'clock has arrived. We are going to recess for a few minutes.

ORDER OF PROCEDURE

Mr. CRAIG. Mr. President, prior to recess, could I make a brief statement in relation to the proceedings of the evening?

The PRESIDENT pro tempore. Is there objection? How much time would the Senator require?

Mr. CRAIG. I would require about 3 minutes.

The PRESIDENT pro tempore. Is there objection? The Chair hears none.

The Senator will proceed for 3 minutes.

THE PROCEEDINGS OF THE EVENING

Mr. CRAIG. Mr. President, I know many Senators are being inconvenienced tonight by having to come back to vote on invoking cloture on the conference report to H.R. 1804. However, I want Senators to know that Senator HELMS—starting about 3 p.m. today—offered to forgo the need for the cloture vote tonight and allow a vote on final passage of this conference report if those on the other side would agree to a unanimous consent agreement to postpone the stalemate on the issue of school prayer a month or so from now until the Senate takes up H.R. 6, the Elementary and Secondary Education Reauthorization Act, or its Senate companion, S. 1513.

Senator HELMS proposed to limit amendments to H.R. 6 on the issue of school prayer to a single unamenable first degree amendment for each side. Senator HELMS would be limited to offering the language of the Helms-Lott school prayer amendment and his opponents would be limited to offering either the language from the Danforth or Levin amendments adopted by the Senate on Feb. 8, or the Williams school prayer language that was substituted for the Helms-Lott language in this conference report. The Helms-Lott amendment would have been voted on first.

The other side refused to accept this UC proposal—and the opportunity to avoid Senators having to come back for this vote—because they wanted to be able to come up with new language on the issue of school prayer that no one has seen yet, and because they did not want the Helms-Lott language to be voted on first.

Had the other side been willing to accept the UC offered by Senator HELMS earlier today, the school prayer debate would have been frozen exactly where it is on this bill and transferred to the debate on H.R. 6, and this conference report could have been passed so that Senators would not have had to come back at all tonight to vote on cloture. They could have stayed home.

I do not understand why the other side would not agree to postpone the school prayer debate in this way until the Senate takes up H.R. 6. So I just wanted to note that it is in my opinion the other side that ultimately forced this debate in its unwillingness to accept the unanimous consent that was offered by Senator HELMS this evening.

Let me also ask unanimous consent that the text of the unanimous-consent, as it was presented, become a part of the RECORD.

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

I ask unanimous consent that when the Senate considers the Elementary and Secondary Education Bill, S. 1513, or its House companion, H.R. 6, that the only amendments or motions dealing with the subject of prayer in schools be a first degree amendment to be offered by Senator HELMS, which is the exact language as adopted on H.R. 1804, in the Senate on February 3, and one first-degree amendment consisting of the exact language of the Levin amendment adopted by the Senate February 8, or the exact language of the Danforth amendment adopted by the Senate on February 8, or the exact language of the Williams amendment offered on the House floor during consideration of H.R. 6, to be offered by Senator KENNEDY, that no amendments be in order to either amendment and that no tabling motions be in order with respect to either amendment and that a rollcall vote occur first on the Helms amendment.

I yield the remainder of my time.

RECESS UNTIL SATURDAY, MARCH 26, 1994, AT 12:01 A.M.

The PRESIDENT pro tempore. Under the previous order, the Senate will stand in recess until the hour of 12:01 a.m., Saturday March 26.

Thereupon, the Senate, at 11:03 p.m., recessed until Saturday, March 26, 1994, at 12:01 a.m.; whereupon, the Senate reconvened when called to order by the Presiding Officer (Ms. MIKULSKI).

GOALS 2000: EDUCATE AMERICA—CONFERENCE REPORT

The Senate continued with the consideration of the conference report.

CLOTURE MOTION

The PRESIDING OFFICER. Under the previous order, the clerk will report the motion to invoke cloture.

The assistant legislative clerk read as follows:

CLOTURE MOTION

We, the undersigned Senators, in accordance with the provisions of Rule XXII of the Standing Rules of the Senate, hereby move to bring a close to the debate on the Conference Report accompanying H.R. 1804, Goals 2000: Educate America.

George Mitchell, Barbara Mikulski, David Pryor, Carl Levin, Edward M. Kennedy, Dennis DeConcini, Jeff Bingaman, Patrick Leahy, Paul Wellstone, Daniel K. Akaka, Wendell Ford, Harris Wofford, Paul Simon, Christopher Dodd, J. Lieberman, John F. Kerry, Dianne Feinstein, John Glenn.

CALL OF THE ROLL

The PRESIDING OFFICER. Pursuant to rule XXII, the Chair now directs the clerk to call the roll to ascertain the presence of a quorum.

The legislative clerk called the roll, and the following Senators answered to their names:

[Quorum No. 1]

Boxer	Hatch	Murray
Burns	Hatfield	Nunn
Byrd	Inouye	Reid
Chafee	Kempthorne	Rockefeller
Cochran	Kennedy	Sarbanes
Dorgan	Kerrey	Sasser
Durenberger	Leahy	Shelby
Feingold	Mikulski	Thurmond
Feinstein	Mitchell	Wellstone
Ford	Moseley-Braun	
Grassley	Moynihan	

The PRESIDING OFFICER. A quorum is not present.

The clerk will call the names of the absent Senators.

The legislative clerk resumed the call of the roll.

Mr. MITCHELL. Madam President, I move to instruct the Sergeant at Arms to request the presence of absent Senators, 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.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Maine. The yeas and nays have been ordered and the clerk will call the roll.

Mr. FORD. I announce that the Senator from South Carolina [Mr. HOLLINGS], the Senator from Louisiana [Mr. JOHNSTON], and the Senator from Connecticut [Mr. LIEBERMAN], are necessarily absent.

Mr. DOLE. I announce that the Senator from Utah [Mr. BENNETT], the Senator from Maine [Mr. COHEN], the Senator from North Carolina [Mr. FAIRCLOTH], the Senator from Texas [Mr. GRAMM], the Senator from North Carolina [Mr. HELMS], the Senator from Mississippi [Mr. LOTT], the Senator from Arizona [Mr. MCCAIN], the Senator from Alaska [Mr. MURKOWSKI], the Senator from Wyoming [Mr. SIMPSON], the Senator from New Hampshire [Mr. SMITH], the Senator from Alaska [Mr. STEVENS], the Senator from Wyoming [Mr. WALLOP], and the Senator from New Hampshire [Mr. GREGG], are necessarily absent.

The result was announced—yeas 75, nays 9, as follows:

[Rollcall Vote No. 84 Leg.]

YEAS—75

Akaka	Boren	Bryan
Baucus	Boxer	Bumpers
Biden	Bradley	Burns
Bingaman	Breaux	Byrd

Campbell	Grassley	Moseley-Braun
Chafee	Harkin	Moynihan
Cochran	Hatch	Murray
Conrad	Hatfield	Nunn
Coverdell	Heflin	Packwood
D'Amato	Hutchison	Pell
Danforth	Inouye	Pryor
Daschle	Jeffords	Reid
DeConcini	Kassebaum	Riegle
Dodd	Kennedy	Robb
Dole	Kerrey	Rockefeller
Domenici	Kerry	Roth
Dorgan	Kohl	Sarbanes
Durenberger	Lautenberg	Sasser
Exon	Leahy	Shelby
Feingold	Levin	Simon
Feinstein	Lugar	Specter
Ford	Mathews	Thurmond
Glenn	Metzenbaum	Warner
Gorton	Mikulski	Wellstone
Graham	Mitchell	Wofford

NAYS—9

Bond	Craig	McConnell
Brown	Kempthorne	Nickles
Coats	Mack	Pressler

NOT VOTING—16

Bennett	Hollings	Simpson
Cohen	Johnston	Smith
Faircloth	Lieberman	Stevens
Gramm	Lott	Wallop
Gregg	McCain	
Helms	Murkowski	

So the motion was agreed to.

The PRESIDING OFFICER. A quorum is present.

Mr. DOLE. Madam President, the American inventor, Charles Kettering, once said that "if you want to kill any idea in the world today, get a committee working on it." Unfortunately, those words still ring true today, and help explain why Goals 2000 cannot bring needed education reform.

Like many Americans, I am concerned about the quality of education and believe that improvement must take place. The Goals 2000 measure could have been strengthened by providing families with a greater choice of educational opportunities, by slashing bloated bureaucracies that take educational dollars way from classrooms, and by freeing schools from excessive Federal mandates so that teachers can concentrate on improving academics.

With that said, it is proper for Congress to set high educational goals and standards for American students. But the real work should be left to the dedicated community members, teachers, and parents. They know best how to accomplish these goals. If Congress usurps local control through mandates, which Goals 2000 does, I am afraid history will tell us we do more harm than good.

KEY PROBLEMS WITH GOALS 2000

Impact of Goals 2000 will be negligible. Some say that Goals 2000's $400 million Block Grant Program will provide leverage for needed reform. Now that's a lot of money. But let's face it, this amount represents less than one-half of one percent of State primary and secondary education budgets. If reform is so cheap, why hasn't increased education spending over the last decade improved academics?

Pay for what is due, before you start something new. For far too long, Congress has shirked its obligation to help educate disadvantaged youth. For instance, last Wednesday a few of my colleagues rightly pointed out that we have not made good on our commitment to cover 40 percent of the cost to educate children with disabilities. In effect, we short changed our Nation's schools by $8 billion this year.

But instead of getting our fiscal house in order, the Senate has gone on an education spending spree in the last year. And none of it was paid for. It is time to set our priorities and stick with them. If we don't, we will be forced to cannibalize the very programs that help disadvantaged students most.

Now don't get me wrong. I support spending money for education. But if we had kept our promises, schools would have had more resources to pay for needed reforms.

Fear that Goals 2000 will lead to Federal intrusion into local education policy making. Throughout this debate, it has been emphasized time and time again that Goals 2000 participation is voluntary. While this may be true, we all know that the House wanted to use the upcoming reauthorization of the Elementary and Secondary Education Act to force the States to participate in Goals 2000 or face more stringent requirements. And the States would have had to go along if they were to remain eligible for chapter 1 funding. Now that may not be a mandate in name, but it has the same effect.

Madam President, while the intend behind Goals 2000 was good, it will not bring reform. For schools to succeed, we must look beyond Washington to our hometowns, to our classrooms, and to our families. It is there that actions, not words, will bring about necessary reform.

Mr. DANFORTH. Madam President, I, too, rise to express my opposition to the conference report accompanying Goals 2000: Educate America Act.

I have been a strong supporter of education and of the Federal Government's efforts to improve the educational system of our country. I firmly believe that without a well-educated and well-trained work force, not only does our country jeopardize its competitiveness with other countries but also fails to fulfill the obligation to provide equal opportunity for all.

Like many of my colleagues, I am concerned that many of our Nation's youth leave school ill-prepared to become productive and self-sufficient citizens. Reform of our public education is essential. The question, however, is how such reform should proceed.

I support many provisions contained in this legislation and voted in favor of the Senate version of the bill. I especially favor the notion of setting high standards and expectations for our Nation's youth and our schools, without them we will be unable to realize our fullest potential.

I do not favor burdensome Federal bureaucracies which may serve to impinge on reform efforts rather than facilitate such endeavors. The creation of partnerships among the Federal Government, States, and local educational agencies to assist in this regard is laudable. The partnership must not be one in which Federal requirements stifle creativity or flexibility at the local level. These elements must be maintained.

I also share the concern voiced by many others with respect to the inclusion of opportunity-to-learn standards. The inclusion of such standards increases the likelihood of litigation with regard to school financing and equity issues. I do not share the view that increased spending will necessarily insure better performance and achievement on the part of students. The distribution of resources with regard to school financing is a matter of local concern and one in which the Federal Government should not be enmeshed.

For these reasons, I will vote in opposition to the conference report.

Mr. BURNS. Madam President, I rise today in opposition to the Goals 2000 conference report.

There are some very positive provisions in this bill—for example, technology in education, increased professional development.

But there are several reasons just as compelling why I cannot support this measure.

First, I have a real problem with the new Federal bureaucracies that are created in this bill.

These bureaucracies are charged with approving or disapproving content standards, certifying opportunity to learn standards and performance standards, and writing reports.

These bureaucracies will cost the taxpayers $3 million apiece in the first year alone, to operate.

I see from the conferenced bill that the National Education Standards and Improvement Council [NESIC] is not a bipartisan panel. The President appoints seven people at the suggestion of the Secretary of Education. Twelve others are nominees from the Speaker of the House, the Senate Majority Leader, and from the Goals Panel.

It is my reading of this language that there is no requirement for bipartisanship.

I also concur with the comments made by my colleague from Kansas, Senator KASSEBAUM, about the fine line between voluntary and mandatory.

The word voluntary appears in this bill many times. Voluntary performance standards, submitted voluntarily, voluntary content standards.

Yes, indeed—participating in Goals 2000 is voluntary. But then, so is participating in the National Highway

Program. I think there are a lot of parallels between these two programs.

States do not have to take money from the highway trust fund. But only States that voluntarily comply with the requirements from Congress can get the money.

My colleagues will remember the tussle that took place when the Government required speed limits of 55 miles per hour. States that didn't comply would lose their highway money. Guess who won?

I just know that bureaucracy is an animal that is hard to control. Given an inch, they'll take a mile.

Another area of concern to me is the focus on what goes in, rather than what comes out. I am speaking specifically of opportunity to learn [OTL] standards.

OTL standards are the inputs needed to give all students the chance to learn. On a generic level, I think people agree that students need certain inputs—a teacher, a classroom—to learn. But who defines these inputs?

Inputs could be extended to any number of areas, including school building standards, spending per pupil, or class size. In fact, I see on page 47 of the bill that the national OTL standards submitted to NESIC are to address how well the school's facilities provide opportunity to learn.

I am also disappointed that the conferees did not see fit to include the amendment to the bill that I proposed. This amendment said that nothing in the bill shall be construed to mandate any curriculum framework, instructional material, examination, assessment, or system of assessments for private, religious, or home schools.

There are some who say that this bill will not have any effect on home or private schools. I hope that that is indeed the case.

Montana is a State that is hospitable to those who choose to educate their children at home. In a rural State like mine, in fact, home schooling is sometimes the only practical option.

There are other places where the environment for home schools and religious schools is not so friendly. I just wanted the bill to say clearly that nothing in the bill would have any effect on these folks.

I support efforts to improve our country's schools. I just question the method in this bill. I personally question whether reform can occur simultaneously from the top down and the bottom up.

Reform efforts are being undertaken as we speak without Federal control or interference. I think we should encourage it as much as possible. But we need to trust parents and schools to work out their own solutions without the heavy hand of the Government.

I also must say that I have a real, serious problem with the way that my colleague from North Carolina's amendment to this bill was handled in the conference.

To me, it was crystal clear that the guidance from the House was to accept the Helms amendment. And the vote on the Helms amendment was 2 to 1 in favor.

Thank you, Madam President. I yield the floor.

Mr. SIMPSON. Madam President, I rise in opposition to the conference report to accompany Goals 2000: Educate America Act. I took a long hard look at the provisions of this most important piece of legislation, and I have concluded that the conferees, in coming up with their final product, have gone beyond the limits which the Senate imposed on the Federal Government's role in the traditional State and local authority over public education.

I supported the Senate version of Goals 2000 because I believed that the bill retained the extremely important element of local authority over the education of our children. I have always strongly supported the power and authority of State education administrations, local school boards and most importantly, parent's rights and responsibilities in the education of their children.

The conference report recites that the bill only has voluntary guidelines and standards to measure the quality, strength, and scope of our children's education. It says it encourages—but does not require—States to develop "State improvement plans," to "enhance" public education.

However, the conferees made a major departure from the Senate's attempt to eliminate mandates. Despite the recitation in the conference report, it is my view that the standards are effectively mandated on State plans. If the State plans do not conform to the Federal approach, States will not receive Federal funds to implement their strategies.

This reminds me of the controversy concerning highway funds and speed limits. We were told then that our States would receive no Federal highway funds unless the speed limits were reduced to 55 miles per hour. I opposed that policy. It may not appear to be a mandate—but it is the Federal Government saying: If you don't do something, you will lose your money. It is intrusive and violates the spirit of the traditional Federal respect for local education authorities.

I am further concerned that at the end of the day we will have spent scarce Federal dollars on collecting a warehouse full of State plans and no progress will be made in reforming our Nation's education system.

What education in our country primarily needs from the Federal Government is not increased "oversight" and intrusion, but encouragement and financial support for locally structured and developed strategies for improvement.

At the very center of this bill are the "goals," and it is important to know how they came to be. In 1989, former President George Bush called on all 50 Governors to work together to identify "goals" for the improvement of our Nation's public schools. Following that, six goals were identified. They were specifically intended to be general in scope in order to allow plenty of room for State and local initiative. I strongly support these goals and that policy.

The goals were intended to be national guidelines and benchmarks and not a foundation for additional unfunded mandates. It is so very important to keep in mind that the Senate version of this bill included absolutely no required compliance with these goals. However, the conference report requires States to establish and include in their State plans strategies for meeting the national education goals.

In the final analysis, what is this legislation all about? The Federal Government has come up with a fairly comprehensive list of what is wrong with the present system. Congress has allocated funds to help solve these problems. However, the funds will only be available to those States who abdicate their traditional role over public education decisions to the Federal bureaucracy in Washington.

That is what concerns me, and why I am going to follow the wealth of experience and great expertise in the education area possessed by Senator NANCY KASSEBAUM, our very distinguished ranking member of the Senate committee with jurisdiction over this bill. I agree with her that the conference report has gone too far. The Senate version of the bill was about as far as I could ever go.

Unfortunately, it is not unusual around here for House conference members to take the driver's seat in a legislative vehicle and steer it too far to the "left" for my tastes. That is what I believe has happened here.

However, I am surely not assessing blame for the conference report on Secretary Richard Riley. I have known him for 15 years. He is a fine man. I am always impressed with his competence, his integrity, and his bipartisan accessibility. But this is a situation on which people of good faith who truly do want to improve public education in America, can have reasonable differences. Senator KASSEBAUM, I, and others of my colleagues disagree with those who believe that this is not a mandate on local school authorities. I oppose the passage of the conference report.

