SENATE—*Thursday, May 25, 1995*

(Legislative day of Monday, May 15, 1995)

The Senate met at 9 a.m., on the expiration of the recess, and was called to order by the President pro tempore [Mr. THURMOND].

PRAYER

The Chaplain, Dr. Lloyd John Ogilvie, offered the following prayer:

Gracious God, our source of spiritual, intellectual, and physical strength, we thank You for a good night's rest after an intensely busy yesterday, filled with many votes in a long and demanding agenda. Now, You have replenished our wells of energy and given us a fresh new day in which we have the privilege of serving You. Lord, it's great to be alive.

Lord, grant the Senators more than the courage of their convictions. Rather, give them convictions that arise from Your gift of courage. May this indomitable courage be rooted in profound times of listening to You that result in a relentless commitment to truth that is expressed in convictions that cannot be compromised.

We trust You to guide them so that all they say and decide is in keeping with Your will. We ask for Your wisdom in the crucial matter to be voted on today. Lord, take command of their minds and their thinking, speak Your truth through their speaking, and then give them clarity for hard choices. Help them to live this day to the fullest. In Your holy name. Amen.

RESERVATION OF LEADER TIME

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

SECOND SUPPLEMENTAL APPROPRIATIONS AND RESCISSIONS ACT, 1995—CONFERENCE REPORT

The PRESIDENT pro tempore. Under the previous order, the Senate will now proceed to vote on the conference report to accompany H.R. 1158, which the clerk will report.

The assistant legislative clerk read as follows:

The conference report to accompany H.R. 1158, an act making emergency supplemental appropriations for additional disaster assistance, and making rescissions for the fiscal year ending September 30, 1995, and for other purposes.

The Senate resumed consideration of the conference report.

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

The PRESIDENT pro tempore. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDENT pro tempore. The question is on agreeing to the conference report. On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The bill clerk called the roll.

Mr. FORD. I announce that the Senator from Maryland [Ms. MIKULSKI] is necessarily absent.

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

The result was announced—yeas 61, nays 38, as follows:

[Rollcall Vote No. 203 Leg.]

YEAS—61

Abraham	Gorton	McCain
Ashcroft	Gramm	McConnell
Bennett	Grams	Murkowski
Bond	Grassley	Nickles
Boxer	Gregg	Packwood
Brown	Hatch	Pressler
Burns	Hatfield	Reid
Byrd	Helms	Roth
Campbell	Hutchison	Santorum
Coats	Inhofe	Shelby
Cochran	Inouye	Simpson
Cohen	Jeffords	Smith
Coverdell	Johnston	Snowe
Craig	Kassebaum	Specter
D'Amato	Kempthorne	Stevens
DeWine	Kerrey	Thomas
Dole	Kohl	Thompson
Domenici	Kyl	Thurmond
Faircloth	Lott	Warner
Feinstein	Lugar	
Frist	Mack	

NAYS—38

Akaka	Exon	Lieberman
Baucus	Feingold	Moseley-Braun
Biden	Ford	Moynihan
Bingaman	Glenn	Murray
Bradley	Graham	Nunn
Breaux	Harkin	Pell
Bryan	Heflin	Pryor
Bumpers	Hollings	Robb
Chafee	Kennedy	Rockefeller
Conrad	Kerry	Sarbanes
Daschle	Lautenberg	Simon
Dodd	Leahy	Wellstone
Dorgan	Levin	

NOT VOTING—1

Mikulski

So the conference report was agreed to.

Mr. HATFIELD. Mr. President, I ask unanimous consent to proceed for 2 minutes on this rescissions package.

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

Mr. HATFIELD. Mr. President, I merely wanted to say, in conclusion of this process on the rescissions package, I am very hopeful that the President will sign this bill. If he does not sign this bill, of course, there are problems relating particularly to the supplemental appropriations that are included in this bill.

We have worked long and hard on this. I want to take this occasion to thank my colleague from the Democratic side of the aisle, Senator BYRD, the ranking member of the full committee; each of subcommittee chairs and each of the subcommittee ranking members, and the extraordinary staff that we have on both sides that have worked together very carefully.

Mr. President, I cannot predict what will happen. There have been discussions between the Republican leadership of the House and the Senate with the White House wondering if there might be a better way to achieve a common goal that the President has and we have. I make no predictions.

I must say, I am terribly disappointed we had so few Democrats support this measure today, because I can say one thing: If there is a revision or if there is a new package that comes down the track, we will not have enough votes on this side to pass it. I, therefore, would urge that the White House take a very careful view of the politics of getting any other package passed, even one that we might be able to agree to.

I thank my colleagues on the committee, both the Republicans and Democrats, for having brought us to a conclusion at this point on the rescissions conference report.

Mr. LAUTENBERG. Mr. President, I voted against the bill before the Senate today because of its misplaced priorities: cuts in education, cuts in training, cuts in housing, but no cuts in programs which do not address critical needs or waste tax dollars.

Mr. President, President Clinton has shown real leadership by drawing a line in the sand and standing up for important investments in our future. The President has repeatedly made it clear that he wants to work with the Congress to reduce spending, but that it is his responsibility to protect important investments in our future. The President does not want to pile up a stack of veto messages. He wants to work with the Congress to move legislation that will help the American people. He saw gridlock in the last Congress and does not want to repeat the experience.

Despite his efforts to cooperate, the House of Representatives crafted a bill to cut programs which the President found unacceptable. The Senate, after a great deal of effort, came up with a deficit reduction bill which every Member voted for and which the President said he could sign. In conference with the House of Representatives, however,

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

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it changed again. Almost 85 percent of the funding for priorities important to the President was eliminated. That was done, in many cases, without Democratic members of the Appropriations Committee having access to the decisionmaking process. I support the President's decision to veto this bill, and have voted against it.

Mr. President, rather than force a useless confrontation, we can and should have revised this legislation and passed it. Everyone agrees that the disaster relief in this bill is important. Everyone agrees that the aid to Oklahoma in this bill is critical. Everyone agrees that the aid to Jordan in this bill protects our national self-interest. And everyone agrees that we can and should cut some of the funding appropriated for certain programs last year.

It was irresponsible for the Republican majority, in a fit of partisan political pique, to simply refuse to revise this legislation and get it passed. Yet the most ardent budget cutters claimed they were too busy to save the American taxpayers a mere $10 billion or so in what they see as unnecessary and wasteful spending. That, Mr. President, is ridiculous. If we had worked with the administration, we could have quickly adopted legislation to give people the aid they need and the reductions in overall spending they want.

Mr. President, I voted for the initial Senate version of this bill, a bill which more closely met my own priorities, especially when compared to the House measure. I was not entirely satisfied with the Senate bill. We cut billions from housing programs, but we did not touch a penny of military spending. We cut billions from education and training programs, but we did not touch wasteful subsidies which go to wealthy and corporate agricultural interests. We cut millions for dozens of important, productive, and efficient programs, but we did not look for the waste and mismanagement which permeates too many of our programs. That situation did not get better in conference. We cut $1.4 billion in job training funds and another $831 million in education. Look at the specifics: $65 million for adult job training, gone; $67 million for displaced workers, gone; $12.5 million for school to work programs, gone; $236 million for the Safe and Drug Free Schools Program, gone; $91 million for vocational and adult education, gone. Those programs represent an investment in our future, and those cuts make that future a little darker.

So, Mr. President, I oppose this conference report. I still believe the Government can play a role in improving the lives of the American people. I accept and embrace the need to reduce the deficit and get control over spending, but I believe we can do that while still addressing the needs we face as a nation.

Given that, Mr. President, I voted against this bill and will support the President's veto. I hope our colleagues will quickly move to put together a bill which meets our obligations to reduce overall Federal spending while preserving programs that help people.

Mr. PELL. Mr. President, I voted for the original rescissions bill because the reductions were reasonable and because we had restored 80 percent of the education cuts that were contained in the House bill. I fervently hoped that the Senate position on education would prevail in the House-Senate conference. Unfortunately, it did not. As a result there are drastic cuts in several important Federal education programs, such as safe and drug free schools, dropout prevention, and education reform. Because of this, I cannot support the conference report.

Mrs. FEINSTEIN. Mr. President, I rise today in support of this emergency disaster supplemental conference report. We are faced with a difficult decision: Parts of the Nation, including California, desperately need the emergency disaster funds contained in this bill, yet many of the cuts in this legislation, such as the Safe and Drug Free Schools Program and the Summer Youth Employment Program, will harm many of those very people we are intending to help the most.

However, emergency spending is just that, and American families affected by natural disasters cannot wait for us in Washington to get our acts together to begin providing relief. Since the beginning of this year, there have been seven new disaster declarations, including two floods in California, flooding in South Dakota, tornadoes in Alabama, the great tragedy of Oklahoma City, and flooding in Louisiana and Mississippi. FEMA has also undertaken preliminary damage assessments in Tennessee and Kentucky as a result of the tremendous rain and hail storms that recently swept through that area, and in South Dakota as a result of flooding.

Also, and more recently, the specter of the Mississippi River's recent cresting and the snowpacks melting in California reinforces the urgency for this timely assistance. I note with trepidation and concern that tornado season in the South and Midwest, and hurricane season in the Gulf and East Coast States will both soon be here.

In addition to this year's disasters, this funding will also go to continue or closeout the disaster assistance accounts in 40 other States for over 280 separate Federal disaster assistance obligations.

I understand President Clinton has said he will veto this bill. I welcome the recent comments by Chairman HATFIELD and Chairman LIVINGSTON which would indicate at the very least a willingness to work toward providing this needed relief. I urge the administration and the leadership of both parties to work together toward a speedy resolution of the impasse we will soon face.

I fully support efforts to cut spending and reduce the deficit and look forward to working with my colleagues in the future toward that end. However, there are other vehicles for deficit reduction; we spent most of this week on the fiscal year 1996 budget resolution. Very soon we will also begin considering the fiscal year 1996 appropriations bills. I respectfully submit to my colleagues that these are the proper vehicles for controlling spending and deficit reduction and I pledge to work with them at the appropriate time to make those difficult decisions.

Let me reiterate that this is a national disaster relief bill. Now is the time for the Congress to come through for Americans who have been affected by national disasters. Let us not allow this obligation to get mired down in partisan bickering over which programs to cut and when to cut them. We will have the opportunity to make these cuts later; this emergency assistance, however, cannot wait.

I urge my colleagues to pass this conference report and to work with the administration toward formulating a disaster assistance bill that can both pass the Congress and be signed by the President.

Mr. LEAHY. Mr. President, today the Senate passed the conference report on the emergency supplemental and rescission bill. Some of the cuts in the report were well deserved. The emergency relief for California and Oklahoma is certainly much needed. But you do not buy a horse because it has two good legs, and I will not vote for a rescission bill whose cuts have such a lopsided affect on low- and middle-income Americans. There is a better way to cut spending.

Last month I supported the Senate in overwhelmingly passing a rescission bill that, while far from perfect, put the emphasis of cuts where it should be, on pork not the poor. The Senate bill included cuts to earmarked courthouse construction, American subsidized broadcasting to Europe—a hard program to support when public broadcasting at home is being cut, and unused funding for transportation projects.

The House cuts had a much different focus, a focus that unfortunately the conference report has adopted. The conference package cuts $319 million from low-income fuel assistance programs, $113 million—five times the Senate level of cuts—to low-income education programs, and $1.5 billion more than the Senate proposed in cuts to assisted housing programs. Affordable housing took the biggest cut, with the conference report rescinding $7 billion from Department of Housing and Urban Development—30 percent of this year's budget.

These cuts are not equitable, they are not fair to working American families, they are not the cuts the Senate voted for on April 6. I hope that there will be an opportunity to return the focus of this rescission bill to the programs that the Senate bill targeted. The disaster victims need the assistance the supplemental will provide. Let us get it to them without making victims of middle-class American families.

Mr. DORGAN. Mr. President, regrettably, I do not support the conference agreement before us today. While it cuts this year's funding by $16.4 billion, and adds new spending for the California earthquake, other disasters and the Oklahoma City catastrophe, it misses the target on some very fundamental issues. I support cutting spending and reducing the deficit. But the cuts in this bill are in the wrong programs and in the wrong amounts.

Mr. President, I voted for this bill when it originally passed the Senate. I did so because immediately before final passage a carefully crafted bipartisan amendment by Senators DOLE and DASCHLE was adopted to restore some money for certain critical health, education, and training programs that had been deeply cut in the bill.

Unfortunately, Mr. President, the Dole-Daschle amendment was gutted by the conferees. This bill now rescinds $813 million in education funding, almost three times the amount that was included in the original Senate bill. It cuts education reform programs, it cuts student loan programs, and it cuts money to keep schools safe and kids off of drugs. That is simply unacceptable. What could be a higher national priority than investing in our kids? How can we say on the one hand that drugs in our schools have reached epidemic proportions, and on the other hand cut funding for the Safe and Drug Free Schools Program? These cuts just do not meet the commonsense test, and I think most Americans will agree.

Equally disturbing to me is the amount of funding that was cut from training programs. These cuts total $1.4 billion. The bill makes deep cuts in the Youth Job Training Program, the Youth Unemployment Program, and the School-to-Work Program. These are programs that help disadvantaged kids obtain the skills they will need to move into the work force and become productive citizens.

How can we in good conscience support big cuts in programs for children from struggling families in order to pay for tax cuts for the wealthy? I do not think average Americans support these reductions. I think they would prefer that we close corporate tax loopholes rather than eliminate the helping hand low-income youth might need to have a brighter future. I think they would rather have us spend $1 billion on youth training programs than $50 billion on star wars. I think the average American family would rather have us spend money to keep poor seniors from freezing in the winter than paying for some Member's pork project.

There also appears to be a hidden agenda in this bill. Rather than earmarking all the spending cuts in the bill for deficit reduction, there are $50 billion in long-term savings that are not set aside for that purpose. The motive of Republican tax cut proponents is clear. They want that money to finance a big tax cut package for the affluent.

Because I think this conference agreement establishes the wrong set of spending priorities and does not use all the savings for deficit reduction, I am pleased that the President has threatened to veto it. We start over, we can produce a better product.

The President has sent us his guidelines for a package of cuts he will support. His proposal has deeper spending cuts than are contained in this bill. But his priorities are different. He would restore money for education, training, health, veterans and poor pregnant women. And he would pay for spending on these programs by cutting funding for Federal buildings, government travel, and highway projects.

The President wants us to continue to invest in people, not pork. I happen to share that view. Investing in our people, especially in kids who are at risk of falling through the cracks of the social safety net, is the value system I want to represent, and those are the values I believe most Americans support.

Ms. MIKULSKI. Mr. President, I rise in opposition to the Conference Report on H.R. 1158. While I am a strong supporter of deficit reduction, I am opposed to the precedent of requiring large budget cuts in order to pay for emergency disaster relief. In addition, I believe this bill undermines programs which make the investments in our Nation's future. In addition, my own State of Maryland suffers a disproportionate share of the rescissions which will have a negative impact on Maryland's economy. For these reasons, I am opposed to this bill.

The conference report made a very deep cut in funding for the consolidation of the Food and Drug Administration facilities in Montgomery County, MD. The conferees' decision to rescind $228 million will delay the consolidation of FDA facilities which are in desperate need of modernization. I believe that modernizing the FDA is a national priority that is vital to protecting public health and safety and improving the regulatory capability of this agency.

This conference report also makes significant cuts in the VA/HUD Subcommittee budget in order to pay for disaster funding for Northridge, CA and Oklahoma City. It is wrong to require programs within the jurisdiction of single appropriations subcommittee to bear the costs of funding national disasters. Funding assistance for national disasters is a national responsibility requiring everyone to contribute.

During the Senate's consideration of H.R. 1158, I offered an amendment that would have made an across-the-board cut in discretionary spending to pay for disaster relief in a more equitable manner. Unfortunately, this amendment was defeated.

As the flood waters once again rise throughout the Midwest, we are reminded of the need to establish a rainy day fund to prepay the costs of disaster relief. Our failure to establish such a fund is costing VA-HUD programs $8.5 billion—over 10 percent of all the funds appropriated for VA-HUD programs in FY 1995.

The conference agreement also nearly triples the Senate-passed rescissions for education programs and doubles the amount of funding rescinded for national service. These programs represent the kind of strategic investments that I believe we have to make if we are to prepare future generations for the 21st century.

While the conferees did recognize the value and need of moving forward with this project in the future, I will continue to fight for FDA consolidation despite the rescission contained in this bill.

For these reasons, Mr. President, I am opposed to the conference report to H.R. 1158.

CONCURRENT RESOLUTION ON THE BUDGET

The PRESIDING OFFICER. Under the previous order, the Senate will now resume consideration of Senate Concurrent Resolution 13, which the clerk will report

The legislative clerk read as follows:

A concurrent resolution (S. Con. Res. 13) setting forth the congressional budget for the United States Government for the fiscal years 1996, 1997, 1998, 1999, 2000, 2001, and 2002.

The Senate proceeded to consider the concurrent resolution.

AMENDMENT NO. 1168

(Purpose: To allow the shift of up to $1 billion from wasteful bureaucratic overhead and wasteful procurement in the military budget for use in strengthening enforcement of immigration laws)

Mr. EXON. Mr. President, I send an amendment to the desk on behalf of Senator LAUTENBERG and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Nebraska [Mr. EXON], for Mr. LAUTENBERG, proposes an amendment numbered 1168.

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

The PRESIDING OFFICER. Without objection it is so ordered.

The amendment is as follows:

On page 68, add at the end of line 12 the following: "In addition, paragraph (1)(B) of this section shall not apply to legislation that proposes to eliminate up to $1,000,000,000 from wasteful bureaucratic overhead and wasteful procurement in the military budget, and to apply the resulting savings for use in strengthening enforcement of immigration laws.".

Mr. LAUTENBERG. Mr. President, this amendment would allow the shift of up to $1 billion from wasteful bureaucratic overhead and procurement in the military budget, for use in fighting illegal immigration.

Let me take a moment and explain why the amendment is needed.

Mr. President, this budget resolution proposes to reestablish a so-called firewall that will give special protection to the military budget—protection not provided to any other program in the entire Government. Under this provision, a majority of the Senate would be blocked from shifting funds from the military budget for use in meeting domestic needs here at home. The only way to waive the prohibition would be to obtain a supermajority of 60 votes.

Mr. President, I strongly object to this supermajority vote requirement. In my view, if a majority of the Senate thinks it's more important to address a particular domestic problem than to spend more money on the Pentagon bureaucracy, or on an outdated weapon system, a majority ought to have that right.

Unfortunately, the Senate seems determined to establish a firewall for the military budget. And so it seems inevitable that the firewall will indeed be erected. However, I am hopeful that my colleagues will agree to reasonable exceptions to allow the transfer of funds for particularly compelling purposes.

The premise of my amendment, Mr. President, is that fighting illegal immigration is one such compelling purpose.

Mr. President, illegal immigration is rampant in this country. Some estimates show that 300,000 illegal immigrants come to this country each year. Despite its past admirable work, the Immigration and Naturalization Service is woefully understaffed and underfunded.

We need more border patrol agents to stop illegal immigration and other INS officials to help deport those who are living in this country illegally.

Mr. President, illegal immigration is a major problem. Ask State and local officials from California, Texas, Florida, New York, and New Jersey about the toll that illegal immigration takes on their economies and local services.

Mr. President, at a minimum a majority of the Senate ought to be free to provide up to $1 billion into fighting illegal immigration, if we can identify savings from military spending that the Senate agrees is wasteful.

I urge my colleagues to support the amendment.

Mr. EXON. Mr. President, this amendment will allow the transfer of up to $1 billion from the wasteful bureaucratic overhead and wasteful procurement in the military budget for use in strengthening enforcement of the immigration laws without the 60-vote point of order that would otherwise apply to such transfer.

Mr. DOMENICI addressed the Chair.

The PRESIDING OFFICER. The Chair recognizes the Senator from New Mexico.

Mr. DOMENICI. Mr. President, this amendment exempts legislation, which would transfer $1 billion from defense to immigration, from the point of order for breaching the nondefense firewall.

This amendment is not germane and is subject to a point of order. Therefore, I make a point of order, Mr. President.

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

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

Mr. DOLE. Mr. President, I understand there are about 54 amendments, but only about 30 will require rollcall votes. I thought maybe we would do 20 today and 10 tomorrow—whatever is left tomorrow—and still try to accommodate the President on the antiterrorism bill. But it is going to be very difficult to do that. As long as he understands why we cannot do it, I assume he will not hold me responsible. We do not want to do all these today, we have so many.

Mr. DOMENICI. Mr. President, pursuant to an agreement I had made with the minority, I withdraw my point of order at this point. Therefore, we will be voting up or down on the Lautenberg amendment, which is what I indicated a moment ago.

Mr. EXON. Have the yeas and nays been ordered? I ask for the yeas and nays, if they have not been ordered.

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 amendment No. 1168, offered by the Senator from New Jersey [Mr. LAUTENBERG]. 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 Maryland [Ms. MIKULSKI] is necessarily absent.

The result was announced—yeas 31, nays 68, as follows:

[Rollcall Vote No. 204 Leg.]

YEAS—31

Akaka	Feinstein	Moseley-Braun
Baucus	Ford	Moynihan
Boxer	Graham	Pell
Bradley	Harkin	Pryor
Breaux	Hatfield	Reid
Bryan	Hollings	Rockefeller
Bumpers	Kennedy	Sarbanes
Byrd	Kerry	Simon
Daschle	Kohl	Wellstone
Dodd	Lautenberg	
Feingold	Levin	

NAYS—68

Abraham	Frist	Mack
Ashcroft	Glenn	McCain
Bennett	Gorton	McConnell
Biden	Gramm	Murkowski
Bingaman	Grams	Murray
Bond	Grassley	Nickles
Brown	Gregg	Nunn
Burns	Hatch	Packwood
Campbell	Heflin	Pressler
Chafee	Helms	Robb
Coats	Hutchison	Roth
Cochran	Inhofe	Santorum
Cohen	Inouye	Shelby
Conrad	Jeffords	Simpson
Coverdell	Johnston	Smith
Craig	Kassebaum	Snowe
D'Amato	Kempthorne	Specter
DeWine	Kerrey	Stevens
Dole	Kyl	Thomas
Domenici	Leahy	Thompson
Dorgan	Lieberman	Thurmond
Exon	Lott	Warner
Faircloth	Lugar	

NOT VOTING—1

Mikulski

So the amendment (No. 1168) was rejected.

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

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

The motion to lay on the table was agreed to.

AMENDMENT NO. 1169

(Purpose: To allow the shift of up to $2 billion from wasteful bureaucratic overhead and wasteful procurement in the military budget for use in addressing the problem of domestic violence)

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

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Nebraska [Mr. EXON], for Mr. LAUTENBERG, for himself and Mr. WELLSTONE, proposes an amendment numbered 1169.

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

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

The amendment is as follows:

On page 68, add at the end of line 12 the following: "In addition, paragraph (1)(B) of this section shall not apply to legislation that proposes to eliminate up to $2,000,000,000 from wasteful bureaucratic overhead and wasteful procurement in the military budget, and to apply the resulting savings for use in addressing the problem of domestic violence.".

Mr. LAUTENBERG. Mr. President, this amendment would allow the shift of up to $2 billion from wasteful bureaucratic overhead and procurement

in the military budget, for use in addressing the problem of domestic violence.

Mr. President, this budget resolution proposes to reestablish a so-called firewall that will give special protection to the military budget—protection not provided to any other program in the entire Government. Under this provision, a majority of the Senate would be blocked from shifting funds from the military budget for use in meeting domestic needs here at home. The only way to waive the prohibition would be to obtain a supermajority of 60 votes.

This supermajority vote requirement, in my view, is wrong. As I see it, if a majority of the Senate believes it's more important to address a particular domestic problem than to lavish more money on the Pentagon bureaucracy, or on an unnecessary weapons system, a majority ought to have that right.

Unfortunately, the Senate seems determined to establish a firewall for the military budget. And so it seems inevitable that the firewall will indeed be erected. However, I am hopeful that my colleagues will agree to reasonable exceptions to allow the transfer of funds for particularly compelling purposes.

Mr. President, fighting domestic violence deserves to be a very high priority.

Mr. President, every 12 seconds, a woman is battered in the United States. Each year, over 4,000 women are killed by their abusers.

Mr. President, domestic violence has reached crisis proportions. And we have got to do—it is critical that we do everything possible to respond.

Mr. President, I know that many of my Republican colleagues do not believe that there is any waste in the Pentagon budget. I think they are wrong. But even if they are not yet convinced, I hope they will support the amendment. Under my proposal, it will be up to the Senate to decide whether any particular item of military spending is wasteful. That is a judgment that a majority of Senators should be allowed to make in the future. Also, the amendment limits transfers to $2 billion, which represents less than 1 percent of the military budget.

So, Mr. President, this amendment poses this question to my colleagues: Whose side are you on? Do you want to support wasteful bureaucratic overhead at the Pentagon? Or do you want to stand with America's women, and support the fight against domestic violence?

I think it is an easy choice. And I hope my colleagues agree.

Mr. EXON. Mr. President, this amendment would allow the transfer of up to $2 billion from the wasteful bureaucratic overhead and wasteful procurement in the military budget for use in addressing the problems of domestic violence without the 60 vote point of order that would otherwise apply to such a transfer.

Mr. DOMENICI. Mr. President, I have a little different interpretation. So I would like to state it. This legislation would transfer $2 billion out of the Department of Defense. We have no assurance what it would be used for, but it would be transferred out of Defense.

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

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays are ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. FORD. I announce that the Senator from Maryland [Ms. MIKULSKI] is necessarily absent.

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

The result was announced—yeas 26, nays 73, as follows:

[Rollcall Vote No. 205 Leg.]

YEAS—26

Akaka	Hatfield	Moynihan
Biden	Jeffords	Murray
Boxer	Kennedy	Pell
Bradley	Kerry	Reid
Daschle	Kohl	Rockefeller
Dodd	Lautenberg	Sarbanes
Feingold	Leahy	Simon
Feinstein	Levin	Wellstone
Harkin	Moseley-Braun	

NAYS—73

Abraham	Exon	Lugar
Ashcroft	Faircloth	Mack
Baucus	Ford	McCain
Bennett	Frist	McConnell
Bingaman	Glenn	Murkowski
Bond	Gorton	Nickles
Breaux	Graham	Nunn
Brown	Gramm	Packwood
Bryan	Grams	Pressler
Bumpers	Grassley	Pryor
Burns	Gregg	Robb
Byrd	Hatch	Roth
Campbell	Heflin	Santorum
Chafee	Helms	Shelby
Coats	Hollings	Simpson
Cochran	Hutchison	Smith
Cohen	Inhofe	Snowe
Conrad	Inouye	Specter
Coverdell	Johnston	Stevens
Craig	Kassebaum	Thomas
D'Amato	Kempthorne	Thompson
DeWine	Kerrey	Thurmond
Dole	Kyl	Warner
Domenici	Lieberman	
Dorgan	Lott	

NOT VOTING—1

Mikulski

So the amendment (No. 1169) was rejected.

The PRESIDING OFFICER. The Senator from Nebraska.

AMENDMENT NO. 1170

(Purpose: Expressing the sense of the Senate regarding the nutritional health of children)

Mr. EXON. Mr. President, I send an amendment to the desk on behalf of Senator LEAHY and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Nebraska [Mr. EXON], for Mr. LEAHY, for himself, Mr. HARKIN, and Mr. BAUCUS, proposes an amendment numbered 1170.

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

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

The amendment is as follows:

At the end of title III, add the following:

SEC. . SENSE OF THE SENATE REGARDING THE NUTRITIONAL HEALTH OF CHILDREN.

(a) FINDINGS.—Congress finds that—

(1) Federal nutrition programs, such as the school lunch program, the school breakfast program, the special supplemental nutrition program for women, infants, and children (referred to in this section as "WIC"), the child and adult care food program and others, are important to the health and well-being of children;

(2) participation in Federal nutrition programs is voluntary on the part of States, and the programs are administered and operated by every State;

(3) a major factor that led to the creation of the school lunch program was that a number of the recruits for the United States armed forces in World War II failed physical examinations due to problems related to inadequate nutrition;

(4)(A) WIC has proven to be extremely valuable in promoting the health of newborn babies and children; and

(B) each dollar invested in the prenatal component of WIC has been shown to save up to $3.50 in medicaid costs related to medical problems that arise in the first 90 days after the birth of an infant;

(5) the requirement that infant formula be purchased under a competitive bidding system under section 17 of the Child Nutrition Act of 1966 (42 U.S.C. 1786) saved $1,000,000,000 in fiscal year 1994 and enabled States to allow 1,600,000 women, infants, and children to participate in WIC at no additional cost to taxpayers; and

(6) a balanced Federal budget will provide economic benefits to children alive today and to future generations of Americans.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that the assumptions underlying the functional totals in this resolution include the assumptions that—

(1) schools should continue to serve lunches that meet minimum nutritional requirements based on tested nutritional research;

(2) the content of WIC food packages for infants, children, and pregnant and postpartum women should continue to be based on scientific evidence;

(3) the competitive bidding system for infant formula under section 17 of the Child Nutrition Act of 1966 (42 U.S.C. 1786) should be maintained;

(4) foods of minimum nutritional value should not be sold in competition with school lunches in the school cafeterias during lunch hours;

(5) some reductions in nutrition program spending can be made without compromising the nutritional well-being of program recipients;

(6) in complying with the reconciliation instructions in section 6 of this resolution, the Committee on Agriculture, Nutrition, and Forestry of the Senate should take this section into account; and

(7) Congress should continue to move toward fully funding the WIC program.