Mr. COHEN. Madam President, I very much regret that I am prevented from casting my vote regarding the conference report to the Goals 2000: Educate America Act.

Early last month, I joined with 70 of my colleagues to support the Senate-

passed version of the Goals 2000 legislation. At the time, I was pleased that the Senate substantially improved the legislation by adding provisions to ensure that the Federal Government would not usurp State control. Education has long been a State and local matter, and I believed that the Senate bill kept it that way.

Were I able to vote, I would support cloture so that we may vote on the conference report. I should note, however, that I am concerned about several aspects of the conference report. Unlike the Senate-passed version of the Goals 2000 legislation, the conference report creates a bigger role for the Federal Government. Because the conference report requires States desiring Goals 2000 money to develop content and performance standards, I am concerned that financially strapped States will be coerced on this matter. If this occurs, the Federal Government will be overstepping its grounds by requiring States to develop content and performance standards.

Notwithstanding these concerns, I continue to believe that it is important for us to set national education goals. I worry about the talk of America's schools and the growing perception that our schools are failing. The Goals 2000 legislation, while not perfect, will help lead our Nation's schools toward improvement.

With my colleagues, I will work to ensure that the Goals 2000 program maintains the traditional role of States and localities in the education arena. I will be watching the implementation of this legislation closely to safeguard against Federal over-reaching.

Mr. PELL. Madam President, it is my understanding that titles I, II, and III of the Goals 2000: Educate America Act are not intended to authorize the imposition of standards on institutions of higher education. I would like to ask the distinguished chairman of the Committee on Labor and Human Resources if he concurs in my interpretation.

Mr. KENNEDY. Madam President, the Senator from Rhode Island is correct. The first three titles of the Goals 2000: Educate America Act are not intended to authorize the imposition of standards on institutions of higher education.

Mr. PELL. I thank the chairman of the committee for clarifying this important matter.

Mr. HARKIN. Madam President, I am pleased to reaffirm my support for Goals 2000: Educate America Act as we consider this conference report. It is critical that the Senate take swift action to pass this conference report so that funds already appropriated can be used to help States and school districts begin the process of improving American education as outlined in this legislation. I urge my colleagues to vote for this report.

This legislation sets eight important education goals for our Nation; establishes voluntary, academic, and occupational standards to make U.S. workers competitive; and provides grants to States and schools districts to implement systemic reform. In addition, the bill calls for the development and adoption of voluntary opportunity to learn standards to ensure all students have a chance to reach the high academic and vocational standards. Participation in this program is voluntary and nothing in this legislation will undermine local and State control of our Nation's schools.

In my January statement, I spoke at length about the importance of making sure that all children start school ready to learn. This bill directs the national education goals panel to support the efforts of its early childhood groups to improve the methods of assessing the readiness of children for school.

The groups are developing a model that calls for valid and reliable data on children's readiness along five dimensions. They have also found that, because the new system they proposed differs substantially from previous assessment efforts, no instruments currently used meet all the needs of the new assessments system. They concluded that existing instruments would have to be substantially modified, and in some cases, new instruments developed. The proposed assessment system is to provide information regarding the collective state of young children that would help guide public policy and not to assess, provide information on, or make decisions regarding individual children or specific programs.

By supporting the work of the goal's panel groups to develop new assessments to meet the needs of its new system, we encourage the improvement of existing early childhood assessments, to meet those other purposes. By deleting references to "norm referenced tests" we wanted to assure that we were not suggesting that any particular assessment or assessment format currently in use may not be appropriate for certain purposes, or prejudging what forms of assessment will eventually prove most effective.

In addition, the legislation is clear that members of the National Education Standards and Improvement Council must meet certain standards to protect against a possible conflict of interest. It is my understanding that staff, consultants, and experts employed by NESIC are also subject to Government ethics requirements as executive branch officers or employees.

As chairman of the Subcommittee on Disability Policy, I would like to comment on the implications this legislation has for students with disabilities.

On July 26, 1990, the Americans with Disabilities Act [ADA] was signed into law. The ADA is an omnibus civil rights law that prohibits discrimination on the basis of disability by, among others, entities providing public and private preschool, elementary, and secondary education.

The ADA is premised on a system of values that forms the basis of our national disability policy. Under the ADA, disability is recognized as a natural part of the human experience that in no way diminishes the right of individuals to live independently, enjoy self-determination, make choices, contribute to society, pursue meaningful careers, and enjoy full inclusion and integration in all aspects of American society.

In short, the ADA established the basis for a national policy that focuses on the inclusion, independence, and empowerment of individuals with disabilities.

The ADA has provided the Nation with the impetus to reexamine how it is treating individuals with disabilities in all aspects of American life, including public education. At the same time, we are now in the process of reassessing our educational systems for all students. It is therefore critical to include students with disabilities in our nationwide effort to promote systemic educational reform.

Part B of the Individuals with Disabilities Education Act [IDEA] ensures all students with disabilities the right to a free appropriate public education based on the unique needs of the child. Placement decisions must be based on a child's individualized education program [IEP] in which appropriate services are described. To the maximum extent appropriate, children with disabilities must be educated with children who are not disabled. Special classes, separate schooling, or other alternatives for removing children with disabilities from regular educational environments should only occur when the nature or severity of the disability is such that education in regular classes with the use of supplementary aids and services cannot be achieved satisfactorily.

The promise of part B of IDEA is consistent with the precepts of the ADA. Reports issued by the U.S. Department of Education and others indicate that in certain respects the promises of part B of IDEA have been realized for many students with disabilities. For example, the number of preschool students receiving a free appropriate public education has increased from 266,000 to 433,000 since 1986.

In far too many other cases, however, the lack of or improper implementation has resulted in little progress. For example, data contained in the Department of Education's "Fourteenth Annual Report to Congress" indicate that little, if any, progress has been made in ensuring that children who can benefit from education in the regular class, with necessary supplementary aids and services, are in fact receiving such an education.

In far too many districts around the country, two separate educational systems have developed with little or no coordination—one system for regular or general education and a separate and distinct system for special education. This isolation and lack of coordination creates artificial barriers to achieving the promise of part B of the IDEA, the ADA and section 504 of the Rehabilitation Act of 1973.

I believe this legislation sends the clear and unequivocal message that the Goals 2000: Educate America Act is fully consistent with the ADA and implements the values and precepts of the ADA in the context of education reform. This legislation is fully consistent with and complements the spirit and intent of part B of IDEA and section 504 of the Rehabilitation Act of 1973.

Goals 2000: Educate America Act is expected to serve as a vehicle for making the promise of IDEA's part B a reality for all students with disabilities. Therefore, under this legislation, students with disabilities, including lesser known and newly emerging disabilities and students with significant and multiple disabilities, must be an integral part of all aspects of education reform. This includes the application of the national education goals and objectives, the establishment of national and State content, performance, and opportunity-to-learn standards and the use of assessments and assessment systems.

The exclusion of individuals with disabilities from any aspect of State or local education reform is unacceptable. This means that students with disabilities are entitled to the same high expectations, treatment, and leadership offered to their nondisabled peers.

An important part of this legislation is the development and adoption of assessments. The legislation calls for the certification of assessment systems that include other measures and requires assessments to provide accommodations and adaptations to enable full participation by all students.

An assessment system which does not rely on a single assessment is important for all students, but it is vital for students with disabilities. Likewise, the provision of appropriate accommodations or adaptations is important for all students, but is critical for students with disabilities.

There is evidence of considerable exclusion of students with disabilities from national and State data collection programs. Research conducted by the National Center for Education Outcomes at the University of Minnesota has found that 12 States currently include fewer than 10 percent of students with disabilities in their assessments while 21 States include fewer than half of these students. It is estimated that the National Assessment for Educational Progress excludes 50 percent of students with disabilities.

We know that students with disabilities can successfully be included in a system of assessments. For example, in the State of Kentucky 98 percent of all students participate in the regular assessment provided to nondisabled students and the remainder participate in alternative portfolio assessments which permit student to demonstrate their educational proficiency by other means, including real life activities such as communication with peers, using community supports, maintaining friendships with nondisabled peers, and demonstrating actual work experience.

It is also possible that accommodations may be required and should be provided. These accommodations may include such things as extended time limits, testing a student in a separate room, large print or braille versions of assessments, or use of a reader, scribe, sign language interpreter, or technology. Generally, a student should be provided the same accommodations in assessment that are provided in instruction.

It is critical to ensure that all students are part of a State assessment system and are included in assessment reports. The system must facilitate and in no way impede this participation.

Madam President, this is sound, progressive, legislation that will enhance the backbone of our society—the education of our children. I urge its speedy adoption.

Mr. HATFIELD. Madam President, I am pleased to add my voice in support of passage of the conference report to accompany S. 1150, the Goals 2000 legislation. While I share some of the reservations expressed by my colleagues regarding this bill, I believe in balance it represents an opportunity for States across this country to engage in systemic school reform. My State welcomes this challenge, actively supports Goals 2000, and looks forward to the opportunity to enhance their ongoing reform efforts with a Federal compliment.

This legislation includes two pieces of legislation that I have held near and dear to my heart for several years. The bill embraces a new National Education Goal—Goal Number Eight—focused on the involvement of parents and families in education. I was pleased to introduce legislation earlier this Congress, S. 1118, calling for increased participation by families in the education process. This goal sets the foundation for achieving the other National Education Goals and I, for one, will consider starting from the back of the list when reading the goals in priority order. Goal number eight should certainly be goal number one for most educators and their partners all across this country.

In addition, the conference report we are currently considering contains broad provisions for regulatory flexibility in education. These provisions will allow States, local education agencies and schools to seek waivers of Federal regulation so that they may ultimately spend more time in the classroom with our students. This has been a long-fought battle; I would like to take a moment to review the history of education flexibility in the Senate.

In January of 1991, this body voted 95 to 0 to support an amendment I offered to S. 2, the Neighborhood Schools Improvement Act, to establish a demonstration project in education regulatory flexibility. When S. 2 emerged from conference with the House however, it failed to reflect the true intent of my amendment, causing me to vote against the conference report. The conference report never emerged from the Congress.

I then turned to the appropriations process to do what I could to encourage regulatory flexibility. In 1992, language on education flexibility was included by the Senate Appropriations Committee in H.R. 5620, a supplemental appropriations bill providing disaster relief assistance to parts of the country devastated by disasters. Specific provisions were included in that act to allow the Secretary of Education to waive Federal regulations in a variety of education programs in those areas substantially affected by Hurricane Andrew, Hurricane Iniki and Typhoon Omar. In addition, in the 1993 Labor, HHS, Education Appropriations bill, the Senate included report language indicating our support for authorization efforts to enact ed-flex. The Committee directed the Secretary of Education to report on State initiatives in this area prior to the fiscal year 1994 appropriations hearings.

In 1993, I introduced S. 525, legislation to enlarge the scope of my amendment from S. 2 to establish broad flexibility authority. At the same time, the Clinton administration put forward Goals 2000 and included within it major components of S. 525. I held a field hearing of the Senate Appropriations Committee in Oregon on this issue and received testimony from many educators in my State who believe in the innovation which flexibility will afford their reform efforts. In addition, I joined Senators KENNEDY and KASSEBAUM in requesting a report by the General Accounting Office on the efforts in regulatory flexibility currently ongoing across the country.

This February, when S. 1150 came to the floor, I applauded the ed-flex provisions included in the legislation and joined with Senator DURENBERGER to establish an additional ed-flex demonstration program which would essentially grant six States the authority to waive Federal regulations in concert with waiving State regulations—all with the same goal of enhancing systemic reform efforts. The demonstra-

tion amendment, which I refer to as "ed-flex plus" passed the Senate by vote of 97–0. During conference with the House, this amendment survived nearly intact. The final language included in the conference report makes this demonstration, entitled the "Education Flexibility Partnership Act," permissive, rather than mandatory.

I had the opportunity to raise this issue on Tuesday of this week when Secretary of Education Richard Riley appeared before the Labor, HHS, Education Subcommittee of the Senate Appropriations Committee. I asked Secretary Riley to describe his level of support for the demonstration and to state for the public record his intentions in terms of its implementation. He told me and the other members of the subcommittee that he is fully supportive of the demonstration and will implement the program.

Finally, 3 years from when we started, our States will be given the opportunity to ask the Federal Government for relief from certain regulations. This is long-overdue and much anticipated by many States, including progressive havens of reform like my own State of Oregon. Our State Superintendent of Public Instruction, Norma Paulus, and her capable staff, Joyce Benjamin, have my unwavering support for their dedication to the vision of education flexibility and the personal attention they have given to this cause.

In addition to the provisions I have outlined, I am pleased that this legislation will support ongoing reform efforts in the States, rather than require new processes and plans. The bill contains language regarding preexisting State plans which permits the Secretary of Education to accept a preexisting State plan as a Goals 2000 reform plan. I worked with Senators KENNEDY and JEFFORDS on this language to ensure that maximum consideration will be given to preexisting State plans. Senator KENNEDY and I engaged in a colloquy on this issue during Senate consideration of S. 1150 and I refer my colleagues to that exchange.

The concerns I have related to this bill regard the compromise on Opportunity-To-Learn standards and the mandatory nature of content and performance standards. I believe all of these types of standards should be voluntary, however, because my State has already addressed most of these issues, I am not willing to oppose this legislation and stand in the way of the rest of Goals 2000 coming to bear in Oregon.

Orienting Federal involvement in education to system inputs rather than outcomes is a slippery slope for us as policymakers. We are bordering dangerously close to dictating educational approaches and environments in the States. We must observe caution in going any further down this path and I will be watching the development of Goals 2000 carefully in this regard to insure that it does not become overly intrusive into the traditional domain of the States in education.

At this point in time I would like to extend my gratitude to the members of the Labor Committee who worked with me on my priorities relating to Goals 2000. I am particularly grateful to Senators KENNEDY, KASSEBAUM, PELL, JEFFORDS, and DURENBERGER. I would also like to thank Ellen Guiney, Lisa Ross, David Evans, Pam Devitt and Susan Heegaard for their tireless efforts to work with my staff on this bill.

I urge the support of my colleagues for passage of this conference report.

Mr. CHAFEE. Madam President, the Goals 2000: Educate America Act is a very important step toward achieving the improvements in education that our Nations children deserve and for which we have been striving for a decade. We have spent far too long focusing on what is wrong with education. This bill encourages States, local education agencies, and individual schools to look at what is right in education and to use that as a model for improvement and reform.

One of the most troubling problems that has plagued many of our Nation's schools is violence. There are children who are literally afraid to go to school because of the presence of weapons on school grounds. Imagine trying to learn in an environment of fear. This bill takes steps to address this unacceptable situation. It includes the Safe Schools Act, as well as my amendment to expand one of the goals to read "By the year 2000, every school in the United States will be free of violence, drugs, and the presence of unauthorized firearms." This is an important step in the right direction.

The role of our schools has changed drastically in the past three decades, and schools have taken on extraordinary new burdens. Today, we are seeing youngsters with learning disabilities; youngsters who don't get enough to eat; youngsters born with a drug or fetal alcohol problem; youngsters from totally shattered families. As a society we expect that our schools will take in these children and help make their lives better through education, and many schools have met these expectations. Yet, we now have an element that makes our work even more difficult; and that element is guns.

Children of all ages, in every State across the Nation, have access to guns. When I was Governor in my State, the worst one might hear of at the schools was a fistfight. A gun incident, or shooting, was unheard of. Rhode Island is not a major urban area. Yet this year we have seen a dozen gun incidents in our schools.

What is the only route for school administrators to take? To ensure the safety of all who are in the school, administrators are forced to divert scarce funds from books to $4,000 metal detectors. In July 1992, 25 percent of the 45 largest school districts were using metal detectors; today, 69 percent are using them.

The Safe Schools amendment authorizes Federal grants to school districts to fight violence in their schools. The money may be used for planning strategies to prevent violence, conducting safety reviews, developing violence prevention activities, providing counseling for victims of violence, and even purchasing metal detectors and other security equipment. This is an important step toward ensuring our schools are safe.

The presence of guns in schools diminishes the work of educators across the country. This bill takes steps to ensure that our heavily burdened schools are free of guns and the violence that results.

I am also pleased to be here this morning to ensure passage of this important legislation because my State of Rhode Island is working very hard to develop the kind of education reform plan that this bill encourages.

The National Education Standards and Improvement Council will develop national opportunity-to-learn standards, content standards, and student performance standards and assessments, but it will be up; to the States to determine the content of their education reform plans and to decide what provisions will be implemented.

This bill takes a bold and positive approach by recognizing that every child has the ability to learn and by taking steps to assure that the tools are available to enable all children to reach their full potential. Setting high standards for teaching and learning and making sure that students have mastered the material presented to them is long overdue.

Earlier, I spoke about the new challenges that face our Nation's schools. As those challenges have increased, parental participation in education seems to have dropped off in many areas. Goals 2000 makes clear that parents play a key role in the education of their children. It seems to me that without parental involvement in education, there will be no real reforms and improvements. This legislation includes a goal that calls upon parents to become partners with their children's schools. Experience has taught us that children whose parents are actively involved in the educational process simply do better in school than children whose parents or families are disengaged.

This bill includes other important provisions related to parental involvement that I cosponsored: the Parents as Teachers Program [PAT] and the Home Instruction Program for Preschool Youngsters [HIPPY]. Both of these programs operate successfully in Rhode Island and across the Nation.

Their purpose is to ensure that all children start school on the right foot.

In sum, Madam President, the Goals 2000 legislation is right in line with reform efforts that are underway in Rhode Island and many other States. Passage of this legislation brings us one step closer to forging a new and constructive partnership between every school, school district, State, and the Federal Government. It is through this partnership that our children will receive the world class education they deserve.

Mr. DORGAN. Madam President, I rise to explain why I will vote for the budget for 1995 now before the Senate. I view this budget as a major achievement, but I will work to improve our financial picture still further. I'd like to let my colleagues know the stand I am taking and why I am taking it.

CONTINUING DEFICIT REDUCTION

The most important thing to note about this budget resolution is that it continues the deficit reduction that President Clinton and Congress began last year. Those of us who voted for the Clinton deficit reduction plan—even though the plan was painful—can take pride in the fact that next year's deficit will be cut by nearly one half from the record deficit of 1992.