Mr. LEAHY. Mr. President, I think this has wide bipartisan support. Basically this says we will continue the nutrition guidelines that this Senate has

voted for many times, feeding programs, and will require competitive bidding in the sale of infant formula on WIC programs.

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

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the amendment, No. 1170.

The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. FORD. I announce that the Senator from Maryland [Ms. MIKULSKI] is necessarily absent.

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

The result was announced—yeas 99, nays 0, as follows:

[Rollcall Vote No. 206 Leg.]

YEAS—99

Abraham	Feingold	Lott
Akaka	Feinstein	Lugar
Ashcroft	Ford	Mack
Baucus	Frist	McCain
Bennett	Glenn	McConnell
Biden	Gorton	Moseley-Braun
Bingaman	Graham	Moynihan
Bond	Gramm	Murkowski
Boxer	Grams	Murray
Bradley	Grassley	Nickles
Breaux	Gregg	Nunn
Brown	Harkin	Packwood
Bryan	Hatch	Pell
Bumpers	Hatfield	Pressler
Burns	Heflin	Pryor
Byrd	Helms	Reid
Campbell	Hollings	Robb
Chafee	Hutchison	Rockefeller
Coats	Inhofe	Roth
Cochran	Inouye	Santorum
Cohen	Jeffords	Sarbanes
Conrad	Johnston	Shelby
Coverdell	Kassebaum	Simon
Craig	Kempthorne	Simpson
D'Amato	Kennedy	Smith
Daschle	Kerrey	Snowe
DeWine	Kerry	Specter
Dodd	Kohl	Stevens
Dole	Kyl	Thomas
Domenici	Lautenberg	Thompson
Dorgan	Leahy	Thurmond
Exon	Levin	Warner
Faircloth	Lieberman	Wellstone

NOT VOTING—1

Mikulski

So the amendment (No. 1170) was agreed to.

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

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

The motion to lay on the table was agreed to.

AMENDMENT NO. 1171

(Purpose: To express the sense of the Senate that Federal funding of law enforcement programs should be maintained, Federal funding for the violent crime reduction trust fund should not be reduced, and for other purposes)

Mr. EXON. Mr. President, in behalf of Senator LEAHY, 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 Nebraska [Mr. EXON], for Mr. LEAHY, proposes an amendment numbered 1171.

The amendment is as follows:

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

SEC. . SENSE OF THE SENATE ON MAINTAINING FEDERAL FUNDING FOR LAW ENFORCEMENT.

(a) FINDINGS.—The Senate finds that—

(1) Federal, State, and local law enforcement officers provide essential services that preserve and protect our freedoms and security;

(2) law enforcement officers deserve our appreciation and support;

(3) law enforcement officers and agencies are under increasing attacks, both to their physical safety and to their reputations;

(4) on April 7, 1995, the Senate passed S.J. Res. 32 in which the Senate recognizes the debt of gratitude the Nation owes to the men and women who daily serve the American people as law enforcement officers and the integrity, honesty, dedication, and sacrifice of our Federal, State, and local law enforcement officers;

(5) the Nation's sense of domestic tranquility has been shaken by explosions at the World Trade Center in New York and the Murrah Federal Building in Oklahoma City and by the fear of violent crime in our cities, towns, and rural areas across the Nation;

(6) Federal, State, and local law enforcement efforts need increased financial commitment from the Federal Government and not the reduction of such commitment to law enforcement if law enforcement officers are to carry out their efforts to combat violent crime; and

(7) on April 5, 1995, and May 18, 1995, the House of Representatives has nonetheless voted to reduce $5,000,000,000 from the Violent Crime Reduction Trust Fund in order to provide for tax cuts in both H.R. 1215 and H. Con. Res. 67.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that the assumptions underlying the functional totals in this resolution assume that the Federal Government's commitment to fund Federal law enforcement programs and programs to assist State and local efforts should be maintained and funding for the Violent Crime Reduction Trust Fund should not be reduced by $5,000,000,000 as the bill and resolution passed by the House of Representatives would require.

Mr. EXON. Mr. President, this amendment by Senator LEAHY was explained in some detail but not fully during our limited debate.

Simply stated, this amendment corrects the House money removed from the antiterrorism and violent crime trust fund to be used for a tax cut. In light of the Oklahoma bombing and the increased terrorist threat, this amendment says we should put back the money that was taken out by the House.

Mr. LEAHY. Mr. President, I have discussed this with the managers. I know their concern in moving forward. I do not think anybody is going to oppose this, and I would accept a voice vote.

Mr. DOMENICI. I thank the Senator. This is in the Senate package, and actually we will accept it without a rollcall vote.

The PRESIDING OFFICER. Is there further debate on the amendment? If not, the question is on agreeing to the amendment of the Senator from Vermont.

The amendment (No. 1171) was agreed to.

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

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

The motion to lay on the table was agreed to.

Mr. EXON. Mr. President, I wish to thank—I am sure I would be joined by my colleague—Senator LEAHY for his offer. We are moving much faster than we had anticipated because we are cooperating.

AMENDMENT NO. 1172

(Purpose: To provide for additional Medicare payment safeguards)

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

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Nebraska [Mr. EXON], for Mr. HARKIN, proposes an amendment numbered 1172.

The amendment is as follows:

On page 77, between lines 3 and 4, insert the following:

SEC. . MEDICARE SAFEGUARDS COMPLIANCE INITIATIVE.

(a) ADJUSTMENTS.—

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

(A) 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 out-year;

(B) the allocations to the Committees on Appropriations of the Senate and House of Representatives under sections 302(a) and 602(a) of that Act;

(C) the levels for the major functional categories that are appropriate and the appropriate budgetary aggregates in the most recently agreed to concurrent resolution on the budget; and

(D) the maximum deficit amount under section 601(a)(1) of that Act (and that amount as cumulatively adjusted) for the current fiscal year,

shall be adjusted to reflect the amount of additional new budget authority or additional outlays (as defined in paragraph (2)) reported by the Committees on Appropriations of the Senate and the House of Representatives in appropriation Acts (or by the committee of conference on such legislation) for the Health Care Financing Administration medicare payment safeguards programs (as compared to the base level of $396,300,000 for new budget authority) that the Congressional Budget Office has determined will result in a return on investment to the Government of at least 4 dollars for each dollar invested.

(2) ADDITIONAL AMOUNTS.—As used in this section, the term "additional new budget authority" or "additional outlays" (as the case

may be) means, for any fiscal year, budget authority in excess of $396,300,000 for payment safeguards, but shall not exceed—

(A) for fiscal year 1996, $50,000,000 in new budget authority and $50,000,000 in outlays;

(B) for fiscal year 1997, $55,000,000 in new budget authority and $55,000,000 in outlays;

(C) for fiscal year 1998, $60,000,000 in new budget authority and $60,000,000 in outlays;

(D) for fiscal year 1999, $65,000,000 in new budget authority and $65,000,000 in outlays;

(E) for fiscal year 2000, $70,000,000 in new budget authority and $70,000,000 in outlays;

(F) for fiscal year 2001, $75,000,000 in new budget authority and $75,000,000 in outlays; and

(G) for fiscal year 2002, $75,000,000 in new budget authority and $75,000,000 in outlays;

(b) REVISED LIMITS, ALLOCATIONS, LEVELS, AND AGGREGATES.—Upon reporting of legislation pursuant to paragraph (1), and again upon the submission of the conference report on such legislation in either House (if a conference report is submitted), the chairman of the Committees on the Budget of the Senate and the House of Representatives shall file with their respective Houses appropriately revised—

(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 out-year;

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

(3) the levels for the appropriate major functional categories that are appropriate and the appropriate budgetary aggregates in the most recently agreed to concurrent resolutions 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) APPLICATION OF SECTION.—This section shall not apply to any additional budget authority or additional outlays unless—

(1) in the Senate, the chairman of the Budget Committee certifies, based on the information from the Congressional Budget Office, the General Accounting Office, the Health Care Financing Administration (as well as any other sources deemed relevant), that such budget authority or outlays will not increase the total of the Federal budget deficits over the next 5 years; and

(2) any funds made available pursuant to such budget authority or outlays are available only for the purpose of carrying out Health Care Financing Administration payment safeguards.

Mr. EXON. Mr. President, the General Accounting Office and the Health and Human Services inspectors general have found Medicare losses in billions of dollars every year because of the inadequate payment safeguards like audits and computer checks. Every dollar of investment in payment of safeguards saves $11 according to the GAO.

In order to increase efforts to cut Medicare waste, the amendment provides an exclusion from the domestic discretionary caps only for increases above current spending levels for Medicare payment safeguards. This would occur only if the CBO finds that they will provide at least a 4-to-1 return on investment. A limit is set at $50 million in fiscal year 1996, rising to $100 million in fiscal 2002.

It cannot be used as a loophole to provide for any other kind of additional spending.

I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. DOMENICI. Mr. President, I believe we should turn this amendment down. This once again increases spending for a special purpose. We denied that for the IRS as to others taking it off budget.

That is essentially what this would do.

I move to table the amendment, 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 New Mexico to lay on the table the amendment of the Senator from Iowa. On this question, the yeas and nays were ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. FORD. I announce that the Senator from Maryland [Ms. MIKULSKI] is necessarily absent.

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

The result was announced—yeas 63, nays 36, as follows:

[Rollcall Vote No. 207 Leg.]

YEAS—63

Abraham	Feingold	McCain
Ashcroft	Frist	McConnell
Baucus	Gorton	Moynihan
Bennett	Gramm	Murkowski
Bingaman	Grams	Nickles
Bond	Grassley	Nunn
Brown	Gregg	Packwood
Bumpers	Hatch	Pressler
Burns	Hatfield	Robb
Campbell	Helms	Roth
Chafee	Hollings	Santorum
Coats	Hutchison	Shelby
Cochran	Inhofe	Simpson
Cohen	Jeffords	Smith
Coverdell	Kassebaum	Snowe
Craig	Kempthorne	Specter
D'Amato	Kohl	Stevens
DeWine	Kyl	Thomas
Dole	Lott	Thompson
Domenici	Lugar	Thurmond
Faircloth	Mack	Warner

NAYS—36

Akaka	Dodd	Inouye
Biden	Dorgan	Johnston
Boxer	Exon	Kennedy
Bradley	Feinstein	Kerrey
Breaux	Ford	Kerry
Bryan	Glenn	Lautenberg
Byrd	Graham	Leahy
Conrad	Harkin	Levin
Daschle	Heflin	Lieberman
Moseley-Braun	Pryor	Sarbanes
Murray	Reid	Simon
Pell	Rockefeller	Wellstone

NOT VOTING—1

Mikulski

So the motion to lay on the table the amendment (No. 1172) was agreed to.

Mr. EXON addressed the Chair.

The PRESIDING OFFICER. The Senator from Nebraska.

AMENDMENT NO. 1173

(Purpose: Sense of the Senate regarding the need to enact long-term care reforms to achieve lasting deficit reduction)

Mr. EXON. Mr. President, I send an amendment to the desk on behalf of Senator FEINGOLD.

The PRESIDING OFFICER. The clerk will read the amendment.

The legislative clerk read as follows:

The Senator from Nebraska [Mr. EXON], for Mr. FEINGOLD, for himself, Mr. GRAHAM, Mr. WELLSTONE, and Mr. SIMON, proposes an amendment numbered 1173.

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

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

The amendment is as follows:

At the end of the resolution, insert the following new section:

SEC. . NEED TO ENACT LONG TERM HEALTH CARE REFORM.

It is the Sense of the Senate that the 104th Congress should enact fundamental long-term health care reform that emphasizes cost-effective, consumer oriented, and consumer-directed home and community-based care that builds upon existing family supports and achieves deficit reduction by helping elderly and disabled individuals remain in their own homes and communities.

Mr. EXON. Mr. President, Senator FEINGOLD's amendment requests the sense of the Senate that the 104th Congress should enact fundamental long-term health care reform that emphasizes cost-effective home and community-based care and achieves deficit reduction by helping elderly and disabled individuals remain in their homes and communities.

I believe this amendment has possibly been agreed to and possibly could be handled by a voice vote.

Mr. DOMENICI. Mr. President, our priority in this budget is ensuring the short- and long-term solvency of Medicare, not necessarily restructuring the entire health care system. But I am willing to accept the amendment.

Mr. EXON. Mr. President, I thank the majority and I thank Senator FEINGOLD.

I ask that the amendment be agreed to.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 1173) was agreed to.

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

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

The motion to lay on the table was agreed to.

AMENDMENT NO. 1174

(Purpose: To express the sense of the Senate regarding losses to Medicare and Medicaid and other health programs due to disease and disability caused by tobacco products)

Mr. EXON. Mr. President, I send an amendment to the desk on behalf of Senator HARKIN.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Nebraska [Mr. EXON], for Mr. HARKIN, for himself and Mr. LAUTENBERG, proposes an amendment numbered 1174.

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

The PRESIDING OFFICER. Without objection it is so ordered.

The amendment is as follows:

At the appropriate place, insert the following new section:

SEC. . SENSE OF THE SENATE REGARDING LOSSES CAUSED BY USE OF TOBACCO PRODUCTS.

(a) FINDINGS.—The Senate finds that—

(1) the Centers for Disease Control and Prevention estimates that tobacco products impose a $20,000,000,000 cost per year on Federal health programs like medicare and medicaid through tobacco-related illnesses;

(2) tobacco products are unlike any other product legally offered for sale because even when used an intended they cause death and disease; and

(3) States such as Florida, Mississippi, Minnesota, and West Virginia are currently taking action to recover State costs associated with tobacco-related illnesses.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that any proposal by the Committee on Finance of the Senate to reduce Federal spending on medicare and medicaid as required by Senate Concurrent Resolution 13 should include a proposal to recover from tobacco companies a portion of the costs their products impose on American taxpayers and Federal health program including medicare and medicaid.

Mr. EXON. Mr. President, a brief summary of the amendment offered by the Senator from Iowa would indicate that it is the sense of the Senate that any proposal by the Finance Committee to reduce spending on Medicare and Medicaid should include a proposal to recover from the tobacco companies a portion of the cost of their products imposed on Medicare and Medicaid and other Federal health programs. The Center for Disease and Prevention estimates that products sold by tobacco companies impose $200 billion a year on Medicare and Medicaid and other Federal health programs through tobacco-related illnesses.

The adoption of this amendment would put the Senate on record in support of the efforts to have tobacco companies pay a portion of the costs of their products imposed on American taxpayers and the Medicare and Medicaid Programs.

Mr. DOMENICI. Mr. President, I am just going to make a statement, then I will yield the floor.

Mr. President, I say to Senator EXON, I have been kind of patient in letting him just read what any Senator has to say. It is getting more and more like a speech. It was supposed to be a little brief statement of purpose.

I hope we can kind of work together and keep it to a statement of purpose in the future, or we will have to have somebody debate the issue on each one for an equal amount of time, and we do not want to do that.

I yield the floor.

Mr. FORD. Mr. President, this is a $140 billion tax increase. Therefore, on behalf of myself, Senator ROBB, Senator HOLLINGS, Senator HELMS, Senator MCCONNELL, Senator FAIRCLOTH, Senator COVERDELL, Senator THOMPSON, Senator WARNER, Senator FRIST, and Senator THURMOND, I move to table the amendment and 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 Kentucky [Mr. FORD] to table the amendment of the Senator from Iowa [Mr. HARKIN]. The yeas and nays have been ordered and the clerk will call the roll.

The bill clerk called the roll.

Mr. FORD. I announce that the Senator from Maryland [Ms. MIKULSKI] is necessarily absent.

The result was announced—yeas 68, nays 31, as follows:

[Rollcall Vote No. 208 Leg.]

YEAS—68

Abraham	Ford	McCain
Ashcroft	Frist	McConnell
Bennett	Glenn	Moynihan
Bingaman	Gorton	Murkowski
Bond	Gramm	Nickles
Breaux	Grams	Nunn
Brown	Grassley	Packwood
Bumpers	Gregg	Pressler
Burns	Hatch	Pryor
Campbell	Heflin	Reid
Coats	Helms	Robb
Cochran	Hollings	Roth
Cohen	Hutchison	Santorum
Coverdell	Inhofe	Shelby
Craig	Inouye	Simpson
D'Amato	Jeffords	Smith
Daschle	Johnston	Snowe
DeWine	Kassebaum	Stevens
Dodd	Kempthorne	Thomas
Dole	Kerrey	Thompson
Domenici	Kyl	Thurmond
Exon	Lott	Warner
Faircloth	Mack	

NAYS—31

Akaka	Feinstein	Lugar
Baucus	Graham	Moseley-Braun
Biden	Harkin	Murray
Boxer	Hatfield	Pell
Bradley	Kennedy	Rockefeller
Bryan	Kerry	Sarbanes
Byrd	Kohl	Simon
Chafee	Lautenberg	Specter
Conrad	Leahy	Wellstone
Dorgan	Levin	
Feingold	Lieberman	

NOT VOTING—1

Mikulski

So the motion to lay on the table the amendment (No. 1174) was agreed to.

Mr. FORD. Mr. President, I move to reconsider the vote by which the motion was agreed to.

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

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The majority leader is recognized.

Mr. DOLE. Mr. President, let me remind my colleagues that we do have 10 minutes—1 minute for the explanation, 9 minutes for the vote. I want to accommodate everybody, but if we are going to finish this at a reasonable time, we are going to have to stick to the 9 minutes. I just give that alert to people. Nobody wants to miss a vote. I do not want anybody to miss a vote. Some people would like to be out of here late tonight or early tomorrow.

AMENDMENT NO. 1175

(Purpose: To restore funding to Medicare)

Mr. EXON. Mr. President, on behalf of Senator JOHNSTON, I send an amendment to the desk.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from Nebraska [Mr. EXON], for Mr. JOHNSTON, for himself, Mr. BIDEN, Mr. REID, Mr. SARBANES, Ms. MIKULSKI and Mr. BREAUX, proposes an amendment numbered 1175.

Mr. EXON. 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 74, delete lines 12 through 24 and insert the following: "budget, the appropriate budgetary allocations, aggregates, and levels shall be revised to reflect the additional deficit reduction achieved as calculated under subsection (c) for legislation that reduces revenues and/or increases funding for the Medicare trust fund not to exceed the following amounts:

"(1) with respect to fiscal year 1996, $12,000,000,000 in outlays;

"(2) with respect to fiscal year 1997, $22,000,000,000 in outlays;

"(3) with respect to fiscal year 1998, $24,000,000,000 in outlays;

"(4) with respect to fiscal year 1999, $28,000,000,000 in outlays;

"(5) with respect to fiscal year 2000, $28,000,000,000 in outlays;

"(6) with respect to fiscal year 2001, $28,000,000,000 in outlays;

"(7) with respect to fiscal year 2002, $28,000,000,000 in outlays provided that, if CBO scores this surplus differently, then the numbers provided above shall be increased or decreased proportionally.

"(b) REVISED ALLOCATIONS AND AGGREGATES.—Upon the reporting of legislation pursuant to subsection (a), and again upon the submission of a conference report on such legislation (if a conference report is submitted), the Chair of the Committee on the Budget of the Senate appropriately revised allocations under sections 302(a) and 602(a) of the Congressional Budget Act of 1974; budgetary aggregates; and levels under this resolution, revised by an amount that does not exceed the additional deficit reduction specified under subsection (d)."

Mr. EXON. Mr. President, Senator JOHNSTON's amendment would allow the $170 billion fiscal dividend to be used for either a tax cut or restoring cuts in Medicare.

Mr. DOMENICI addressed the Chair.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. This will be one of those amendments where a big portion of the reserve fund will be spent. I do not think we ought to do that. I think we ought to leave it as it came out of the committee, as a reserve. It is subject to a point of order for the same reasons and subject to the same provisions of the Budget Act. I raise the point of order against the amendment.

Mr. EXON. Pursuant to section 904 of the Congressional Budget Act of 1974, I move to waive the act for consideration of the pending amendment.

I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays are ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. FORD. I announce that the Senator from Maryland [Ms. MIKULSKI] is necessarily absent.

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

The yeas and nays resulted—yeas 42, nays 57, as follows:

[Rollcall Vote No. 209 Leg.]

YEAS—42

Akaka	Feingold	Levin
Baucus	Feinstein	Lieberman
Biden	Ford	Moseley-Braun
Bingaman	Graham	Moynihan
Boxer	Harkin	Murray
Bradley	Heflin	Nunn
Breaux	Hollings	Pell
Bryan	Inouye	Pryor
Bumpers	Johnston	Reid
Conrad	Kennedy	Robb
Daschle	Kerry	Rockefeller
Dodd	Kohl	Sarbanes
Dorgan	Lautenberg	Simon
Exon	Leahy	Wellstone

NAYS—57

Abraham	Frist	Mack
Ashcroft	Glenn	McCain
Bennett	Gorton	McConnell
Bond	Gramm	Murkowski
Brown	Grams	Nickles
Burns	Grassley	Packwood
Byrd	Gregg	Pressler
Campbell	Hatch	Roth
Chafee	Hatfield	Santorum
Coats	Helms	Shelby
Cochran	Hutchison	Simpson
Cohen	Inhofe	Smith
Coverdell	Jeffords	Snowe
Craig	Kassebaum	Specter
D'Amato	Kempthorne	Stevens
DeWine	Kerrey	Thomas
Dole	Kyl	Thompson
Domenici	Lott	Thurmond
Faircloth	Lugar	Warner

NOT VOTING—1

Mikulski

The PRESIDING OFFICER. On this question, the yeas are 42, the nays are 57. Three-fifths of the Senators duly chosen and sworn not having voted in the affirmative, the motion is rejected.

The point of order is sustained and the amendment falls.

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

Mr. EXON. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 1176

(Purpose: To restore funding for our national parks by using amounts set aside for a tax cut)

Mr. EXON. Mr. President, 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 Nebraska [Mr. EXON] for Mr. REID, proposes an amendment numbered 1176.

The amendment is as follows:

On page 74, strike lines 12 through 24 and insert the following: "budget, the appropriate budgetary allocations, aggregates, and levels shall be revised to reflect $1,000,000,000 in budget authority and outlays of the additional deficit reduction achieved as calculated under subsection (c) for legislation that reduces the adverse effects on discretionary spending on our national parks system by restoring funding for rehabilitation, restoration, and park maintenance.

"(b) REVISED ALLOCATIONS AND AGGREGATES.—Upon the reporting of legislation pursuant to subsection (a), and again upon the submission of a conference report on such legislation (if a conference report is submitted), the Chair of the Committee on the Budget of the Senate may submit to the Senate appropriately revised allocations under sections 302(a) and 602(a) of the Congressional Budget Act of 1974, budgetary aggregates, and levels under this resolution, revised by an amount that does not exceed the additional deficit reduction specified under subsection (a).".

Mr. EXON. Mr. President, a brief description of Senator REID's amendment, which would restore $1 billion in funding to the National Park System to alleviate the devastating more than $2 billion backlog of needs.

These funds would be drawn from the $170 billion fiscal dividend.

Mr. DOMENICI. Mr. President, this is another effort to divert the reserve fund. There is no assurance how the money would be used, regardless of what the resolution says.

I raise a point of order, subject to a point of order on the Budget Act.

Mr. EXON. Mr. President, as previously stated on numerous occasions, I move to waive the Budget Act for consideration of the pending amendment, 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 Nebraska. On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The bill clerk called the roll.

Mr. FORD. I announce that the Senator from Maryland [Ms. MIKULSKI] is necessarily absent.

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

The yeas and nays resulted—yeas 46, nays 53, as follows:

[Rollcall Vote No. 210 Leg.]

YEAS—46

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

NAYS—53

Abraham	Gorton	McConnell
Ashcroft	Gramm	Murkowski
Bennett	Grams	Nickles
Bond	Grassley	Packwood
Brown	Gregg	Pressler
Burns	Hatch	Roth
Chafee	Hatfield	Santorum
Coats	Helms	Shelby
Cochran	Hutchison	Simpson
Cohen	Inhofe	Smith
Coverdell	Jeffords	Snowe
Craig	Kassebaum	Specter
D'Amato	Kempthorne	Stevens
DeWine	Kyl	Thomas
Dole	Lott	Thompson
Domenici	Lugar	Thurmond
Faircloth	Mack	Warner
Frist	McCain	

NOT VOTING—1

Mikulski

The PRESIDING OFFICER. On this vote, the yeas are 46, the nays are 53. Three-fifths of the Senators duly chosen and sworn not having voted in the affirmative, the motion is rejected.

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

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

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The point of order is sustained. The amendment falls.

The Senator from Nebraska.

AMENDMENT NO. 1177

(Purpose: To restore funding for water infrastructure grants)

Mr. EXON. Mr. President, I send an amendment to the desk on behalf of Mr. SARBANES, for himself, Senators LIEBERMAN, MIKULSKI, and KERRY, and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from Nebraska [Mr. EXON], for Mr. SARBANES, for himself, Mr. LIEBERMAN, Ms. MIKULSKI, and Mr. KERRY, proposes an amendment numbered 1177.

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

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

The amendment is as follows:

On page 74, strike lines 12 through 24 and insert the following: "budget, the revenue and spending aggregates may be revised and other appropriate budgetary allocations, aggregates, and levels may be revised to reflect the additional deficit reduction achieved as calculated under subsection (c) for legislation that reduces revenues, and legislation that will provide $10,805,000,000 to the Environmental Protection Agency to administer federal grants for water infrastructure programs in the following manner:

"(1) with respect to fiscal year 1996, $962,000,000 in budget authority and 42,000,000 in outlays;

"(2) with respect to fiscal year 1997, $1,962,000,000 in budget authority and $346,000,000 in outlays;

"(3) with respect to fiscal year 1998, $2,462,000,000 in budget authority and $920,000,000 in outlays;

"(4) with respect to fiscal year 1999, $2,962,000,000 in budget authority and $1,679,000,000 in outlays;

"(5) with respect to fiscal year 2000, $2,962,000,000 in budget authority and $2,291,000,000 in outlays;

"(6) with respect to fiscal year 2001, $2,962,000,000 in budget authority and $2,679,000,000 in outlays; and

"(7) with respect to fiscal year 2002, $2,962,000,000 in budget authority and $2,798,000,000 in outlays.

"(b) REVISED ALLOCATIONS AND AGGREGATES.—Upon the reporting of legislation pursuant to subsection (a), and again upon the submission of a conference report on such legislation (if a conference report is submitted), the Chair of the Committee on the Budget of the Senate may submit to the Senate appropriately revised allocations under sections 302(a) and 602(a) of the Congressional Budget Act of 1974; discretionary spending under section 201(a) of this resolution; and budgetary aggregates and levels under this resolution, revised by an amount that does not exceed the additional deficit reduction calculated under subsection (d)."

Mr. SARBANES. Mr. President, the budget resolution we are debating today assumes that Federal grants for sewage treatment construction and safe drinking water infrastructure would be phased out over the next 3 years. If approved, this proposal would end the Federal Government's 20-year commitment to assist cities and towns in cleaning up our Nation's waters. My amendment would restore these funds—funds which are absolutely vital to State and local Government's efforts to meet water quality standards under the Clean Water Act.

Since 1972—when we passed into law the Clean Water Act—Congress has provided grants to States to help local governments meet water quality standards. These Federal dollars are used to capitalize what are known as State revolving funds or loan programs. Under these revolving funds, States provide low-interest construction loans to cities and towns to construct and improve wastewater treatment facilities. These grants have been a centerpiece in our efforts to reduce point source water pollution—the pollution that comes from sewer pipes and industrial wastewater pipes. They have also been instrumental in once again making many of the rivers, lakes, and estuaries in this country fishable and swimmable.

In my home State of Maryland, these moneys, together with millions of dollars in State funds, have been a key to efforts to improve water quality and restore living resources in the Chesapeake Bay—the largest estuary in the United States and Maryland's most valuable resource. We still have a long way to go, however, before the water quality of the bay is sufficient to sustain viable populations of many fish, shellfish, and bird species. Maryland has been counting on its State revolving fund as one of its primary mechanisms for reaching the water quality goals that it and the other Chesapeake Bay Agreement signatories made for the bay. In Maryland, the State revolving fund is used to upgrade treatment facilities, correct failing septic systems, retrofit urban areas with stormwater management facilities, and restore degraded stream systems impacted from stormwater runoff from developed and agricultural areas. All of these improvements have a direct impact on the water quality of the Chesapeake Bay and its living resources.