If you look at the deficit as a percentage of our economy, which is the most useful way of determining how large the deficit is, you find that we have cut the deficit in half in 3 years. The last administration to cut the deficit 3 years running was that of President Truman.

I do not mean to suggest that we can rest on our laurels. Next year's deficit—at $171 billion—is still too high. And I will mention later some of the further steps I think we can take. But we should remember that the 5-year deficits projected in January 1993 by the Congressional Budget Office have since shrunk by $548 billion. That is a cut of 37 percent. And this budget that we are now considering would make still more cuts.

THE PRESIDENT'S BUDGET REQUEST

Most of these cuts were originally proposed by President Clinton, and I want to salute him for his continuing commitment to cut the deficit.

President Clinton's budget request, submitted to us in early February, contained a domestic discretionary spending freeze. Discretionary spending includes all Federal spending other than interest, Social Security, Medicaid and Medicare, food stamps, and civilian and military retirement. The administration budget did not even request increases to keep discretionary spending level with inflation.

The President proposed to eliminate 115 programs. He also proposed to cut hundreds of programs. And he suggested only one tax increase: on cigarettes, to pay for health care reform.

The President proposed to use some of these savings to make investments in transportation, education, technology, environmental, public health, and community policing programs. Head Start, WIC, worker retraining, and child immunizations all receive substantial increases under this budget. I think these are important investments in our country's future, and I believe they are wisely chosen.

NORTH DAKOTA'S CONCERNS

The Senate Budget Committee has made some changes to the President's budget request. Some of these are very important to the people of North Dakota, so I would like to mention them.

Most importantly, the Budget Committee has gone on record to oppose drastic cuts to the Nation's fleet of B-52 bombers. This is a crucial matter. If the Congress accepts the proposed cut to the B-52 fleet, we will not have enough bombers to handle two regional conflicts. This is the standard for defense capabilities that the Defense Department set for itself in the Bottom Up Review. And the strategic mission of our bomber fleet would suffer as well. The proposed B-52 cut is another example of the Pentagon's tendency to retire weapons systems that still have useful service lives and are combat-proven. The B-1 is not fully operational, the B-2 is not yet online, and yet the administration has proposed B-52 cuts that contradict its own force structure guidelines.

Let me quote the sections of the Budget Committee's report that touch on this question.

The Committee is particularly concerned that the administration chose to recommend a reduction of 30 B-52H bombers when the B-52 is the only reliable and combat-proven long-range bomber in the inventory. The B-52 represents a cost-effective way to retain force structure, and the Committee strongly urges the administration to reassess its recommendation to cut the B-52 force.

I salute the Budget Committee for this statement about the importance of the B-52 bomber. This is my view too. As Congress considers the defense spending bills later this year, I will work to ensure that we not drastically cut the B-52 fleet.

In another area, the Budget Committee recommended restoring $520 million, or 70 percent, of the proposed cut to the Low Income Heating Energy Assistance Program. Everyone knows that North Dakota winters are among the most severe in the country. I want to stress that in North Dakota, this funding will save lives.

The Committee also restored $63 million in funding for Rural Electric Administration loans and loan guarantees. Ever since the 1930's, the REA has helped provide telephone service and electricity to rural America—a part of the country that otherwise might not get that service, and would not be able to afford it as easily.

So I want to acknowledge these efforts by the Budget Committee, and I particularly want to salute the Chairman of the Committee, Senator SASSER, for his fine efforts during the Committee's consideration of this budget.

INDIAN AFFAIRS FUNDING

As a member of the Senate Indian Affairs Committee, I am deeply concerned at the cuts that this budget would still impose on Indian affairs funding. The budget before us would cut funding for the Indian Health Services by $247 million, or 12.7 percent, from last year's level. This is a drastic cut to a program that serves a population that is particularly at risk of certain health problems.

Even worse is the proposed cut in Indian Health Service personnel. Under this budget, the IHS would assume 49 percent of the personnel reductions at the Department of Health and Human Services in fiscal year 1995 and 83 percent of the Department's personnel reductions in 1996. When you consider that the IHS accounts for only 2 percent of the total Health and Human Services budget, you realize that these personnel cuts are unfairly skewed.

I look forward to working with my colleagues on the Indian Affairs Committee to correct this proposal as Congress considers this year's spending bills.

FURTHER SPENDING CUTS

Last, I want to make further reductions in other Government spending in order to come closer to balancing the budget. In fact, I voted just last month for a balanced budget amendment, and I voted the month before that, during our rescissions debate, to make $43 billion in spending cuts over the next 5 years. So I think there is more deficit reduction to be done.

One particular area where we can cut further is foreign aid. I support the Clinton Administration's foreign aid reform efforts, but I am concerned that the foreign aid budget is still too driven by military aid considerations. I believe that this is something that Congress should scrutinize closely when we debate the foreign aid appropriations bill.

Second, as Chair of the Senate Governmental Affairs Committee's Special Task Force on Government Waste, I want to let my colleagues know that I will pursue a number of avenues to cut wasteful spending. These include a moratorium on Federal building projects, which is a step that Vice President GORE endorsed in his National Performance Review; a civilian facilities closure commission, which would operate like the base closing commission but would target wasteful civilian facilities; and a cut to overhead spending, which is the first place that a private business in financial difficulty would cut. I want to let my colleagues know that I will act on these issues on the Senate floor.

OVERALL, A GOOD BUDGET

In summary, let me just salute President Clinton and the Senator from Tennessee [Mr. SASSER] on their leadership in proposing this budget. It allows us to continue down the path of deficit reduction that we charted last year. This proposal cuts unnecessary spending, makes targeted investments in needed areas, and addresses many of the needs of my State.

As I have made clear, I do not view it as a perfect budget. In fact, I will work to change some of its recommendations. But on balance it is a good budget, and I will therefore vote to approve it.

I thank the Senator from Tennessee for his courtesy, and I yield the floor.

VOTE

The PRESIDING OFFICER. The question now is, is it the sense of the Senate that debate on the conference report accompanying H.R. 1804, the Goals 2000: Educate America bill, shall be brought to a close?

The yeas and nays are required.

The clerk will call the roll.

The legislative clerk called the roll.

Mr. FORD. I announce that the Senator from South Carolina [Mr. HOLLINGS] and the Senator from Connecticut [Mr. LIEBERMAN], are necessarily absent.

Mr. DOLE. I announce that the Senator from Utah [Mr. BENNETT], the Senator from Maine [Mr. COHEN], the Senator from North Carolina [Mr. FAIRCLOTH], the Senator from Texas [Mr. GRAMM], the Senator from North Carolina [Mr. HELMS], the Senator from Mississippi [Mr. LOTT], the Senator from Arizona [Mr. MCCAIN], the Senator from Alaska [Mr. MURKOWSKI], the Senator from Wyoming [Mr. SIMPSON], the Senator from New Hampshire [Mr. SMITH], the Senator from Alaska [Mr. STEVENS], the Senator from Wyoming [Mr. WALLOP], and the Senator from New Hampshire [Mr. GREGG] are necessarily absent.

I further announce that, if present and voting, the Senator from Utah [Mr. BENNETT] and the Senator from Wyoming [Mr. SIMPSON] would each vote nay.

The yeas and nays resulted—yeas 62, nays 23, as follows:

[Rollcall Vote No. 85 Leg.]

YEAS—62

Akaka	Danforth	Hatfield
Baucus	Daschle	Heflin
Biden	DeConcini	Inouye
Bingaman	Dodd	Jeffords
Bond	Domenici	Johnston
Boren	Dorgan	Kennedy
Boxer	Durenberger	Kerrey
Bradley	Exon	Kerry
Breaux	Feingold	Kohl
Bryan	Feinstein	Lautenberg
Bumpers	Ford	Leahy
Byrd	Glenn	Levin
Campbell	Gorton	Mathews
Chafee	Graham	Metzenbaum
Conrad	Harkin	Mikulski
Mitchell	Pryor	Sasser
Moseley-Braun	Reid	Simon
Moynihan	Riegle	Specter
Murray	Robb	Wellstone
Nunn	Rockefeller	Wofford
Pell	Sarbanes	

NAYS—23

Brown	Grassley	Nickles
Burns	Hatch	Packwood
Coats	Hutchison	Pressler
Cochran	Kassebaum	Roth
Coverdell	Kempthorne	Shelby
Craig	Lugar	Thurmond
D'Amato	Mack	Warner
Dole	McConnell	

NOT VOTING—15

Bennett	Helms	Murkowski
Cohen	Hollings	Simpson
Faircloth	Lieberman	Smith
Gramm	Lott	Stevens
Gregg	McCain	Wallop

The PRESIDING OFFICER. On this vote, the yeas are 62, the nays are 23. Three-fifths of the Senators duly chosen and sworn having voted in the affirmative, the motion is agreed to.

The majority leader.

Mr. MITCHELL. Madam President, I am advised by the distinguished Republican leader that there has been a request for a rollcall vote on final passage of the conference report. Therefore, I request that we now proceed directly to a vote on final passage, and that this will be the last vote prior to the recess.

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 offered.

The PRESIDING OFFICER. The question is on agreeing to the conference report. The yeas and nays have been ordered. The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. FORD. I announce that the Senator from South Carolina [Mr. HOLLINGS], and the Senator from Connecticut [Mr. LIEBERMAN] are necessarily absent.

Mr. DOLE. I announce that the Senator from Utah [Mr. BENNETT], the Senator from Maine [Mr. COHEN], the Senator from North Carolina [Mr. FAIRCLOTH], the Senator from Texas [Mr. GRAMM], the Senator from North Carolina [Mr. HELMS], the Senator from Mississippi [Mr. LOTT], the Senator from Arizona [Mr. MCCAIN], the Senator from Alaska [Mr. MURKOWSKI], the Senator from Wyoming [Mr. SIMPSON], the Senator from New Hampshire [Mr. SMITH], the Senator from Alaska [Mr. STEVENS], the Senator from Wyoming [Mr. WALLOP], and the Senator from New Hampshire [Mr. GREGG] are necessarily absent.

I further announce that, if present and voting, the Senator from Utah [Mr. BENNETT] and the Senator from Wyoming [Mr. SIMPSON] would each vote nay.

The result was announced—yeas 63, nays 22, as follows:

[Rollcall Vote No. 86 Leg.]

YEAS—63

Akaka	Feingold	Mikulski
Baucus	Feinstein	Mitchell
Biden	Ford	Moseley-Braun
Bingaman	Glenn	Moynihan
Bond	Gorton	Murray
Boren	Graham	Nunn
Boxer	Harkin	Packwood
Bradley	Hatfield	Pell
Breaux	Heflin	Pryor
Bryan	Inouye	Reid
Bumpers	Jeffords	Riegle
Campbell	Johnston	Robb
Chafee	Kennedy	Rockefeller
Conrad	Kerrey	Roth
Daschle	Kerry	Sarbanes
DeConcini	Kohl	Sasser
Dodd	Lautenberg	Shelby
Domenici	Leahy	Simon
Dorgan	Levin	Specter
Durenberger	Mathews	Wellstone
Exon	Metzenbaum	Wofford

NAYS—22

Brown	Danforth	Mack
Burns	Dole	McConnell
Byrd	Grassley	Nickles
Coats	Hatch	Pressler
Cochran	Hutchison	Thurmond
Coverdell	Kassebaum	Warner
Craig	Kempthorne	
D'Amato	Lugar	

NOT VOTING—15

Bennett	Helms	Murkowski
Cohen	Hollings	Simpson
Faircloth	Lieberman	Smith
Gramm	Lott	Stevens
Gregg	McCain	Wallop

So the conference report was agreed to.

Mr. MITCHELL. Madam 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.

• Mr. HELMS. Madam President, if I had been present at the rollcall vote on passage of the conference report to accompany H.R. 1804, the Goals 2000 bill, I would have voted "no." This is not legislation that the American people would support if they were made aware of the implications of the provisions of H.R. 1804.•

CORRECTING THE ENROLLMENT OF H.R. 1804

Mr. MITCHELL. Madam President, I ask unanimous consent that the Senate proceed to the immediate consideration of House concurrent resolution 230 now at the desk; that the concurrent resolution be deemed agreed to, and the motion to reconsider laid upon the table.

The PRESIDING OFFICER (Ms. MOSELEY-BRAUN). Without objection, it is so ordered.

So the concurrent resolution (H. Con. Res. 230) was deemed agreed to.

THE CALIFORNIA DESERT PROTECTION BILL

Mr. MITCHELL. Madam President, I notified the distinguished Republican leader and other colleagues earlier this week of my intention to proceed upon

our return to session following the Easter recess to S. 21, the California desert protection bill.

Regrettably, and most unfortunately, I was advised that there would be a Republican filibuster to the motion to proceed to that bill and it would be, once again, necessary to file a motion to end that filibuster.

Madam President, we have just completed action on three filibusters in less than 2 weeks. Now we are to confront another on the very first day back from the recess. As I said, I regard that as regrettable and most unfortunate.

THE CALIFORNIA DESERT PROTECTION BILL

MOTION TO PROCEED

Mr. MITCHELL. Madam President, it is my intention that we will return to session at 1 p.m. on Monday, April 11, and that at 2 p.m. on that day, we will begin debate on the California desert protection bill.

In order to put us in the position to do that, I now move to proceed to that bill, Calendar No. 248, S. 21.

CLOTURE MOTION

Mr. MITCHELL. Madam President, I send a cloture motion on S. 21 to the desk and ask that it be stated.

The PRESIDING OFFICER. The clerk will report the cloture motion.

The legislative clerk read as follows:

CLOTURE MOTION

We, the undersigned Senators, in accordance with the provisions of rule XXII of the Standing Rules of the Senate, hereby move to bring to a close the debate on the Motion to Proceed to the consideration of Calendar No. 248, S. 21, the California Desert Protection bill.

Dianne Feinstein, Byron L. Dorgan, Edward M. Kennedy, Claiborne Pell, Daniel K. Akaka, Paul Simon, Paul Wellstone, Carl Levin, Barbara Boxer, Herb Kohl, Howard M. Metzenbaum, Jeff Bingaman, J.J. Exon, Tom Daschle, Carol Moseley-Braun, Jim Sasser, Wendell Ford.

Mr. MITCHELL. Madam President, for the information of Senators then, we will return to session at 1 p.m. on Monday April 11. There will be a period for morning business for 1 hour on that day, and then at 2 p.m. we will resume consideration of the motion to proceed to the California desert protection bill.

There will be no rollcall votes on Monday, April 11. A vote on the cloture motion, that is the motion to end the filibuster on the motion to proceed to the bill, will occur on Tuesday, April 12, at a time which will be set, but I now expect that to occur Tuesday morning at approximately 10 a.m.

So Senators should be aware that at or about 10 a.m. on Tuesday, April 12, there will be a vote on the motion to end the filibuster on the motion to proceed to the California desert protection bill.

Madam President, I thank my colleagues for their cooperation, and I now suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

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

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

NATIONAL MEN'S HEALTH WEEK

Mr. MITCHELL. Madam President, on behalf of Senator DOLE, I ask unanimous consent to proceed to Senate Joint Resolution 179 now at the desk introduced by Senator DOLE, and I ask for its immediate consideration. I further ask unanimous consent that the joint resolution be deemed read three times and passed and the motion to reconsider laid on the table and the preamble be agreed to.

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

So the joint resolution (S.J. Res. 179) was deemed read three times and passed.

The preamble was agreed to.

The joint resolution (S.J. Res 179), with its preamble, reads as follows:

S.J. RES. 179

Whereas despite the advances in medical technology and research, men continue to live an average of 7 years less than women;

Whereas the likelihood that a man will develop prostate cancer is 1 in 11;

Whereas the number of men contacting prostate cancer will reach over 120,000 in 1993, with an expected one-third of the cases to die from the disease;

Whereas testicular cancer is one of the most common cancers in men aged 15–34, and when detected early, has an 87 percent survival rate;

Whereas the number of men contracting lung disease will reach over 100,000 in 1993, with an expected 85 percent of the cases to die from the disease;

Whereas the number of cases of colon cancer among men will reach over 80,000 in 1993; with nearly one-third of the cases to die from the disease;

Whereas the death rate for prostate cancer has grown at almost twice the death rate of breast cancer in the last five years;

Whereas African-American men in the United States have the highest incidence in the world of cancer of the prostate;

Whereas men are seven times as likely as women to be arrested for drunk driving and three times as likely to be alcoholics;

Whereas women visit the doctor 150 percent as often as men enabling them to detect health problems in their early stages;

Whereas significant numbers of male related health problems such as prostate cancer, testicular cancer, infertility, and colon cancer, could be detected and treated if men's awareness of these problems was more pervasive;

Whereas educating both the public and health care providers about the importance of early detection of male health problems will result in reducing rates of mortality for these diseases;

Whereas appropriate use of tests such as Prostate Specific Antigen (PSA) exams, blood pressure screens, cholesterol screens, etc., in conjunction with clinical examination and self-testing for problems such as testicular cancer can result in the detection of many of these problems in their early stages and increases in the survival rates to nearly 100 percent;

Whereas many men are reluctant to visit their health center or physician for regular screening examinations of male related problems for a variety of reasons including fear, lack of information, and cost factors; and

Whereas men who are educated about the value that preventive health can play in prolonging their lifespan and their role as a productive family member will be more likely to participate in health screenings: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That June 12 through 19, 1994, is designated as National Men's Health Week, and the President is authorized and requested to issue a proclamation calling upon the people of the United States to observe this week with appropriate programs and activities.

PREVENTIVE HEALTH SERVICES AND HEALTH PROFESSIONS AMENDMENTS ACT OF 1993

Mr. MITCHELL. Madam President, I ask unanimous consent that the Senate now proceed to the immediate consideration of Calendar No. 327, S. 1569, a disadvantaged minority health improvement act of 1993.

The PRESIDING OFFICER. Without objection, the clerk will report.

The legislative clerk read as follows:

A bill (S. 1569) to amend the Public Health Service Act to establish, reauthorize and revise provisions to improve the health of individuals from disadvantaged backgrounds, and for other purposes.

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

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Labor and Human Resources, with an amendment to strike all after the enacting clause and inserting in lieu thereof the following:

S. 1569

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

SECTION 1. SHORT TITLE; REFERENCE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "Disadvantaged Minority Health Improvement Act of 1993".

(b) REFERENCE.—Except as otherwise expressly provided, whenever in this Act an amendment or a repeal is expressed in terms of an amendment to, or a repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Public Health Service Act (42 U.S.C. 201 et seq.).

(c) TABLE OF CONTENTS.—The table of contents is as follows:

Sec. 1. Short title; reference; table of contents.
Sec. 2. Findings.

TITLE I—HEALTH POLICY

Sec. 101. Office of Minority Health.

Sec. 102. Agency Offices of Minority Health.
Sec. 103. State Offices of Minority Health.
Sec. 104. Assistant Secretary of Health and Human Services for Civil Rights.

TITLE II—HEALTH SERVICES

Sec. 201. Community scholarship programs.
Sec. 202. Health services for residents of public housing.
Sec. 203. Issuance of regulations regarding language as impediment to receipt of services.
Sec. 204. Health services for Pacific Islanders.

TITLE III—HEALTH PROFESSIONS

Sec. 301. Loans for disadvantaged students.
Sec. 302. Cesar Chavez primary care scholarship program.
Sec. 303. Thurgood Marshall scholarship program.
Sec. 304. Loan repayments and fellowships regarding faculty positions at health professions schools.
Sec. 305. Centers of excellence.
Sec. 306. Educational assistance regarding undergraduates.
Sec. 307. Area health education centers.

TITLE IV—RESEARCH AND DATA COLLECTION

Sec. 401. Office of Research on Minority Health.
Sec. 402. National Center for Health Statistics.
Sec. 403. Activities of Agency for Health Care Policy and Research.

TITLE V—MISCELLANEOUS

Sec. 501. Revision and extension of program for State Offices of Rural Health.
Sec. 502. Technical corrections relating to health professions.
Sec. 503. Clinical traineeships.
Sec. 504. Demonstration project grants to States for alzheimer's disease.
Sec. 505. Medically underserved area study.
Sec. 506. Programs regarding birth defects.

TITLE VI—GENERAL PROVISIONS

Sec. 601. Effective date.

SEC. 2. FINDINGS.

Section 1(b) of the Disadvantaged Minority Health Improvement Act of 1990 (42 U.S.C. 300u-6 note) is amended to read as follows—

"(b) FINDINGS.—Congress finds that—

"(1) the health status of individuals from racial and ethnic minorities in the United States is significantly lower than the health status of the general population and has not improved significantly since the issuance of the 1985 report entitled "Report of the Secretary's Task Force on Black and Minority Health";

"(2) racial and ethnic minorities are disproportionately represented among the poor;

"(3) racial and ethnic minorities suffer disproportionately high rates of cancer, heart disease, diabetes, substance abuse, acquired immune deficiency syndrome, and other diseases and disorders;

"(4) the incidence of infant mortality among African Americans is almost double that for the general population;

"(5) Mexican-American and Puerto Rican adults have diabetes rates twice that of non-Hispanic whites;

"(6) a third of American Indian deaths occur before the age of 45;

"(7) according to the 1990 Census, African Americans, Hispanics, American Indians, and Asian/Pacific Islanders constitute approximately 12.1 percent, 9 percent, 0.08 percent, and 2.9 percent, respectively, of the population of the United States;

"(8) minority health professionals have historically tended to practice in low-income areas, medically underserved areas, and to serve racial and ethnic minorities;

"(9) minority health professionals have historically tended to engage in the general practice of medicine and specialties providing primary care;

"(10) reports published in leading medical journals indicate that access to health care among minorities can be substantially improved by increasing the number of minority professionals;

"(11) diversity in the faculty and student body of health professions schools enhances the quality of education for all students attending the schools; and

"(12) health professionals need greater access to continuing medical education programs to enable such professionals to upgrade their skills (including linguistic and cultural competence skills) and improve the quality of medical care rendered in minority communities.".

TITLE I—HEALTH POLICY

SEC. 101. OFFICE OF MINORITY HEALTH.

Section 1707 (42 U.S.C. 300u-6) is amended by striking subsection (b) and all that follows and inserting the following:

"(b) DUTIES.—With respect to improving the health of racial and ethnic minorities, the Secretary, acting through the Deputy Assistant Secretary for Minority Health, shall carry out the following:

"(1) Establish short-range and long-range goals and objectives and coordinate all other activities within the Public Health Service that relate to disease prevention, health promotion, service delivery, and research concerning such individuals. The Director of the Centers for Disease Control and Prevention, the Administrator of the Health Resources and Services Administration, the Director of the Agency for Health Care Policy and Research, the Administrator of the Substance Abuse and Mental Health Services Administration and the Director of the National Institutes of Health shall consult with the Deputy Assistant Secretary for Minority Health to ensure the coordination of all activities within the Public Health Service as they relate to disease prevention, health promotion, service delivery, and research concerning such individuals.

"(2) Carry out the following types of activities by entering into interagency agreements with other agencies of the Public Health Service:

"(A) Support research, demonstrations and evaluations to test new and innovative models.

"(B) Increase knowledge and understanding of health risk factors.

"(C) Develop mechanisms that support better information dissemination, education, prevention, and service delivery to individuals from disadvantaged backgrounds, including racial and ethnic minorities.

"(3) Support a national minority health resource center to carry out the following:

"(A) Facilitate the exchange of information regarding matters relating to health information and health promotion, preventive health services, and education in the appropriate use of health care.

"(B) Facilitate access to such information.

"(C) Assist in the analysis of issues and problems relating to such matters.

"(D) Provide technical assistance with respect to the exchange of such information (including facilitating the development of materials for such technical assistance).

"(4) Establish a national center that shall carry out programs to improve access to health care services for individuals with limited English proficiency by facilitating the removal of impediments to the receipt of health care that result from such limitation.

"(5) With respect to grants and contracts that are available under certain minority health programs, the Secretary shall ensure that the agencies of the Public Health Service—

"(A) inform entities, as appropriate, that the entities may be eligible for the awards;

"(B) provide technical assistance to such entities in the process of preparing and submitting applications for the awards in accordance with the policies of the Secretary regarding such application; and

"(C) inform populations, as appropriate, that members of the populations may be eligible to receive services or otherwise participate in the activities carried out with such awards.

"(6) Not later than September 1 of each year, the Deputy Assistant Secretary of Minority Health shall prepare and submit to the Secretary a report summarizing the activities of each Office of Minority Health within the Public Health Service, including the Office of Research on Minority Health at the National Institutes of Health.

"(c) ADVISORY COMMITTEE.—

"(1) IN GENERAL.—The Secretary shall establish an advisory committee to be known as the Advisory Committee on Minority Health (in this subsection referred to as the 'Committee').

"(2) DUTIES.—The Committee shall provide advice to the Secretary on carrying out this section, including advice on the development of goals and specific program activities under subsection (b)(1) for each racial and ethnic group.

"(3) CHAIRPERSON.—The Deputy Assistant Secretary for Minority Health shall serve as the Chairperson of the Committee.

"(4) COMPOSITION.—The Committee shall be composed of no fewer than 12, and not more than 18 individuals, who are not officers or employees of the Federal Government. The Secretary shall appoint the members of the Committee from among individuals with expertise regarding issues of minority health. The membership of the Committee shall be equitably representative of the various racial and ethnic groups. The Secretary may appoint representatives from selected Federal agencies to serve as ex officio, non-voting members of the Committee.

"(5) TERMS.—Each member of the Committee shall serve for a term of 4 years, except that the Secretary shall initially appoint a portion of the members to terms of 1 year, 2 years, and 3 years.

"(6) VACANCIES.—If a vacancy occurs on the Committee, a new member shall be appointed by the Secretary within 90 days from the date that the vacancy occurs, and serve for the remainder of the term for which the predecessor of such member was appointed. The vacancy shall not affect the power of the remaining members to execute the duties of the Committee.

"(7) COMPENSATION.—Members of the Committee who are officers or employees of the United States shall serve without compensation. Members of the Committee who are not officers or employees of the United States shall receive, for each day (including travel time) they are engaged in the performance of the functions of the Committee, compensation at rates that do not exceed the daily equivalent of the annual rate in effect for grade GS-18 of the General Schedule under title 5, United States Code.

"(d) CERTAIN REQUIREMENTS REGARDING DUTIES.—

"(1) RECOMMENDATIONS REGARDING LANGUAGE AS IMPEDIMENT TO HEALTH CARE.—The Secretary, acting through the Director of the Office of Refugee Health, the Director of the Office of Civil Rights, and the Director of the Office of Minority Health of the Health Resources and Services Administration, shall make recommendations regarding activities under subsection (b)(4).

"(2) EQUITABLE ALLOCATION REGARDING ACTIVITIES.—In awarding grants or contracts under section 338A, 338B, 340A, 724, 737, 738, or 1707, the Secretary shall ensure that such awards are equitably allocated with respect to the various racial and ethnic populations.

"(3) CULTURAL COMPETENCY OF SERVICES.—The Secretary shall ensure that information and

services provided pursuant to subsection (b) are provided in the language and cultural context that is most appropriate for the individuals for whom the information and services are intended.

"(4) PEER REVIEW.—The Secretary shall ensure that each application for a grant, contract or cooperative agreement under this section undergoes appropriate peer review.

"(e) REPORTS.—Not later than January 31 of fiscal year 1995 and of each second year thereafter, the Secretary shall submit to the Congress a report describing the activities carried out under this section during the preceding 2 fiscal years and evaluating the extent to which such activities have been effective in improving the health of racial and ethnic minorities.

"(f) GRANTS AND CONTRACTS REGARDING DUTIES.—

"(1) AUTHORITY.—In carrying out subsection (b), the Secretary may enter into grants and contracts with public and nonprofit private entities.

"(2) EVALUATION AND DISSEMINATION.—The Secretary shall, directly or through contracts with public and private entities, provide for evaluations of projects carried out with financial assistance provided under paragraph (1) during the preceding 2 fiscal years. The report shall be included in the report required under subsection (e) for the fiscal year involved.

"(g) DEFINITION.—As used in this section, the term 'racial and ethnic minority group' means Hispanics, Blacks, Asian Americans, Pacific Islanders, Native Americans, and Alaskan Natives. The term 'Hispanic' means individuals whose origin is Mexican, Puerto Rican, Cuban, Central or South American, or any other Spanish-speaking country, including Spain or the Caribbean Islands, and individuals identifying themselves as Hispanic, Latino, Spanish, or Spanish-American.

"(h) FUNDING.—

"(1) AUTHORIZATION OF APPROPRIATIONS.—For the purpose of carrying out this section, there is authorized to be appropriated $20,500,000 for fiscal year 1994, and such sums as may be necessary for each of the fiscal years 1995 through 1998.

"(2) ALLOCATION OF FUNDS BY SECRETARY.—Of the amounts appropriated under paragraph (1) for a fiscal year in excess of $15,000,000, the Secretary shall make available not less than $3,000,000 for activities to improve access to health care services for individuals with limited English proficiency, including activities identified in subsection (b)(4).".

SEC. 102. AGENCY OFFICES OF MINORITY HEALTH.

Title XVII (42 U.S.C. 300u et seq.) is amended by adding at the end the following new section:

"SEC. 1709. AGENCY OFFICES OF MINORITY HEALTH.

"(a) IN GENERAL.—The Secretary shall ensure that an Office of Minority Health is operating at the Centers for Disease Control and Prevention, the Health Resources and Services Administration, the Substance Abuse and Mental Health Services Administration, and the Agency for Health Care Policy and Research. Such Offices shall ensure that services and programs carried out within each such respective agency or office—

"(1) are equitably delivered with respect to racial and ethnic groups;

"(2) provide culturally and linguistically competent services; and

"(3) utilize racial and ethnic minority community-based organizations to deliver services.

"(b) REPORTS.—Each Office of Minority Health within the Public Health Service, including the Office of Research on Minority Health at the National Institutes of Health, shall submit a report, not later than May 1 of each year, to the Deputy Assistant Secretary for Minority Health (as provided for in section 1707(b)) describing the accomplishments or programs of the plan, the budget allocation and expenditures for, and the development and implementation of, such health programs targeting racial and ethnic minority populations. The Secretary shall ensure the participation and cooperation of each Agency in the development of the annual report.".

SEC. 103. STATE OFFICES OF MINORITY HEALTH.

Title XVII (42 U.S.C. 300u et seq.), as amended by section 102, is further amended by adding at the end the following new section:

"SEC. 1710. GRANTS TO STATES FOR OPERATION OF OFFICES OF MINORITY HEALTH.

"(a) IN GENERAL.—The Secretary, acting through the Deputy Assistant Secretary for Minority Health (as provided for in section 1707), may make grants to States for the purpose of improving the health status in minority communities, through the operation of State offices of minority health established to monitor and facilitate the achievement of the Health Objectives for the Year 2000 as they affect minority populations.

"(b) ADMINISTRATION OF PROGRAM.—The Secretary may not make a grant to a State under subsection (a) unless such State agrees that the program carried out by the State with amounts received under the grant will be administered directly by a single State agency.

"(c) CERTAIN REQUIRED ACTIVITIES.—The Secretary may not make a grant to a State under subsection (a) unless such State agrees that activities carried out by an office operated under the grant received pursuant to such subsection will—

"(1) establish and maintain within the State a clearinghouse for collecting and disseminating information on—

"(A) minority health care issues;

"(B) research findings relating to minority health care; and

"(C) innovative approaches to the delivery of health care and social services in minority communities;

"(2) coordinate the activities carried out in the State that relate to minority health care, including providing coordination for the purpose of avoiding redundancy in such activities;

"(3) identify Federal and State programs regarding minority health, and providing technical assistance to public and nonprofit entities regarding participation in such program; and

"(4) develop additional Healthy People 2000 objectives for the State that are necessary to address the most prevalent morbidity, mortality and disability concerns for racial and ethnic minority groups in the State.

"(d) REQUIREMENT REGARDING ANNUAL BUDGET FOR THE OFFICE.—The Secretary may not make a grant to a State under subsection (a) unless such State agrees that, for any fiscal year for which the State receives such a grant, the office operated under such grant will be provided with an annual budget of not less than $75,000.

"(e) CERTAIN USES OF FUNDS.—

"(1) RESTRICTIONS.—The Secretary may not make a grant to a State under subsection (a) unless such State agrees that—

"(A) if research with respect to minority health is conducted pursuant to the grant, not more than 10 percent of the amount received under the grant will be expended for such research; and

"(B) amounts provided under the grant will not be expended—

"(i) to provide health care (including providing cash payments regarding such care);

"(ii) to conduct activities for which Federal funds are expended—

"(I) within the State to provide technical and other nonfinancial assistance under subsection (m) of section 340A;

"(II) under a memorandum of agreement entered into with the State under subsection (h) of such section; or

"(III) under a grant under section 388I;

"(iii) to purchase medical equipment, to purchase ambulances, aircraft, or other vehicles, or to purchase major communications equipment;

"(iv) to purchase or improve real property; or

"(v) to carry out any activity regarding a certificate of need.

"(2) AUTHORITIES.—Activities for which a State may expend amounts received under a grant under subsection (a) include—

"(A) paying the costs of establishing an office of minority health for purposes of subsection (a);

"(B) subject to paragraph (1)(B)(ii)(III), paying the costs of any activity carried out with respect to recruiting and retaining health professionals to serve in minority communities or underserved areas in the State; and

"(C) providing grants and contracts to public and nonprofit entities to carry out activities authorized in this section.

"(f) REPORTS.—The Secretary may not make a grant to a State under subsection (a) unless such State agrees—

"(1) to submit to the Secretary reports containing such information as the Secretary may require regarding activities carried out under this section by the State; and

"(2) to submit a report not later than January 10 of each fiscal year immediately following any fiscal year for which the State has received such a grant.

"(g) REIMBURSEMENT OF APPLICATION.—The Secretary may not make a grant to a State under subsection (a) unless an application for the grant is submitted to the Secretary and the application in such form, is made in such manner, and contains such agreements, assurances, and information as the Secretary determines to be necessary to carry out such subsection.

"(h) NONCOMPLIANCE.—The Secretary may not make payments under subsection (a) to a State for any fiscal year subsequent to the first fiscal year of such payments unless the Secretary determines that, for the immediately preceding fiscal year, the State has complied with each of the agreements made by the State under this section.

"(i) AUTHORIZATION OF APPROPRIATIONS.—

"(1) IN GENERAL.—For purposes of making grants under subsection (a) there are authorized to be appropriated $3,000,000 for fiscal year 1995, $4,000,000 for fiscal year 1996, and $3,000,000 for fiscal year 1997.

"(2) AVAILABILITY.—Amounts appropriated under paragraph (1) shall remain available until expended.

"(j) TERMINATION OF PROGRAM.—No grant may be made under this section after the aggregate amounts appropriated under subsection (i)(1) are equal to $10,000,000.".

SEC. 104. ASSISTANT SECRETARY OF HEALTH AND HUMAN SERVICES FOR CIVIL RIGHTS.

(a) IN GENERAL.—Part A of title II (42 U.S.C. 202 et seq.), as amended by section 2010 of Public Law 103–43, is amended by adding at the end the following new section:

"SEC. 229. ASSISTANT SECRETARY FOR CIVIL RIGHTS.

"(a) ESTABLISHMENT OF POSITION.—There shall be in the Department of Health and Human Services an Assistant Secretary for Civil Rights, who shall be appointed by the President, by and with the advice and consent of the Senate.

"(b) RESPONSIBILITIES.—The Assistant Secretary shall perform such functions relating to civil rights as the Secretary may assign.".

(b) CONFORMING AMENDMENT.—Section 5315 of title 5, United States Code, is amended, in the

item relating to Assistant Secretaries of Health and Human Services, by striking "(5)" and inserting "(6)".

TITLE II—HEALTH SERVICES

SEC. 201. COMMUNITY SCHOLARSHIP PROGRAMS.