This budget resolution eliminates grants to State revolving funds. it phases them out over the next 3 years, leaving State and local governments on their own to come up with the funds for adequate wastewater infrastructure and setting back our efforts to clean up the approximately 40 percent of the Nation's water bodies that are still impaired. Even the rewrite of the Clean Water Act that passed the House last week—which in my judgment would gut some of the most important clean water programs provided for in current law—continues funding for sewage treatment State revolving funds through the year 2000.

The burden of this budget proposal places on State and local governments is staggering. EPA estimates that over $137 billion are still needed to achieve waste treatment objectives nationwide. The State of Maryland estimates that its water infrastructure needs over the next 5 years are nearly 10 times the proposed funding level in the budget resolution.

This proposed cut would also adversely impact the labor market, eliminating approximately 100,000 construction related jobs over 5 years, and an additional 200,000 jobs over the next 20 years. It would also jeopardize U.S. commitments to the environmental provisions of bilateral agreements that call for investment in water infrastructure in the United States-Mexico border area.

Mr. President, water pollution is an interstate problem that demands a Federal response. Water from six States flows into the Chesapeake Bay. Even if Maryland had the resources to complete construction of all needed wastewater infrastructure, the Chesapeake Bay cleanup efforts will only be successful if similar investments are made in the five other States in the Chesapeake Bay watershed. Without Federal assistance, however, it is unlikely that the upstream States will make a substantial investment in the water quality of the bay. The Congress understood the interstate dynamic of pollution in 1972 when a bipartisan majority passed the Clean Water Act and began funding waste treatment infrastructure. We seem to have forgotten this lesson.

This budget resolution also phases out on the same schedule all Federal funding for grants to assist local governments in improving drinking water quality. Municipalities need significant resources to comply with drinking water standards to prevent the serious adverse health effects that can and do occur from drinking water contamination. In 1993—just 2 years ago—100 people died and over 400,000 fell ill from a bacteria outbreak in the public water supply in Milwaukee, WI. The Congress appropriated money last year for the very first time to prevent problems like this from happening in the future. Mr. President, I remind my colleagues that we appropriated these funds to save the lives of Americans; to prevent illness and disease. This is not pork. This is not a make-work public work project. It is an investment in the health of Americans and in a clean environment.

Mr. President, balancing the budget should not, and need not, come at the expense of human health or a clean environment. The amendment I offer today is deficit neutral and will restore water infrastructure grants, including money for the clean water, and drinking water State revolving loan funds for the next 7 years at 1995 levels. I urge my colleagues' support for this amendment to continue this country's investment in clean water and safe drinking water.

I ask unanimous consent that a letter from the Maryland Department of the Environment be printed in the RECORD.

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

MARYLAND DEPARTMENT
OF THE ENVIRONMENT,
Baltimore, MD, May 19, 1995.

Hon. PAUL S. SARBANES,
Senate Office Building,
Washington, DC.

DEAR SENATOR SARBANES: This letter is to bring an urgent matter to your attention and to request your immediate assistance in amending the Senate Budget Resolution in order to continue the State Revolving Loan Fund authorizations through the year 2000, as opposed to the current language which phases out the program in three years.

This environmental financing mechanism is the largest and only source of funds, other than some very small State grant programs, now available to local governments struggling to meet the demands of providing adequate infrastructure and protecting surface and groundwater resources.

In addition, the State of Maryland faces the special challenge of working to restore the Chesapeake Bay and its tributaries together with its neighboring jurisdictions and the federal government. Without this funding mechanism, Maryland will not be able to fulfill its commitment to reduce pollution to the Bay by the year 2000, as agreed to by the signatories of the Chesapeake Bay Agreement.

Maryland has been particularly aggressive in establishing and maximizing its Revolving Loan Fund by leveraging federal and state funds through the sale of revenue bonds. However, as described below, the needs will continue to exceed the availability of funds for many years to come.

The 1994 Annual Needs Survey conducted by the Maryland Department of the Environment documents $1.26 billion in wastewater projects needed to: correct areas of failing septic systems; eliminate excess inflow and infiltration into sanitary collection systems; upgrade treatment facilities to meet water pollution control standards; and accommodate planned development in designated growth areas across the State.

The Survey also identified over $30 million in projects to retrofit existing urban areas with stormwater quality management facilities and to restore degraded stream systems impacted by stormwater runoff from developed and agricultural areas. These types of projects can be financed through the Maryland Revolving Loan Fund.

In addition, the Department estimates that there is a need for over $500 million to remediate existing municipal landfills, in order to restore and protect water quality, which is also fundable through the Revolving Loan Fund.

This represents a total need of about $1.8 billion for water quality improvements in the State. The Senate Resolution proposes a total of $3.5 billion nationally over the next three years, after which no appropriations are provided. Of this amount, Maryland would receive $76 million over the three years, assuming an allocation of 2.1867%. Fully leveraging these federal grants and state match will generate approximately $180 million for loans to local governments. Even when the portion of the program now revolving is added, only another $24 million is generated over this three year period. Thus our needs are nearly ten times the proposed funding level in the Senate Resolution.

Not to extend the authorization of the federal revolving loan funds through the year 2000 could be the single most devastating setback to federal, state and local efforts to achieve the restoration of the Chesapeake Bay, which has become the national model for improving water quality under the Clean Water Act.

I think we would agree that this is a critical issue requiring your immediate intervention. Please let me know what additional support I can provide to assist you with the amendment.

Sincerely,

JANE T. NISHIDA,
Secretary.

Mr. KERRY. Mr. President, I am pleased to cosponsor, with my friend and colleague Senator SARBANES, an amendment to Senate Concurrent Resolution 13, the congressional budget resolution, which would restore funding for clean water and safe drinking water State revolving funds [SRF's], the low-interest loan programs that assist local communities to provide quality water to their residents.

Mr. President, there are many things in this budget resolution before us that I find absolutely amazing. Ranking right up there at the top of the list of bad ideas is a provision to eliminate the Federal low-interest revolving loan program which helps communities finance important water infrastructure projects. This provision in the Republican budget proposal cuts one of the very important Federal programs which helps local communities meet their financial obligations to safeguard our citizens' water.

Our amendment would restore the water infrastructure revolving fund accounts to the 1995 levels of $2.96 billion annually through 1996–2002. In addition, our amendment is deficit neutral in that it provides funding by allocating money from section 204 of the budget resolution's surplus allowance.

I find it extremely ironic that the Republican leadership would allow a provision which totally eliminates assistance to local communities when just weeks ago the Congress passed and the President signed into law a bill which would require such assistance in future legislation. As we all know, the unfunded mandates legislation requires the Federal Government to fund 100 percent of certain requirements for local and State governments to meet Federal safeguards in areas such as water or air quality beginning on January 1, 1996. However, at the same time, this bill would phase out the very Federal assistance that the Federal Government has provided for over two decades.

While I would have liked to see certain changes in the unfunded mandates legislation and while I offered and supported amendments to improve the bill, I voted for the final version specifically because I have always believed and continue to believe in a strong Federal-State-local Government partnership. Have we forgotten so quickly the concerns we heard expressed from towns and cities across this country? I have not. I remember the concerned conversations I had with dozens of concerned local officials and the letters I received from hundreds of concerned citizens about the need for assistance from the Federal Government. That is why I am supporting this amendment today.

Why is Federal assistance still needed in this area? Americans have come to expect a certain level of protection in the water they drink, the air they breathe and the food they eat. Polls show that the vast majority of Americans believe that the appropriate role of the Federal Government is to provide the necessary safeguards to maintain the public health and safety standards to which they have become accustomed during their lifetimes.

With approximately 40 percent of our Nation's water sources still impaired, we must continue our commitment to water pollution prevention and abatement. As we seek to balance the budget, we must be mindful not to hastily eliminate the public infrastructure investments that for too long have been short-changed in the recent budget proposals.

In 1972, a bipartisan Congress passed and a Republican President signed into law the original Clean Water Act, the comprehensive measure to protect and restore the quality of water in our Nation's rivers, lakes, and streams. Since then, the water infrastructure program has been an important component of a well-balanced effort to help local communities reduce pollution from sewage and industrial wastewaters. In addition, the Safe Drinking Water Act provides a similar program to protect the Nation's ground waters from which we get the water that flows from our taps.

The Environmental Protection Agency estimates that outstanding water infrastructure needs total over $135 billion nationwide. Phasing out the SRF Programs over the next 3 years will leave many local towns and cities stranded in their financial pursuits.

In my home State of Massachusetts, even with the assistance provided by the Federal Government over the years, the cost of meeting the water quality standards has placed and continues to place an extraordinary burden on many families and communities. Many Massachusetts residents currently pay water and sewer bills that exceed their property taxes. Companies are considering moving their activities out of State and lower income families worry about paying the ever-increasing water bills.

Ratepayers in the greater Boston area must shoulder the burden of a $5.2 billion water infrastructure construction project, with only minimal assistance from the Federal Government. However, it is not just large cities such as Boston or Baltimore or San Diego that need assistance. Small- and medium-sized towns across the country borrow funds from the State revolving fund to upgrade septic systems and build wastewater treatment and stormwater management facilities. In Massachusetts, communities across the State—Fall River, Gloucester, New Bedford, South Essex, Lynn, to name just a few—have mounting water rates because of their water projects, and need the assistance available from the revolving funds. I hope my colleagues will support this amendment because it is setting the right priorities for this country by investing in our local communities to help them to do the long-

term planning that is vital to sustained economic growth and prosperity.

The PRESIDING OFFICER. The Senator from Nebraska.

Mr. EXON. Mr. President, on behalf of Senator SARBANES and the other cosponsors I previously announced, I propose this amendment to restore water infrastructure grants to assist the State and local governments in meeting clean water and drinking water standards.

As the amendment draws the funding from the $170 billion fiscal dividend, it would not increase the deficit.

Mr. DOMENICI. Mr. President, this is, I hope, the last in a series of amendments that attempts to spend the dividend. I do not know how much dividend there will be left if we would have spent all of it as requested by Democratic amendments. But, in addition, we have no assurance that if this were granted, it would be spent in the manner suggested.

It is subject to a point of order under the Budget Act, and I make the point of order.

Mr. EXON. Mr. President, I move to waive the Budget Act for consideration of the pending amendment, 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 Nebraska. 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 Maryland [Ms. MIKULSKI] is necessarily absent.

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

The yeas and nays resulted—yeas 43, nays 56, as follows:

[Rollcall Vote No. 211 Leg.]

YEAS—43

Akaka	Feingold	Lieberman
Baucus	Ford	Moseley-Braun
Biden	Glenn	Moynihan
Bingaman	Harkin	Murray
Boxer	Hollings	Nunn
Bradley	Inouye	Pell
Breaux	Jeffords	Pryor
Bryan	Johnston	Reid
Bumpers	Kennedy	Robb
Byrd	Kerrey	Rockefeller
Conrad	Kerry	Sarbanes
Daschle	Kohl	Simon
Dodd	Lautenberg	Wellstone
Dorgan	Leahy	
Exon	Levin	

NAYS—56

Abraham	Coats	Domenici
Ashcroft	Cochran	Faircloth
Bennett	Cohen	Feinstein
Bond	Coverdell	Frist
Brown	Craig	Gorton
Burns	D'Amato	Graham
Campbell	DeWine	Gramm
Chafee	Dole	Grams
Grassley	Lott	Shelby
Gregg	Lugar	Simpson
Hatch	Mack	Smith
Hatfield	McCain	Snowe
Heflin	McConnell	Specter
Helms	Murkowski	Stevens
Hutchison	Nickles	Thomas
Inhofe	Packwood	Thompson
Kassebaum	Pressler	Thurmond
Kempthorne	Roth	Warner
Kyl	Santorum	

NOT VOTING—1

Mikulski

The PRESIDING OFFICER. The yeas are 43, the nays are 56. Three-fifths of the Senators duly chosen and sworn not having voted in the affirmative, the motion is not agreed to. The point of order is sustained.

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

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

The motion to lay on the table was agreed to.

Mr. DOMENICI. Mr. President, I wonder if I might just ask the Senate if I could have 1 minute as if in morning business for a completely unrelated matter.

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

(The remarks of Mr. DOMENICI pertaining to the introduction of S. 852 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

Mr. FORD addressed the Chair.

The PRESIDING OFFICER. The Senator from Kentucky.

Mr. FORD. I ask unanimous consent that I might have 1 minute, as the Senator from New Mexico, as if in morning business.

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

ABSENCE OF SENATOR MIKULSKI

Mr. FORD. Mr. President, the distinguished Senator from Maryland [Ms. MIKULSKI] asked me to inform her colleagues that she is necessarily absent today because of a special event in the Mikulski family.

Today, her niece, Val, and her nephew, Jimmy, are receiving their college degrees from Johns Hopkins University in Baltimore.

In addition, I would like my colleagues to know that Senator MIKULSKI is giving the commencement address at Johns Hopkins as well. She is also being honored by the university with an honorary doctorate for her outstanding life in public service, her commitment to strengthening higher education, and her work on behalf of the university.

On behalf of all my colleagues, I extend the Senate's congratulations to the family on this very happy day. And we know that the Senator and her family are very proud of the accomplishments of Val and Jimmy.

CONCURRENT RESOLUTION ON THE BUDGET

The Senate continued with the consideration of the concurrent resolution.

AMENDMENT NO. 1178

(Purpose: To express the sense of the Senate regarding mandatory major assumptions under Function 270: Energy)

Mr. EXON. Mr. President, on behalf of Senator BAUCUS, I send an amendment to the desk.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Nebraska [Mr. EXON] for Mr. BAUCUS, for himself, Mr. DORGAN, Mr. PRESSLER, Mr. ROBB, Mr. WARNER, Mr. FORD, Mr. HARKIN, Mr. HEFLIN, Mr. HOLLINGS, Mr. WELLSTONE, and Mr. EXON, proposes an amendment numbered 1178:

The amendment is as follows:

At the end of title III, add the following:

SEC. . SENSE OF THE SENATE REGARDING MANDATORY MAJOR ASSUMPTIONS UNDER FUNCTION 270: ENERGY.

It is the sense of the Senate that within the mandatory major assumptions under budget function 270, none of the power marketing administrations within the 48 contiguous States will be sold, and any savings that were assumed would be realized from the sale of those power marketing administrations will be realized through cost reductions in other programs within the Department of Energy.

Mr. DORGAN. Mr. President, the budget resolution assumes $1.6 billion from the sale of unnamed power marketing administrations, and I have cosponsored this amendment to express the Senate's view that savings should be sought from other Department of Energy spending rather than from sale of the PMA's.

Some in Congress and the executive branch have tried for years to sell off parts or all of the public power generation, transmission and marketing system that we built in the middle of this century to bring affordable power to rural areas and many small cities.

From the standpoint of our responsibilities to the public purse, such proposals are penny-wise but pound foolish. For a one-time gain in sale of assets, some propose selling off a system that has generated about $50 billion in power revenues, a system that has paid its way on time and with interest.

In addition to net power revenues that come to the Treasury, the $21.6 billion that was invested to build the PMA's is being repaid by the power customers in the same way most of us repay our home mortgages. The system has paid off more than $5 billion of the initial investment, and $9 billion in interest.

But, for me, the worst part about selling the PMA's would be the effect on rural America. The PMA's were built so our farms and small towns would have assess to dependable, affordable electricity. That promise has been fulfilled.

However, the sale of the PMA's would cancel the mortgage, so to speak, upon which the PMA's and their customers have been faithfully making payments for years. It would add debt to the system and force substantial power rate increases across rural America. I have received estimates that customers in my State would see rate increases averaging 24 percent.

In a budget resolution that would cut taxes to the most wealthy in this country, the provision for PMA sales would impose a kind of back-door tax increase upon rural America.

The sale of PMA's is foolish from a public policy standpoint, and it is unfair and hurtful to rural America. This body should voice its opposition to such a proposal by voting for this amendment.

Mr. MCCAIN. Mr. President, the amendment offered by the Senator from South Dakota would state the sense-of-the-Senate that none of the Power Market Administrations [PMA] should be sold and that the savings assumed from these sales should be taken from elsewhere in the Department of Energy's budget. I intend to vote against this amendment, and I would like to take a brief moment to explain why.

Many people have offered their interpretations of last November's elections. The theme which reoccurs in almost all of these analyses is the desire of the American people to have a smaller and more efficient government. The budget before us lays out a road map which attempts to accomplish that goal.

My colleagues are well aware that the assumptions included in the budget resolution are not binding. The authorization committees can set their own priorities as to how to meet the budget outlined in the resolution. We should not follow the advice of this sense-of-the-Senate amendment that urges the authorizing committee to refrain from exploring all of the available budget options.

The Power Marketing Administration sells power generated at Federal water projects to millions of Americans across the Nation. The power generated by these facilities is essential to many small and rural communities throughout my home State of Arizona.

We should of course be very careful not to enter into any agreement which would result in unfair rate increases to the many people served by these systems, or that would result in the inefficient operation of these facilities.

Nevertheless, the committee should be allowed to at least examine the issue. Several ideas have been discussed on how to down size the Federal Government in relation to the PMA's either through sale, lease, or management contracts.

The budget resolution suggests that existing customers could be given the first option to buy the PMA's. Under this scenario, it may be possible for users to operate these facilities more efficiently than the Federal Government and actually reduce power rates. These and other ideas could and should be discussed to determine if it is possible to resolve this issue in a manner which will meet the public interest.

Mr. President, I feel it would be inappropriate and an abdication of our responsibility to not even examine if and how we can reduce the size of the Government by exploring opportunities to provide power in a more efficient and cost effective manner.

Mr. EXON. Mr. President, the amendment that I have just offered proposes a sense of the Senate that the budget resolution not include language to sell the power marketing administrations except for Alaska; that offsetting revenue be found in the Department of Energy programs.

This amendment recognizes that the production marketing associations contribute an annual $240 million a year in revenue to the Treasury while providing affordable, reliable power to 32 rural States. The PMA's are a vital part of this Nation's infrastructure and should not be sold to net an estimated $165 million.

I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. DOMENICI addressed the Chair.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. Mr. President, the budget resolution scales back on the President's proposals to sell PMA's.

We reduce the savings in the President's budget by two-thirds or $2.9 billion. Our assumption can be accomplished by dropping the sale of the western PMA's from the President's budget. We also assume that existing customers get a preferential right to purchase the PMA's. I think there are some Senators who know which PMA's were in neither proposal.

I wish to move to table the amendment. 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 occurs on agreeing to the motion to table the amendment. 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 Maryland [Ms. MIKULSKI] is necessarily absent.

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

The result was announced—yeas 35, nays 64, as follows:

[Rollcall Vote No. 212 Leg.]

YEAS—35

Abraham	Feingold	Lugar
Ashcroft	Glenn	Mack
Bennett	Gorton	McCain
Bond	Gramm	McConnell
Chafee	Grams	Moynihan
Coats	Gregg	Roth
Cohen	Helms	Santorum
Craig	Jeffords	Simpson
D'Amato	Johnston	Smith
DeWine	Kassebaum	Snowe
Domenici	Kempthorne	Thompson
Faircloth	Kyl	

NAYS—64

Akaka	Ford	Murkowski
Baucus	Frist	Murray
Biden	Graham	Nickles
Bingaman	Grassley	Nunn
Boxer	Harkin	Packwood
Bradley	Hatch	Pell
Breaux	Hatfield	Pressler
Brown	Heflin	Pryor
Bryan	Hollings	Reid
Bumpers	Hutchison	Robb
Burns	Inhofe	Rockefeller
Byrd	Inouye	Sarbanes
Campbell	Kennedy	Shelby
Cochran	Kerrey	Simon
Conrad	Kerry	Specter
Coverdell	Kohl	Stevens
Daschle	Lautenberg	Thomas
Dodd	Leahy	Thurmond
Dole	Levin	Warner
Dorgan	Lieberman	Wellstone
Exon	Lott	
Feinstein	Moseley-Braun	

NOT VOTING—1

Mikulski

So the motion to table the amendment (No. 1178) was rejected.

Mr. EXON. Mr. President, the yeas and nays have been ordered on the underlying amendment.

In view of the vote on the motion to table, I ask unanimous consent that the yeas and nays be vitiated.

The PRESIDING OFFICER. Without objection, the yeas and nays are vitiated.

The question is on agreeing to the amendment.

The amendment (No. 1178) was agreed to.

Mr. EXON. Mr. President, unless it was previously ordered, I ask unanimous consent that Senators WELLSTONE, MOSELEY-BRAUN, and EXON be included as cosponsors of the amendment that was just agreed to.

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

Mr. EXON. Mr. President, I say to all Senators we are making great progress. There has been great progress on both sides.

We have two amendments that I think we have tentatively agreed to accept by voice vote.

AMENDMENT NO. 1179

(Purpose: To express the sense of the Senate regarding reducing overhead expenses in the Department of Defense)

Mr. EXON. Mr. President, 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 Nebraska [Mr. EXON], for Mr. LEVIN, for himself, and Mr. SIMON, proposes an amendment numbered 1179.

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

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

The amendment is as follows:

At the appropriate place, insert the following new section:

SEC. . DEFENSE OVERHEAD.

(a) FINDINGS.—The Senate finds that—

(1) the major discretionary assumptions in this concurrent budget resolution include 15 percent reduction in overhead for programs of nondefense agencies that remain funded in the budget and whose funding is not interconnected with receipts dedicated to a program;

(2) the Committee Report (104-82) on this concurrent budget resolution states that "this assumption would not reduce funding for the programmatic activities of agencies."

(b) SENSE OF THE SENATE.—It is the sense of the Senate that the Committees on Armed Services and Appropriations should make a reduction of at least three percent in overhead for Fiscal Year 1996 programs of defense agencies, and should do so in a manner so as not to reduce funding for the programmatic activities of these agencies.

Mr. EXON. This is the Levin-Simon amendment. The budget resolution assumes the 15 percent reduction in overhead for nondefense agencies. The Levin-Simon amendment is a sense-of-the-Senate resolution which calls on the Senate Armed Services Committee and the Appropriations Committee to make at least a 3-percent reduction in overhead in defense agencies without reducing programmatic activities. I believe that, after a lot of discussion, this can be accepted by a voice vote.

Mr. DOMENICI. Mr. President, this is a sense of the Senate, and it in no way cuts the dollar amount of defense. Defense receives the exact amount of money as prescribed in the budget resolution. I have agreed to accept it and see how it works out.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 1179) was agreed to.

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

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

The motion to lay on the table was agreed to.

AMENDMENT NO. 1180

(Purpose: To express the sense of the Senate regarding the essential air service program of the Department of Transportation)

Mr. EXON. Mr. President, 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 Nebraska [Mr. EXON], for Mr. BAUCUS, for himself, Mr. INOUYE, Mr. BRYAN, Mr. SIMON, Mr. ROCKEFELLER, Mr. BUMPERS, Mr. STEVENS and Mr. EXON, proposes an amendment numbered 1180.

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

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

The amendment is as follows:

At the end of title III, add the following:

SEC. . SENSE OF THE SENATE REGARDING THE ESSENTIAL AIR SERVICE PROGRAM OF THE DEPARTMENT OF TRANSPORTATION.

(a) FINDINGS.—The Senate finds that—

(1) the essential air service program of the Department of Transportation under subchapter II of chapter 417 of title 49, United States Code—

(A) provides essential airline access to isolated rural communities across the United States;

(B) is necessary for the economic growth and development of rural communities;

(C) connects small rural communities to the national air transportation system of the United States;

(D) is a critical component of the national transportation system of the United States; and

(E) provides air service to 108 communities in 30 States; and

(2) the National Commission to Ensure a Strong Competitive Airline Industry established under section 204 of the Airport and Airway Safety, Capacity, Noise Improvement, and Intermodal Transportation Act of 1992 recommended maintaining the essential air service program with a sufficient level of funding to continue to provide air service to small communities.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that the essential air service program of the Department of Transportation under subchapter II of chapter 417 of title 49, United States Code, should receive to the maximum extent possible a sufficient level of funding to continue to provide air service to small rural communities that qualify for assistance under the program.

Mr. EXON. Mr. President, this is another amendment that I believe we have worked out with the cooperation between both sides. This amendment is a sense-of-the-Senate amendment by Senator BAUCUS on essential air service, which I believe can be accepted by the managers.

Mr. EXON. We have agreed to this and I urge its adoption.

Mr. DOMENICI. Mr. President, I ask unanimous consent to add Senator STEVENS as an original cosponsor. He was part of working this amendment out.

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

Mr. EXON. I ask unanimous consent that I be added as a cosponsor if I am not already one.

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

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 1180) was agreed to.

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

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

The motion to lay on the table was agreed to.

AMENDMENT NO. 1181

(Purpose: To express the sense of the Senate regarding funding for the National Railroad Passenger Corporation)

Mr. EXON. Mr. President, 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 Montana [Mr. EXON], for Mr. BAUCUS, proposes an amendment numbered 1181.

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

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

The amendment is as follows:

At the appropriate place, insert the following:

SEC. . SENSE OF THE SENATE REGARDING FUNDING FOR NATIONAL RAILROAD PASSENGER CORPORATION.

It is the sense of the Senate that the assumptions underlying the functional totals in this resolution include the following: that Congress should redirect revenues resulting from the ½ cent of the excise tax rate directed by the amendments made by the Omnibus Budget Reconciliation Act of 1993 for fiscal years 1996 through 1999 to the account under subsection (e) of section 9503 of the Internal Revenue Code of 1986 to a new account under such section for grants to the National Railroad Passenger Corporation for operating expenses and capital improvements incurred by the Corporation.

Mr. EXON. Mr. President, this amendment is the next one on our list. It is a sense-of-the-Senate amendment by Senator BAUCUS on Amtrak.

Mr. DOMENICI. Mr. President, I will oppose this amendment on a couple of bases. One is that a half cent of the gasoline tax would be transferred from the highway fund to a special new fund called the Amtrak trust fund. I believe we ought not do business that way. I urge that this amendment be tabled.

I therefore move to table the amendment and 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 to table.

The clerk will call the roll.

The legislative clerk called the roll.

Mr. FORD. I announce that the Senator from Maryland [Ms. MIKULSKI] is necessarily absent.

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

The result was announced—yeas 50, nays 49, as follows:

[Rollcall Vote No. 213 Leg.]

YEAS—50

Abraham	Campbell	Dole
Ashcroft	Coats	Domenici
Bennett	Cochran	Faircloth
Bond	Coverdell	Frist
Breaux	Craig	Glenn
Brown	D'Amato	Gorton

Graham	Kassebaum	Packwood
Gramm	Kempthorne	Pressler
Grams	Kohl	Shelby
Grassley	Kyl	Simpson
Gregg	Lott	Smith
Hatch	Lugar	Stevens
Helms	Mack	Thomas
Hollings	McCain	Thompson
Hutchison	McConnell	Thurmond
Inhofe	Moynihan	Warner
Johnston	Murkowski	

NAYS—49

Akaka	Exon	Murray
Baucus	Feingold	Nickles
Biden	Feinstein	Nunn
Bingaman	Ford	Pell
Boxer	Harkin	Pryor
Bradley	Hatfield	Reid
Bryan	Heflin	Robb
Bumpers	Inouye	Rockefeller
Burns	Jeffords	Roth
Byrd	Kennedy	Santorum
Chafee	Kerrey	Sarbanes
Cohen	Kerry	Simon
Conrad	Lautenberg	Snowe
Daschle	Leahy	Specter
DeWine	Levin	Wellstone
Dodd	Lieberman	
Dorgan	Moseley-Braun	

NOT VOTING—1

Mikulski

So the motion to lay on the table the amendment (No. 1181) was agreed to.

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

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

The motion to lay on the table was agreed to.

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

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

The assistant legislative clerk proceeded to call the roll.

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

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

The Senator from New Mexico.

AMENDMENT NO. 1182

Mr. DOMENICI. Mr. President, I send an amendment to the desk on behalf of Senator GRAMS and Senator ABRAHAM and ask for its immediate consideration. Senator LIEBERMAN is also an original cosponsor.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from New Mexico [Mr. DOMENICI] for Mr. GRAMS, for himself, Mr. ABRAHAM and Mr. LIEBERMAN, proposes an amendment numbered 1182.

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

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

The amendment is as follows:

On page 73, line 2, strike "may be reduced" and insert "shall be reduced".

On page 73, line 2, strike "may be revised" and insert "shall be revised".

On page 74, line 12, strike "may" and insert "shall".

On page 74, line 13, strike "may" and insert "shall".

On page 74, line 21, strike "may" and insert "shall".

On page 74, line 16, insert the following before the period, "by providing family tax relief and incentives to stimulate savings, investment, job creation, and economic growth."