Section 338L (42 U.S.C. 254t) is amended—

(1) in subsection (a), by striking "health manpower shortage areas" and inserting "a Federally-designated health professional shortage areas";

(2) in subsection (c)—

(A) by striking "health manpower shortage areas" and inserting "Federally-designated health professional shortage areas" in the matter preceding paragraph (1); and

(B) by striking "in the health manpower shortage areas in which the community organizations are located," and inserting "in a Federally-designated health professional shortage area that is served by the community organization awarding the scholarship," in paragraph (2);

(3) in subsection (e)(1)—

(A) by striking "health manpower shortage area" and inserting "a Federally-designated health professional shortage area"; and

(B) by striking "in which the community" and all that follows through "located";

(4) in subsection (k)(2), by striking "internal medicine" and all that follows through the end thereof and inserting "general internal medicine, general pediatrics, obstetrics and gynecology, dentistry, or mental health, that are provided by physicians or other health professionals."; and

(5) in subsection (l)(1), by striking "$5,000,000" and all that follows through "1993" and inserting "$1,000,000 for fiscal year 1994, and such sums as may be necessary for each of the fiscal years 1995 and 1996".

SEC. 202. HEALTH SERVICES FOR RESIDENTS OF PUBLIC HOUSING.

Section 340A(p)(1) (42 U.S.C. 256a(p)(1)) is amended—

(1) by striking "$35,000,000 for fiscal year 1991" and inserting "$12,000,000 for fiscal year 1994"; and

(2) by striking "1992 and 1993" and inserting "1995 and 1996".

SEC. 203. ISSUANCE OF REGULATIONS REGARDING LANGUAGE AS IMPEDIMENT TO RECEIPT OF SERVICES.

(a) PROPOSED RULE.—Not later than the expiration of the 90-day period beginning on the date of the enactment of this Act, the Secretary of Health and Human Services (in this section referred to as the "Secretary") shall issue a proposed rule regarding policies to reduce the extent to which having limited English proficiency constitutes a significant impediment to individuals in establishing the eligibility of the individuals for—

(1) participation in health programs under the Public Health Service Act;

(2) the receipt of services under such programs and under programs under titles XVIII and XIX of the Social Security Act; or

(3) participation in programs or activities otherwise receiving financial assistance from the Secretary or receiving services under such programs or activities.

(b) FINAL RULE.—

(1) IN GENERAL.—Not later than the expiration of the 1-year period beginning on the date of the enactment of this Act, the Secretary shall issue a final rule regarding the policies described in subsection (a).

(2) FAILURE TO ISSUE BY DATE CERTAIN.—If the Secretary fails to issue a final rule under paragraph (1) before the expiration of the period specified in such paragraph, the proposed rule issued under subsection (a) is upon such expiration deemed to be the final rule under paragraph (1) (and shall remain in effect until the Secretary issues a final rule under such paragraph).

SEC. 204. HEALTH SERVICES FOR PACIFIC ISLANDERS.

Section 10 of the Disadvantaged Minority Health Improvement Act of 1990 (42 U.S.C. 254c-1) is amended—

(1) in subsection (b)—

(A) in paragraph (2)—

(i) by inserting ", substance abuse" after "availability of health"; and

(ii) by striking ", including improved health data systems";

(B) in paragraph (3)—

(i) by striking "manpower" and inserting "care providers"; and

(ii) by striking "by—" and all that follows through the end thereof and inserting a semicolon;

(C) by striking paragraphs (5) and (6);

(D) by redesignating paragraphs (7), and (8) as paragraphs (5) and (6), respectively;

(E) in paragraph (5) (as so redesignated), by striking "and" at the end thereof;

(F) in paragraph (6) (as so redesignated), by striking the period and inserting a semicolon; and

(G) by inserting after paragraph (6) (as so redesignated), the following new paragraphs:

"(7) to provide primary health care, preventive health care, and related training to American Samoan health care professionals; and

"(8) to improve access to health promotion and disease prevention services for rural American Samoa.";

(2) in subsection (f)—

(A) by striking "there is" and inserting "there are"; and

(B) by striking "$10,000,000" and all that follows through "1993" and inserting "$3,000,000 for fiscal year 1994, and such sums as may be necessary for each of the fiscal years 1995 and 1996"; and

(3) by adding at the end thereof the following new subsection:

"(g) STUDY AND REPORT.—

"(1) STUDY.—Not later than 180 days after the date of enactment of this subsection, the Secretary, acting through the Administrator of the Health Resources and Services Administration, shall enter into a contract with a public or nonprofit private entity for the conduct of a study to determine the effectiveness of projects funded under this section.

"(2) REPORT.—Not later than July 1, 1995, the Secretary shall prepare and submit to the Committee on Labor and Human Resources of the Senate and the Committee on Energy and Commerce of the House of Representatives a report describing the findings made with respect to the study conducted under paragraph (1).".

TITLE III—HEALTH PROFESSIONS

SEC. 301. LOANS FOR DISADVANTAGED STUDENTS.

Section 724(f)(1) (42 U.S.C. 292t(f)(1)) is amended—

(1) by striking "there is" and inserting "there are"; and

(2) by striking "$15,000,000 for fiscal year 1993" and inserting "$8,000,000 for fiscal year 1994, and such sums as may be necessary for each of the fiscal years 1995 and 1996".

SEC. 302. CESAR CHAVEZ PRIMARY CARE SCHOLARSHIP PROGRAM.

Section 736 (42 U.S.C. 293) is amended—

(1) by striking the section heading and inserting the following:

"SEC. 736. CESAR CHAVEZ PRIMARY CARE SCHOLARSHIP PROGRAM.

(2) in subsection (c)—

(A) by striking "there is" and inserting "there are"; and

(B) by striking "$11,000,000 for fiscal year 1993" and inserting "$10,500,000 for fiscal year 1994, and such sums as may be necessary for each of the fiscal years 1995 and 1996".

SEC. 303. THURGOOD MARSHALL SCHOLARSHIP PROGRAM.

Section 737 (42 U.S.C. 293a) is amended—

(1) by striking the section heading and inserting the following:

"SEC. 737. THURGOOD MARSHALL SCHOLARSHIP PROGRAM.";

(2) in subsection (a)—

(A) in paragraph (1), by inserting "(to be known as Thurgood Marshall Scholars)" after "providing scholarships to individuals"; and

(B) in paragraph (3), by inserting "schools offering programs for the training of physician assistants," after "public health,"; and

(3) in subsection (h), by striking paragraph (1) and inserting the following new paragraph:

"(1) AUTHORIZATION OF APPROPRIATIONS.—For the purpose of carrying out this section, there are authorized to be appropriated $17,100,000 for fiscal year 1994, and such sums as may be necessary for each of the fiscal years 1995 and 1996.".

SEC. 304. LOAN REPAYMENTS AND FELLOWSHIPS REGARDING FACULTY POSITIONS AT HEALTH PROFESSIONS SCHOOLS.

Section 738 (42 U.S.C. 293b) is amended—

(1) in subsection (a)—

(A) in paragraph (2), by striking "disadvantaged backgrounds who—" and inserting "racial or ethnic groups that are underrepresented in the health professions who—"

(B) in paragraph (5)—

(i) by striking "; and" in subparagraph (A) and inserting a period;

(ii) by striking "unless—" and all that follows through "the individual involved" in subparagraph (A) and inserting "unless the individual involved"; and

(iii) striking subparagraph (B);

(C) by striking paragraph (6); and

(D) by redesignating paragraph (7) as paragraph (6); and

(2) in subsection (b)(2)(B), by striking "$30,000" and inserting "$50,000";

(3) in subsection (c)—

(A) by striking "there is" and inserting "there are"; and

(B) by striking "$4,000,000 for fiscal year 1993" and inserting "$1,100,000 for fiscal year 1994, and such sums as may be necessary for each of the fiscal years 1995 and 1996".

SEC. 305. CENTERS OF EXCELLENCE.

Section 739 (42 U.S.C. 293c) is amended—

(1) in subsection (b)—

(A) in paragraph (2), by inserting before the semicolon the following: "through collaboration with public and nonprofit private entities to carry out community-based programs to prepare students in secondary schools and institutions of higher education for attendance at the health professions school";

(B) in paragraph (4), by striking "and" at the end thereof;

(C) in paragraph (5), by striking the period and inserting "; and"; and

(D) by adding at the end thereof the following new paragraph:

"(6) to train the students of the school at community-based health facilities that provide health services to a significant number of minority individuals and that are located at a site remote from the main site of the teaching facilities of the school.";

(2) in subsection (e)—

(A) by striking the subsection heading and inserting "AUTHORITY REGARDING CONSORTIA.—";

(B) by striking paragraph (1) and inserting the following new paragraph:

"(1) IN GENERAL.—The Secretary may make a grant under subsection (a) to any school of medicine, osteopathic medicine, dentistry, clinical psychology, or pharmacy that has in accord-

ance with paragraph (2) formed a consortium of schools.";

(C) in paragraph (2), by striking subparagraphs (A) through (D) and inserting the following new subparagraphs:

"(A) the consortium consists of—

"(i) the health professions school seeking the grant under subsection (a); and

"(ii) one or more schools of medicine, osteopathic medicine, dentistry, pharmacy, nursing, allied health, or public health, or graduate programs in mental health practice;

"(B) the schools of the consortium have entered into an agreement for the allocation of such grant among the schools; and

"(C) each of the schools agrees to expend the grant in accordance with this section."; and

(D) by adding at the end the following paragraph:

"(3) AUTHORITY FOR COLLECTIVELY MEETING RELEVANT REQUIREMENTS IN CERTAIN CASES.—With respect to meeting the conditions specified in subsection (c)(4) for Native American Centers of Excellence, the Secretary may make a grant to any school that has in accordance with paragraphs (1) and (2) formed a consortium of schools that meets such conditions (without regard to whether the schools of the consortium individually meet such conditions)."; and

(3) in subsection (i)—

(A) in paragraph (1), by striking "such sums as may be necessary for fiscal year 1993" and inserting "$25,000,000 for fiscal year 1994, and such sums as may be necessary for each of the fiscal years 1995 and 1996"; and

(B) in paragraph (2)(C) by adding at the end the following: "Health professions schools described in subsection (c)(2)(A) shall be eligible for grants under this subparagraph in a fiscal year if the amount appropriated for the fiscal year under paragraph (1) is greater than $23,500,000. Such schools shall be eligible to apply only for grants made from the portion of such amount that exceeds $23,500,000.".

SEC. 306. EDUCATIONAL ASSISTANCE REGARDING UNDERGRADUATES.

Section 740 (42 U.S.C. 293d) is amended—

(1) in subsection (a)(1), by adding at the end the following new sentence: "To be eligible for such a grant, a school shall have in place a program to assist individuals from disadvantaged backgrounds in gaining entry into a health professions school or completing the course of study at such a school.";

(2) in subsection (d)(1)—

(A) by striking "there is" and inserting "there are"; and

(B) by striking "1993" and inserting "1994, and such sums as may be necessary for each of the fiscal years 1995 and 1996".

(3) in subsection (d)(2)(B), by adding at the end thereof the following new sentence: "Scholarship recipients under this section shall be known as 'Cesar Chavez Primary Care Scholars.".

SEC. 307. AREA HEALTH EDUCATION CENTERS.

Section 746(d)(2)(D) (42 U.S.C. 293j(d)(2)(D)) is amended by inserting "and minority health" after "disease prevention".

TITLE IV—RESEARCH AND DATA COLLECTION

SEC. 401. OFFICE OF RESEARCH ON MINORITY HEALTH.

Section 404 (42 U.S.C. 283b), as added by section 151 of Public Law 103-43, is amended by adding at the end the following subsections:

"(c) PLAN.—The Director of the Office, shall collaborate with the Deputy Assistant Secretary for Minority Health (as provided for in section 1707), to develop and implement a plan for carrying out the duties required by subsection (b). The Director, in consultation with the Deputy Assistant Secretary for Minority Health, shall review the plan not less often than annually, and revise the plan as appropriate.

"(d) EQUITY REGARDING VARIOUS GROUPS.—The Director of the Office shall ensure that activities under subsection (b) address equitably all minority groups.

"(e) ADVISORY COMMITTEE.—

"(1) ESTABLISHMENT.—In carrying out subsection (b), the Secretary shall establish an advisory committee to be known as the Advisory Committee on Research on Minority Health (in this subsection referred to as the 'Advisory Committee').

"(2) COMPOSITION.—

"(A) VOTING AND NONVOTING MEMBERS.—The Advisory Committee shall be composed of voting members appointed in accordance with subparagraph (B) and the ex officio nonvoting members described in subparagraph (C).

"(B) VOTING MEMBERS.—The Advisory Committee shall include not fewer than 12, and not more than 18, voting members who are not officers or employees of the Federal Government. The Director of the Office shall appoint such members to the Advisory Committee from among physicians, practitioners, scientists, consumers and other health professionals, whose clinical practices, research specialization, or professional expertise includes a significant focus on research on minority health or on the barriers that minorities must overcome to participate in clinical trials. The membership of the Advisory Committee shall be equitably representative of the minority groups served by the Office.

"(C) EX OFFICIO NONVOTING MEMBERS.—The Deputy Assistant Secretary for Minority Health and the Directors of each of the national research entities shall serve as ex officio nonvoting members of the Advisory Committee (except that any of such Directors may designate an official of the institute involved to serve as such member of the Committee in lieu of the Director).

"(3) CHAIRPERSON.—The Director of the Office shall serve as the chairperson of the Advisory Committee.

"(4) DUTIES.—The Advisory Committee shall—

"(A) advise the Director of the Office on appropriate research activities to be undertaken by the national research institutes with respect to—

"(i) research on minority health;

"(ii) research on racial and ethnic differences in clinical drug trials, including responses to pharmacological drugs;

"(iii) research on racial and ethnic differences in disease etiology, course, and treatment; and

"(iv) research on minority health conditions which require a multidisciplinary approach;

"(B) report to the Director of the Office on such research;

"(C) provide recommendations to such Director regarding activities of the Office (including recommendations on priorities in carrying out research described in subparagraph (A)); and

"(D) assist in monitoring compliance with section 492B regarding the inclusion of minorities in clinical research.

"(5) BIENNIAL REPORT.—

"(A) PREPARATION.—The Advisory Committee shall prepare a biennial report describing the activities of the Committee, including findings made by the Committee regarding—

"(i) compliance with section 492B;

"(ii) the extent of expenditures made for research on minority health by the agencies of the National Institutes of Health; and

"(iii) the level of funding needed for such research.

"(B) SUBMISSION.—The report required in subparagraph (A) shall be submitted to the Director of the National Institutes of Health for inclusion in the report required in section 403.

"(f) REPRESENTATIVES OF MINORITIES AMONG RESEARCHERS.—The Secretary, acting through the Assistant Secretary for Personnel Administration and in collaboration with the Director of the Office, shall determine the extent to which minorities are represented among senior physicians and scientists of the national research institutes and among physicians and scientists conducting research with funds provided by such institutes, and as appropriate, carry out activities to increase the extent of such representation.

"(g) DEFINITIONS.—For purposes of this part:

"(1) MINORITY HEALTH CONDITIONS.—The term 'minority health conditions', with respect to individuals who are members of minority groups, means all diseases, disorders, and conditions (including with respect to mental health)—

"(A) unique to, more serious, or more prevalent in such individuals;

"(B) for which the factors of medical risk or types of medical intervention are different for such individuals, or for which it is unknown whether such factors or types are different for such individuals; or

"(C) with respect to which there has been insufficient research involving such individuals as subjects or insufficient data on such individuals.

"(2) RESEARCH ON MINORITY HEALTH.—The term 'research on minority health' means research on minority health conditions, including research on preventing such conditions.

"(3) MINORITY GROUPS.—The term 'minority groups' means Blacks, American Indians, Alaskan Natives, Asian/Pacific Islanders, and Hispanics, including subpopulations of such groups.".

SEC. 402. NATIONAL CENTER FOR HEALTH STATISTICS.

(a) IN GENERAL.—Section 306 (42 U.S.C. 242k) is amended—

(1) in subsection (c), by striking "Committee on Human Resources" and inserting "Committee on Labor and Human Resources";

(2) in subsection (g), by striking "data which shall be published" and all that follows and inserting "data.";

(3) in subsection (k)(2)—

(A) in subparagraph (A)—

(i) by striking the subparagraph designation; and

(ii) by striking "Except as provided in subparagraph (B), members" and inserting "Members"; and

(B) by striking subparagraph (B);

(4) in subsection (l)—

(A) by striking paragraph (3);

(B) by redesignating paragraph (4) as paragraph (3); and

(C) in paragraph (3) (as so redesignated), by striking "paragraphs (1), (2), and (3)," and inserting "paragraphs (1) and (2),"; and

(5) in subsection (o)—

(A) in paragraph (1), by striking "1991 through 1993" and inserting "1994 through 1997"; and

(B) in paragraph (2), by striking "$5,000,000" and all that follows through "1993" and inserting "$1,100,000 for fiscal year 1994, and such sums as may be necessary for each of the fiscal years 1995 through 1997".

(b) GENERAL AUTHORITY RESPECTING RESEARCH, EVALUATIONS, AND DEMONSTRATIONS.—Section 304 (42 U.S.C. 242b) is amended by striking subsection (d).

(c) GENERAL PROVISIONS RESPECTING EFFECTIVENESS, EFFICIENCY, AND QUALITY OF HEALTH SERVICES.—Section 308 (42 U.S.C. 242m) is amended—

(1) in subsection (a)—

(A) in paragraph (1)—

(i) by striking subparagraph (A); and

(ii) by redesignating subparagraphs (B) through (E) as subparagraphs (A) through (D), respectively; and

(B) in paragraph (2), by striking "reports required by subparagraphs" and all that follows

through "Center" and inserting the following: "reports required in paragraph (1) shall be prepared through the National Center";

(2)(A) by striking subsection (c);

(B) by transferring paragraph (2) of subsection (g) from the current location of the paragraph;

(C) by redesignating such paragraph as subsection (c);

(D) by inserting subsection (c) (as so redesignated) after subsection (b); and

(E) by striking the remainder of subsection (g);

(3) in subsection (c) (as so redesignated)—

(A) by striking "shall (A) take" and inserting "shall take"; and

(B) by striking "and (B) publish" and inserting "and shall publish";

(4) in subsection (f), by striking "sections 3648" and all that follows and inserting "section 3324 of title 31, United States Code, and section 3709 of the Revised Statutes (41 U.S.C. 5)."; and

(5) by striking subsection (h).