Mr. LIEBERMAN. Mr. President, I support this amendment because I believe that at least a substantial part of the fiscal dividend in the budget before us is set aside for family tax relief, incentives to stimulate savings, investment, job creation, and economic growth.

Getting our fiscal house in order by balancing the budget represents a significant investment in our economic future. At the same time, I very much believe that providing family tax relief and savings and investment incentives is a significant investment in our collective and individual futures as well.

The budget will inevitably require some painful adjustments. If we are asking the American people to make some of these adjustments, to share in this sacrifice, there should also be a light at the end of the tunnel. We should provide much-needed tax relief to the working families of this country, and tax incentives to the businesses of this country so that people will continue to have jobs at which they can work.

As I understand it, the family tax relief envisioned by this amendment could embrace not only a middle-class child credit but a deduction for college and vocational training, much like the $10,000 education deduction proposed earlier this year by President Clinton. In my travels across Connecticut, I have found that the level of anxiety among parents over how to pay for the higher education of their children is very high. Even those parents who have scrupulously saved over the years are wondering how they can ever foot education bills that run up to hundreds of thousands of dollars. And it is important to point out that while an education deduction will make it easier for families to invest in the future of their children, an education deduction also represents a collective investment in the future of this country.

We are all aware of two additional facts. First, savings and investment are critical to our future economic well-being, and second, we are not doing enough of either. At present, our budget deficit eats up our national savings by borrowing from our national savings pool to pay for our current spending. Our national savings rate, which has been hovering between 3 and 4 percent of national income is not only historically low for us but three to four times lower than competitor countries such as Japan. This is a national crisis which the balanced budget before us attempts to address.

That is one side of the equation. The other side is to jump start savings and investment in this country by providing tax incentives for savings and investment. Short of a complete overhaul of the Tax Code, along the lines of the thoughtful proposal that has been put forth by Senators NUNN and DOMENICI, I believe we should act now to reverse the downward savings trend in this country.

The initiatives outlined above, combined with a steady path toward a balanced budget, will take us up to a higher plateau of savings and investment which will translate into new jobs and new growth in this country. I encourage my colleagues to support this amendment.

Mr. DOMENICI. Mr. President, the amendment states that once balance is achieved and certified by the Congressional Budget Office, a reserve fund is provided to the Finance Committee for reduced revenues.

If the Finance Committee reports a tax bill, it would include provisions for family tax relief and to stimulate savings and investment.

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

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the amendment. The yeas and nays have been ordered.

The clerk will call the roll.

The legislative clerk called the roll.

Mr. FORD. I announce that the Senator from Maryland [Ms. MIKULSKI] is necessarily absent.

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

The result was announced—yeas 54, nays 45, as follows:

[Rollcall Vote No. 214 Leg.]

YEAS—54

Abraham	Gorton	Mack
Ashcroft	Gramm	McCain
Bennett	Grams	McConnell
Bond	Grassley	Nickles
Breaux	Gregg	Packwood
Brown	Hatch	Pell
Burns	Hatfield	Pressler
Campbell	Helms	Roth
Coats	Hutchison	Santorum
Cochran	Inhofe	Shelby
Coverdell	Inouye	Simpson
Craig	Jeffords	Smith
D'Amato	Kassebaum	Specter
DeWine	Kempthorne	Stevens
Dole	Kyl	Thomas
Domenici	Lieberman	Thompson
Faircloth	Lott	Thurmond
Frist	Lugar	Warner

NAYS—45

Akaka	Dodd	Kerrey
Baucus	Dorgan	Kerry
Biden	Exon	Kohl
Bingaman	Feingold	Lautenberg
Boxer	Feinstein	Leahy
Bradley	Ford	Levin
Bryan	Glenn	Moseley-Braun
Bumpers	Graham	Moynihan
Byrd	Harkin	Murkowski
Chafee	Heflin	Murray
Cohen	Hollings	Nunn
Conrad	Johnston	Pryor
Daschle	Kennedy	Reid

Robb	Sarbanes	Snowe
Rockefeller	Simon	Wellstone

NOT VOTING—1

Mikulski

So the amendment (No. 1182) was agreed to.

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

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

The motion to lay on the table was agreed to.

AMENDMENT NO. 1183

(Purpose: To propose a substitute)

Mr. EXON. Mr. President, on behalf of Senator CONRAD, 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 Nebraska [Mr. EXON], for Mr. CONRAD, for himself, Mr. REID, Mr. GRAHAM, Mr. SIMON, Mr. DORGAN, Mr. KOHL, Mr. FEINGOLD, Mr. BRYAN, Mr. BINGAMAN, Mr. ROBB, and Mr. BYRD, proposes an amendment numbered 1183.

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

Mr. EXON. Mr. President, this amendment received some debate, although limited. I think most Members of this body understand the proposal very, very well. I do not have enough time to explain it in great detail.

Let me try to sum up very briefly. The fair share alternative offered by Senator CONRAD and others makes some very hard and necessary choices in the whole area of budget fairness. The Republican plan makes the wrong choices.

This alternative gives us a plan that asks everyone to contribute. The fair share plan balances the budget by the year 2004 without counting the surpluses in the Social Security trust fund and achieves more deficit reduction in 2002 than the Republican plan.

The fair share plan freezes discretionary spending but restores $190 billion in public investment. The fair share plan restores funding to Medicare, Medicaid, student loans, and other high priorities. It rejects the tax cut targeted to wealthy and instead asks them to contribute by limiting the growth of tax loopholes that benefit the wealthy.

The alternative does not balance the budget on the backs of the middle class, children, college students, and our elders.

FINALLY, A "REAL" BALANCED BUDGET

Mr. HOLLINGS. Mr. President, I rise today to applaud my colleague and friend, Senator CONRAD, for his work in constructing this amendment. As I learned in 1980 and again in 1985, it is not an easy task. But the Senator from North Dakota should be commended for his courage and resolve to focus his budget alternative on three bedrock principles that are essential if we really want to do the job.

First, the Conrad alternative would comply with section 13301 of the Congressional Budget Act and would balance the budget without counting the surpluses in the Social Security trust fund. We've heard a lot of talk in the last few days about how the Republican budget resolution would balance the budget in 7 years, but the hard facts tell otherwise. Again, I would invite my colleagues to turn to page 7 of the Republican resolution where the deficit for fiscal year 2002 is listed as $113.5 billion. In contrast, the Conrad amendment is designed not only to talk the talk, but to walk the walk. Under this proposal by the year 2004, the Federal budget, excluding Social Security, would be in balance.

Second, the Conrad approach recognizes that the Federal budget cannot be balanced through spending cuts alone. If we want a balanced budget, we have to have a balanced approach. No one relishes the idea of raising taxes, but the simple fact is that we could eliminate all spending on non-defense discretionary programs and the budget would still be out of whack. Instead of facing this budget reality, the Republican resolution plays Santa Claus, promising $170 billion in tax cuts that will be written in stone out of a economic dividend that may never materialize.

Finally, the Conrad amendment protects programs that are crucial to our Nation's well-being. The Republican strategy is an alarming permutation of a justification that we heard during Vietnam—that we had to burn the village in order to save it. Mr. President, that line was wrong then and it is wrong now. Programs such as education and biomedical research are crucial investments in our Nation's future; drastic cuts in such programs are penny wise and pound foolish.

While the Conrad approach offers a far more honest and realistic approach to balancing the budget, it is not a perfect plan. Specifically, I am concerned that the $170 billion economic dividend, which Senator CONRAD puts towards deficit reduction, may never materialize and that the elimination of tax loopholes may fall short of its $228 billion target. A far more certain and equitable alternative, I believe, would rely on a comprehensive 5 percent value added tax that would be earmarked specifically for deficit and debt reduction. Such an approach would reap additional benefits in encouraging national savings over consumption and in improving our international trade position through a border neutral tax.

While we may differ on some of the specifics, let me again applaud the efforts of Senator CONRAD for his willingness to stop the gamesmanship of the past few days and to propose the first real balanced budget that we have seen.

Mr. DODD. Mr. President, as we approach final passage of the fiscal 1996 budget resolution, I want to take a few moments to outline my views and concerns on this historic vote.

CONRAD ALTERNATIVE

This morning I voted to support Senator CONRAD's Fair Share Balanced Budget Plan offered as a substitute to the majority's resolution. While this plan is far from perfect, it represents a fairer, more honest approach to fiscal discipline than the underlying budget resolution.

The Fair Share plan would balance the budget by 2004 without counting the Social Security trust fund in the calculation. In other words, it would not use the Social Security surpluses to mask the true size of the deficit, as the majority's resolution would do. It would produce $16 billion more in deficit reduction in 2002 than does the Republican plan.

The plan would freeze non-defense discretionary spending, instead of cutting it $190 billion below a freeze, as the Republican resolution would do. As a result, this alternative would save critical investments such as education, technology, medical research, and important environmental clean-up efforts from far more severe cuts.

The alternative would also lessen the severity of the Republicans' cuts in Medicare, Medicaid, nutrition and veterans benefits. The plan would fully fund student loans.

The alternative wisely contains no tax cuts. As I have said previously, I do not believe that now is the time to cut taxes. Revenue reductions only serve to make the hole we must dig ourselves out of that much deeper. Tax cuts skewed toward the affluent, as are those passed by the House, are especially difficult to justify.

Finally, the Fair Share plan would cap the rate of growth for tax loopholes that benefit corporations and the wealthy. It would therefore ensure that all segments of society, including the most affluent, sacrifice to attain a balanced budget. This stands in stark contrast to the Republican plan.

I do not support every element of this alternative, but I believe it makes an important statement: There are other, fairer routes to a balanced budget than the one offered by our Republican colleagues.

FISCAL 1996 RESOLUTION

Mr. President, in my view, the underlying resolution is fundamentally flawed. It treats our people not as assets to be developed, but as items in a spending cut process. It burns the bridges that ordinary Americans use, or hope to use, to cross over to a better life for themselves and their families. And it requires the middle-class and the less affluent to clean-up from the fiscal train wreck of the 1980's. I would

remind my colleagues that our budget would be in balance if we were not required to pay interest on the debt accumulated solely during the Reagan/Bush era.

In an effort to lessen its adverse impact, I have supported numerous amendments to restore funding for vital Federal investments such as health care, education, and the environment. The cost of all of these amendments has been fully offset from other sources. I regret that few of these amendments have passed, but I am pleased that we were able to achieve bipartisan cooperation in restoring funding for the National Institutes of Health and partial restoration for student loans. I offered and cosponsored a number of amendments that would have restored greater funding for our critical investment in education. They, unfortunately, failed.

CONCLUSION

Mr. President, the American middle-class is collapsing around us. A report just released by the Casey Foundation states that today, nearly a third of all men between the ages of 25 and 34 don't earn enough to support a family of 4 above the poverty level. That's about two and a half times the number from 25 years ago.

There was a time when blue collar workers formed the bedrock of the middle-class. High-wage jobs for people without years of advanced education were plentiful, and a high school education was a passport to a healthy future. That time is gone.

The United States now has the largest gap between rich and poor of any industrialized nation in the world. The richest 1 percent of American families now own 40 percent of our Nation's wealth, whereas in Britain—our closest rival—the top 1 percent own just 18 percent of the wealth.

If we care about restoring opportunity and security to our people, then we've got to do better by them. If we want them to obtain the best jobs that the new economy has to offer, then they'll need the best education, job training, and health care that this country has to offer.

American politics is about change, Mr. President. But it is not about this kind of change. This debate should be about how we build a stronger and a richer America, not just fiscally, as important as that is, but economically and socially and morally, as well. Using this standard, this resolution fails.

In the days ahead, it is my sincere hope that we can work cooperatively together to put our fiscal house in order without jeopardizing our neighborhoods, our communities, and our future in the process. We can do better, and we must.

GETTING PRIORITIES RIGHT

Mr. DORGAN. Mr. President, I rise in support of the alternative budget proposed by my colleague from North Dakota, Senator CONRAD.

I have cosponsored this alternative because a budget debate is about priorities. The Republican budget resolution has its priorities all wrong. And the CONRAD alternative, which I helped put together, gets our priorities right.

Mr. President, the problem with the Republican budget resolution is that it hits middle America in the stomach. It tells the elderly, most of whom live on fixed incomes, to absorb $256 billion in Medicare cuts. This budget asks the poor to suffer $175 billion in Medicaid cuts. It requires students from middle-income families to pay interest on their loans during their schooling, a total hit of $14 billion. And it would cut food and farm programs by $46 billion.

As I have mentioned on the floor before, what is truly galling about the Republican budget is that it would use this hit to middle-income Americans to pay for $170 billion in tax cuts primarily for the wealthy. Tax cuts are irresponsible when we are trying to cut the budget deficit. And the budget passed by the House is even worse. It takes $350 billion from programs that people depend on and then uses that money to pay for tax cuts that would overwhelmingly benefit the rich.

Our alternative is a sharp contrast to the Republican budget. My colleague from North Dakota and I are interested in very different priorities.

While achieving more deficit reduction than the Republican plan, we would restore much of the funding for a few key domestic programs that the GOP budget would cut. We would add back $100 billion for Medicare. We would restore $50 billion for Medicaid. We would provide $24 billion more for food and farm programs. And we would soften the blow to our Nation's students by $14 billion. All of these programs would still be cut, but not nearly so much under our alternative as under the Republican budget.

To pay for our changes, we simply would ask the wealthy and big corporations to give up some of their tax breaks, get out of the corporate welfare wagon, and help the rest of us pull toward a balanced budget.

We would require the Finance Committee to close $228 billion in tax loopholes for the wealthy and for big business. Foreign corporations that try to avoid taxes here could expect a crackdown under the Conrad budget. Multinational firms that try to hide their income from the IRS would have a far more difficult time. Billionaires who renounce their citizenship and retire to tax havens abroad would have to pay the taxes the rest of us have to pay.

We have chosen these tax changes carefully. We would not touch the home mortgage interest deduction, the deduction for State and local taxes, or the deduction for charitable giving. These are provisions that millions of Americans depend on. We would also insist that any reduction in tax preferences target those who earn over $140,000 a year.

Also, Mr. President, let me emphasize that we would use the $170 billion fiscal dividend for deficit reduction, not for tax cuts for the wealthy. That is what the American people want us to do—reduce the deficit first.

And reduce it we do. This alternative budget would balance the budget (without counting the Social Security trust fund surplus) in the year 2004, two years earlier than the Republican budget would do so. We achieve more deficit reduction than the majority's budget by the year 2002.

Mr. President, there you have it. I will vote for this alternative because it does more to reduce the deficit and it shares the pain fairly. It asks all Americans to pay their fair share, and that is the right way to cut the deficit.

Thank you Mr. President. I yield the floor.

Mr. BINGAMAN. Mr. President, the Republicans, in particular Representative KASICH and Senator DOMENICI, deserve credit for focusing the attention of Congress on the great need to balance the Federal budget. The ever-growing national debt is a weight on the growth of the economy. Merely paying the interest on the debt costs taxpayers hundreds of billions of dollars each year and limits the Government's ability to act effectively. I strongly support balancing the budget at the earliest possible date, and I realize that a lot of sacrifices will need to be made in order to reach a balanced budget.

The Republican budget leaders in both the Senate and the House were brave enough to submit plans that call for a great deal of fiscal restraint and some hard choices. For that we should commend them.

But, unfortunately for a lot of Americans and a lot of New Mexicans, the choices the Republicans have asked us to make are the wrong choices. With their eyes firmly fixed on providing tax loopholes to the rich and to providing an unspecified tax cut, the Republicans in Congress are forced to balance the budget in an unbalanced way.

I am sure in coming weeks I will be criticized for not voting for the Republican budget. People will say I did not support a balanced budget. But the truth is that today I will be recorderd as having voted in favor of a balanced budget, the very same day the Republican budget passed. But the balanced budget I voted for—the Democratic alternative budget I helped craft—is a budget just as strict fiscally as the Republican budget, but fairer to seniors, students and working families.

The Republican budget, in my view, is anti-working families, anti-seniors, anti-future, and anti-New Mexico. In

contrast, the Fair Share Plan—formulated by my colleague from North Dakota, Senator CONRAD, myself and a small group of Democratic Senators—does the following:

I. ACHIEVES EVEN GREATER FISCAL DISCIPLINE THAN THE REPUBLICAN PLAN

A. Balances the budget (on a unified basis) by 2002, just as the Republican plan does.

B. Achieves total on-budget balance (that is, without using Social Security surpluses) by 2004, or 2 years before the Republican plan does.

II. PROTECTS CRITICAL INVESTMENTS IN OUR FUTURE COMPETITIVENESS

A. Restores non-defense discretionary spending to a hard freeze, providing almost $200 billion more than the Republican plan for critical investments in: First, education and training, second, infrastructure, third, research & development, and fourth, other areas that will boost our economic competitiveness in the 21st century.

B. Freezes defense spending to the same extent as the Republican plan.

III. REDUCES THE BURDEN ON MIDDLE CLASS FAMILIES

A. Protects middle class seniors by restoring $150 billion from the Republican cuts in Medicare and Medicaid benefits.

B. Restores to middle class college students and their families the full $14 billion that Republicans propose to cut from student loans and other mandatory education accounts.

C. Reverses the Republican plan's cut in the earned income tax credit for lower-middle class and poor working families, by restoring $60 billion of the Republican proposal on income assistance programs.

D. Only cuts $22 billion from family farm and nutrition assistance programs, $24 billion less than the Republican proposal.

E. Restores half of the Republican $10 billion cuts in veterans benefits.

IV. ASKS THE WEALTHY TO PAY SOME FAIR SHARE OF THE BURDEN OF BALANCING THE BUDGET

A. Rejects the Republican $170 billion reserve for tax cuts that will mostly benefit wealthy taxpayers.

B. Asks big corporations and wealthy taxpayers (couples making over $140,000 per year, e.g.) to pay some share of the deficit reduction burden, by closing tax loopholes and by just limiting the growth in tax breaks and tax preferences for corporations and these wealthy taxpayers to inflation plus one percent (CPI + 1 percent).

V. BRINGS ALL, AND NOT JUST SOME, OF THE COMPONENTS OF FEDERAL EXPENDITURES UNDER CONTROL

A. The Republican budget proposal limits Federal direct spending to less than a 25-percent increase over the next 7 years, but allows Federal tax expenditures in the form of loopholes, tax preferences, and tax breaks to increase by almost 50 percent over the next 7 years.

B. The Fair Share Budget corrects this imbalance by limiting direct spending to just over 25-percent increase (cutting over $1 trillion in spending and interest over the next 7 years), but also by slowing the growth of Federal tax breaks and tax preferences to a 35-percent increase over the same period. The alternative budget requires the cutting of just 5.7 percent of a projected $4 trillion of tax expenditures over the 7 years, and limits the cuts only to wealthy corporations and wealthy taxpayers (couples earning over $140,000, e.g.).

VI. IS NOT ABOUT RAISING ANYBODY'S TAXES

A. Tax preferences or tax entitlements are one of the fastest growing categories of Federal spending. The Fair Share Balanced Budget resolution does not reduce these entitlements. It only slows their growth to inflation plus 1 percent.

B. The Republicans cannot have it both ways. They cannot claim, on the one hand, that the Fair Share Budget's proposed slow-down in the growth of tax entitlements for the wealthy constitutes a tax increase, but, on the other hand, claim that their slow-down in the growth of the earned income tax credit [EITC] (which is also a tax expenditure) is not a tax increase. If they claim that the Fair Share Budget includes a tax increase on the rich and big corporations, they must also admit that the Republican budget plan includes a tax increase on lower-middle class and poor working families.

While not perfect, this Democratic alternative plan achieves the goal of a balanced Federal budget without asking America's working families, seniors and students to bear all of the burden. But the Republican budget does not ask the wealthiest corporations and the wealthiest Americans to contribute one dime to balance the budget. Moreover, in order to secure a $170 billion reserve for tax cuts to benefit mostly wealthy people, the Republican budget trades away investments in our future—in education, infrastructure, and research and development—investments in our children.

Remember that the main reason given for eliminating the deficit is that we are doing it for our children. But, if we free our children from the burden of the Federal deficit by depriving them of the education and training that they will need to compete and succeed in the global and technologically driven economy of the next century, then we have not been responsible.

Education programs, for example, are especially important to New Mexico. My State has the third highest rate of children living in poverty of any State in the Nation. More than one in four chi'dren in New Mexico live in families with incomes below the poverty line. One-third of the students in New Mexico's schools have limited proficiency in English. Its school-age population has grown tremendously, and a 12-percent increase in New Mexico's population of school-age children is projected over the next 7 years. The Republican budget will cut programs for New Mexico's schools by about 30 percent over the next seven years; that translates into tens of millions of dollars that New Mexico's schools will have to do without as they struggle with these special problems.

By cutting programs to help the children of working families go to college by nearly a third, which is being proposed by the GOP, tens of thousands of New Mexico's students could lose the opportunity to go to college. That would be devastating to their futures and to the future of our State. In New Mexico, most higher education students receive Federal financial aid, including 33,000 students who receive Pell Grants.

I do not believe that America will be well-served by the Republican budget, nor do I feel that most Americans would agree with the specific proposals contained within it. And that is why I am proud to have cosponsored the fair share balanced budget alternative and to vote for it today.

In conclusion, I want to remind the Senate that the passage of any budget resolution today is only the beginning of a long process that will determine the priorities of our Government. The budget is only a framework for the appropriations committees to work with as they spend the summer determining specific spending levels for agencies and programs.

Throughout this process, I pledge to continue to fight for proper funding for programs that will contribute to providing educational opportunities for our children, meet the health care needs of our senior citizens, and reward work and encourage innovation in the marketplace.

Thank you, Mr. President. I yield the floor.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. Mr. President, 2 years ago, we passed the largest tax increase in American history. This will be the second largest tax increase in American history. I do not think we ought to adopt it.

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 amendment. The yeas and nays have been ordered. The clerk will call the roll.

The bill clerk called the roll.

Mr. FORD. I announce that the Senator from Maryland [Ms. MIKULSKI] is necessarily absent.

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

The result was announced—yeas 39, nays 60, as follows:

[Rollcall Vote No. 215 Leg.]

YEAS—39

Akaka	Ford	Leahy
Biden	Glenn	Levin
Bingaman	Graham	Lieberman
Boxer	Harkin	Moseley-Braun
Bradley	Heflin	Moynihan
Bryan	Hollings	Murray
Bumpers	Inouye	Nunn
Byrd	Johnston	Pell
Conrad	Kennedy	Pryor
Daschle	Kerrey	Reid
Dodd	Kerry	Robb
Dorgan	Kohl	Sarbanes
Feingold	Lautenberg	Simon

NAYS—60

Abraham	Faircloth	McCain
Ashcroft	Feinstein	McConnell
Baucus	Frist	Murkowski
Bennett	Gorton	Nickles
Bond	Gramm	Packwood
Breaux	Grams	Pressler
Brown	Grassley	Rockefeller
Burns	Gregg	Roth
Campbell	Hatch	Santorum
Chafee	Hatfield	Shelby
Coats	Helms	Simpson
Cochran	Hutchison	Smith
Cohen	Inhofe	Snowe
Coverdell	Jeffords	Specter
Craig	Kassebaum	Stevens
D'Amato	Kempthorne	Thomas
DeWine	Kyl	Thompson
Dole	Lott	Thurmond
Domenici	Lugar	Warner
Exon	Mack	Wellstone

NOT VOTING—1

Mikulski

So the amendment (No. 1183) was rejected.

Mr. EXON. Mr. President, I move to reconsider the vote by which the amendment was rejected, and I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. DOMENICI addressed the Chair.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. Mr. President, I want to say to the Senate, I apologize for the delay I caused. I thought I voted before I left.

PROVIDING FOR AN ADJOURNMENT OF THE TWO HOUSES

Mr. DOLE. Mr. President, I ask unanimous consent that the Senate now turn to the adjournment resolution, House Concurrent Resolution 72.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

Providing for an adjournment of the two Houses.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the concurrent resolution?

There being no objection, the Senate proceeded to consider the concurrent resolution.

The PRESIDING OFFICER. The question is on agreeing to the concurrent resolution.

The concurrent resolution (H. Con. Res. 72) was agreed to.

The concurrent resolution is as follows:

Resolved by the House of Representatives (the Senate concurring), That when the House adjourns on the legislative day of Thursday, May 25, 1995, it stand adjourned until noon on Tuesday, June 6, 1995, or until noon on the second day after Members are notified to reassemble pursuant to section 2 of this concurrent resolution, whichever occurs first; and that when the Senate recesses or adjourns at the close of business on Thursday, May 25, 1995, Friday, May 26, 1995, or Saturday, May 27, 1995, pursuant to a motion made by the Majority Leader or his designee, in accordance with this resolution, it stand recessed or adjourned until 10 a.m. on Monday, June 5, 1995, or until noon on the second day after Members are notified to reassemble pursuant to section 2 of this concurrent resolution, whichever occurs first.

SEC. 2. The Speaker of the House and the Majority Leader of the Senate, acting jointly after consultation with the Minority Leader of the House and the Minority Leader of the Senate, shall notify the Members of the House and Senate, respectively, to reassemble whenever, in their opinion, the public interest shall warrant it.

CONCURRENT RESOLUTION ON THE BUDGET

The Senate continued with the consideration of the concurrent resolution.

AMENDMENT NO. 1184

(Purpose: To eliminate section 207 of the budget resolution)

Mr. EXON. 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 Nebraska [Mr. EXON], for Mr. SIMON, for himself, Mr. PELL, and Mr. KENNEDY, proposes an amendment numbered 1184.

The amendment is as follows:

Strike section 207 in its entirety.

Mr. SIMON. Mr. President, a little-noticed provision of the budget resolution will make it more likely that student loan cuts will come out of the pockets of students, rather than banks, bureaucrats, and other middlemen. Section 207 changes the way the loan costs are scored in the budget by requiring administrative costs—such as collection expenses—to be counted on a long-term—accrual—basis, rather than on a cash basis over the 5-year budget window. While this may sound like a reasonable change, it is accomplished in a manner that is inconsistent and biased.

Section 207 is not applied consistently to all loan programs. Instead, it targets student loans in particular. Furthermore, this type of end-run around the Budget Act is not appropriate on a budget resolution.

Section 207 is biased. There are a number of problems with the way that loans are scored in the budget. Section 207 only fixes one of them, skewing the scoring against direct student loans. This makes it more difficult to achieve savings without eliminating the in-school interest exemption or increasing fees and other student costs. A complete reform of the budget scoring rules for loan programs would consider:

Cost-of-funds. The most significant item that overstates the cost of direct lending is the discount rate that is currently used. The interest rates that students pay vary annually, and the subsidized rates that the Federal Government promises to banks vary each quarter. A Council of Economic Advisors memorandum of April 30, 1993, points out that "a multiple year loan with an interest rate that resets each year should be treated for pricing purposes as having a maturity of one year," meaning that a short-term rate should be used. But CBO and OMB assume that the Government's cost-of-funds is a higher, long-term rate, the 10-year bond. This makes direct lending appear much more costly than it really is. Indeed, in a February 8, 1993, letter, GAO pointed out that using shorter term interest rates would have more than doubled the direct loan savings.

Tax-exempt bonds. Many student loan secondary markets use tax-exempt bonds, costing the Federal Treasury an estimated $2.3 billion over 5 years. This cost is not considered when the Congressional Budget Office determines how much direct lending saves, or how much the guarantee program costs.

Taxpayer bailouts. When guaranty agencies agree to share the risk under FFEL by paying a larger portion on defaulted loans, they are using money that belongs to the Federal Government—so the Federal Government is essentially sharing with itself. Furthermore, when any agency can't pay its share, the Federal Government steps in. These costs aren't currently considered.

I would hope that the chairman would reconsider this provision prior to conference.

Mr. EXON. Mr. President, this amendment simply strikes section 207 in order to keep all of our options open to avoid imposing costs on college students and their families.

The amendment has no cost impact. The amendment strikes budget scoring rules in the budget resolution that single out a particular program.

This amendment will allow committees of jurisdiction to look at these issues in a comprehensive manner. First, last, and always, this amendment protects students.

I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. DOMENICI. Mr. President, I have a slightly different impression. The Simon amendment would strike language in the resolution that corrects a bias against guaranteed student loans.

If adopted, the Simon amendment would favor the Clinton administration

policies for direct Government student lending. The budget resolution does not do that.

I move to table the amendment and 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, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. FORD. I announce that the Senator from Maryland [Ms. MIKULSKI] is necessarily absent.

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

The result was announced—yeas 56, nays 43, as follows:

[Rollcall Vote No. 216 Leg.]