SEC. 403. ACTIVITIES OF AGENCY FOR HEALTH CARE POLICY AND RESEARCH.

Section 902(b) (42 U.S.C. 299a(b)) is amended to read as follows:

"(b) REQUIREMENTS WITH RESPECT TO CERTAIN POPULATIONS.—In carrying out subsection (a), the Administrator shall undertake and support research, demonstration projects, and evaluations with respect to the health status of, and the delivery of health care to—

"(1) the populations of medically underserved urban or rural areas (including frontier areas); and

"(2) low-income groups, minority groups, and the elderly.".

TITLE V—MISCELLANEOUS

SEC. 501. REVISION AND EXTENSION OF PROGRAM FOR STATE OFFICES OF RURAL HEALTH.

(a) MATCHING FUNDS.—Section 338J(b) (42 U.S.C. 254r(b)) is amended to read as follows:

"(b) REQUIREMENT OF MATCHING FUNDS.—

"(1) IN GENERAL.—With respect to the costs to be incurred by a State in carrying out the purpose described in subsection (a), the Secretary may not make a grant under such subsection unless the State agrees to provide non-Federal contributions toward such costs, in cash, in an amount that is not less than $1 for each $1 of Federal funds provided in the grant.

"(2) DETERMINATION OF AMOUNT CONTRIBUTED.—In determining the amount of non-Federal contributions in cash that a State has provided pursuant to paragraph (1), the Secretary may not include any amounts provided to the State by the Federal Government.".

(b) AUTHORIZATION OF APPROPRIATIONS.—Section 338J(j)(1) (42 U.S.C. 254r(j)(1)) is amended—

(1) by striking "and" after "1992,"; and

(2) by inserting before the period the following: ", and $5,000,000 for each of the fiscal years 1994 through 1996".

(c) TERMINATION OF PROGRAM.—Section 338J(k) (42 U.S.C. 254r(k)) is amended by striking $10,000,000" and inserting "$20,000,000".

SEC. 502. TECHNICAL CORRECTIONS RELATING TO HEALTH PROFESSIONS.

(a) HEALTH EDUCATION ASSISTANCE LOAN DEFERMENT FOR BORROWERS PROVIDING HEALTH SERVICES TO INDIANS.—

(1) IN GENERAL.—Section 705(a)(2)(C) is amended by striking "and (x)" and inserting "(x) not in excess of three years, during which the borrower is providing health care services to Indians through an Indian health program (as defined in section 108(a)(2)(A) of the Indian Health Care Improvement Act (25 U.S.C. 1616a(a)(2)(A)); and (xi)".

(2) CONFORMING AMENDMENTS.—Section 705(a)(2)(C) is further amended—

(A) in clause (xi) (as so redesignated) by striking "(ix)" and inserting "(x)"; and

(B) in the matter following such clause (xi), by striking "(x)" and inserting "(xi)".

(3) EFFECTIVE DATE.—The amendments made by this subsection shall apply with respect to services provided on or after the first day of the third month that begins after the date of enactment of this Act.

(b) MAXIMUM STUDENT LOAN PROVISION.—

(1) IN GENERAL.—Section 722(a)(1) (42 U.S.C. 292r(a)(1)), as amended by section 2014(b)(1) of Public Law 103-43, is amended by striking "the sum of" and all that follows through the end thereof and inserting "the cost of attendance (including tuition, other reasonable educational expenses, and reasonable living costs) for that year at the educational institution attended by the student (as determined by such educational institution).".

(2) THIRD AND FOURTH YEARS.—Section 722(a)(2) (42 U.S.C. 292r(a)(2)), as amended by section 2014(b)(1) of Public Law 103-43, is amended by striking "the amount $2,500" and all that follows through "including such $2,500" and inserting "the amount of the loan may, in the case of the third or fourth year of a student at school of medicine or osteopathic medicine, be increased to the extent necessary".

(c) REQUIREMENT FOR SCHOOLS.—Section 723(b)(1) (42 U.S.C. 292s(b)(1)), as amended by section 2014(c)(2)(A)(ii) of Public Law 103-43 (107 Stat. 216), is amended by striking "3 years before" and inserting "4 years before".

(d) SERVICE REQUIREMENT FOR PRIMARY CARE LOAN BORROWERS.—Section 723(a) (42 U.S.C. 292s(a)) is amended in subparagraph (B) of paragraph (1), by striking "through the date on which the loan is repaid in full" and inserting "for 5 years after completing the residency program".

(e) PREFERENCE AND REQUIRED INFORMATION IN CERTAIN PROGRAMS.—

(1) TITLE VII.—Section 791 (42 U.S.C. 295j) is amended by adding at the end thereof the following subsection:

"(d) EXCEPTIONS.—

"(1) IN GENERAL.—To permit new programs to compete equitably for funding under this section, those new programs that meet the criteria described in paragraph (3) shall qualify for a funding preference under this section.

"(2) DEFINITION.—As used in this subsection, the term 'new program' means any program that has graduated less than three classes. Upon graduating at least three classes, a program shall have the capability to provide the information necessary to qualify the program for the general funding preferences described in subsection (a).

"(3) CRITERIA.—The criteria referred to in paragraph (1) are the following:

"(A) The mission statement of the program identifies a specific purpose of the program as being the preparation of health professionals to serve underserved populations.

"(B) The curriculum of the program includes content which will help to prepare practitioners to serve underserved populations.

"(C) Substantial clinical training experience is required under the program in medically underserved communities.

"(D) A minimum of 20 percent of the faculty of the program spend at least 50 percent of their time providing or supervising care in medically underserved communities.

"(E) The entire program or a substantial portion of the program is physically located in a medically underserved community.

"(F) Student assistance, which is linked to service in medically underserved communities following graduation, is available to the students in the program.

"(G) The program provides a placement mechanism for deploying graduates to medically underserved communities.".

(2) TITLE VIII.—Section 860 (42 U.S.C. 298b-7) is amended by adding at the end thereof the following subsection:

"(f) EXCEPTIONS.—

"(1) IN GENERAL.—To permit new programs to compete equitably for funding under this section, those new programs that meet the criteria described in paragraph (3) shall qualify for a funding preference under this section.

"(2) DEFINITION.—As used in this subsection, the term 'new program' means any program that has graduated less than three classes. Upon graduating at least three classes, a program shall have the capability to provide the information necessary to qualify the program for the general funding preferences described in subsection (a).

"(3) CRITERIA.—The criteria referred to in paragraph (1) are the following:

"(A) The mission statement of the program identifies a specific purpose of the program as being the preparation of health professionals to serve underserved populations.

"(B) The curriculum of the program includes content which will help to prepare practitioners to serve underserved populations.

"(C) Substantial clinical training experience is required under the program in medically underserved communities.

"(D) A minimum of 20 percent of the faculty of the program spend at least 50 percent of their time providing or supervising care in medically underserved communities.

"(E) The entire program or a substantial portion of the program is physically located in a medically underserved community.

"(F) Student assistance, which is linked to service in medically underserved communities following graduation, is available to the students in the program.

"(G) The program provides a placement mechanism for deploying graduates to medically underserved communities.".

(f) DEFINITIONS.—Section 799(6) (42 U.S.C. 295p(6)) is amended—

(1) in subparagraph (B) by striking "; or" at the end thereof;

(2) in subparagraph (C) by striking the period and inserting a semicolon; and

(3) by adding at the end thereof the following:

"(D) ambulatory practice sites designated by State Governors as shortage areas or medically underserved communities for purposes of State scholarships or loan repayment or related programs; or

"(E) practices or facilities in which not less than 50 percent of the patients are recipients of aid under title XIX of the Social Security Act or eligible and uninsured.".

(g) GENERALLY APPLICABLE MODIFICATIONS REGARDING OBLIGATED SERVICE.—

(1) IN GENERAL.—Section 795(a)(2) (42 U.S.C. 295n(a)(2)), is amended—

(A) in subparagraph (A), by striking "speciality in" and inserting "field of"; and

(B) in subparagraph (B), by striking "speciality" and inserting "field"; and

(2) EFFECTIVE DATE.—Each amendment made by paragraph (1) shall take effect as if such subsection had been enacted immediately after the enactment of the Health Professions Education Extension Amendments of 1992.

(h) RECOVERY.—Part G of title VII (42 U.S.C. 295j et seq.) is amended by inserting after section 795, the following new section:

"SEC. 796. RECOVERY.

"(a) IN GENERAL.—If at any time within 20 years (or within such shorter period as the Secretary may prescribe by regulation for an interim facility) after the completion of construction of a facility with respect to which funds have been paid under section 720(a) (as such section existed one day prior to the date of enactment of the Health Professions Education

Extension Amendments of 1992 (Public Law 102-408)—

"(1)(A) in case of a facility which was an affiliated hospital or outpatient facility with respect to which funds have been paid under such section 720(a)(1), the owner of the facility ceases to be a public or other nonprofit agency that would have been qualified to file an application under section 605;

"(B) in case of a facility which was not an affiliated hospital or outpatient facility but was a facility with respect to which funds have been paid under paragraph (1) or (3) of such section 720(a), the owner of the facility ceases to be a public or nonprofit school, or

"(C) in case of a facility which was a facility with respect to which funds have been paid under such section 720(a)(2), the owner of the facility ceases to be a public or nonprofit entity,

"(2) the facility ceases to be used for the teaching or training purposes (or other purposes permitted under section 722 (as such section existed one day prior to the date of enactment of the Health Professions Education Extension Amendments of 1992 (Public Law 102-408)) for which it was constructed, or

"(3) the facility is used for sectarian instruction or as a place for religious worship,

the United States shall be entitled to recover from the owner of the facility the base amount prescribed by subsection (c)(1) plus the interest (if any) prescribed by subsection (c)(2).

"(b) NOTICE.—The owner of a facility which ceases to be a public or nonprofit agency, school, or entity as described in subparagraph (A), (B), or (C) of subsection (a)(1), as the case may be, or the owner of a facility the use of which changes as described in paragraph (2) or (3) of subsection (a), shall provide the Secretary written notice of such cessation or change of use within 10 days after the date on which such cessation or change of use occurs or within 30 days after the date of enactment of this subsection, whichever is later.

"(c) AMOUNT.—

"(1) BASE AMOUNT.—The base amount that the United States is entitled to recover under subsection (a) is the amount bearing the same ratio to the then value (as determined by the agreement of the parties or in an action brought in the district court of the United States for the district in which the facility is situated) of the facility as the amount of the Federal participation bore to the cost of construction.

"(2) INTEREST.—

"(A) IN GENERAL.—The interest that the United States is entitled to recover under subsection (a) is the interest for the period (if any) described in subparagraph (B) at a rate (determined by the Secretary) based on the average of the bond equivalent rates of ninety-one-day Treasury bills auctioned during that period.

"(B) PERIOD.—The period referred to in subparagraph (A) is the period beginning—

"(i) if notice is provided as prescribed by subsection (b), 191 days after the date on which the owner of the facility ceases to be a public or nonprofit agency, school, or entity as described in subparagraph (A), (B), or (C) of subsection (a)(1), as the case may be, or 191 days after the date on which the use of the facility changes as described in paragraph (2) or (3) of subsection (a), or

"(ii) if notice is not provided as prescribed by subsection (b), 11 days after the date on which such cessation or change of use occurs,

and ending on the date the amount the United States is entitled to recover is collected.

"(d) WAIVER.—The Secretary may waive the recovery rights of the United States under subsection (a)(2) with respect to a facility (under such conditions as the Secretary may establish by regulation) if the Secretary determines that there is good cause for waiving such rights.

"(e) LIEN.—The right of recovery of the United States under subsection (a) shall not, prior to judgment, constitute a lien on any facility.".

SEC. 503. CLINICAL TRAINEESHIPS.

Section 303(d)(1) (42 U.S.C. 242a(d)(1)) is amended by inserting "counseling" after "family therapy,".

SEC. 504. DEMONSTRATION PROJECT GRANTS TO STATES FOR ALZHEIMER'S DISEASE.

(a) IN GENERAL.—Section 398(a) (42 U.S.C. 280c-3(a)) is amended—

(1) in the matter preceding paragraph (1), by striking "not less than 5, and not more than 15,";

(2) in paragraph (2)—

(A) by inserting after "disorders" the following: "who are living in single family homes or in congregate settings"; and

(B) by striking "and" at the end;

(3) by redesignating paragraph (3) as paragraph (4); and

(4) by inserting after paragraph (2) the following:

"(3) to improve access for individuals with Alzheimer's disease or related disorders, particularly such individuals from ethnic, cultural, or language minorities and such individuals who are living in isolated rural areas, to services that—

"(A) are home-based or community-based long-term care services; and

"(B) exist on the date of enactment of this paragraph; and".

(b) DURATION.—Section 398A (42 U.S.C. 280c-4) is amended—

(1) in the title, by striking "LIMITATION ON";

(2) in subsection (a)—

(A) in the heading, by striking "LIMITATION ON"; and

(B) by striking "may not exceed" and inserting "may exceed"; and

(3) in subsection (b), in paragraphs (1)(C) and (2)(C), by inserting ", and any subsequent year," after "third year".

(c) AUTHORIZATION OF APPROPRIATIONS.—Section 398B(e) (42 U.S.C. 280c-5(e)) is amended by striking "and 1993" and inserting "through 1998".

SEC. 505. MEDICALLY UNDERSERVED AREA STUDY.

(a) IN GENERAL.—The Secretary of Health and Human Services shall conduct a study concerning the feasibility and desirability, of, and the criteria to be used for, combining the designations of "health professional shortage area" and "medically underserved area" into a single health professional shortage area designation.

(b) REQUIREMENTS.—As part of the study conducted under subsection (a), the Secretary of Health and Human Services, in considering the statutory and regulatory requirements necessary for the creation of a single health professional shortage area designation, shall—

(1) review and report on the application of current statutory and regulatory criteria used—

(A) in designating an area as a health professional shortage area;

(B) in designating an area as a medically underserved area; and

(C) by a State in the determination of the health professional shortage area designations of such State; and

(2) review the suggestions of public health and primary care experts.

(c) REPORT.—Not later than 1 year after the date of enactment of this Act, the Secretary of Health and Human Services shall prepare and submit to the appropriate committees of Congress a report concerning the findings of the study conducted under subsection (a) together with the recommendations of the Secretary.

(d) RECOMMENDATIONS.—In making recommendations under subsection (c), the Secretary of Health and Human Services shall give special consideration to (and describe in the report) the unique impact of designation criteria on different rural and urban populations, and ethnic and racial minorities, including—

(1) rational service areas, and their application to frontier areas and inner-city communities;

(2) indicators of high medical need, including fertility rates, infant mortality rates, pediatric population, elderly population, poverty rates, and physician to population ratios; and

(3) indicators of insufficient service capacity, including language proficiency criteria for ethnic populations, annual patient visits per physician, waiting times for appointments, waiting times in a primary care physician office, excessive use of emergency facilities, low annual office visit rate, and demand on physicians in contiguous rural or urban areas.

SEC. 506. PROGRAMS REGARDING BIRTH DEFECTS.

Section 317C of the Public Health Service Act (42 U.S.C. 247b-4), as added by section 306 of Public Law 102-531 (106 Stat. 3494), is amended to read as follows:

"PROGRAMS REGARDING BIRTH DEFECTS

"SEC. 317C. (a) The Secretary, acting through the Director of the Centers for Disease Control and Prevention, shall carry out programs—

"(1) to collect, analyze, and make available data on birth defects, including data on the causes of such defects and on the incidence and prevalence of such defects;

"(2) to provide information and education to the public on the prevention of such defects;

"(3) to operate centers for the conduct of applied epidemiologic research and study of such defects, and to improve the education, training, and clinical skills of health professionals with respect to the prevention of such defects; and

"(4) to carry out demonstration projects for the prevention of such defects.

"(b) NATIONAL CLEARINGHOUSE.—In carrying out subsection (a)(1), the Secretary shall establish and maintain a National Information Clearinghouse on Birth Defects to collect and disseminate to health professionals and the general public information on birth defects, including the prevention of such defects.

"(c) GRANTS AND CONTRACTS.—

"(1) IN GENERAL.—In carrying out subsection (a), the Secretary may make grants to and enter into contracts with public and nonprofit private entities. Recipients of assistance under this subsection shall collect and analyze demographic data utilizing appropriate sources as determined by the Secretary.

"(2) SUPPLIES AND SERVICES IN LIEU OF AWARD FUNDS.—

"(A) Upon the request of a recipient of an award of a grant or contract under paragraph (1), the Secretary may, subject to subparagraph (B), provide supplies, equipment, and services for the purpose of aiding the recipient in carrying out the purposes for which the award is made and, for such purposes, may detail to the recipient any officer or employee of the Department of Health and Human Services.

"(B) With respect to a request described in subparagraph (A), the Secretary shall reduce the amount of payments under the award involved by an amount equal to the costs of detailing personnel and the fair market value of any supplies, equipment, or services provided by the Secretary. The Secretary shall, for the payment of expenses incurred in complying with such request, expend the amounts withheld.

"(3) APPLICATION FOR AWARD.—The Secretary may make an award of a grant or contract under paragraph (1) only if an application for the award is submitted to the Secretary and the application is in such form, is made in such manner, and contains such agreements, assurances, and information as the Secretary deter-

mines to be necessary to carry out the purposes for which the award is to be made.

"(d) BIENNIAL REPORT.—Not later than February 1 of fiscal year 1995 and of every second such year thereafter, the Secretary shall submit to the Committee on Energy and Commerce of the House of Representatives, and the Committee on Labor and Human Resources of the Senate, a report that, with respect to the preceding 2 fiscal years—

"(1) contains information regarding the incidence and prevalence of birth defects and the extent to which birth defects have contributed to the incidence and prevalence of infant mortality;

"(2) contains information under paragraph (1) that is specific to various racial and ethnic groups; and

"(3) contains an assessment of the extent to which each approach to preventing birth defects has been effective, including a description of effectiveness in relation to cost;

"(4) describes the activities carried out under this section; and

"(5) contains any recommendations of the Secretary regarding this section.

"(e) AUTHORIZATION OF APPROPRIATIONS.—For the purpose of carrying out this section, there are authorized to be appropriated such sums as may be necessary for each of the fiscal years 1994 through 1997.".

TITLE VI—GENERAL PROVISIONS

SEC. 601. EFFECTIVE DATE.

This Act and the amendments made by this Act shall take effect October 1, 1993, or upon the date of the enactment of this Act, whichever occurs later.

AMENDMENT NO. 1605

(Purpose: To provide for a substitute amendment)

Mr. MITCHELL. Madam President, I ask unanimous consent that a substitute amendment in behalf of Senator KENNEDY be sent to the desk.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Maine [Mr. MITCHELL] for Mr. KENNEDY, proposes an amendment numbered 1605.

(The text of the amendment is printed in today's RECORD under "Amendments Submitted.")

Mr. KENNEDY. Madam President, I urge the Senate to support the Disadvantaged Minority Health Improvement Act of 1993. This legislation reauthorizes several vital health programs and establishes new initiatives for improving the health status of racial and ethnic minorities.

Despite impressive gains in scientific knowledge and the increased ability to diagnose, prevent and cure disease, too many minority citizens in America do not benefit from these advances. The Nation spends over $800 billion a year on health care, yet the health status of racial and ethnic minorities lags far behind the rest of the Nation. Today, African-Americans, Hispanics, Native Americans, and Asian Pacific Islanders are often in poorer health than typical citizens of Third World countries.

Because minorities are less likely to receive health care services, their children are at risk of being born prematurely or with physical disabilities or not being vaccinated against preventable diseases. Minority adults have a higher likelihood of dying from diseases that most physicians consider preventable.

The latest annual report card on the Nation's health shows that a number of serious health problems disproportionately affecting people of color have not improved or have become worse.

In 1990, Congress enacted the Disadvantaged Minority Health Improvement Act to reduce these barriers and the unnecessary diseases and deaths that disproportionately affecting minorities. The act established an Office of Minority Health in the Department of Health and Human Services to coordinate activities relating to health promotion, disease prevention, service delivery, and research involving racial and ethnic minorities. The act also established a loan and scholarship program to provide financial assistance to minority students pursuing careers as health professionals. In addition, the act strengthened and revised health service delivery programs for disadvantaged racial and ethnic minorities.

There is clearly a need for more research on minority health issues, better data collection on racial and ethnic minorities, and more effective programs to improve minorities access to health care, and train minority health professionals.

The pending legislation reauthorizes and revises activities of the Office of Minority Health. It supports the National Minority Health Resource Center, which disseminates information on health promotion, disease prevention, and preventive health services for racial and ethnic minorities.

This legislation also establishes a national center to address the problems facing individuals with limited English skills who are seeking health care services. The legislation also revises and extends the Health Careers Opportunity Program, the Faculty Development Loan Repayment Program, the Centers of Excellence Program and scholarship and loan programs for disadvantaged students. These programs will increase the number of minority students pursuing careers in medicine, dentistry, and clinical psychology by providing financial aid to students and grants to schools committed to training minority students.

In addition, the legislation codifies new Offices of Minority Health in four agencies—the Centers for Disease Control and Prevention, the Health Resources and Services Administration, the Substance Abuse and Mental Health Services Administration, and the Agency for Health Care Policy and Research. These important offices will help ensure that disadvantaged minority groups have access to health promotion and disease prevention services provided by the Public Health Service.

In addition, the bill authorizes $3 million in grants to States to establish their own Offices of Minority Health. These offices will act as clearinghouses to collect and disseminate information, develop innovative methods of delivering health care and social services to minority communities, and coordinate State activities relating to health promotion and disease prevention.

Finally, the bill establishes an Advisory Committee on Research on Minority Health at the National Institutes of Health. The Committee will be composed of scientists, physicians and other providers with expertise in minority health research and in eliminating barriers to health care. The committee will analyze current research and design new research on all aspects of the relationships between disease and race and ethnicity, such as the onset of disease and responses to pharmaceutical drugs and other treatments.

We have begun to make worthwhile progress in this area in recent years, but much more remains to be done. This is bipartisan legislation, and I particularly commend Senator HATCH and his staff for their support and assistance in developing the measures to improve the health of minorities. I urge the Senate to approve it.

AMENDMENT NO. 1606

(Purpose: To prohibit an agency, or entity, that receives Federal assistance and is involved in adoption or foster care programs from delaying or denying the placement of a child based on the race, color, or national origin of the child or adoptive or foster parent or parents involved)

Mr. MITCHELL. Madam President, in behalf of Senator METZENBAUM, I send an amendment to the substitute and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Maine [Mr. MITCHELL] for Mr. METZENBAUM (for himself, Ms. MOSELEY-BRAUN, Mr. INOUYE, Mr. SIMON, Mrs. KASSEBAUM, and Mrs. FEINSTEIN) proposes an amendment numbered 1606.

At the appropriate place, insert the following new title:

TITLE —MULTIETHNIC PLACEMENT

SECTION 01. SHORT TITLE.

This Act may be cited as the "Multiethnic Placement Act of 1994".

SEC. 02. FINDINGS AND PURPOSE.

(a) FINDINGS.—Congress finds that—

(1) nearly 500,000 children are in foster care in the United States;

(2) tens of thousands of children in foster care are waiting for adoption;

(3) 2 years and 8 months is the median length of time that children wait to be adopted;

(4) child welfare agencies should work to eliminate racial, ethnic, and national origin discrimination and bias in adoption and foster care recruitment, selection, and placement procedures; and

(5) active, creative, and diligent efforts are needed to recruit parents, from every race and culture, for children needing foster care or adoptive parents.

(b) PURPOSE.—It is the purpose of this Act to decrease the length of time that children

wait to be adopted and to prevent discrimination in the placement of children on the basis of race, color, or national origin.

SEC. 03. MULTIETHNIC PLACEMENTS.

(a) ACTIVITIES.—

(1) PROHIBITION.—An agency, or entity, that receives Federal assistance and is involved in adoption or foster care placements may not—

(A) categorically deny to any person the opportunity to become an adoptive or a foster parent, solely on the basis of the race, color, or national origin of the adoptive or foster parent, or the child, involved; or

(B) delay or deny the placement of a child for adoption or into foster care, or otherwise discriminate in making a placement decision, solely on the basis of the race, color, or national origin of the adoptive or foster parent, or the child, involved.

(2) PERMISSIBLE CONSIDERATION.—An agency or entity to which paragraph (1) applies may consider the race, color, or national origin of a child as a factor in making a placement decision if such factor is relevant to the best interests of the child involved and is considered in conjunction with other factors.

(3) DEFINITION.—As used in this subsection the term "placement decision" means the decision to place, or to delay or deny the placement of, a child in a foster care or an adoptive home, and includes the decision of the agency or entity involved to seek the termination of birth parent rights or otherwise make a child legally available for adoptive placement.

(b) LIMITATION.—The Secretary of Health and Human Services shall not provide placement and administrative funds under section 474(a)(3) of the Social Security Act (42 U.S.C. 674(a)(3)) to an agency or entity described in subsection (a) that is not in compliance with subsection (a).

(c) EQUITABLE RELIEF.—Any individual who is aggrieved by an action in violation of subsection (a), taken by an agency or entity described in subsection (a), shall have the right to bring an action seeking relief in a United States district court of appropriate jurisdiction.

(d) CONSTRUCTION.—Nothing in this section shall be construed to affect the application of the Indian Child Welfare Act of 1978 (25 U.S.C. 1901 et seq.).

MULTIETHNIC PLACEMENT ACT

Mr. METZENBAUM. Madam President, I introduced the Multiethnic Placement Act, S. 1224 with one goal in mind—encouraging transracial adoption when an appropriate same race placement is not available. I strongly believe that it is better for children to be adopted by parents of another race than not to be adopted at all. Policies that virtually prohibit multiethnic foster care and adoption are unconstitutional, harmful and must be stopped.

There has been an explosion in the number of children in the foster care system, from 276,000 in 1986 to 450,000 in 1992. The goal for these children is a loving and stable home. This goal can be achieved by placement in either an appropriate same race or interracial home. Although interracial foster and adoptive families may face a variety of problems that same race families do not, the evidence indicates that transracial adoption is often a positive experience for all involved.

Despite this evidence, formal and informal policies against multiethnic placements still persist. S. 1224 would prohibit any agency which receives Federal funds from denying a foster care or adoption placement solely on the basis of race, color, or national origin. For example, it would prohibit child welfare agencies from categorically denying anyone the opportunity to become an adoptive or foster parent on the basis of race, color, or national origin.

The bill would provide for injunctive and equitable relief and require HHS to withhold adoption assistance funds from any agency that violated the law. S. 1224 has the support of Senators CAROL MOSELEY-BRAUN, DANIEL INOUYE, DAN COATS, NANCY KASSEBAUM, PAUL SIMON, DIANNE FEINSTEIN, and DAVE DURENBERGER. It also enjoys the support of Marian Wright Edelman of the Children's Defense Fund, the Reverend Jesse Jackson of the National Rainbow Coalition, and the National Council for Adoption.

Although an appropriate transracial placement is often a positive experience, it is also true that a same race, language, or ethnic group placement can go a long way in helping children make the psychological, social, and cultural adjustment to their new family. Given the obvious benefits of same race placement, the Multiethnic Placement Act also makes it clear that race, color, or national origin can be a factor in making foster care and adoptive placements, if and only if: First, the consideration of these factors are in the child's best interest, and second, race, color, or national origin is considered along with other factors, such as age, sex, member of a sibling group, religion, disability, language, and whether the child has already bonded with the prospective parents.

This commonsense approach to the consideration of race in making foster care and adoption placements is in keeping with long standing Federal adoption legislation that encourages the recruitment of prospective parents of all races. Federal and State case law and HHS guidelines also specifically allow race to be one factor in making foster care and adoptive placements. In addition, every single major child welfare and adoption organization advocates the consideration of race as one of many factors in making out of home placements if such a consideration is in the child's best interests.

Many child welfare and adoption advocates also believe that the permanent placement of a child may be postponed, but not for an undue period of time, in order to affect a same race or ethnic group adoptive placement. They recognize that recruiting prospective parents of all races of children in need of homes requires time and effort.

I would prefer that no child be required to spend any extra time in foster care limbo in order to effectuate a same race placement. Ideally, appropriate prospective parents of all races should be waiting to care for a child the moment he or she needs an out of home placement. But given the difficulties in finding appropriate same race placements, S. 1224 was amended at an executive session of the U.S. Senate Committee on Labor and Human Resources, to state that agencies receiving Federal funds may not unduly delay in making foster care and adoptive placements on the basis of race, color, or national origin.

The amended version of the Multiethnic Placement Act also contains additional findings that stress the importance of eliminating racial, ethnic, and national origin discrimination and bias in adoption and foster care recruitment, selection, and placement procedures. Child welfare agencies are encouraged to use active, creative, and diligent efforts to recruit parents from every race and culture for children needing out of home placements. The amended bill was adopted by voice vote by the U.S. Senate Committee on Labor and Human Resources on October 6, 1993.

The lack of definition for the term "unduly delay" in S. 1224 has caused some concern among the foster care and adoption community. Some who otherwise support S. 1224, fear that the term "unduly" will not or cannot be defined in a manner consistent with the goals of the bill. In order to make it clear that appropriate out of home placements should be made as soon as possible, the latest version of S. 1224 has eliminated the term "unduly".

The passage and enactment of the Multiethnic Placement Act is my highest legislative priority of my remaining time in the Senate. I realize that this bill will not solve all the problems of the child welfare system. But S. 1224 can make a difference in lives of thousands of children who languish in foster care and temporary placements because of policies against transracial placements. I thank my Senate colleagues for their support of this legislation and will work hard for its passage in the House.

THE MULTIETHNIC PLACEMENT ACT

Mr. COATS. As the Senator from Ohio knows, the goal of ending discrimination in adoption placements is one which we both share, as cosponsors of S. 1224, the Multiethnic Placement Act of 1993. I believe that this bill is an important step toward the goal of ending policies which categorically deny adoption placements on the basis of race, color or national origin.

Although the issue of transracial adoption is both controversial and complicated, you and I agree on certain basic principles. First, that it is generally preferable for children to be placed with families of their own ethnic origin when such homes are avail-

able and in the child's best interest. Second, that transracial placement is a positive and effective means of providing a child with a loving and permanent home, particularly when faced with the alternative of long-term foster care. Finally, that children should not be forced into prolonged temporary care when good, stable families are ready, willing, and able to adopt.

Mr. METZENBAUM. I have long been impressed by Senator COATS' dedication to helping children and protecting their best interests. I share his commitment to placing children in loving and permanent homes as quickly as possible. I also believe that transracial adoption should be encouraged when an appropriate same race placement is not available.

Mr. COATS. I am glad that Senator METZENBAUM and I are in agreement on this issue. I would like to ask for clarification of one section in the bill that states that a covered agency may consider race, color, or national origin as a factor in making placement decisions if it is relevant to the best interests of the child involved and is considered in conjunction with other factors. Does the Senator intend that this section allow the use of race, color, or national origin as a determining factor between two otherwise appropriate and available families, when to do so is in the best interests of the child? The reason I am asking this question is that the bill also prohibits denial of adoption based on race. This appear to be a contradiction.

Mr. METZENBAUM. Perhaps this could have been worked more clearly—but the intent is to allow race to be considered as one of many factors and to allow race to be the determinative factor between two otherwise appropriate and available families, if and only if the consideration of race is in the child's best interest.

Mr. COATS. So, I gather from the Senator's response that the primary concern of this bill is the child's best interest.

Mr. METZENBAUM. That is correct—and prolonged foster care is not in the child's best interest.

Mr. COATS. I agree—but does the Senator intend that other factors such as religion, language, and cultural identity be considered when determining the child's best interests?

Mr. METZENBAUM. Yes. Any factors which contribute to a child's development should be taken into consideration when making placement decisions and determining the child's best interest.

Mr. COATS. I thank the Senator for his response. S. 1224 also prohibits any delay in making an adoption placement. While I have expressed concern about the effect of this prohibition I have determined that it is the best legislative approach we can take at this time. I do, however, want to reiterate my concern that this not be perceived as an excuse for agencies not to aggressively recruit prospective adoptive parents. Agencies should, on an ongoing basis—consistently, creatively, and vigorously recruit and study families of every race and culture of children needing adoptive families.

Mr. METZENBAUM. The Senator is correct—and anyone who uses this bill as an excuse not to recruit will have gone against the very spirit we have intended here.

Mr. COATS. I thank the Senator.

The PRESIDING OFFICER. Without objection, the amendment is agreed to.

So the amendment (No. 1606) was agreed to.

Mr. HATCH. Madam President, I rise in support of the Disadvantaged Minority Health Improvement Act of 1993, S. 1569, which I have cosponsored with my distinguished colleague, the chairman of the Labor and Human Resources Committee, Senator KENNEDY.

The Disadvantaged Minority Health Improvement Act has done much to improve the health and well being of minority communities since it was first enacted in 1990. The measure before us today will further enhance and improve upon the existing programs aimed at the delivery of health and human services in racial and ethnic minority communities.

As cited so aptly in the committee report, despite impressive gains in scientific knowledge and the increased ability to diagnose, prevent and cure diseases, many minority citizens in America still do not benefit from these advances. Minorities suffer disproportionately high rates of cancer, stroke, heart disease, diabetes, substance abuse, acquired immune deficiency syndrome, and other diseases and disorders.

The statistics are compelling and shocking. For instance, an African-American child is twice as likely to die in the first year of life as a white child. In addition, African-Americans die as a result of heart disease twice as often as Whites, and their life expectancy is 6 years fewer.

Hispanics are more likely than other Americans to contract certain cancers—stomach, esophagus, pancreas, cervix—as well as tuberculosis and diabetes. In addition, Hispanics have twice the percentage of AIDS cases, and three times the percentage of female and pediatric AIDS cases.

Among Native Americans, a large proportion of the population dies before the age of 45. Cirrhosis and diabetes are two chronic diseases that afflict Native Americans more frequently than other groups. Diabetes is now so prevalent that in many tribes more than 20 percent of the members have this disease.

With respect to Asian and Pacific Islander Americans, diseases normally preventable with appropriate health care service affect these groups at shocking rates. Hepatitis B is seventeen times more prevalent in Southeast Asian Americans than Whites. The incidence of tuberculosis is five times higher among Asians than it is among Whites. And, Hawaiian women have the highest incidence of breast cancer among all racial and ethnic groups.

Accordingly, I believe it is important to strengthen our Federal commitment to provide medical care and educational services to minorities as well as to train and upgrade the skills of minority health professionals in improving the quality of medical care provided in minority communities.

This legislation helps to correct the way we view health in minority communities by placing new priority on morbidity measures. In particular, the bill encourages the Secretary of Health and Human Resources to include morbidity measures in the Federal designation of Medically Underserved Areas [MUAs], and to launch a study on how to include morbidity measures under Federal MUA designations.

In addition to ensuring that Federal designations accurately reflect a community's health status, it is necessary to empower community-based organizations to meet the needs of the communities they serve.

In this area, I would like to applaud the work of the National Coalition of Hispanic Health and Human Services Organizations [COSSMHO] which has for over 20 years developed exemplary models for community-based delivery of health services in underserved Hispanic communities throughout the Nation.

Certainly, in Salt Lake City, the Institute for Human Resources Development, which has been part of and serving the needs of the Hispanic community for two decades, can make far better decisions on how to meet the needs of the community than can a federal agency.

To support the continued movement toward community-based programs, the bill establishes State Offices of Minority Health charged with ensuring the support and development of community-based initiatives in underserved racial and ethnic communities.

Hand-in-hand with the movement toward community-based programs, title IV of S. 1569 also contains several provisions to ensure that we have the necessary data on the health status of racial and ethnic minority communities.