YEAS—56

Abraham	Frist	McCain
Ashcroft	Gorton	McConnell
Bennett	Gramm	Murkowski
Bond	Grams	Nickles
Brown	Grassley	Nunn
Burns	Gregg	Packwood
Campbell	Hatch	Pressler
Chafee	Hatfield	Roth
Coats	Helms	Santorum
Cochran	Hutchison	Shelby
Cohen	Inhofe	Simpson
Coverdell	Jeffords	Smith
Craig	Kassebaum	Snowe
D'Amato	Kempthorne	Stevens
DeWine	Kerrey	Thomas
Dole	Kyl	Thompson
Domenici	Lott	Thurmond
Exon	Lugar	Warner
Faircloth	Mack	

NAYS—43

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

NOT VOTING—1

Mikulski

So the motion to lay on the table the amendment (No. 1184) was agreed to.

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

Mr. GORTON. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 1185

(Purpose: To reduce military spending by $100 to reduce the deficit)

Mr. EXON. Mr. President, 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 Nebraska [Mr. EXON] for Mr. HARKIN, proposes an amendment numbered 1185.

The amendment is as follows:

On page 5, line 17, decrease the amount by $100.

On page 6, line 3, decrease the amount by $100.

On page 6, line 16, decrease the amount by $100.

On page 7, line 3, decrease the amount by $100.

On page 7, line 15, decrease the amount by $100.

On page 8, line 1, decrease the amount by $100.

On page 8, line 10, decrease the amount by $100.

On page 9, line 14, decrease the amount by $100.

On page 11, line 7, decrease the amount by $100.

On page 11, line 8, decrease the amount by $100.

On page 66, line 10, decrease the amount by $100.

On page 66, line 11, decrease the amount by $100.

Mr. EXON. Mr. President, this amendment would simply reduce the defense budget by $100. Let me repeat that. This amendment would simply reduce the defense budget by $100 in fiscal year 1996. The savings is applied to the deficit reduction.

Mr. President, I reserve the balance of my 30 seconds.

Mr. DOMENICI. If I were you, I would, too.

Mr. President, the sponsor of the amendment is here. I am willing to accept this amendment without a vote. Would the Senator agree to that?

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

Mr. DOMENICI. Mr. President, this amendment is ludicrous on its face. We will spend more than $100 printing the cost of this amendment and wasting time of this Senate.

AMENDMENT NO. 1186 TO AMENDMENT NO. 1185

(Purpose: To reduce swine research spending by $100 to reduce the deficit)

Mr. DOMENICI. Mr. President, I send a second-degree 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 New Mexico [Mr. DOMENICI], for Mr. CRAIG, proposes an amendment numbered 1186 to amendment No. 1185.

The amendment is as follows:

In lieu of the matter proposed, insert the following:

On page 5, line 17, decrease the amount by 0.

On page 6, line 3, decrease the amount by 0.

On page 6, line 16, decrease the amount by 0.

On page 7, line 3, decrease the amount by 0.

On page 7, line 15, decrease the amount by 0.

On page 8, line 1, decrease the amount by 0.

On page 9, line 14, decrease the amount by 0.

On page 11, line 7, decrease the amount by 0.

On page 11, line 8, decrease the amount by 0.

On page 66, line 10, decrease the amount by 0.

On page 66, line 11, decrease the amount by 0.

It is the sense of the Congress that the functional levels assume that the swine research be reduced by $100.00.

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

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

Mr. HARKIN. Mr. President, reserving the right to object.

The PRESIDING OFFICER. The Senator from Iowa cannot reserve the right to object.

Is there an objection to the dispensing of the quorum?

Without objection, it is so ordered.

Mr. EXON. Mr. President, we are at a critical moment here. I would suggest that if the Senator from Iowa wishes to take $100 out of defense, the second degree-amendment, as I understand it, would take $100 out of swine research.

I would suggest to both sides, why do we not agree to sensibly take $100 out of defense and $100 out of the swine program, and move the Senate ahead.

Mr. DOLE. Or just raise $100.

Mr. EXON. I will pay it myself.

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

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. HARKIN. Mr. President, I ask unanimous consent that the call of the quorum be rescinded.

Mr. STEVENS. Mr. President, I object.

The PRESIDING OFFICER. The objection is heard. The clerk will continue to call the roll.

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

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

Mr. EXON. Mr. President, the Senator from Nebraska made a suggestion a few moments ago that is now being seriously considered. I would simply ask, since we are moving so rapidly, and since we are near completing this in the next 2 hours if we hang on, I would just suggest once again that we have a voice vote on the proposition that we take $100 out of the defense budget and $100 out of the swine research facility in Iowa.

I suggest that be agreed to on a voice vote. I would like to know. We will put it in proper form if we can get approval of it on both sides.

Informally, I would ask if anyone would object if the Senator would put it in written form, what I have just orally stated?

Mr. HARKIN addressed the Chair.

Mr. DOLE. Mr. President, there is no debate.

The PRESIDING OFFICER. Under the regular order, the question is on the amendment.

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

The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

Mr. DOMENICI. Mr. President, I wonder for purposes of trying to move ahead with the budget, if the Senator might agree, and we will agree to take the two amendments, the one pending and the amendment to it, set it aside without prejudice and let us move ahead with some of the other amendments?

Mr. EXON. We agree. I think that is a good suggestion.

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

The Senator from Nebraska.

AMENDMENT NO. 1187

(Purpose: To eliminate the firewall between defense and nondefense discretionary accounts)

Mr. EXON. Mr. President, I send an amendment to the desk for Senators SIMON and BUMPERS, and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Nebraska [Mr. EXON], for Mr. SIMON, for himself, and Mr. BUMPERS, proposes an amendment numbered 1187.

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

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

The amendment is as follows:

On page 65, strike lines 13 through 18 and insert "$477,820,000,000 in new budget authority and $526,943,000,000 in outlays;".

On page 65, strike lines 20 through 25 and insert "$466,192,000,000 in new budget authority and $506,943,000,000 in outlays;".

On page 66, strike lines 2 through 7 and insert "$479,568,000,000 in new budget authority and $499,961,000,000 in outlays;".

On page 66, strike lines 9 through 14 and insert "$477,485,000,000 in new budget authority and $502,571,000,000 in outlays;".

On page 66, strike lines 16 through 21 and insert "$492,177,000,000 in new budget authority and $511,761,000,000 in outlays;".

On page 66, strike beginning with line 23 through line 3, page 67, and insert "$496,098,000,000 in new budget authority and $517,258,000,000 in outlays; and".

On page 67, strike lines 5 through 10 and insert "$495,498,000,000 in new budget authority and $518,160,000,000 in outlays.".

On page 67, line 22, strike "sum of the defense and nondefense".

Mr. EXON. Mr. President, the Simon-Bumpers amendment eliminates the resolution's provision that establishes a firewall between defense and nondefense discretionary accounts. The amendment does not change the levels of budget authority and outlays, and does not add a single cent to the deficit.

The amendment simply assures that Congress maintains flexibility to respond to changing spending priorities in a prudent, fiscally sound way. That sort of flexibility is particularly important in light of the vast uncertainties concerning the Nation's domestic and military commitments in the years ahead.

As we debate the Nation's priorities within the overall constraints of the balanced budget, we should not bind ourselves needlessly to subcategories within the discretionary caps. Removing the firewall is a vital step in achieving the necessary flexibility.

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

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. Mr. President, while this does not change the numbers, it permits the defense moneys and the nondefense moneys to be fungible and move back and forth between the two.

The Budget Committee said we should not do that for the next 7 years. I believe they are right.

I move to table the amendment. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. DOLE. Mr. President, let me indicate we have lost about 10 or 15 minutes here. I would ask the clerk: At the end of the time we will turn in the scorecard.

The PRESIDING OFFICER. The question is on agreeing to the motion to table the amendment.

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

The bill clerk called the roll.

Mr. LOTT. I announce that the Senator from Kansas [Mrs. KASSEBAUM] is necessarily absent.

Mr. FORD. I announce that the Senator from Maryland [Ms. MIKULSKI] is necessarily absent.

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

The result was announced—yeas 65, nays 33, as follows:

[Rollcall Vote No. 217 Leg.]

YEAS—65

Abraham	Chafee	Exon
Ashcroft	Coats	Faircloth
Baucus	Cochran	Feinstein
Bennett	Cohen	Ford
Bingaman	Coverdell	Frist
Bond	Craig	Glenn
Brown	D'Amato	Gorton
Bryan	DeWine	Graham
Burns	Dole	Gramm
Campbell	Domenici	Grams
Grassley	Lott	Santorum
Gregg	Lugar	Shelby
Hatch	Mack	Simpson
Heflin	McCain	Smith
Helms	McConnell	Snowe
Hutchison	Murkowski	Specter
Inhofe	Nickles	Stevens
Inouye	Nunn	Thomas
Kempthorne	Packwood	Thompson
Kerrey	Pressler	Thurmond
Kyl	Robb	Warner
Lieberman	Roth	

NAYS—33

Akaka	Feingold	Levin
Biden	Harkin	Moseley-Braun
Boxer	Hatfield	Moynihan
Bradley	Hollings	Murray
Breaux	Jeffords	Pell
Bumpers	Johnston	Pryor
Byrd	Kennedy	Reid
Conrad	Kerry	Rockefeller
Daschle	Kohl	Sarbanes
Dodd	Lautenberg	Simon
Dorgan	Leahy	Wellstone

NOT VOTING—2

Kassebaum	Mikulski

So the motion to lay on the table the amendment (No. 1187) was agreed to.

Mr. DOMENICI. Mr. President, might I suggest that Senators ought to take heed of this now. What we are going to do, there are three more amendments from that side that we are ready to take up. Senator EXON is going to explain each of the three. I will have a brief explanation. Then everybody ought to stay here because we are going to vote on them one after another. We are not going to have an explanation at the end of each one. So three explanations, three amendments, and vote on those three amendments in sequence and immediately upon completing one go to another, no time interval for explanations.

Mr. EXON. I would just simply add then we will go on with the process that had been established by the majority leader for 10 minutes and 10 minutes only thereafter. That does not mean——

Mr. SIMON. Nine minutes.

Mr. EXON. Nine minutes thereafter. That does not mean we are going to change.

Mr. DOMENICI. Oh, no.

Mr. EXON. Anything other than to maybe expedite things for just a moment.

Mr. DOMENICI. Right.

Mr. EXON. We are getting very close.

Mr. DOMENICI. Right.

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

Mr. DOMENICI. I thank the Chair.

Mr. EXON addressed the Chair.

The PRESIDING OFFICER. The Senator from Nebraska.

AMENDMENT NO. 1188

(Purpose: To express the sense of the Senate regarding the inclusion of reductions in Medicare spending in the concurrent resolution on the budget for fiscal year 1996)

Mr. EXON. The first of the three amendments that have just been suggested by the Budget Committee chairman I send to the desk in behalf of Senator KENNEDY.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from Nebraska [Mr. EXON], for Mr. KENNEDY, proposes an amendment numbered 1188.

The amendment is as follows:

At the appropriate place, insert the following new section:

SEC. . SENSE OF THE SENATE REGARDING REDUCTIONS IN MEDICARE SPENDING.

(a) FINDINGS.—Congress finds that—

(1) Medicare protection is as important as Social Security protection in guaranteeing retirement security and is truly a part of Social Security;

(2) senior citizens have contributed throughout their working lives to Medicare in the expectation of health insurance protection when they retire;

(3) because of gaps in Medicare coverage, senior citizens already spend more than one dollar in five of their limited incomes to purchase the health care that they need;

(4) low and moderate-income senior citizens will suffer most from Medicare cuts, since 83 percent of all Medicare spending is for older Americans with annual incomes below $25,000 and two-thirds is for those with annual incomes below $15,000;

(5) at the present time, Medicare only pays 68 percent of what the private sector pays for comparable physicians' services and 69 percent of what the private sector pays for comparable hospital care;

(6) piecemeal, budget-driven cuts in Medicare will only shift costs from the Federal budget to the family budgets of senior citizens and working Americans;

(7) deep cuts in Medicare could damage the quality of American medicine, by endangering hospitals and other health care institutions that depend on Medicare, including rural hospitals, inner-city hospitals, and academic health centers;

(8) deep cuts in Medicare will make essential health care less available to millions of uninsured Americans, by endangering the financial stability of hospitals providing such care; and

(9) cuts in Medicare benefits should not be used to pay for tax cuts for the wealthy.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that the provisions of this concurrent resolution assume that reductions in projected Medicare spending included in the reconciliation bill for fiscal year 1996 should not increase medical costs such as premiums, deductibles, and coinsurance or diminish access to health care for senior citizens, and further, that major reductions in projected Medicare spending should not be enacted by the Congress except in the context of a broad, bipartisan health reform plan that will not—

(1) increase costs or reduce access to care for senior citizens;

(2) shift costs to working Americans; or

(3) damage the quality of American medicine.

Mr. EXON. Mr. President, Senator KENNEDY's amendment urges that any reductions in Medicare should not increase premiums, deductibles and coinsurance for senior citizens and that Medicare reductions should not be enacted except as part of a broader health reform.

I send a second amendment to the desk.

Mr. DOLE. Could I have an explanation of the one we just did, an explanation of the first Kennedy amendment?

Mr. EXON. I thought we were going to do it in sequence.

Go ahead.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. We interpret the Kennedy amendment to propose that we hold Medicare reform hostage until we have a national health care reform package. But I am going to move to table it at the appropriate time in any event.

AMENDMENT NO. 1189

(Purpose: To restore $28,000,000,000 in outlays over seven years to reduce by $22,000,000,000 the discretionary cuts proposed in elementary and secondary education programs and reduce the reconciliation instructions to the Committee on Labor and Human Resources (primarily affecting student loans) by $6 billion by closing corporate tax loopholes)

Mr. EXON. Mr. President, I send an amendment to the desk, a second amendment, offered by Senator KENNEDY.

The PRESIDING OFFICER. The clerk will report the amendment.

The bill clerk read as follows:

The Senator from Nebraska [Mr. EXON], for Mr. KENNEDY, for himself, Mr. DODD, Mr. SIMON, and Mr. PELL, proposes an amendment numbered 1189.

The amendment is as follows:

On page 3, line 10, increase the amount by $5,100,000,000.

On page 3, line 11, increase the amount by $3,400,000,000.

On page 3, line 12, increase the amount by $3,600,000,000.

On page 3, line 13, increase the amount by $3,800,000,000.

On page 3, line 14, increase the amount by $4,000,000,000.

On page 3, line 15, increase the amount by $4,000,000,000.

On page 3, line 16, increase the amount by $4,100,000,000.

On page 3, line 20, increase the amount by $5,100,000,000.

On page 3, line 21, increase the amount by $3,400,000,000.

On page 3, line 22, increase the amount by $3,600,000,000.

On page 3, line 23, increase the amount by $3,800,000,000.

On page 3, line 24, increase the amount by $4,000,000,000.

On page 3, line 25, increase the amount by $4,000,000,000.

On page 4, line 1, increase the amount by $4,100,000,000.

On page 4, line 18, increase the amount by $5,100,000,000.

On page 4, line 19, increase the amount by $3,400,000,000.

On page 4, line 20, increase the amount by $3,600,000,000.

On page 4, line 21, increase the amount by $3,800,000,000.

On page 4, line 22, increase the amount by $4,000,000,000.

On page 4, line 23, increase the amount by $4,000,000,000.

On page 4, line 24, increase the amount by $4,100,000,000.

On page 5, line 4, increase the amount by $5,100,000,000.

On page 5, line 5, increase the amount by $3,400,000,000.

On page 5, line 6, increase the amount by $3,600,000,000.

On page 5, line 7, increase the amount by $3,800,000,000.

On page 5, line 8, increase the amount by $4,000,000,000.

On page 5, line 9, increase the amount by $4,000,000,000.

On page 5, line 10, increase the amount by $4,100,000,000.

On page 5, line 17, increase the amount by $28,300,000,000.

On page 5, line 18, increase the amount by $3,800,000,000.

On page 5, line 19, increase the amount by $3,600,000,000.

On page 5, line 20, increase the amount by $3,800,000,000.

On page 5, line 21, increase the amount by $4,000,000,000.

On page 5, line 22, increase the amount by $4,000,000,000.

On page 5, line 23, increase the amount by $4,100,000,000.

On page 6, line 16, increase the amount by $5,100,000,000.

On page 6, line 17, increase the amount by $3,400,000,000.

On page 6, line 18, increase the amount by $3,600,000,000.

On page 6, line 19, increase the amount by $3,800,000,000.

On page 6, line 20, increase the amount by $4,000,000,000.

On page 6, line 21, increase the amount by $4,000,000,000.

On page 6, line 22, increase the amount by $4,100,000,000.

On page 31, line 12, increase the amount by $28,300,000,000.

On page 31, line 20, increase the amount by $3,800,000,000.

On page 32, line 3, increase the amount by $3,600,000,000.

On page 32, line 11, increase the amount by $3,800,000,000.

On page 32, line 19, increase the amount by $4,000,000,000.

On page 33, line 2, increase the amount by $4,000,000,000.

On page 33, line 10, increase the amount by $4,100,000,000.

On page 31, line 13, increase the amount by $5,100,000,000.

On page 31, line 21, increase the amount by $3,400,000,000.

On page 32, line 4, increase the amount by $3,600,000,000.

On page 32, line 12, increase the amount by $3,800,000,000.

On page 32, line 20, increase the amount by $4,000,000,000.

On page 33, line 3, increase the amount by $4,000,000,000.

On page 33, line 11, increase the amount by $4,100,000,000.

On page 64, line 9, decrease the amount by $1,100,000,000.

On page 64, line 10, decrease the amount by $4,600,000,000.

On page 64, line 11, decrease the amount by $6,000,000,000.

On page 65, line 17, increase the amount by $26,700,000,000.

On page 65, line 18, increase the amount by $4,000,000,000.

On page 65, line 24, increase the amount by $3,400,000,000.

On page 65, line 25, increase the amount by $3,000,000,000.

On page 66, line 6, increase the amount by $3,000,000,000.

On page 66, line 7, increase the amount by $3,000,000,000.

On page 66, line 13, increase the amount by $3,000,000,000.

On page 66, line 14, increase the amount by $3,000,000,000.
On page 66, line 20, increase the amount by $3,000,000,000.
On page 66, line 21, increase the amount by $3,000,000,000.
On page 67, line 2, increase the amount by $3,000,000,000.
On page 67, line 3, increase the amount by $3,000,000,000.
On page 67, line 9, increase the amount by $3,000,000,000.
On page 67, line 10, increase the amount by $3,000,000,000.

Mr. EXON. Mr. President, Senator KENNEDY's amendment would restore $28 billion over the budget period for education, $6 billion to student loan accounts, $22 billion to restore funding to elementary and secondary education programs.

Mr. DOMENICI. Mr. President, this increases taxes $22 billion and provides for the expenditure thereof without any assurance it will be spent that way under budget law.

AMENDMENT NO. 1190

(Purpose: To add $8,871,091,316 in budget authority and $6,770,659,752 in outlays to Function 500 over 7 years to restore funding to the Pell Grant Program by closing tax loopholes)

Mr. EXON. Mr. President, I send a third amendment by Senator KENNEDY to the desk.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from Nebraska [Mr. EXON], for Mr. KENNEDY, for himself and Mr. PELL, proposes an amendment numbered 1190.

The amendment is as follows:

On page 3, line 10, increase the amount by $13,049,296.
On page 3, line 11, increase the amount by $137,045,490.
On page 3, line 12, increase the amount by $503,890,941.
On page 3, line 13, increase the amount by $902,889,932.
On page 3, line 14, increase the amount by $1,300,174,427.
On page 3, line 15, increase the amount by $1,729,683,671.
On page 3, line 16, increase the amount by $2,183,925,995.
On page 3, line 20, increase the amount by $13,049,296.
On page 3, line 21, increase the amount by $137,045,490.
On page 3, line 22, increase the amount by $503,890,941.
On page 3, line 23, increase the amount by $902,889,932.
On page 3, line 24, increase the amount by $1,300,174,427.
On page 3, line 25, increase the amount by $1,729,683,671.
On page 4, line 1, increase the amount by $2,183,925,995.
On page 4, line 18, increase the amount by $13,049,296.
On page 4, line 19, increase the amount by $137,045,490.
On page 4, line 20, increase the amount by $503,890,941.
On page 4, line 21, increase the amount by $902,889,932.
On page 4, line 22, increase the amount by $1,300,174,427.
On page 4, line 23, increase the amount by $1,729,683,671.
On page 4, line 24, increase the amount by $2,183,925,995.
On page 5, line 4, increase the amount by $13,049,296.
On page 5, line 5, increase the amount by $137,045,490.
On page 5, line 6, increase the amount by $503,890,941.
On page 5, line 7, increase the amount by $902,889,932.
On page 5, line 8, increase the amount by $1,300,174,427.
On page 5, line 9, increase the amount by $1,729,683,671.
On page 5, line 10, increase the amount by $2,183,925,995.
On page 5, line 17, increase the amount by $65,246,479.
On page 5, line 18, increase the amount by $430,766,179.
On page 5, line 19, increase the amount by $832,941,958.
On page 5, line 20, increase the amount by $1,222,899,409.
On page 5, line 21, increase the amount by $1,648,270,247.
On page 5, line 22, increase the amount by $2,097,874,450.
On page 5, line 23, increase the amount by $2,573,092,594.
On page 6, line 16, increase the amount by $13,049,296.
On page 6, line 17, increase the amount by $137,045,490.
On page 6, line 18, increase the amount by $503,890,941.
On page 6, line 19, increase the amount by $902,889,932.
On page 6, line 20, increase the amount by $1,300,174,427.
On page 6, line 21, increase the amount by $1,729,683,671.
On page 6, line 22, increase the amount by $2,183,925,995.
On page 31, line 12, increase the amount by $65,246,479.
On page 31, line 13, increase the amount by $13,049,296.
On page 31, line 20, increase the amount by $430,766,179.
On page 31, line 21, increase the amount by $137,045,490.
On page 32, line 3, increase the amount by $832,941,958.
On page 32, line 4, increase the amount by $503,890,941.
On page 32, line 11, increase the amount by $1,222,899,409.
On page 32, line 12, increase the amount by $902,889,932.
On page 32, line 19, increase the amount by $1,648,270,247.
On page 32, line 20, increase the amount by $1,300,174,427.
On page 33, line 2, increase the amount by $2,097,874,450.
On page 33, line 3, increase the amount by $1,729,683,671.
On page 33, line 10, increase the amount by $2,573,092,594.
On page 33, line 11, increase the amount by $2,183,925,995.
On page 65, line 17, increase the amount by $65,246,479.
On page 65, line 18, increase the amount by $13,049,296.
On page 65, line 24, increase the amount by $430,766,179.
On page 65, line 25, increase the amount by $137,045,490.
On page 66, line 6, increase the amount by $832,941,958.
On page 66, line 7, increase the amount by $503,890,941.
On page 66, line 13, increase the amount by $1,222,899,409.
On page 66, line 14, increase the amount by $902,889,932.
On page 66, line 20, increase the amount by $1,648,270,247.
On page 66, line 21, increase the amount by $1,300,174,427.
On page 67, line 2, increase the amount by $2,097,874,450.
On page 67, line 3, increase the amount by $1,729,683,671.
On page 67, line 9, increase the amount by $2,573,092,594.
On page 67, line 10, increase the amount by $2,183,925,995.

Mr. EXON. Mr. President, this amendment is about something that we all know a great deal and have generally supported very well, Pell grants. This amendment, also sponsored by Senator PELL, would restore $8.8 billion over the budget period to protect the value of Pell grants against inflation and increasing college enrollments. Under the pending budget proposal, the Pell grants would decline in value by 40 percent over the next 7 years.

Mr. DOMENICI addressed the Chair.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. Mr. President, again, we are going to raise taxes by $8.8 billion to spend that amount of money. I believe we have held firm on that heretofore, and I hope we do so again.

Mr. EXON. Mr. President, I ask unanimous consent that it be in order that all three amendments be ordered to be for a rollcall vote.

Mr. DOMENICI. Mr. President, I do not waive a right to table the amendments, do I, with that?

Mr. EXON. No, the Senator does not.

Mr. DOMENICI. Fine. I have no objection.

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

Mr. DOLE. Mr. President, I think we have a way to dispose of Harkin-McCain. I would add that as a fourth effort and move to table the underlying amendment—that will take care of both of them—and ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. EXON. Reserving the right to object to make sure we understand that——

Mr. DOLE. I have cleared it with Senator HARKIN.

Mr. EXON. I believe what the majority leader just said has been agreed to by Senator HARKIN, but I do want to check with him. As I understand it, you on that side will offer a tabling motion.

Mr. DOLE. I just did it.

Mr. EXON. The Senator just did it.

Mr. DOLE. To table both of them.

Mr. EXON. And that will be the fourth of the series of votes that we have just scheduled.

Mr. DOLE. Right.

Mr. HARKIN. That is a motion to table Harkin.

Mr. DOLE. Yes.

Mr. EXON. Anyone may reserve the right to offer a motion to table.

Mr. BYRD addressed the Chair.

The PRESIDING OFFICER. The Senator from West Virginia.

Mr. BYRD. Mr. President, were the yeas and nays ordered on the three amendments?

The PRESIDING OFFICER. They have not been ordered.

Mrs. BOXER. Reserving the right to object, is this the Harkin amendment?

The PRESIDING OFFICER. There is a request pending.

Mr. BYRD. Mr. President, was the request granted that the yeas and nays will be in order on all three?

The PRESIDING OFFICER. That request has been agreed to.

Mr. BYRD. I ask for the yeas and nays on all three.

The PRESIDING OFFICER. Is there a sufficient?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. I move to table the first Kennedy amendment and 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 MOTION TO TABLE AMENDMENT NO. 1188

The PRESIDING OFFICER. The question is on agreeing to the motion to table the amendment. 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 Maryland [Ms. MIKULSKI] is necessarily absent.

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

The result was announced—yeas 58, nays 41, as follows:

[Rollcall Vote No. 218 Leg.]

YEAS—58

Abraham	Feinstein	McCain
Ashcroft	Frist	McConnell
Baucus	Gorton	Murkowski
Bennett	Gramm	Nickles
Bond	Grams	Nunn
Brown	Grassley	Packwood
Burns	Gregg	Pressler
Byrd	Hatch	Roth
Campbell	Hatfield	Santorum
Chafee	Helms	Shelby
Coats	Hutchison	Simpson
Cochran	Inhofe	Smith
Cohen	Kassebaum	Snowe
Coverdell	Kempthorne	Stevens
Craig	Kerrey	Thomas
D'Amato	Kyl	Thompson
DeWine	Lieberman	Thurmond
Dole	Lott	Warner
Domenici	Lugar	
Faircloth	Mack	

NAYS—41

Akaka	Ford	Levin
Biden	Glenn	Moseley-Braun
Bingaman	Graham	Moynihan
Boxer	Harkin	Murray
Bradley	Heflin	Pell
Breaux	Hollings	Pryor
Bryan	Inouye	Reid
Bumpers	Jeffords	Robb
Conrad	Johnston	Rockefeller
Daschle	Kennedy	Sarbanes
Dodd	Kerry	Simon
Dorgan	Kohl	Specter
Exon	Lautenberg	Wellstone
Feingold	Leahy	

NOT VOTING—1

Mikulski

So the motion to table the amendment (No. 1188) was agreed to.

Mr. DOMENICI. Mr. President, I move to reconsider the vote by which the motion was agreed to.

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

The motion to lay on the table was agreed to.

Mr. DOMENICI. Mr. President, I move to table the second Kennedy amendment and 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 MOTION TO TABLE AMENDMENT NO. 1189

The PRESIDING OFFICER. The question is on agreeing to the motion to lay on the table amendment No. 1189, offered by the Senator from Massachusetts [Mr. KENNEDY]. The yeas and nays have been ordered. The clerk will call the roll.

The legislative clerk called the roll.

Mr. FORD. I announce that the Senator from Maryland [Ms. MIKULSKI] is necessarily absent.

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

The result was announced—yeas 54, nays 45, as follows:

[Rollcall Vote No. 219 Leg.]

YEAS—54

Abraham	Frist	McConnell
Ashcroft	Gorton	Murkowski
Baucus	Gramm	Nickles
Bennett	Grams	Nunn
Bond	Grassley	Packwood
Brown	Gregg	Pressler
Burns	Hatch	Roth
Campbell	Hatfield	Santorum
Coats	Helms	Shelby
Cochran	Hutchison	Simpson
Cohen	Inhofe	Smith
Coverdell	Kassebaum	Snowe
Craig	Kempthorne	Specter
D'Amato	Kyl	Stevens
DeWine	Lott	Thomas
Dole	Lugar	Thompson
Domenici	Mack	Thurmond
Faircloth	McCain	Warner

NAYS—45

Akaka	Chafee	Glenn
Biden	Conrad	Graham
Bingaman	Daschle	Harkin
Boxer	Dodd	Heflin
Bradley	Dorgan	Hollings
Breaux	Exon	Inouye
Bryan	Feingold	Jeffords
Bumpers	Feinstein	Johnston
Byrd	Ford	Kennedy
Kerrey	Lieberman	Reid
Kerry	Moseley-Braun	Robb
Kohl	Moynihan	Rockefeller
Lautenberg	Murray	Sarbanes
Leahy	Pell	Simon
Levin	Pryor	Wellstone

NOT VOTING—1

Mikulski

So the motion to lay on the table the amendment (No. 1189) was agreed to.

Mr. DOMENICI. Mr. President, is the pending business the third pending amendment?

The PRESIDING OFFICER. That is correct.

Mr. DOMENICI. Mr. President, I move to table the amendment 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 MOTION TO TABLE AMENDMENT NO. 1190

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Massachusetts. 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 Maryland [Ms. MIKULSKI] is necessarily absent.

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

The result was announced—yeas 55, nays 44, as follows:

[Rollcall Vote No. 220 Leg.]

YEAS—55

Abraham	Feinstein	McConnell
Ashcroft	Frist	Murkowski
Baucus	Gorton	Nickles
Bennett	Gramm	Packwood
Bond	Grams	Pressler
Brown	Grassley	Roth
Burns	Gregg	Santorum
Campbell	Hatch	Shelby
Chafee	Hatfield	Simpson
Coats	Helms	Smith
Cochran	Hutchison	Snowe
Cohen	Inhofe	Specter
Coverdell	Kassebaum	Stevens
Craig	Kempthorne	Thomas
D'Amato	Kyl	Thompson
DeWine	Lott	Thurmond
Dole	Lugar	Warner
Domenici	Mack	
Faircloth	McCain	

NAYS—44

Akaka	Ford	Levin
Biden	Glenn	Lieberman
Bingaman	Graham	Moseley-Braun
Boxer	Harkin	Moynihan
Bradley	Heflin	Murray
Breaux	Hollings	Nunn
Bryan	Inouye	Pell
Bumpers	Jeffords	Pryor
Byrd	Johnston	Reid
Conrad	Kennedy	Robb
Daschle	Kerrey	Rockefeller
Dodd	Kerry	Sarbanes
Dorgan	Kohl	Simon
Exon	Lautenberg	Wellstone
Feingold	Leahy	

NOT VOTING—1

Mikulski

So the motion to lay on the table the amendment (No. 1190) was agreed to.

VOTE ON MOTION TO TABLE AMENDMENT NO. 1185

The PRESIDING OFFICER. The question is now on agreeing to the motion to table amendment No. 1185. The yeas and nays have been ordered.

The clerk will call the roll.

The bill clerk called the roll.

Mr. FORD. I announce that the Senator from Maryland [Ms. MIKULSKI] is necessarily absent.

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

The result was announced—yeas 73, nays 26, as follows:

[Rollcall Vote No. 221 Leg.]

YEAS—73

Abraham	Feinstein	Mack
Akaka	Ford	McCain
Ashcroft	Frist	McConnell
Baucus	Glenn	Moynihan
Bennett	Gorton	Murkowski
Biden	Graham	Nickles
Bingaman	Gramm	Nunn
Bond	Grams	Packwood
Brown	Gregg	Pressler
Bryan	Hatch	Reid
Burns	Hatfield	Robb
Byrd	Heflin	Roth
Campbell	Helms	Santorum
Chafee	Hutchison	Sarbanes
Coats	Inhofe	Shelby
Cochran	Inouye	Simpson
Cohen	Jeffords	Smith
Coverdell	Kassebaum	Specter
D'Amato	Kempthorne	Stevens
DeWine	Kerry	Thomas
Dodd	Kyl	Thompson
Dole	Leahy	Thurmond
Domenici	Lieberman	Warner
Exon	Lott	
Faircloth	Lugar	

NAYS—26

Boxer	Grassley	Moseley-Braun
Bradley	Harkin	Murray
Breaux	Hollings	Pell
Bumpers	Johnston	Pryor
Conrad	Kennedy	Rockefeller
Craig	Kerrey	Simon
Daschle	Kohl	Snowe
Dorgan	Lautenberg	Wellstone
Feingold	Levin	

NOT VOTING—1

Mikulski

So the motion to lay on the table the amendment (No. 1185) was agreed to.

Mr. EXON. Mr. President, I move to reconsider the vote by which the motion was agreed to.

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

The motion to lay on the table was agreed to.

Mr. EXON. Mr. President, I ask unanimous consent—and I have talked to Senator DOMENICI about this—that we might recognize the Senator from California very briefly for a unanimous consent request that I think will be approved.

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

Mrs. FEINSTEIN. Mr. President, thank you very much.

CHANGE OF VOTE

Mrs. FEINSTEIN. Mr. President, I ask unanimous consent to change my vote on rollcall No. 220, amendment numbered 1190, from a "yea" to a "nay." It will not make a difference in the vote count.

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

(The foregoing tally has been changed to reflect the above order.)

AMENDMENT NO. 1191

(Purpose: To express the sense of the Senate regarding the priority that should be given to renewable energy and energy efficiency research, development, and demonstration activities)

Mr. EXON. Mr. President, I have an amendment submitted by Senator BINGAMAN and Senator JEFFORDS that expresses the sense of the Senate on renewable energy and energy efficiency technologies and research development and demonstration activities in these areas, and our priority within the Federal Energy Research Program. Cosponsors of this amendment are Mrs. MURRAY, Mr. HARKIN, and Mr. LEAHY. I think it has been cleared on both sides.

Mr. DOMENICI. Mr. President, we have no objection. We accept the amendment.

Mr. EXON. Mr. President, I send the 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 Nebraska [Mr. EXON], for Mr. BINGAMAN, for himself, Mr. JEFFORDS, Mrs. MURRAY, Mr. HARKIN, and Mr. LEAHY, proposes an amendment numbered 1191.

The amendment is as follows:

At the end of title III, add the following:

SEC. . SENSE OF THE SENATE REGARDING THE PRIORITY THAT SHOULD BE GIVEN TO RENEWABLE ENERGY AND ENERGY EFFICIENCY RESEARCH, DEVELOPMENT, AND DEMONSTRATION ACTIVITIES.

(a) FINDINGS.—Congress finds that—

(1) section 1202 of the Energy Policy Act of 1992 (106 Stat. 2956), which passed the Senate 93 to 3 and was signed into law by President Bush in 1992, amended section 6 of the Renewable Energy and Energy Efficiency Technology Competitiveness Act of 1989 (42 U.S.C. 12005) to direct the Secretary of Energy to conduct a 5-year program to commercialize renewable energy and energy efficiency technologies;

(2) poll after poll shows that the American people overwhelmingly believe that renewable energy and energy efficiency technologies should be the highest priority of Federal research, development, and demonstration activities;

(3) renewable technologies (such as wind, photovoltaic, solar thermal, geothermal, and biomass technology) have made significant progress toward increased reliability and decreased cost;

(4) energy efficient technologies in the building, industrial, transportation, and utility sectors have saved more than 3 trillion dollars for industries, consumers, and the Federal Government over the past 20 years while creating jobs, improving the competitiveness of the economy, making housing more affordable, and reducing the emissions of environmentally damaging pollutants;

(5) the renewable energy and energy efficiency technology programs feature private sector cost shares that are among the highest of Federal energy research and development programs;

(6) according to the Energy Information Administration, the United States currently imports more than 50 percent of its oil, representing $46,000,000,000, or approximately 40 percent, of the $116,000,000,000 total United States merchandise deficit in 1993; and

(7) renewable energy and energy efficiency technologies represent potential inroads for American companies into export markets for energy products and services estimated at least $225,000,000,000 over the next 25 years.

(b) SENSE OF SENATE.—It is the sense of the Senate that the assumptions underlying the functional totals in this resolution include the assumption that renewable energy and energy efficiency technology research, development, and demonstration activities should be given priority among the Federal energy research programs.

The PRESIDING OFFICER. Without objection, the amendment (No. 1191) is agreed to.

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

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

The motion to lay on the table was agreed to.

Mr. DOMENICI. At the suggestion of the majority leader, we have engaged in taking three amendments in a row and explaining them in advance, and then voting on them one after another so that there is no time lost. Senator EXON is going to offer three amendments, all three Bradley amendments. We know what they are.

I ask unanimous consent that it be in order now for the managers to explain each of the three in sequence and thereafter, when the explanations are completed, each of the amendments be voted in sequence and that time for each amendment be 10 minutes.

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

Mr. EXON. Mr. President, I thank my colleague for the explanation.

AMENDMENT NO. 1192

(Purpose: To establish a process to identify and control tax expenditures by setting a target for cuts)

Mr. EXON. I send an amendment to the desk, the No. 1 Bradley amendment.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Nebraska [Mr. EXON], for Mr. BRADLEY, for himself and Mr. DASCHLE, proposes an amendment numbered 1192.

The amendment is as follows:

On page 79, between lines 3 and 4, insert the following:

SEC. . IDENTIFICATION AND CONTROL OF TAX EXPENDITURES.

(a) POINT OF ORDER.—It shall not be in order in the Senate to consider any concurrent resolution on the budget (or amendment, motion, or conference report on such a resolution) that does not include—

(1) appropriate levels for the budget year and planning levels for each of the 6 fiscal years following the budget year for the total

amount, if any, tax expenditures should be increased or decreased by bills and resolutions to be reported by the appropriate committees; and

(2) tax expenditures for each major functional category, based on the allocations of the total levels set forth in the resolution.

(b) CBO.—The Director of the Congressional Budget Office shall include alternatives for allocating tax expenditures in accordance with national priorities as required by section 202(f)(1) of the Congressional Budget Act of 1974.

(c) 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.

(d) 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.

(e) 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.

Mr. BRADLEY. Mr. President, this amendment makes a very simple point: we can spend money just as easily through the Tax Code as we can through the appropriations process or through the creation of mandatory spending programs.

The amendment that I have offered would simply require that in our annual budget process we establish targets for reducing tax loopholes—just as we do for all other types of spending. Those targets would be enforced through a separate line in our budget reconciliation instructions for reductions in tax loopholes. We already do this for other entitlement programs. There is no reason not to do so for tax loopholes. The Senate would pass a budget resolution asking the Finance Committee to reduce tax loopholes, for example, by $10 billion a year or $20 billion or whatever the Senate decides is prudent. It would be up to the Finance Committee to meet those targets through the reconciliation process.

This separate tax expenditure target would not replace our current revenue targets. Instead, it would simply ensure that the committee take at least the specified amount from tax loopholes. In other words, we would ensure that the committee would not raise the targeted amount from rate increases.

I think we should be honest about the hundreds of billions of dollars that we spend each year through tax loopholes. Spending is spending, whether it comes in the form of a government check or in the form of a special exception from the tax rates that apply to everyone else.

Tax expenditures are a large and rapidly growing form of spending by the Federal Government. According to the Budget Committee, in 1996, tax expenditures will cost over $480 billion; left unchecked, we will spend roughly $4 trillion on tax expenditures between now and 2002. In 1986, we dramatically scaled back these loopholes. However, since that time, they have grown at an astronomical rate. At a time when we are properly talking about other spending cuts, I do not believe that tax expenditures should be off the table.

Tax expenditures or tax loopholes allow some taxpayers to lower their taxes and leave the rest of us paying higher taxes than we otherwise would pay. By requiring that Congress establish specific targets for tax loopholes as part of the budget reconciliation process, this amendment simply places tax loopholes under the same budgetary scrutiny as all other spending programs.

Tax loopholes do not, as some would say, simply allow people to keep more of what they have earned. Rather, they give the few a special exception from the rules that oblige everyone to share in the responsibility of the national defense and protecting the young, the aged, and the infirm.

Mr. President, in the face of a Federal debt rapidly approaching $5 trillion, we cannot afford to be timid. Our children's way of life is dependent upon our acting on the Federal deficit today and tomorrow and every year thereafter until we restore fiscal sanity to our budget. We cannot wait until we grow our way out of the debt. And we should not and cannot wait until deficits start drifting up in the latter half of this decade before we do something.

The Congressional Budget Office tells us that by 2004 the national debt held by the public will rise to roughly $6 trillion. At that time, the national debt will equal almost 55 percent of our gross domestic product. By 2004, interest payments on that debt will be approximately $334 billion, or over 3 percent of our gross domestic product. One recent report stated that these interest payments will cost each of today's children over $130,000 in extra taxes over the course of their lifetime. Our national debt is nothing less than a mortgage on our Nation's, and our children's, future.

Mr. President, let us not kid ourselves. As we have seen from this week's debate, addressing our burgeoning debt will not be easy. If it was, we would have done it years ago. Instead, it will require a very thoughtful, and sometimes difficult, debate over our Nation's priorities and what sacrifices we are willing to make in order to balance the budget. This means that we are going to have to take a hard look at what we spend the taxpayers' money on. And that means all of our spending programs—tax expenditures included.

The purpose of this amendment is simply to try to draw the Senate's attention to the very targeted spending we do through the Tax Code—spending that is not subject to the annual appropriations process; spending that is not subject to the executive order capping the growth of mandatory spending; spending that is rarely ever debated on the floor of the Senate once it becomes part of the Tax Code. The preferential deductions or credits or depreciation schedules or timing rules that we provide through the Tax Code are simply entitlement programs under another guise. Many of them make sense, Mr. President. And I would be the first to admit that. Many, however, probably could not stand the light of day if we had to vote on them as direct spending programs.

Given our critical need for deficit reduction, tax spending should not be treated any better or worse then other programs. It should not be protected any more than Social Security payments or crop price support payments or Medicare payments or welfare payments.

What am I really talking about? I am talking about provisions that allow wealthy Americans to renounce their citizenship in order to avoid paying their fair share of U.S. taxes. That is already in the Tax Code. I am talking about letting wealthy taxpayers rent their homes for 2 weeks a year without having to report any income. That is already in the Tax Code. I am talking about providing production subsidies in excess of the dollars invested for the production of lead, uranium and asbestos—three poisons on which we spend millions of dollars each year just trying to clean up. That is already in the code. I am talking about tax credits for clean-fuel vehicles, cancellation of indebtedness income for farmers or real estate developers, special amortization periods for timber companies' reforestation efforts, industrial development bonds for airports or docks, special treatment of capital construction funds for shipping companies, et cetera, et cetera.

Mr. President, let me be clear that this bill does not pinpoint specific programs and I am not suggested that we eliminate all tax expenditures. In fact, I support many of them. Instead, I am simply suggesting that we subject them to the same level of scrutiny as all other entitlement programs.

If we are serious about deficit reduction—and for our Nation's future I sincerely hope that we are—then every segment of spending will have to be examined. We cannot do it fairly through discretionary spending cuts alone. Indeed, that is an area of the budget that is shrinking in terms of gross national product. Likewise, we cannot do it fairly through entitlement cuts alone. In order to achieve equitable, lasting deficit reduction, we will need to consider tax loopholes as well.

Mr. DASCHLE. Mr. President, for nearly a decade now, one of our primary tasks has been to leash the burgeoning budget deficit and keep it under control. As my colleagues well know, the process of reducing the deficit is a painstaking one, during which every item of direct spending is scrutinized. Even entitlements are today facing the budget ax—for example, this budget resolution envisions $256 billion in Medicare cuts alone.

This scrutiny, however, is reserved for direct spending items. Yet, one of our largest areas of spending in the Federal budget is tax expenditures—exclusions, exemptions, deductions, credits, preferential rates, and deferrals of tax liability. While, at the margin, we can debate exactly what constitutes a tax expenditure, these items will drain about $480 billion from Federal revenues this year.

Let me make it clear that I do not support a massive elimination of tax expenditures without regard to merit. However, this very large and important part of Federal spending—for, clearly, that is what it is—deserves the same scrutiny as direct spending.

Currently, tax expenditures receive only minimal attention on an annual basis. Nowhere is this information incorporated in the budget process in a meaningful way—a way that spurs action to limit this form of spending. There are no targets for tax expenditures called for in the budget resolution, and there is nothing to force members to view tax expenditures by budget function, comparing aggregate spending in any given area through both direct spending and tax expenditures.

The Bradley amendment would require the annual budget resolution to set forth the total amount, if any, by which tax expenditures should be increased or decreased. The resolution would have to include such totals both for the upcoming fiscal year and, for planning purposes, for the following 6 fiscal years. additionally, the total level of tax expenditures for the upcoming fiscal year would need to be broken out among the major functional categories. The budget resolution would be subject to a point of order if it failed to include the information on tax expenditures that is required by the Bradley amendment.

I applaud Senator BRADLEY for his continued leadership on this very important issue, and I urge my colleagues to join me in supporting his amendment.

Mr. EXON. Very briefly, this Bradley amendment requires Congress to set targets for reduction in tax expenditures similar to targets it set for mandatory spending in our budget resolution instructions.

Mr. DOMENICI. Mr. President, this is going to be subject to a point of order. It establishes a whole new process in treating budget resolutions and tax bills, and I do not believe we ought to be doing it here on the floor. When it is appropriate, I will raise the point of order.

AMENDMENT NO. 1193

(Purpose: To restore cuts in Medicare and NIH by raising the tobacco tax by $1 a pack)

Mr. EXON. Mr. President, I submit the second Bradley amendment to the desk.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Nebraska [Mr. EXON], for Mr. BRADLEY, proposes an amendment numbered 1193.

The amendment is as follows:

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

SEC. —. SENSE OF THE SENATE REGARDING OFFSETTING NIH AND MEDICARE CUTS WITH TOBACCO TAX REVENUES.

(a) TOBACCO TAX.—It is the sense of the Senate that the Senate Committee on Finance, in meeting the committee's revenue instruction under section 6, will increase the Federal tax on cigarettes by $1.00 a pack, tax smokeless tobacco products at the same rate as cigarettes, and increase the tax on all other tobacco products by a factor of 5.1667 and that the resulting revenues will be allocated as provided in subsection (b).

(b) USE OF REVENUES.—The revenues resulting from the taxes provided in subsection (a) shall be allocated as follows:

(1) 90 percent of the revenues ($75,900,000,000) to offset medicare cuts, reducing the total amount of cuts by 30 percent.

(2) 9.4 percent of the revenues ($7,900,000,000) to offset the entire reduction to the NIH budget.

(3) 0.6 percent of the revenues, $530,000,000 to assist tobacco farmers and communities in converting to new crops.

On page 63, line 7, strike the period and insert the following: ". The Senate Committee on Finance shall report changes in laws within its jurisdiction to increase revenues $12.5 billion in fiscal year 1996, $61.8 billion for the period of fiscal years 1996 through 2000, and $84.3 billion for the period of fiscal years 1996 through 2002.".

On page 3, line 10, increase the amount by $12.5 billion.

On page 3, line 11, increase the amount by $12.8 billion.

On page 3, line 12, increase the amount by $12.5 billion.

On page 3, line 13, increase the amount by $12.2 billion.

On page 3, line 14, increase the amount by $11.8 billion.

On page 3, line 15, increase the amount by $11.4 billion.

On page 3, line 16, increase the amount by $11.1 billion.

On page 3, line 20, increase the amount by $12.5 billion.

On page 3, line 21, increase the amount by $12.8 billion.

On page 3, line 22, increase the amount by $12.5 billion.

On page 3, line 23, increase the amount by $12.2 billion.

On page 3, line 24, increase the amount by $11.8 billion.

On page 3, line 25, increase the amount by $11.4 billion.

On page 3, line 26, increase the amount by $11.1 billion.

On page 4, line 18, increase the amount by $12.5 billion.

On page 4, line 19, increase the amount by $12.8 billion.

On page 4, line 20, increase the amount by $12.5 billion.

On page 4, line 21, increase the amount by $12.2 billion.

On page 4, line 22, increase the amount by $11.8 billion.

On page 4, line 23, increase the amount by $11.4 billion.

On page 4, line 24, increase the amount by $11.1 billion.

On page 5, line 4, increase the amount by $12.5 billion.

On page 5, line 5, increase the amount by $12.8 billion.

On page 5, line 6, increase the amount by $12.5 billion.

On page 5, line 7, increase the amount by $12.2 billion.

On page 5, line 8, increase the amount by $11.8 billion.

On page 5, line 9, increase the amount by $11.4 billion.

On page 5, line 10, increase the amount by $11.1 billion.

On page 5, line 17, increase the amount by $12.5 billion.

On page 5, line 18, increase the amount by $12.8 billion.

On page 5, line 19, increase the amount by $12.5 billion.

On page 5, line 20, increase the amount by $12.2 billion.

On page 5, line 21, increase the amount by $11.8 billion.

On page 5, line 22, increase the amount by $11.4 billion.

On page 5, line 23, increase the amount by $11.1 billion.

On page 6, line 3, increase the amount by $12.5 billion.

On page 6, line 4, increase the amount by $12.8 billion.

On page 6, line 5, increase the amount by $12.5 billion.

On page 6, line 6, increase the amount by $12.2 billion.

On page 6, line 7, increase the amount by $11.8 billion.

On page 6, line 8, increase the amount by $11.4 billion.

On page 6, line 9, increase the amount by $11.1 billion.

On page 6, line 16, increase the amount by $12.5 billion.

On page 6, line 17, increase the amount by $12.8 billion.

On page 6, line 18, increase the amount by $12.5 billion.

On page 6, line 19, increase the amount by $12.2 billion.

On page 6, line 20, increase the amount by $11.8 billion.

On page 6, line 21, increase the amount by $11.4 billion.

On page 6, line 22, increase the amount by $11.1 billion.

On page 7, line 3, increase the amount by $12.5 billion.

On page 7, line 4, increase the amount by $12.8 billion.

On page 7, line 5, increase the amount by $12.5 billion.

On page 7, line 6, increase the amount by $12.2 billion.

On page 7, line 7, increase the amount by $11.8 billion.

On page 7, line 8, increase the amount by $11.4 billion.

On page 7, line 9, increase the amount by $11.1 billion.

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On page 22, line 8, increase the amount by $0.08 billion.
On page 22, line 9, increase the amount by $0.08 billion.
On page 22, line 16, increase the amount by $0.08 billion.
On page 22, line 17, increase the amount by $0.08 billion.
On page 22, line 24, increase the amount by $0.08 billion.
On page 22, line 25, increase the amount by $0.08 billion.
On page 23, line 7, increase the amount by $0.08 billion.
On page 23, line 8, increase the amount by $0.08 billion.
On page 23, line 15, increase the amount by $0.08 billion.
On page 23, line 16, increase the amount by $0.08 billion.
On page 23, line 23, increase the amount by $0.08 billion.
On page 23, line 24, increase the amount by $0.08 billion.
On page 24, line 7, increase the amount by $0.08 billion.
On page 24, line 8, increase the amount by $0.08 billion.
On page 33, line 19, increase the amount by $1.13 billion.
On page 33, line 20, increase the amount by $1.13 billion.
On page 34, line 2, increase the amount by $1.13 billion.
On page 34, line 3, increase the amount by $1.13 billion.
On page 34, line 9, increase the amount by $1.13 billion.
On page 34, line 10, increase the amount by $1.13 billion.
On page 34, line 16, increase the amount by $1.13 billion.
On page 34, line 17, increase the amount by $1.13 billion.
On page 34, line 23, increase the amount by $1.13 billion.
On page 34, line 24, increase the amount by $1.13 billion.
On page 35, line 5, increase the amount by $1.13 billion.
On page 35, line 6, increase the amount by $1.13 billion.
On page 35, line 12, increase the amount by $1.13 billion.
On page 35, line 13, increase the amount by $1.13 billion.
On page 35, line 20, increase the amount by $11.3 billion.
On page 35, line 21, increase the amount by $11.3 billion.
On page 36, line 2, increase the amount by $11.6 billion.
On page 36, line 3, increase the amount by $11.6 billion.
On page 36, line 9, increase the amount by $11.3 billion.
On page 36, line 10, increase the amount by $11.3 billion.
On page 36, line 16, increase the amount by $11.0 billion.
On page 36, line 17, increase the amount by $11.0 billion.
On page 36, line 23, increase the amount by $10.6 billion.
On page 36, line 24, increase the amount by $10.6 billion.
On page 37, line 5, increase the amount by $10.2 billion.
On page 37, line 6, increase the amount by $10.2 billion.
On page 37, line 12, increase the amount by $9.9 billion.
On page 37, line 13, increase the amount by $9.9 billion.
On page 65, line 17, increase the amount by $1.2 billion.
On page 65, line 18, increase the amount by $1.2 billion.
On page 65, line 24, increase the amount by $1.2 billion.
On page 65, line 25, increase the amount by $1.2 billion.
On page 66, line 6, increase the amount by $1.2 billion.
On page 66, line 7, increase the amount by $1.2 billion.
On page 66, line 13, increase the amount by $1.2 billion.
On page 66, line 14, increase the amount by $1.2 billion.
On page 66, line 20, increase the amount by $1.2 billion.
On page 66, line 21, increase the amount by $1.2 billion.
On page 67, line 2, increase the amount by $1.2 billion.
On page 67, line 3, increase the amount by $1.2 billion.
On page 67, line 9, increase the amount by $1.2 billion.
On page 67, line 10, increase the amount by $1.2 billion.

AMENDMENT NO. 1193

Mr. BRADLEY. Mr. President, this amendment would eliminate 30 percent of the proposed Medicare cuts and the entire cut to the NIH budget. These cuts would be offset with revenues generated by increasing the tobacco tax.

Mr. President, my amendment presents a win-win-win situation. It will improve not one, not two, but three threats to our national health. First, it dampens the incredibly harsh blow which the proposed budget will deal to our Nation's oldest citizens. Second, it ensures that the NIH will be able to continue its current efforts to develop life-saving technologies. And finally, it will encourage our citizens—particularly our children and teenagers—to avoid the addiction, sickness, and death which result from tobacco use.

The first national health threat which my amendment seeks to improve involves the proposed Medicare cuts. We are all aware that the budget resolution would reduce spending for the Medicare program by $256 billion over 7 years. This means that seniors will have to find an average of $3,447 more dollars to pay for their health care over the next 7 years. In my home State of New Jersey, seniors will have to come up with an additional $932 in the year 2002 alone just to pay for the additional Medicare costs which this budget imposes on them. For many seniors across the country, these new costs will be extremely difficult to bear. In 1992, the median income of seniors in this country was only about $17,000 a year, and over 20 percent of this income already goes for health-related costs. For the millions of seniors across the country who live on fixed incomes, finding an additional $3,447 over 7 years will mean having to give up something else which is important to them. It is estimated that there are already nearly 8 million seniors nationwide who are forced to choose each month between paying for their medications and paying for food. I can't help wondering how many millions more seniors will be faced with this horrible choice once the proposed cuts go into place.

Increased financial burdens on seniors is only one of the negative consequences which will result from the proposed Medicare cuts. Along with having to pay more, seniors will likely find that their ability to choose their own doctor restricted—perhaps not explicitly, but because financial limitations leave them with no choice but to join a managed care plan. Also, doctors, hospitals, and other providers are all likely to face reduced payments. They already receive far lower payments from Medicare than from private insurers, and if Medicare rates are reduced much further some may find that they can no longer afford to take Medicare patients. Those which do keep taking Medicare will be forced to shift even more costs onto their privately insured patients, creating a hidden tax on employers and individuals.

Mr. President, the proposed Medicare cuts are bad news for seniors; they are bad news for health care providers; and they are bad news for employers and individuals nationwide. My amendment will make this bad news a little better. It does this by offsetting 30 percent of the proposed Medicare cuts with revenues generated by increasing the Federal tax on tobacco products. This means that $76 billion will be restored to the Medicare Program. It reduces the amount of additional money which each senior must find from $3,447 to $2,413 over 7 years. I understand that $2,413 is still an enormous amount of money for anyone on a fixed income to part with. But $2,413 is at least better than $3,447.

Mr. President, Medicare cuts are just one of the national health threats which my amendment seeks to improve. The second threat is the proposal, contained in this resolution, to cut the budget of the National Institutes of Health by 10 percent next year and then freeze it through the year 2002.

Mr. President, cutting the NIH budget is shortsighted policy at its worst. NIH-funded research impacts the lives of millions of Americans every day. Technologies and drugs developed with NIH funds not only improve Americans' quality of life; they also save lives. Without the basic research which is funded by the NIH, in a few years the private sector will have limited fundamental research upon which to base its own efforts. The result will be a dramatic slowdown in the development of life-improving and life-saving technologies. I have no way of knowing which of us in this room, or which of our loved ones, could benefit in the future from technologies which NIH is developing today. But I do know that

we owe it to all present and future Americans to ensure that their access to these technologies is not limited due to shortsighted budget cutting.

For those who are not convinced that NIH's role in improving and saving lives warrants restoring its budget, let me make one final point: Much of NIH research reduces health care spending. For example, the NIH recently estimated that approximately $4.3 billion invested in NIH research had the potential to realize annual savings of between $9.3 and $13.6 billion. This translates into a 200- to 300-percent annual return. I challenge my colleagues to find any type of Federal spending which provides an annual return of at least 200 percent. Given that payoff, we can't afford to not invest in the NIH.