This is something we spent a great deal of time in developing as the bill was drafted, and I think these are very important provisions. It is abundantly clear that we simply do not have adequate data on the health outcomes of minority populations. The committee found, for example, absence of comprehensive epidemiologic information on the Hispanic population. A review we conducted of 15 national data sys-

tems showed that most did not have useful data on Hispanics. The same is true for other populations, such as Asian-Americans.

Madam President, such a lack of good data hampers us in our ability to craft public health programs which respond to the needs of the disadvantaged communities, and thus precludes the Disadvantaged Minority Health Improvement Act from reaching its full potential.

Accordingly, we have directed the Secretary, when making grants, to give special consideration to existing minority community data analysis infrastructures, such as the Hispanic Health Research Consortium and the Asian and Pacific Islander American Health Forum. We also expect HHS to develop—and use—distinct, straightforward and consistent policies in all their data-gathering activities, including major health surveys and health studies, so that we have adequate information about the health problems affecting Hispanics and Asian-Americans.

It is important that HHS involve the National Institutes of Health, particularly the National Institute on Aging and the National Institute of Diabetes, Digestive and Kidney Diseases in this effort.

On one minor point, while I am not convinced that it is necessary to elevate the Director of the Office for Civil Rights to an Assistant Secretary position, I will defer to the administration's request for this organizational change.

On balance, S. 1569 is a significant step in addressing minority health issues and in enabling the Department of Health and Human Services to do a fair and equitable job in fulfilling the legislation's mandate.

I want to thank Senator KENNEDY and his staff for their leadership and diligent efforts in fashioning a solid piece of legislation which will go far in improving the health status of minority populations.

Madam President, I am pleased to be a cosponsor of the Kennedy-Hatch Disadvantaged Minority Health Improvement Act of 1993. I urge my colleagues in the Senate to support its passage.

Mr. COCHRAN. Madam President, I support S. 1569, the Preventive Health Services and Health Professions Amendments Act of 1993, which reauthorizes and revises programs to help improve the health of individuals from disadvantaged backgrounds. I commend my colleague from Massachusetts for this bill. It has broad support among those who are interested in rural health issues and problems.

I especially want to thank the Chairman for adding to his bill a title similar to S. 1082, my bill which reauthorizes the State Offices of Rural Health, first authorized in 1990. S. 1082 responds to growing health care provider shortages in rural America by providing matching grants for States to establish and maintain offices of rural health. When the national initiative began, there were only 9 State offices. Today there are 50.

It is important for each State to continue building its own infrastructure to facilitate coordinated approaches to solving rural health care problems. It is also important that these offices are not hampered with federal regulations, but are given maximum flexibility to meet the needs of each individual State.

Under the program, States decide how to organize these offices, whether within another agency, through an educational institution, or through a private contracting organization. However organized, the aim of these State Offices of Rural Health is the integration of State, Federal, and private sector activities and the development of innovative solutions for improving access to quality care in rural communities.

Activities of these offices also include examining rural health care delivery and recommending improvement in quality and cost effectiveness; assisting in the recruitment and retention of health professionals; providing technical assistance to attract more Federal, State, and foundation funding for rural health; and coordinating rural health interests and activities across the State.

This reauthorization will make one major change to the existing program. It will require only $1 in State matching funds for each Federal dollar. Currently a 3 to 1 match is required. However, the State's portion must be a cash contribution, rather than in-kind contributions. This will alleviate the confusion that has existed under the current program over what constitutes an appropriate State contribution.

Madam President, I am very pleased that the State Offices of Rural Health reauthorization could be included in this important legislation.

Mr. DURENBERGER. Madam President, I have a question for the distinguished sponsor of the Multiethnic Placement Act, Senator METZENBAUM, related to the placement practices of my home State. Minnesota has a policy, absent good cause to the contrary, of first attempting to place a child with relatives. If that is not workable, the State agency attempts to place the child with a family of the same racial or ethnic heritage. If that is not feasible, the final preference is for a family of different heritage that knows and appreciates the child's racial and ethnic heritage. The search for relatives or families of similar race and ethicity must be completed within a short and specified time period.

Would the Multiethnic Placement Act prevent a State from implementing such a policy of preferences?

Mr. METZENBAUM. Consistent with the best interests of the child, the bill would not prevent such policies.

Mr. DURENBERGER. I thank my distinguished colleague.

AMENDMENT NO. 1607 TO AMENDMENT NO. 1605

(Purpose: To permit the Secretary of Health and Human Services to facilitate mutually requested voluntary reunions between adult adopted children, and their birth parents or adult adopted siblings, at no net expense to the Federal Government)

Mr. MITCHELL. Madam President, on behalf of Senator LEVIN and Senator KASSEBAUM, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Maine [Mr. MITCHELL], for Mr. LEVIN and Mrs. KASSEBAUM, proposes an amendment numbered 1607 to amendment 1605.

Mr. MITCHELL. 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 reads as follows:

At the end of the amendment, insert the following:

TITLE —VOLUNTARY MUTUAL REUNIONS

SEC. . FACILITATION OF REUNIONS.

The Secretary of Health and Human Services, in the discretion of the Secretary and at no net expense to the Federal Government, may use the facilities of the Department of Health and Human Services to facilitate the voluntary, mutually requested reunion of an adult adopted child who is 21 or older with—

(1) any birth parent of the adult child; or

(2) any adult adopted sibling, who is 21 or older, of the adult child,

if all such persons involved in any such reunion have, on their own initiative, expressed a desire for reunion.

Mr. LEVIN. Madam President, the amendment which I am offering with Senator KASSEBAUM is aimed at humanizing the process through which adult biological relatives separated by adoption, who are looking for each other, can make contact. Currently, for hundreds of thousands of persons seeking one another the process is often costly, cumbersome, and futile. Aside from the natural, human desire of many to know one's family roots and genetic heritage, there are other reasons many wish to to make contact with birth relatives. For instance, many of these individuals need to have access to information which may affect their own mental and physical health and influence their own family decisions.

My amendment would permit the Secretary of Health and Human Services, at no net expense to the Federal Government, to facilitate the voluntary, mutually requested reunions between adult adopted children 21 years of age and over, and their birth

parents or adult adopted siblings 21 years of age and over.

I would like to make clear, Mr. President, that under this amendment, there could be no searching for one party at the request of another. All parties would have to, on their own, mutually and voluntarily seek one another.

Madam President, currently, over half the States provide for voluntary and mutual reunion facilitation. But even those systems are restricted, by nature, to the geographic boundaries of the State. Since we are a mobile society, that limitation reduces the utility of State-based networks. Adoptions are often started in one State but finalized in another. Additionally, the adult adoptee, birth parent, or sibling may be a resident of several different States during their lifetimes.

Madam President, the amendment does not mandate, but simply gives the Secretary the discretion to facilitate voluntary, mutual reunions, if she so chooses.

I urge my colleague to support this humane legislation.

The PRESIDING OFFICER. Without objection, the amendment is agreed to.

So the amendment (No. 1607) was agreed to.

Mr. MITCHELL. Madam President, I ask unanimous consent that the substitute, as amended, be agreed to, the bill, as amended, be read three times, passed, and the motion to reconsider be laid upon the table.

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

So the substitute amendment (No. 1605), as amended, was agreed to.

So the bill (S. 1569), as amended, was passed, as follows:

[The bill (S. 1569) will appear in a subsequent issue of the RECORD.]

ORDERS FOR MONDAY, APRIL 11, 1994

Mr. MITCHELL. Madam President, I ask unanimous consent that when the Senate completes its business today, it stand adjourned until 1 p.m. on Monday, April 11; and that when the Senate reconvenes on that day, the Journal of proceedings be deemed to have been approved to date, the call of the calendar be waived, and no motions or resolutions come over under the rule; that the morning hour be deemed to have expired; that the time for the two leaders be reserved for their use later in the day; that there then be a period for morning business, not to extend beyond 2 p.m., with Senators permitted to speak therein for up to 10 minutes each; and that at 2 p.m., the Senate proceed to debate the motion to proceed to Calendar Order No. 248, S. 21, the California Desert Protection bill.

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

ADJOURNMENT UNTIL MONDAY, APRIL 11, 1994, AT 1 P.M.

Mr. MITCHELL. Madam President, if there is no further business to come before the Senate today, I now move that the Senate stand adjourned until 1 p.m. on Monday, April 11, as provided for under the provisions of House Concurrent Resolution 232.

The motion was agreed to; and, at 1:17 a.m., the Senate adjourned until Monday, April 11, 1994, at 1 p.m.

NOMINATIONS

Executive nominations received by the Senate March 25, 1994:

FOREIGN SERVICE

THE FOLLOWING-NAMED CAREER MEMBERS OF THE SENIOR FOREIGN SERVICE OF THE DEPARTMENT OF COMMERCE FOR PROMOTION IN THE SENIOR FOREIGN SERVICE TO THE CLASS INDICATED:

CAREER MEMBERS OF THE SENIOR FOREIGN SERVICE OF THE UNITED STATES OF AMERICA, CLASS OF MINISTER-COUNSELOR:

KEVIN C. BRENNAN, OF CALIFORNIA
ROBERT S. CONNAN, OF PENNSYLVANIA
CHARLES A. FORD, OF VIRGINIA
DALE V. SLAGHT, OF NEW JERSEY

THE FOLLOWING-NAMED CAREER MEMBERS OF THE FOREIGN SERVICE FOR PROMOTION INTO THE SENIOR FOREIGN SERVICE, AS INDICATED:

CAREER MEMBERS OF THE SENIOR FOREIGN SERVICE OF THE UNITED STATES OF AMERICA, CLASS OF MINISTER-COUNSELOR:

JONATHAN M. BENSKY, OF WASHINGTON
TERENCE FLANNERY, OF VIRGINIA
LARON L. JENSEN, OF VIRGINIA
JOHN PETERS, OF FLORIDA

DEPARTMENT OF THE TREASURY

PHILIP N. DIEHL, OF TEXAS, TO BE DIRECTOR OF THE MINT FOR A TERM OF 5 YEARS, VICE DAVID J. RYDER.

IN THE AIR FORCE

THE FOLLOWING-NAMED OFFICER FOR APPOINTMENT TO THE GRADE OF GENERAL ON THE RETIRED LIST PURSUANT TO THE PROVISIONS TO TITLE 10, UNITED STATES CODE, SECTION 1370:

To be general

GEN. MICHAEL P.C. CARNS, [redacted] U.S. AIR FORCE.

THE FOLLOWING-NAMED OFFICERS FOR APPOINTMENT TO THE GRADE OF LIEUTENANT GENERAL ON THE RETIRED LIST PURSUANT TO THE PROVISIONS TO TITLE 10, UNITED STATES CODE, SECTION 1370:

To be lieutenant general

LT. GEN. BRADLEY C. HOSMER, [redacted] U.S. AIR FORCE.
LT. GEN. THOMAS G. MCINERNEY, [redacted] U.S. AIR FORCE.
LT. GEN. ALEXANDER M. SLOAN, [redacted] U.S. AIR FORCE.

CONFIRMATIONS

Executive nominations confirmed by the Senate March 25, 1994:

THE JUDICIARY

RAFAEL DIAZ, OF THE DISTRICT OF COLUMBIA, TO BE AN ASSOCIATE JUDGE OF THE SUPERIOR COURT OF THE DISTRICT OF COLUMBIA FOR THE TERM OF 15 YEARS.

PEACE CORPS

CHARLES R. BAQUET III, OF MARYLAND, TO BE DEPUTY DIRECTOR OF THE PEACE CORPS.

DEPARTMENT OF COMMERCE

CHARLES F. MEISSNER, OF MARYLAND, TO BE AN ASSISTANT SECRETARY OF COMMERCE.

SUSAN G. ESSERMAN, OF MARYLAND, TO BE AN ASSISTANT SECRETARY OF COMMERCE.

DEPARTMENT OF DEFENSE

ROBERT F. HALE, OF VIRGINIA, TO BE AN ASSISTANT SECRETARY OF THE AIR FORCE.

DEPARTMENT OF STATE

JEANETTE W. HYDE, OF NORTH CAROLINA, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO BARBADOS, AND TO SERVE CONCURRENTLY AND WITHOUT ADDITIONAL COMPENSATION AS AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE COMMONWEALTH OF DOMINICA, AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO ST. LUCIA, AND AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO ST. VINCENT AND THE GRENADINES.

JOSIAH HORTON BEEMAN, OF THE DISTRICT OF COLUMBIA, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO NEW ZEALAND, AND TO SERVE CONCURRENTLY AND WITHOUT ADDITIONAL COMPENSATION AS AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO WESTERN SAMOA.

DONALD M. BLINKEN, OF NEW YORK, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE REPUBLIC OF HUNGARY.

MARCH FONG EU, OF CALIFORNIA, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE FEDERATED STATES OF MICRONESIA.

RICHARD DALE KAUZLARICH, OF VIRGINIA, 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 AZERBAIJAN.

U.S. INTERNATIONAL TRADE COMMISSION

LYNN M. BRAGG, OF MARYLAND, TO BE A MEMBER OF THE U.S. INTERNATIONAL TRADE COMMISSION FOR THE TERM EXPIRING JUNE 16, 2002.

INTERNATIONAL JOINT COMMISSION, UNITED STATES AND CANADA

THOMAS L. BALDINI, OF MICHIGAN, TO BE A COMMISSIONER ON THE PART OF THE UNITED STATES ON THE INTERNATIONAL JOINT COMMISSION, UNITED STATES AND CANADA.

SUSAN BATH, OF INDIANA, TO BE A COMMISSIONER ON THE PART OF THE UNITED STATES ON THE INTERNATIONAL JOINT COMMISSION, UNITED STATES AND CANADA.

ALICE CHAMBERLIN, OF NEW HAMPSHIRE, TO BE A COMMISSIONER ON THE PART OF THE UNITED STATES ON THE INTERNATIONAL JOINT COMMISSION, UNITED STATES AND CANADA.

U.S. ADVISORY COMMISSION ON PUBLIC DIPLOMACY

HAROLD C. PACHIOS, OF MAINE, TO BE A MEMBER OF THE U.S. ADVISORY COMMISSION ON PUBLIC DIPLOMACY FOR A TERM EXPIRING JULY 1, 1996.

LEWIS MANILOW, OF ILLINOIS, TO BE A MEMBER OF THE U.S. ADVISORY COMMISSION ON PUBLIC DIPLOMACY FOR A TERM EXPIRING JULY 1, 1996.

AFRICAN DEVELOPMENT FOUNDATION

JOHN F. HICKS, SR., AN ASSISTANT ADMINISTRATOR OF THE AGENCY FOR INTERNATIONAL DEVELOPMENT, TO BE A MEMBER OF THE BOARD OF DIRECTORS OF THE AFRICAN DEVELOPMENT FOUNDATION FOR A TERM EXPIRING SEPTEMBER 22, 1997.

INTERNATIONAL MONETARY FUND

BARRY S. NEWMAN, OF VIRGINIA, TO BE U.S. ALTERNATE EXECUTIVE DIRECTOR OF THE INTERNATIONAL MONETARY FUND FOR A TERM OF 2 YEARS.

EXPORT-IMPORT BANK OF THE UNITED STATES

MARIA LUISA MABILANGAN HALEY, OF ARKANSAS, TO BE A MEMBER OF THE BOARD OF DIRECTORS OF THE EXPORT-IMPORT BANK OF THE UNITED STATES FOR THE REMAINDER OF THE TERM EXPIRING JANUARY 20, 1995.

FEDERAL EMERGENCY MANAGEMENT AGENCY

ELAINE A. MCREYNOLDS, OF TENNESSEE, TO BE FEDERAL INSURANCE ADMINISTRATOR, FEDERAL EMERGENCY MANAGEMENT AGENCY.

THE ABOVE NOMINATIONS WERE APPROVED SUBJECT TO THE NOMINEES' COMMITMENT TO RESPOND TO REQUESTS TO APPEAR AND TESTIFY BEFORE ANY DULY CONSTITUTED COMMITTEE OF THE SENATE.

THE JUDICIARY

MICHAEL J. DAVIS, OF MINNESOTA, TO BE U.S. DISTRICT JUDGE FOR THE DISTRICT OF MINNESOTA.

ANCER L. HAGGERTY, OF OREGON, TO BE U.S. DISTRICT JUDGE FOR THE DISTRICT OF OREGON.

FRANKLIN D. BURGESS, OF WASHINGTON, TO BE U.S. DISTRICT JUDGE FOR THE WESTERN DISTRICT OF WASHINGTON.

DEPARTMENT OF HEALTH AND HUMAN SERVICES

MICHAEL H. TRUJILLO, OF OREGON, TO BE DIRECTOR OF THE INDIAN HEALTH SERVICE, DEPARTMENT OF HEALTH AND HUMAN SERVICES, FOR A TERM OF 4 YEARS.

DEPARTMENT OF JUSTICE

KENT BARRON ALEXANDER, OF GEORGIA, TO BE U.S. ATTORNEY FOR THE NORTHERN DISTRICT OF GEORGIA FOR THE TERM OF 4 YEARS.

DAVID D. FREUDENTHAL, OF WYOMING, TO BE U.S. ATTORNEY FOR THE DISTRICT OF WYOMING FOR THE TERM OF 4 YEARS.

HERBERT LEE BROWN, OF NEVADA, TO BE U.S. MARSHAL FOR THE DISTRICT OF NEVADA FOR THE TERM OF 4 YEARS.

LAWSON CARY BITTICK, OF GEORGIA, TO BE U.S. MARSHAL FOR THE MIDDLE DISTRICT OF GEORGIA FOR THE TERM OF 4 YEARS.

FRANK JAMES ANDERSON, OF INDIANA, TO BE U.S. MARSHAL FOR THE SOUTHERN DISTRICT OF INDIANA FOR THE TERM OF 4 YEARS.

NANNETTE HOLLY HEGERTY, OF WISCONSIN, TO BE U.S. MARSHAL FOR THE EASTERN DISTRICT OF WISCONSIN FOR THE TERM OF 4 YEARS.

RAYMOND GERARD GAGNON, OF NEW HAMPSHIRE, TO BE U.S. MARSHAL FOR THE DISTRICT OF NEW HAMPSHIRE FOR THE TERM OF 4 YEARS.