My amendment recognizes these immense benefits generated by NIH, and seeks to ensure that this research can continue at its present level into the future. To do this, the amendment restores the entire $7.9 million which the Republican resolution cuts from the NIH budget.

Finally, Mr. President, this amendment addresses the national health threat created by tobacco use. It seeks to encourage our citizens—particularly our children and teenagers—to avoid the addiction, sickness, and death which results from using tobacco.

Mr. President, I have been on this floor many times talking about the dangers of tobacco use. I have repeatedly stated that tobacco use kills well over 400,000 Americans every year—more than alcohol, heroin, crack, automobile and airplane accidents, homicides, suicides, and AIDS combined. Furthermore, secondhand tobacco smoke will cause tens of thousands of additional deaths. This year, one out of every five Americans who dies will die from tobacco use.

But of all the sad stories which can be told about the impact of tobacco use in this country, perhaps the saddest is the alarming rate at which children and teenagers are being hooked on tobacco products. Over 90 percent of new users of tobacco in this country are teenagers or younger. The tobacco companies know children and teenagers are easy targets, so they specifically aim their advertising at them. And their efforts are succeeding. Every 30 seconds, a child or teenager in the United States smokes for the first time.

In addition to the enormous human costs of tobacco use—the addition, suffering, and death which could have been avoided—tobacco contributes substantially to health care costs every year. According to the Centers for Disease Control and Prevention, health care expenditures caused directly by smoking totaled $50 billion in 1993, and $22 billion of those costs were paid by Government funds.

My amendment seeks to reduce both the human and the economic costs created by tobacco use. It does this by increasing the Federal excise tax on most tobacco products by a factor of five, which translates to an increase of $1 per pack of cigarettes. In addition, my amendment would tax smokeless tobacco products at the same price as cigarettes, in order to eliminate cost incentives for people to switch from cigarettes to smokeless. By raising the Federal excise tax on tobacco, we can discourage people—especially children—from starting the tobacco habit, and we can encourage others to quit. Conservative estimates predict that a 10-percent increase in the price of cigarettes will reduce overall smoking by about 4 percent. And for kids, who are more price sensitive than adults, the impact is even greater.

The benefits of such decreased demand cannot be overstated. First, and most importantly, thousands of lives will be saved and the unnecessary suffering will be avoided. In addition, both public and private health insurers will save billions of dollars each year, due to reduced costs for treating tobacco-related diseases. Finally, the increased tax will yield $84 billion in Federal revenues over 7 years. Over half a billion of this amount will be used to help tobacco farmers convert to other crops. The rest of the money will go to help decrease the national health threats posed by the drastic Medicare cuts and by the reduction in the NIH budget. These revenues will enable the entire cut to the NIH budget to be offset, and the proposed Medicare cuts to be decreased by 30 percent.

Some persons may question whether it is appropriate to ask smokers to absorb part of the blow which the proposed budget designates for seniors and providers. My response to that question is an unequivocal "yes." According to a former Secretary of the Department of Health, Education, and Welfare, tobacco use is the largest single drain on the Medicare trust fund. This is the trust fund which is predicted to go insolvent in 2002. It strikes me as quite appropriate to ask persons who choose to use tobacco to help offset some of the costs of their choice. And it strikes me as quite inappropriate to ask other persons—such as nonsmoking seniors and providers—to accept reductions at the same time that they are forced to help pay for the costs of other people's unhealthy choices.

By discouraging tobacco use, decreasing Medicare cuts, and restoring the NIH budget to its current level, my amendment presents a win-win-win situation. Our children and teenagers win, because they will be discouraged from starting down the road of addiction, sickness, and death caused by tobacco use. Health insurers and employees win, because health costs for tobacco-related diseases will be reduced. Health care providers and employers win, because this amendment will reduce payment cuts and cost-shifting. Seniors win, because the amendment will reduce the financial strains and the concerns about quality and access which will result from steep Medicare cuts. And we all win, as the NIH will be able to continue its current efforts to develop lifesaving technologies. For the sake of all these affected Americans, I urge my colleagues to support this amendment.

Mr. EXON. This Bradley amendment is to offset NIH and Medicare cuts with tobacco tax revenues.

The Bradley amendment raises tobacco tax $1 per pack of cigarettes. It also taxes smokeless tobacco products at a similar rate.

The revenues from the increased tax are used to restore $76 billion in Medicare cuts, restore the entire cut in the National Institutes of Health budget, $7.9 billion, without the Hatfield discretionary reduction, and assist tobacco farmers in converting to other crops, $500 million.

Mr. FORD. Mr. President, is it in order to announce that the Senator is going to table this now, make a motion to table now, or wait until the vote comes?

Mr. DOMENICI. Wait until the vote comes.

Mr. FORD. I thank the Senator.

Mr. DOMENICI. Mr. President, I just remind the Senate that even though this sense-of-the-Senate resolution talks about all these good things, essentially you raise a tax and then it is up to the Senate and the Congress to decide what they would do with it. Senator FORD will move to table that.

AMENDMENT NO. 1194

Mr. EXON. Mr. President, I send to the desk on behalf of Senator BRADLEY the third Bradley amendment.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Nebraska [Mr. EXON], for Mr. BRADLEY, proposes an amendment numbered 1194.

The amendment is as follows:

At the appropriate place, insert the following:

SEC. . SENSE OF THE SENATE REGARDING TAX RATES AND TAX LOOPHOLES.

(a) FINDINGS.—The Senate finds that—

(1) lower tax rates lead to increased economic activity and increased economic opportunity;

(2) lower tax rates lead to a more efficient economy, with less tax avoidance and investment patterns that rely on competitive market returns and not advantages produced by tax law;

(3) the tax code still retains billions of dollars worth of special tax breaks which are available to only limited groups of taxpayers and investors;

(4) federal policy should encourage the development of fully competitive markets and not create unique advantages for individual investors, companies or industries.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that—

(1) the Congress should, to the maximum extent practicable, remove tax loopholes;

(2) the Congress should use the savings from the closing of special interest tax loopholes to reduce tax rates broadly for all classes of taxpayers.

Mr. EXON. Mr. President, this amendment is a sense of the Senate that Congress should remove tax loopholes and use savings to reduce the rates for individual taxpayers.

Mr. DOMENICI. From what we gather, in order to reduce tax rates 1 percent, you would have to raise $100 billion from things like the home mortgage deduction and the like. I will move to table that also.

Mr. EXON. Mr. President, I ask for the yeas and nays on the three amendments that we have just discussed.

The PRESIDING OFFICER. Is there a sufficient second?

Mr. BYRD addressed the Chair.

The PRESIDING OFFICER. Is there objection to ordering the yeas and nays on all three?

Mr. BYRD. I ask that it be in order to order the yeas and nays.

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

Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. DOMENICI. Mr. President, I make the point of order this amendment is not germane under the Budget Act and it should fall.

Mr. EXON. Mr. President, I move to waive the Budget Act for consideration of the pending amendment, 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 MOTION TO WAIVE THE BUDGET ACT

The PRESIDING OFFICER. The question is on agreeing to the motion to waive. The yeas and nays have been ordered. The clerk will call the roll.

The assistant legislative clerk called the roll.

The yeas and nays resulted—yeas 44, nays 56, as follows:

[Rollcall Vote No. 222 Leg.]

YEAS—44

Akaka	Feinstein	Mikulski
Biden	Ford	Moseley-Braun
Bingaman	Glenn	Moynihan
Boxer	Graham	Murray
Bradley	Harkin	Nunn
Breaux	Inouye	Pell
Bryan	Jeffords	Pryor
Bumpers	Johnston	Reid
Byrd	Kennedy	Robb
Conrad	Kerry	Rockefeller
Daschle	Kohl	Sarbanes
Dodd	Lautenberg	Simon
Dorgan	Leahy	Stevens
Exon	Levin	Wellstone
Feingold	Lieberman	

NAYS—56

Abraham	Burns	Coverdell
Ashcroft	Campbell	Craig
Baucus	Chafee	D'Amato
Bennett	Coats	DeWine
Bond	Cochran	Dole
Brown	Cohen	Domenici
Faircloth	Inhofe	Pressler
Frist	Kassebaum	Roth
Gorton	Kempthorne	Santorum
Gramm	Kerrey	Shelby
Grams	Kyl	Simpson
Grassley	Lott	Smith
Gregg	Lugar	Snowe
Hatch	Mack	Specter
Hatfield	McCain	Thomas
Heflin	McConnell	Thompson
Helms	Murkowski	Thurmond
Hollings	Nickles	Warner
Hutchison	Packwood	

The PRESIDING OFFICER. On this vote, the yeas are 44, the nays are 56. Three-fifths of the Senators duly chosen and sworn, not having voted in the affirmative, the motion is rejected. The amendment is not restrictive. The point of order is sustained.

VOTE ON MOTION TO TABLE AMENDMENT NO. 1193

Mr. FORD. Mr. President, this is a tax increase of some 1,100 percent. On that basis, and on behalf of myself, Senators ROBB, HOLLINGS, NUNN, THURMOND, HELMS, MCCONNELL, FAIRCLOTH, COVERDELL, THOMPSON, WARNER, and FRIST, I move to table this amendment and 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 to lay on the table amendment No. 1193, offered by the Senator from New Jersey [Mr. BRADLEY]. The yeas and nays have been ordered. The clerk will call the roll.

The legislative clerk called the roll.

The result was announced—yeas 62, nays 38, as follows:

[Rollcall Vote No. 223 Leg.]

YEAS—62

Abraham	Dorgan	Lott
Akaka	Exon	Mack
Ashcroft	Faircloth	McCain
Baucus	Ford	McConnell
Bond	Frist	Murkowski
Breaux	Gorton	Nickles
Brown	Gramm	Nunn
Burns	Grams	Packwood
Byrd	Grassley	Pressler
Campbell	Gregg	Robb
Coats	Heflin	Rockefeller
Cochran	Helms	Roth
Conrad	Hollings	Santorum
Coverdell	Hutchison	Shelby
Craig	Inhofe	Smith
D'Amato	Inouye	Stevens
Daschle	Johnston	Thomas
DeWine	Kassebaum	Thompson
Dodd	Kempthorne	Thurmond
Dole	Kerrey	Warner
Domenici	Kyl	

NAYS—38

Bennett	Harkin	Moseley-Braun
Biden	Hatch	Moynihan
Bingaman	Hatfield	Murray
Boxer	Jeffords	Pell
Bradley	Kennedy	Pryor
Bryan	Kerry	Reid
Bumpers	Kohl	Sarbanes
Chafee	Lautenberg	Simon
Cohen	Leahy	Simpson
Feingold	Levin	Snowe
Feinstein	Lieberman	Specter
Glenn	Lugar	Wellstone
Graham	Mikulski	

So the motion to lay on the table the amendment (No. 1193) was agreed to.

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

Mr. DOMENICI. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. DOMENICI. Mr. President, I move to table the pending amendment and I ask for the yeas and nays.

The PRESIDING OFFICER (Mr. THOMPSON). Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

VOTE ON MOTION TO TABLE AMENDMENT NO. 1194

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from New Jersey. On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The bill clerk called the roll.

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

The result was announced— yeas 53, nays 47, as follows:

[Rollcall Vote No. 224 Leg.]

YEAS—53

Abraham	Frist	McConnell
Ashcroft	Gorton	Mikulski
Baucus	Graham	Murkowski
Bennett	Gramm	Packwood
Bond	Grams	Pressler
Brown	Gregg	Pryor
Bryan	Hatch	Roth
Burns	Hatfield	Santorum
Campbell	Heflin	Sarbanes
Chafee	Helms	Shelby
Coats	Hollings	Simpson
Cochran	Inhofe	Smith
Coverdell	Jeffords	Stevens
Craig	Kempthorne	Thomas
D'Amato	Kyl	Thompson
Dodd	Lott	Thurmond
Domenici	Lugar	Warner
Faircloth	Mack	

NAYS—47

Akaka	Feinstein	Lieberman
Biden	Ford	McCain
Bingaman	Glenn	Moseley-Braun
Boxer	Grassley	Moynihan
Bradley	Harkin	Murray
Breaux	Hutchison	Nickles
Bumpers	Inouye	Nunn
Byrd	Johnston	Pell
Cohen	Kassebaum	Reid
Conrad	Kennedy	Robb
Daschle	Kerrey	Rockefeller
DeWine	Kerry	Simon
Dole	Kohl	Snowe
Dorgan	Lautenberg	Specter
Exon	Leahy	Wellstone
Feingold	Levin	

So the motion to lay on the table the amendment (No. 1194) was agreed to.

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

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

The motion to lay on the table was agreed to.

Mr. EXON. Mr. President, I believe we have reached consensus to take the next three up. I will leave it to the explanation of the chairman of the Budget Committee.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. Mr. President, we are going to put three measures up now in the same manner we have done. Then, I would inform the Senate, we

have only four amendments left after that. So we are getting there.

The measures will be Senator DORGAN on the motion to recommit; Senator WELLSTONE on veterans and tax loopholes; and Senator WELLSTONE on defense.

If my colleague will explain them, we will stack the votes by unanimous consent.

Mr. EXON. For the information of all Senators, the Senator summed it up very well.

Mr. BYRD. Mr. President, may we have order? There is not order in the Senate yet, and we are about to hear a very important explanation as to what these next three votes are all about.

The PRESIDING OFFICER. The Senate will come to order.

Mr. EXON. Mr. President, the chairman of the Budget Committee has outlined this. Just let me summarize so all understand where we are. We are moving very well. At the outside, we have six or seven amendments left. At the inside, I think it might be as low as five that will require that many more votes, of course.

Following the pattern that has just been set, after this pattern of three, then we would try to bundle the last three in the same fashion. So I certainly ask unanimous consent it now be in order to offer those three, as agreed to by the chairman of the Budget Committee. I will proceed at this time to offer those three with brief explanations.

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

MOTION TO RECOMMIT

Mr. EXON. Mr. President, I send a motion to the desk on behalf of the Senator from North Dakota, Mr. DORGAN. It is a motion to recommit.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from North Dakota, Mr. DORGAN, moves to recommit Senate Concurrent Resolution 13 to the Committee on the Budget with instructions.

Mr. EXON. Mr. President, I ask unanimous consent that reading be dispensed with.

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

The motion is as follows:

The Senator from North Dakota [Mr. DORGAN] moves to recommit Senate Concurrent Resolution 13 to the Committee on the Budget with instructions to report to the Senate, within 3 days (not to include any day the Senate is not in session), a revised concurrent resolution on the budget for the fiscal years 1996, 1997, 1998, 1999, 2000, 2001 and 2002 that provides (in compliance with Section 13301(a)(2) of the Budget Enforcement Act of 1990) for a budget surplus in fiscal year 2002 without counting the receipts and disbursements of the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund.

Mr. DORGAN. Mr. President, I rise to move that the Senate send the budget resolution back to the Budget Committee. I do this because I would like to see the Committee report a new budget that is truly and honestly balanced in 2002.

As my colleagues know, although the resolution before the Senate is described as a balanced budget resolution, it actually is not balanced. On page 7 of the resolution, it says that the actual deficit will be $114 billion dollars in the year 2002.

Why is there this confusion? Because those who claim this budget is balanced are using the surplus in the Social Security System to mask the size of the budget deficit.

That is bad policy. It is bad accounting. And it goes against budget law.

Camouflaging the budget deficit in this way is bad policy because we intended that Social Security surplus to be used for another important purpose. In 1983, with the Social Security changes we made that year, Congress decided to build up the Social Security trust fund so that we could meet the retirement claims of the baby boom generation in the 2010's and 2020's. We were trying to force the Nation to save for that time. To use the surplus for other purposes contradicts the intent of the 1983 law—a law that enjoyed bipartisan support.

It is also bad policy because it breaks faith with the American people. We have assured America's workers that the payroll tax that they pay is going into a trust fund and will be used for trust fund purposes only. Well, we break that promise if we count the Social Security surplus as reducing the deficit.

If using the Social Security trust fund surplus is bad policy, it is even worse accounting. If you take over a trillion dollars in the next decade, put it in the Social Security trust fund, and also count that as deficit reduction, you are making one dollar do two things. Double-entry accounting does not mean using the same dollar twice. In my view, that kind of bookkeeping is better described as book cooking.

Last, the use of the Social Security surplus to mask the size of the budget deficit goes against the law. Section 13301 of the Budget Enforcement Act of 1990, which is similar to provisions that I had offered in the House, forbids the Congress from including the Social Security surplus in the budget resolution.

However, the report accompanying this budget says, on page 6, that the budget will be in surplus in 2002. The only way this budget balances in that year is by using the Social Security trust fund surplus. The law says you cannot do that.

Now, Mr. President, my colleagues on the Republican side of the aisle will say that my motion requires them to find additional further deficit cuts in order to balance the budget. They are right. It does.

My Republican colleagues will ask where my deficit reduction plan is. Well, I will remind my colleagues that I submitted over $800 billion in deficit reduction recommendations to the Budget Committee. If you put the Domenici budget and the options that I recommended together, and we do not set up a slush fund for tax cuts, then you can balance the budget in 2002 without using the Social Security trust fund surplus.

I do not like the Domenici budget because I think its priorities are wrong. That is why I have supported a Democratic alternative that achieved greater deficit reduction than the Republican plan. And it did so without making deep cuts in Medicare and student loans or by doling out billions in tax cuts to the wealthiest in this country. However, the Senate defeated that amendment, so the pending budget resolution is the Domenici plan.

Let me repeat my point. I hope I will not hear anyone say that I have not offered a plan to do this. If you put my recommendations together with the Domenici recommendations, you are able to meet my motion's requirements.

So in closing, I would hope that my colleagues would support honest budgeting. I hope they will stand up for making good policy, for using accurate accounting principles and for following the law.

I hope my colleagues will support my motion, and I yield the floor.

Mr. EXON. Mr. President, I wish to add Senator HOLLINGS as a cosponsor of this amendment—this Dorgan-Hollings motion—which is to recommit, and this motion would recommit the budget resolution to the Budget Committee with instructions to report back a budget that is balanced in the fiscal year 2002 according to section 301 of the Budget Enforcement Act of 1990.

The PRESIDING OFFICER. Without objection, the Senator from South Carolina is added as a cosponsor.

Mr. DOMENICI. Mr. President, as a matter of inquiry, why did the clerk read that amendment? We have not been reading the amendments.

The PRESIDING OFFICER. It was a motion to recommit.

Mr. DOMENICI. Mr. President, and fellow Senators, this is a motion to recommit. This budget resolution before us complies with the law. The resolution is presented to Congress just as every other budget resolution has been presented, and just as the President presents budgets to us. I see no reason to recommit.

AMENDMENT NO. 1195

(Purpose: To restore $74 million in FY 1996 spending for veterans programs by reducing spending for tax expenditures.)

Mr. EXON. Mr. President, I send an amendment to the desk in behalf of Senator WELLSTONE, and I ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from Nebraska [Mr. EXON], for Mr. WELLSTONE, proposes an amendment numbered 1195.

The amendment is as follows:

On page 64, line 24, decrease the amount by $74,000,000.

On page 63, line 7, strike the period and insert the following: ". The Senate Committee on Finance shall report changes in laws within its jurisdiction to increase revenues by $74,000,000 in fiscal year 1996."

At the end of title III, insert the following:

SEC. . SENSE-OF-THE-SENATE REGARDING TAX EXPENDITURES.

It is the sense of the Senate that the Committee on Finance, in meeting its reconciliation instructions for revenue, will limit or eliminate excessive and unnecessary tax expenditures, including those tax expenditures which provide special tax treatment to a single taxpayer or to a group of taxpayers.

SEC. . SENSE OF THE SENATE REGARDING THE DELIVERY OF VETERANS' SERVICES.

It is the sense of the Senate that the assumptions underlying the functional totals in this resolution relating to Veterans' Programs include the assumption that the delivery of veterans' services will continue to be improved, including further progress in the timely delivery of such services.

Mr. WELLSTONE. Mr. President, the amendment I am proposing is simple and straightforward, but vital to Minnesota veterans and veterans around the country. It calls for using $74 million in fiscal year 1996 funds earmarked for tax expenditures—in plain English, tax breaks, loopholes, and even giveaways to oil and tobacco companies, and other corporate behemoths—to restore projected cuts in VA spending that would have damaging, if not devastating effects, on timely delivery of important services to veterans.

According to the VA, if these cuts should occur there would be a sharp rise in claims backlogs and delays in resolving veterans' claims for benefits, increases in already excessive time lags in providing disabled veterans with vocational rehabilitation and employment services, and an inability to provide veterans with timely education benefits earned under the GI bill. For this to happen to those who have served our Nation bravely and without question while corporate welfare remains untouched would be unconscionable and clearly unacceptable to the American people.

Mr. President, while I deplore the damage that would be done to service for our veterans in each of these areas, I would like to focus particularly on the potential negative impact on the timely processing of veterans claims.

In the countless meetings I have had with Minnesota veterans over the last 4 years the issue of unacceptably long delays in VA claims processing has consistently been at or near the top of their list of priority concerns. As a consequence, it has been and continues to be a major concern of mine. In 1993, I introduced a bill to improve and streamline VA's system of processing and adjudicating claims which was particularly aimed at reducing delays which had then reached crisis proportions.

Fortunately, as a result of the leadership of Secretary of Veterans Affairs, Jessie Brown, the VA has made progress recently in reducing backlogs in processing veterans claims for compensation. At the end of 1993 the VA had an overall backlog of 575,000 claims which is expected to be reduced by the end of this year to 400,000 claims—a decline of over 30 percent. Similarly the average time for a VA regional office to process an original claim dropped from 212 days in May 1994 to 166 days in March 1995, a decline of about 22 percent in just 10 months. And I'm pleased to note that the St. Paul, MN VA Regional Office has made significant gains over the past 18 months, reducing claims backlogs from approximately 7,500 to 5,000 and average claims processing times from 214 days to 122 days.

I would like to see the St. Paul VA Regional Office and others like it around the country given the support they need from Congress to continue to improve timeliness—to improve services for veterans. I hope to see the St. Paul office process claims in under 100 days on average. That's a worthy goal. What I don't want to see is Congress cutting funding for claims processing at a time when it is needed most to continue improving services and when it can only nullify the gains the VA has made in this area.

Unfortunately, the progress the VA has made in addressing this difficult and complex problem is being seriously imperiled by the estimated $74 million cut in funding for the operating budget of the VA's Veterans Benefit Administration in fiscal year 1996. In fact, it would reverse the recent progress that has been made in this area, with the VA estimating that if the cut is implemented the claims backlog would revert to over 500,000 cases and average claims processing times would soar to over 1 year.

Mr. President, there is much more to this issue than the cold statistics I've cited. There are sometimes enormous human costs too—cost that I can only describe as heart rending. About 18 months ago we distributed a questionnaire to Minnesotans to elicit their views about the backlogs in the veterans claims and adjudication process. I found and still find many of the comments received with the questionnaire to be terribly disturbing and I want to share a few of these with you. One veteran, for example, stressed that the issue of backlogs was a crucial one "because it sometimes leads to the death of a veteran by suicide over frustration and injustices suffered." In other words, this veteran believes that some veterans are committing suicide because they are so frustrated by waiting long periods of time for their claim to be resolved. In a similar vein, a county veterans service officer lamented that some "veterans * * * die before their claims have been adjudicated," and a VA psychologist reported that "veterans are losing their homes, selling personal belongings, and committing suicide while waiting * * * for their claims to be adjudicated." This is what I was told a year and a half ago by people who work every day with the VA adjudication system. Since then, as I have said, timeliness has improved at local VA regional offices. So, the last thing we should do is cause the backlogs to increase and reverse the trend of progress, re-creating the crisis from which we are just emerging.

In addition to the personal trauma, excessive delays in processing veterans claims represent a breach of faith with our veterans who while serving in our Armed Forces are led to believe they will receive fair and timely compensation if they incur a service-connected disability. Should this cut be implemented, we would be moving in precisely the wrong direction in terms of improving timeliness. We all know that justice deferred is justice denied. Let us not do anything to make the adjudication system any slower or to add to the claims backlog.

Mr. President, permit me to quote from an eloquent letter recently sent by the National Commander of the American Legion to Chairman DOMENICI, copies of which all of my colleagues should have received:

Mr. Chairman, reducing General Operating Expenses (GOE) within the Veterans Benefits Administration will seriously handicap VA's ability to reduce the extraordinary backlog in veterans claims and appeals cases. VA has made some improvements in this area over the past year. To reduce GOE funding will setback all of the progress VA had made and further delay benefit decisions for veterans and their dependents. A significant part of the problem that has existed in the processing of claims was caused by budget-related staff reductions.

I could not agree more. If the budget cuts are implemented we will be taking a giant step backward, canceling the progress that has been made and returning to a situation wholly unacceptable to our veterans, their families, and to all Americans.

I urge my colleagues to support this amendment, thereby keeping faith with the men and women who have served this country faithfully and ensuring that welfare for corporations doesn't come at the expense of the welfare of our veterans.

Mr. EXON. Mr. President, this amendment would restore projected cuts of $74 million in the Department of Veterans Affairs funding for the fiscal year 1996 that would have damaging effects on the timely delivery of important service to veterans, including processing of veterans' compensation

claims, providing disabled veterans with vocational rehabilitation and employment services, and further education benefits earned under the GI bill. It would urge the Finance Committee to cut excessive and unnecessary tax expenditures of $74 million for fiscal year 1996.

Mr. DOMENICI. I have no explanation.

AMENDMENT NO. 1138

(Purpose: To reduce FY 1996 defense spending by $10 billion and apply the savings to deficit reduction)

Mr. EXON. Mr. President, I can sum up very briefly the amendment number 1138 which is at the desk. This amendment would reduce defense spending by $10 billion in fiscal 1996 budget authority and $5 billion in outlays.

It expresses the sense of the Senate that such reductions should come from low-priority defense programs, and should, to the maximum extent possible, preserve funding for programs and activities which directly affect force readiness, or the quality of life of service members and their families. The savings would be used solely to reduce the deficit.

Mr. DOMENICI. Mr. President, the Wellstone amendment cuts $10 billion from defense. I think that is enough said.

Mr. EXON. I ask unanimously that the motion and the two amendments have rollcall votes. I ask that that be in order.

The PRESIDING OFFICER. Will the Senator send up the second amendment?

Mr. EXON. I call up the motion and the two amendments for a vote.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from Nebraska [Mr. EXON], for Mr. WELLSTONE, proposes an amendment numbered 1138.

The amendment is as follows:

On page 5, line 17, decrease the amount by $10,000,000,000.

On page 6, line 16, decrease the amount by $5,000,000,000.

On page 7, line 15, decrease the amount by $5,000,000,000.

On page 11, line 7, decrease the amount by $10,000,000,000.

On page 11, line 8, decrease the amount by $5,000,000,000.

On page 65, line 14, decrease the amount by $10,000,000,000.

On page 65, line 15, decrease the amount by $5,000,000,000.

At the end of title III, insert the following:

SEC. . SENSE OF THE SENATE REGARDING DEFENSE SPENDING.

It is the sense of the Senate that in reducing defense spending by the amount provided for in this amendment, Congress shall focus on low-priority programs, and to the maximum extend possible should preserve funding for any programs and activities that directly affect force readiness or the quality of life for service members and their families.

Mr. WELLSTONE. Mr. President, today I am offering an amendment as part of a series designed to highlight clearly my budget priorities, as opposed to those provided for in the pending budget resolution. While I believe our Nation must be kept free and secure, and I do not overlook the many risks we face, I am deeply troubled that of all the huge spending cuts in this budget, none come from the military budget. That must change. Defense, like everything else, must bear its share of the deficit reduction burden. This amendment is designed to begin to address that problem, at least for the coming year.

Even with the ethnic and nationalist conflicts that have spawned terrible human tragedies in Bosnia, Somalia, the Middle East, the former Soviet Union, Haiti, and elsewhere, requiring increased peacekeeping and other forms of assistance from the United States, we can and should scale back our post-cold-war defense spending substantially. Likewise, continued concerns about the proliferation of chemical, biological, and nuclear weapons are real. But they require us to think in new and imaginative ways about the possibilities of using smart diplomacy rather than smart bombs, of placing a greater emphasis on multilateral efforts to keep the peace, of relying more on a strengthened United Nations, and other multilateral bodies like NATO, to maintain a safe, secure, and prosperous world.

Instead of this approach, what we have been too often from defense policymakers is bureaucratic inertia, a residual unilateralism, and a clinging to the cold war status quo. Despite huge cuts elsewhere in the budget, there are no cuts provided for in military spending. Defense spending continues to grow, even in the face of our new post-cold-war reality.

This budget provides for no cuts from huge and expensive weapons systems that are now obsolete. None from post-cold-war intelligence spending that should be curtailed. None from increased contributions from our allies, or burdensharing. None from the billions in wasteful spending that the Pentagon can't even account for, as widely reported recently by the Federal Government's own watchdogs, and in the press. In recent years, they've spent so much money over at the Department of Defense, with such sloppy bookkeeping, that they can no longer even keep track of it all. The other day a major Pentagon procurement and contracting official declared that he was giving up on even trying to account for it all. That speaks volumes about how much wasteful and unnecessary defense spending could still be wrung from this system. These reports reveal clearly that the Pentagon is still one of the largest sources of wasteful and unnecessary spending in the Federal Government.

The U.S. military needs will-trained and well-equipped forces tailored to the threats and risks of today. Excessively large forces that were based on warfighting strategies of another era, or on implausible assumptions that the United States could be required to fight two regional wars of about the same size as the Persian Gulf, simultaneously, with no help from our allies, cannot be responsibly maintained at high levels of military readiness. The Pentagon's current budget projections, including elements of the much-touted Bottom-Up Review, too often fail to question these kinds of basic assumptions. And the result is wasteful and unnecessary weapons or delivery systems like the B-2 bomber, star wars, the C-17, the *Seawolf* submarine, the Trident missile, the Milstar satellite system, and a host of other low-priority post-cold-war programs, many of which are now obsolete. Under current budget constraints, we simply can no longer afford these, if ever we could. Scaling them back would save billions in the coming years. But we must have the courage to make these tough decisions now.

Mr. President, my amendment would require a modest cut of $10 billion from the military budget in 1996. That's only $10 billion out of a projected defense budget of over $260 billion. While many other Federal programs are being slashed by 30, 40, even 50 percent, or more, the defense budget cannot remain immune to budget pressures. The amendment would apply all of the savings from these account to deficit reduction. It is designed to: First, ensure that the modest cuts it provides for will be made in low-priority programs; second, protect the readiness of our forces, and third, preserve the living standards of service members and their families. Adopting this amendment would be a small but important step toward a more responsible Federal budget in which all sectors of society bear their fair share of deficit reduction. I urge my colleagues to support it. I yield the floor.

Mr. EXON. Mr. President, those are the three amendments that we have agreed to package in a form similar to that which we have had previously today.

I ask for the yeas and nays.

Mr. DOMENICI. Mr. President, I ask unanimous consent that it be in order to have the yeas and nays on the motion to recommit and the amendments.

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

Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

VOTE ON MOTION TO RECOMMIT

The PRESIDING OFFICER. The question is on agreeing to the motion to recommit. On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

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

The result was announced—yeas 40, nays 60, as follows:

[Rollcall Vote No. 225 Leg.]

YEAS—40

Akaka	Ford	Mikulski
Baucus	Glenn	Moynihan
Bingaman	Graham	Murray
Boxer	Harkin	Nunn
Breaux	Heflin	Pell
Bryan	Hollings	Pryor
Bumpers	Inouye	Reid
Byrd	Johnston	Robb
Conrad	Kennedy	Rockefeller
Daschle	Kerrey	Sarbanes
Dodd	Lautenberg	Simon
Dorgan	Leahy	Wellstone
Feingold	Levin	
Feinstein	Lieberman	

NAYS—60

Abraham	Faircloth	Mack
Ashcroft	Frist	McCain
Bennett	Gorton	McConnell
Biden	Gramm	Moseley-Braun
Bond	Grams	Murkowski
Bradley	Grassley	Nickles
Brown	Gregg	Packwood
Burns	Hatch	Pressler
Campbell	Hatfield	Roth
Chafee	Helms	Santorum
Coats	Hutchison	Shelby
Cochran	Inhofe	Simpson
Cohen	Jeffords	Smith
Coverdell	Kassebaum	Snowe
Craig	Kempthorne	Specter
D'Amato	Kerry	Stevens
DeWine	Kohl	Thomas
Dole	Kyl	Thompson
Domenici	Lott	Thurmond
Exon	Lugar	Warner

So the motion was rejected.

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

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

The motion to lay on the table was agreed to.

Mr. MOYNIHAN addressed the Chair.

The PRESIDING OFFICER. The Senator from New York.

CHANGE OF VOTE

Mr. MOYNIHAN. Mr. President, I ask unanimous consent that my vote on the Grams amendment No. 1182 be changed from "yea" to "nay." This change will not affect the outcome of the vote.

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

Mr. MOYNIHAN. I thank the Chair.

(The foregoing tally has been changed to reflect the above order.)

VOTE ON AMENDMENT NO. 1195

The PRESIDING OFFICER. The question is on agreeing to amendment No. 1195. The yeas and nays have been ordered. The clerk will call the roll.

The bill clerk called the roll.

The result was announced—yeas 45, nays 55, as follows:

[Rollcall Vote No. 226 Leg.]

YEAS—45

Akaka	Bumpers	Dorgan
Biden	Byrd	Exon
Bingaman	Campbell	Feingold
Boxer	Cohen	Feinstein
Bradley	Conrad	Ford
Breaux	Daschle	Graham
Bryan	Dodd	Harkin
Heflin	Lautenberg	Nunn
Hollings	Leahy	Pryor
Inouye	Levin	Reid
Johnston	Lieberman	Robb
Kennedy	Mikulski	Rockefeller
Kerrey	Moseley-Braun	Sarbanes
Kerry	Moynihan	Simon
Kohl	Murray	Wellstone

NAYS—55

Abraham	Gorton	Murkowski
Ashcroft	Gramm	Nickles
Baucus	Grams	Packwood
Bennett	Grassley	Pell
Bond	Gregg	Pressler
Brown	Hatch	Roth
Burns	Hatfield	Santorum
Chafee	Helms	Shelby
Coats	Hutchison	Simpson
Cochran	Inhofe	Smith
Coverdell	Jeffords	Snowe
Craig	Kassebaum	Specter
D'Amato	Kempthorne	Stevens
DeWine	Kyl	Thomas
Dole	Lott	Thompson
Domenici	Lugar	Thurmond
Faircloth	Mack	Warner
Frist	McCain	
Glenn	McConnell	

So the amendment (No. 1195) was rejected.

VOTE ON AMENDMENT NO. 1138

The PRESIDING OFFICER. The question is on agreeing to amendment No. 1138, the amendment offered by the Senator from Minnesota [Mr. WELLSTONE]. 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 Maryland [Ms. MIKULSKI], is necessarily absent.

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

The result was announced—yeas 12, nays 87, as follows:

[Rollcall Vote No. 227 Leg.]

YEAS—12

Boxer	Harkin	Murray
Daschle	Kennedy	Pell
Feingold	Moseley-Braun	Simon
Grassley	Moynihan	Wellstone

NAYS—87

Abraham	Exon	Levin
Akaka	Faircloth	Lieberman
Ashcroft	Feinstein	Lott
Baucus	Ford	Lugar
Bennett	Frist	Mack
Biden	Glenn	McCain
Bingaman	Gorton	McConnell
Bond	Graham	Murkowski
Bradley	Gramm	Nickles
Breaux	Grams	Nunn
Brown	Gregg	Packwood
Bryan	Hatch	Pressler
Bumpers	Hatfield	Pryor
Burns	Heflin	Reid
Byrd	Helms	Robb
Campbell	Hollings	Rockefeller
Chafee	Hutchison	Roth
Coats	Inhofe	Santorum
Cochran	Inouye	Sarbanes
Cohen	Jeffords	Shelby
Conrad	Johnston	Simpson
Coverdell	Kassebaum	Smith
Craig	Kempthorne	Snowe
D'Amato	Kerrey	Specter
DeWine	Kerry	Stevens
Dodd	Kohl	Thomas
Dole	Kyl	Thompson
Domenici	Lautenberg	Thurmond
Dorgan	Leahy	Warner

NOT VOTING—1

Mikulski

So the amendment (No. 1138) was rejected.

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

Mr. GRAMM. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. EXON. Mr. President, I am sorry to tell the Senate that we were down to three votes and now we are back up to four. As near as we can tell, we have four remaining votes. We have agreed to yield back a portion of the time that we previously agreed to for closing arguments after the votes are over and before final passage.

I suggest, and I think my colleague, the chairman of the committee and I have agreed that we will package the four remaining votes. If I understand it, there is one by Senator SNOWE, two by Senator WELLSTONE, and one for Senator BRADLEY. And we can do these in an expeditious matter and put the four together. If that is agreeable to the chairman of the committee it is agreeable on this side.

Mr. DOMENICI. So we understand, there are no amendments beyond these.

Mr. EXON. No amendments beyond these.

Mr. DOMENICI. Mr. President, could we agree we have no second-degree amendment to your amendment?

Mr. EXON. It may be a good idea to phrase it as a unanimous-consent, that there will be no more than the four amendments that have just been identified, and there would be no second-degree amendments.

Mr. DOMENICI. Mr. President, I think it was stated beautifully.

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

AMENDMENT NO. 1136

(Purpose: To direct the Committee on Finance to further reduce the deficit by limiting or eliminating excessive and unnecessary tax expenditures)

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

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Nebraska [Mr. EXON], for Mr. WELLSTONE, proposes an amendment numbered 1136.

The amendment is as follows:

On page 63, line 7, strike the period and insert the following: ". The Senate Committee on Finance shall report changes in laws within its jurisdiction to increase revenues $10,000,000,000 in fiscal year 1996, $50,000,000,000 for the period of fiscal years 1996 through 2000, and $70,000,000,000 for the period of fiscal yeas 1996 through 2002.".

At the end of title III, insert the following:

SEC. . SENSE OF THE SENATE REGARDING TAX EXPENDITURES.

It is the sense of the Senate that the Committee on Finance, in meeting its reconciliation instructions for revenue, will limit or

eliminate excessive and unnecessary tax expenditures, including those tax expenditures which provide special tax treatment to a single taxpayer or to a group of taxpayers.

Mr. WELLSTONE. Mr. President, today I am offering an amendment which would direct the Finance Committee to close $70 billion of narrowly focused tax breaks and loopholes over the next 7 years, and apply the savings solely to deficit reduction. This $70 billion figure is more than double the amount of savings from tax expenditures assumed in the House Budget Committee's budget resolution. Unfortunately, the Senate Budget Committee did not include any savings from tax expenditures in the budget resolution we are debating today. I believe that is a serious mistake, because unless it is changed it virtually ensures that powerful, well-heeled special interests who have fought so hard for so long to protect their special tax breaks could be held harmless under this budget.

We must take steps now to reduce the Federal budget deficit in a way that is fair, responsible, and that requires shared sacrifice. This amendment would help us along that path. The amendment requires the closing of $70 billion of special interest tax loopholes and other breaks which have received far too little scrutiny in this budget process. Senator BRADLEY, Senator FEINGOLD, and others have described in detail the problems posed by these huge tax breaks, and the savings which could be generated from these sources. Since a number of amendments have been defeated which would apply at least some of the savings generated by closing corporate loopholes and other tax breaks to other priority domestic programs, the time has now come to put to the test the proposition that at least some of these savings ought to be used exclusively for deficit reduction. That is why the savings generated by this amendment would be used exclusively to reduce the deficit.

When this budget resolution slashes funding for Medicare and Medicaid, when we are cutting education programs and student loans, when we are slashing Federal spending for veterans and farmers, when we are causing great pain for children and the most vulnerable in our society, it seems only fair that we should ask wealthy individuals and corporations to pay their fair share. That is why we should plug many of the narrowly focused tax breaks and loopholes which allow the privileged few to escape paying their fair share, forcing everyone else to pay higher taxes to make up the difference. It is a simple question of fairness.

Let me make a simple point here that is often overlooked. We can spend money just as easily through the tax code, through what are called tax expenditures, as we can through the normal appropriations process. Spending is spending, whether it comes in the form of a Government check or in the form of a tax break for some special purpose, like a subsidy, a credit, a deduction, or an accelerated depreciation for this type of investment or that. Some tax expenditures are justified, and should be retained. But some are special interest tax breaks that should be eliminated, or loopholes that should be plugged. These are what this amendment is design to go after.

These special interest tax expenditures are simply special exceptions to the normal rules, rules that oblige all of us to share the burden of citizenship by paying our taxes. All of these special tax breaks distort, to one degree or another, economic investment decisions, usually in favor of wealthy individuals and corporations with the highest paid lobbyists in Washington.

It is time to end these special interest tax breaks and close these tax loopholes. Various groups from all ideological perspectives—from the National Taxpayers Union and the CATO Institute to the Progressive Policy Institute to the Citizens for Tax Justice—have prepared lists of tax expenditures which they believe should be eliminated. Special interest tax breaks are simply a subcategory of the larger group of tax provisions called tax expenditures. The Congressional Joint Tax Committee has estimated that tax expenditures cost the U.S. Treasury over $420 billion every single year. And they also estimate that if we don't hold them in check, that amount will grow by $60 billion to over $485 billion by 1999. That's why tax breaks must be on the table along with other defense and domestic spending as we look for places to cut the deficit. But despite the logic of this approach, my colleagues on the other side of the aisle have refused to even consider the possibility of cutting tax breaks for wealthy corporate and other interests, making them bear their fair share of the deficit reduction burden. Instead, they have chosen to pursue the path of least political resistance, slashing programs for the broad middle class, the vulnerable elderly, and the poor.

Now, not all tax expenditures are bad. Not all should be eliminated. Some serve a real public purpose, such as providing incentives to investment, bolstering the nonprofit sector, encouraging charitable contributions, allowing people to deduct State and local taxes, and helping people to be able to afford to buy a home through the mortgage deduction. But some of them are simply tax dodges that can no longer be justified. At the very least, all of these should undergo the same scrutiny as other Federal spending, and should bear their fair share of deficit reduction.

It is only fair, since these special tax breaks for certain companies and industries force other companies and individuals to pay higher taxes to make up the difference. Some of these tax breaks allow privileged industries such as the oil and gas industry to avoid paying their fair share of taxes. All distort, to one degree or another, economic investment decisions, usually in favor of companies with the highest paid lobbyists in Washington. In many cases, doing away with these special tax breaks for certain industries would allow a more efficient allocation of economic resources.

I think it is a simple question of fairness. If Congress is really going to make the over $1.4 trillion in spending cuts and other policy changes that would have to be made to balance the Federal budget by 2002, then those on the other side of the aisle should make sure that wealthy interests in our society, those who have political clout, those who can hire high-priced lobbyists to make their case every day here in Washington, are asked to sacrifice at least as much as regular middle class folks whom you and I represent. We should represent those who receive Social Security or Medicare or veterans benefits, and not just those special interests who can afford to pay high-priced hired guns to lobby for them.

I am amazed that many in the majority party have proposed, among other things, expanding corporate tax breaks at the very same time that they are slashing Government spending on programs for the poor, for children, for education, and for the most vulnerable in our society. They have proposed tax cuts for the wealthy which, according to the Treasury Department, would cost hundreds of billions of dollars, and at the same time they refuse to subject a broad range of new tax breaks to scrutiny in the budget process. And these are the ones who call themselves deficit hawks?

Some will charge that by closing tax loopholes and restricting special interest tax breaks we re somehow proposing to raise taxes. And they will say that over and over and over until some will begin to believe it. They are wrong. What they fail to understand is that even with the reforms of the mid-1980's, which closed many of the most egregious tax loopholes, the presence of the tax breaks in the current tax system forces middle class and working people to pay more in taxes than they otherwise would have to pay. While some are paying less then their fair share in taxes because of these special tax subsidies, others are being forced to pay more in taxes to make up the difference. Closing tax loopholes is not raising taxes. Of course, these subsidies are hidden in the tax code because it would be too hard to get the votes in Congress, in the full light of day, to directly subsidize these industries—especially under current budget constraints.

It is a simple matter of fairness. In our attempts to reduce the federal deficit, all sectors of our society must make some sacrifices. Specific industries and the wealthy are the ones who often benefit most from special interest tax breaks and loopholes. If we do not treat tax breaks the same as direct spending, the wealthy will avoid making any sacrifices as we cut spending programs for the middle class and the poor. Just because some special interest has the means to hire a high-priced tax lobbyist to get a special tax break written into legislation does not give them the right to avoid sharing in whatever sacrifices are necessary to reduce the budget deficit.

The General Accounting Office issued a report last year, and has issued several others on tax expenditures. It was titled "Tax Policy: Tax Expenditures Deserve More Scrutiny." I commend it to my colleagues' attention. It makes a compelling case for subjecting these tax expenditures to greater congressional scrutiny, just as direct spending is scrutinized. The GAO report reminds us that spending through special provisions in the tax code should be treated in the same way as other spending provisions.

At a time when we are talking about potentially huge spending cuts in meat inspections designed to insure against outbreaks of disease; or in higher education aid for middle class families; or in protection for our air, our lakes, and our land; or in highways; or in community development programs for states and localities; or in sewer and water projects for our big cities; or in safety net programs for vulnerable children; or to eliminate the school lunch program, we should be willing to weigh these cuts against special tax loopholes that could cost hundreds of billions each year. This amendment will have the Finance Committee close merely $70 billion worth of these special interest tax breaks and loopholes—a modest $10 billion per year for the next 7 years.

Under congressional budget rules, the details of which specific tax breaks to eliminate must be left to the Finance Committee. That is the way it should be. But even though I am not a tax lawyer, I have been able to identify a number of tax breaks for elimination, and loopholes which should be closed. For example, for much too long the oil and gas industry has enjoyed special tax breaks not available to other industries. These special tax loopholes include the ability to expense oil and gas exploration costs and the so-called Special Percentage Depletion Allowances. It is time to end these costly special tax privileges for a single industry. Why should the oil and gas industry receive special treatment in the tax code which is not available to other kinds of companies? Closing these special interest tax loopholes could save as much as $10.6 billion over 5 years.

Other tax loopholes which should be closed relate to the taxation of multinational corporations. Through complex accounting shell games involving their foreign subsidiaries, and by locating their plants overseas, multinational corporations can avoid paying most of their U.S. taxes. According to some estimates, closing these loopholes could save as much as $10 to $15 billion over 5 years. Still other special tax breaks allow Americans working overseas to receive their first $70,000 of income absolutely tax free, at a cost of $8.6 billion over 5 years. We should also close the loophole which allows billionaires to renounce their U.S. citizenship and avoid paying taxes on the value of property which increased while they were U.S. citizens. The savings from closing this loophole would be at least $1.7 billion over 5 years. Finally, we should stop the fancy stock swap loophole which allowed DuPont and Seagrams to avoid paying over $1.5 billion in taxes that would otherwise be due to the Treasury. And we should consider further scaling back, or eliminating outright, section 936 of the Internal Revenue Code designed to subsidize certain investments in Puerto Rico. That provision alone would generate an estimated $19.7 billion, according to the Congressional Budget Office. Eliminating these provisions alone would generate about $50 billion in savings over the next 5 years, with billions more to be saved from other sources.

As I have said, it is a simple question of tax fairness. If Congress is really serious about making the painful spending cuts and other policy changes that would have to be made under this budget resolution, than those on the other side of the aisle should join us in voting to make sure that wealthy interests in our society, those who have political clout, those who can hire high-priced lobbyists to make their case every day here in Washington, are asked to sacrifice at least as much as regular middle class folks whom you and I represent. Just because some special interest has the means to hire a high-priced tax lobbyist to get a special tax break written into legislation does not give them the right to avoid sharing in whatever sacrifices are necessary to reduce the budget deficit. In our efforts to shrink the Federal budget deficit, we just cannot let these special interest tax dodges continue.

Mr. President, I urge my colleagues to support the amendment.

Mr. EXON. Mr. President, this amendment would instruct the Senate Committee on Finance to report changes in the laws within its jurisdiction; to increase revenues by $10 billion in fiscal year 1996; $50 billion in the years 1996 through 2,000; and $70 billion for the year 1996 to the year 2000; to be generated by scaling back or eliminating outright a number of unnecessary, excessive or inefficient tax expenditures, including those which provide special tax treatment to a single taxpayer or a group of taxpayers.

The $70 billion goes to deficit reduction.

Mr. DOMENICI. Mr. President I want to respond. This is $130 billion tax increase. I move to table the amendment.

AMENDMENT NO. 1141

(Purpose: To express the sense of the Senate regarding low-priority domestic discretionary funding to be reduced in order to pay for partial restoration of funding for the National Institutes of Health)

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

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Nebraska [Mr. EXON], for Mr. WELLSTONE, proposes an amendment numbered 1141.

The amendment is as follows:

At the end of title III, insert the following: "It is the sense of the Senate that the low-priority discretionary funds to be reduced in order to offset funds restored for programs and activities of the National Institutes of Health should come from eliminating low-priority Federal programs like the Space Station, and not from high-priority programs for education, food and nutrition for low-income children, anticrime efforts, veterans programs, job training, health care, infrastructure, and other such investment programs."

Mr. WELLSTONE. Mr. President, while I was an original cosponsor of the Hatfield amendment to restore critical funding to the National Institutes of Health, I would like to offer a sense of the Senate that would ensure that we do not jeopardize other valued programs in order to accomplish this goal. In the budget resolution, funding for the NIH would have been reduced by nearly $8 billion over 7 years. Such a reduction would have decimated the biomedical research effort of this country and could not be permitted. But the offsets necessary to restore funding to the NIH as proposed by Mr. HATFIELD should be taken from low-priority domestic discretionary programs like the Space Station, and not from high-priority programs like food and nutrition programs for low-income children, anticrime efforts, veterans programs infrastructure, and other such investment programs. Education, health care, and labor accounts have been protected by the Hatfield amendment but I include further protection for them in my amendment as well.

Mr. President, I want to take a moment to point out that the NIH serves as the focal point for health research in this country. It supports the work of over 50,000 scientists at over 1,700 institutions, as well as conducting biomedical and behavioral research and research training in its own facilities. The mission of the NIH is the pursuit of science "to expand fundamental

knowledge about the nature and behavior of living systems, to apply that knowledge to extend the health of human lives, and to reduce the burdens resulting from disease and disability". To pursue this mission, which is one that is essential to the future of America, requires adequate financial resources, scientists, and infrastructure. The Hatfield amendment will assure that these functions will be able to continue to improve the lives of the American people.

What would the impact have been if the originally proposed reductions in NIH funding had been permitted to occur? The NIH is now able to fund about 24 percent of all research proposals submitted each year. A 5-percent budget cut would have resulted in an ability to fund between 12 and 18 percent of such proposals, according to Dr. Harold Varmus, Director of NIH. A 10-percent cut, as proposed in the Senate budget resolution, would have meant that fewer than 1 proposal in 10 submitted to the NIH would have received funding. In some areas, where funding is already tight, such as mental health, fewer than 1 proposal in 20 would have received funding. This would have clearly been a tragedy. With such a low rate of funding for research, clearly less and less research would have been performed.

Just as important, however, would have been the effect on the research work force. Young people considering a career in biomedical research are unlikely to choose to do so when they realize that they only have 1 chance in 10 or 20 to be funded to do their work. The loss of young, creative researchers, once it had occured, would taken decades to replace.

The NIH agenda for the coming years includes a focus on HIV/AIDS, breast cancer and other women's health issues, minority health, tuberculosis, brain disorders, gene therapy, drug design, and disease prevention, among other topics. Are these important national problems? Is progress being made through research? Let's look at some examples:

First, breast cancer continues to be the cancer most frequently diagnosed in the United States. In the decade of the 1990s, it is estimated that more than 1.5 million new cases of breast cancer will be diagnosed and nearly 500,000 American women will die of breast cancer. Recent research, however, has led to the discovery of a gene linked to breast cancer, and the development of more precise screening techniques to detect breast cancer. Between 1989 and 1992, the overall death rate for breast cancer in American women declined 4.7 percent—in large measure due to these and other associated breakthroughs. Vital and successful programs that must be continued.

Second, Parkinson's disease and other neurologic diseases are continuing to devastate the lives of sufferers and their families. Parkinson's disease currently afflicts over one million Americans, and I have seen its effects firsthand. Both my mother and father had Parkinson's disease, and its manifestations seemed incredibly cruel to me. My father was a writer, and at the very end of his life I remember seeing him in the study trying to type with his hand just shaking—he was unable to do it. Soon thereafter he was unable to walk, and was barely able to speak. At the time of his death, he was confined to bed, unable to communicate, and drained of the dignity with which he lived.

What is encouraging is that Parkinson's disease is on the threshold of substantial scientific breakthroughs. The new science of molecular biology has brought forth dramatic and exciting developments that have given Parkinson's patients new hope. Scientists are closer to discovering the cause—or causes—of this disease * * * tissue implants into the brain have been shown to replace the dopamine that is missing in the brain of afflicted patients * * * genetically engineered medication or even gene therapy might provide long-lasting, sustainable, side-effect-free improvements, or even a cure. Similar dramatic advances have occurred in the understanding and diagnosis of Alzheimer's disease. Restoring funding to the NIH, as accomplished by the Hatfield amendment, will help assure that these breakthroughs will be pursued, so that no person, and no family need to suffer as my parents, and my family did, with neurodegenerative diseases.

These are just two examples, and there are many others that illustrate the value of the biomedical research effort, and the tragedy and human suffering that would occur if it is not supported.

A little appreciated benefit of NIH work is a reduction of health care costs, by early diagnosis, more effective treatment, and disease prevention. For example, the NIH recently developed a vaccine against a common bacterial infection—Haemophilus influenzae type B—that afflicts children. When severe, this infection can cause meningitis, and result in mental retardation, at a great cost in suffering to the patient and family, and financially to society as well. The vaccine that was developed will prevent this illness. It is projected that this breakthrough alone will save Americans over $400 million a year.

Critics of the NIH note that funding has doubled in the past 10 years, and, therefore, claim that cuts could be made without harming programs. Although NIH's budget has increased almost every year, the available money has not grown as rapidly as the demand for it to conduct research, largely because of the opening up of so many new, promising fields of research in biomedical sciences over the past two decades. Between 1984 and 1993, for example, applications for research projects support increased 33 percent. The number of awards made during this time, however, fluctuated greatly from year to year. The result has been unpredictable variability, with a downward trend, in the fraction of projects submitted, that are awarded grants. In 1987, 34.8 percent of grants were funded, but this has steadily fallen to 25 percent in 1994 overall, and lower in some Institutes of the NIH.

In addition to the disastrous effects on investigators, cuts in the NIH budget of the magnitude proposed would have had an equally devastating effect on the Nation's medical schools. About half of NIH's extramural budget ends up in medical schools, directly to support research, and indirectly to help maintain the infrastructure necessary to carry out the research.

The Hatfield amendment will assure that medical schools have the resources they need to continue their efforts in research. I hope that my colleagues will also support my amendment to assure that low-priority discretionary funding is used to restore the critically needed funds to the National Institutes of Health.

Mr. EXON. Mr. President, this amendment expresses the sense of the Senate that low-priority domestic programs and activities of the Federal Government, including the space station, should be reduced in order to meet the requirement of the Hatfield National Institutes of Health amendment.

It ensures that the high-priority programs, including education, food and nutrition for low-income children, anticrime efforts, veterans programs, job training, health care, and other similar investments be protected.

Mr. DOMENICI. I am pleased to note that the tax loopholes that could be closed could include the interest deduction on home mortgage.

AMENDMENT NO. 1196

(Purpose: To propose a substitute)

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

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Nebraska [Mr. EXON], for Mr. BRADLEY, proposes an amendment numbered 1196.

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

Mr. BIDEN. Mr. President, we all know that years and years of Federal budget deficits are a real threat to the future of our economy.

We know that they cut into the private savings and investment we need to provide for a better future.

We know that they require us to borrow from other countries, increasing

our exposure to the changeable winds of the global economy.

And, Mr. President, we know that those deficits contribute to the perception that Government does not work, that it cannot do its own job, that we cannot get our own House in order.

When I introduced my own balanced budget amendment over 10 years ago, and when I voted for the balanced budget amendment earlier this year, I did so in the conviction that regaining control of our Federal finances must be at the top of our priorities.

But I said when I cast my vote that, a crucial reason for my concern about the deficit is that its very real importance threatens to overwhelm our ability to make rational—and yes, compassionate—choices for the future of our country.

By its sheer size and seriousness, the Federal deficit is driving all other policy choices. It is dictating the terms of debate as we consider what we can do about crime, health care, welfare reform, our decaying infrastructure, military readiness, and the place of our country in a changing world.

Now, Mr. President, it is completely appropriate for us to subject every policy, every dollar we spend, to the strictest standards of cost effectiveness.

That should be our standard, no matter what shape our books are in.

But as I said when I voted for the balanced budget amendment, Mr. President, we must achieve that standard in a way that is fair, and that covers everything in the budget, including tax expenditures.

And, Mr. President, we must understand that a shortsighted focus on the bottom line, on simply cutting spending without a thought for its impact on the future, can threaten our future just as surely as continued deficits.

Mr. President, we must continue on the path we began 2 years ago toward lower and lower deficits—but we must also continue to commit our scarce resources where they can do the greatest good, for the greatest number of our citizens, over the long run.

Unfortunately, Mr. President, the Republican budget plan is not fair, and it fails to meet our obligation to invest in the future. Therefore, I cannot support it.

I regret that I cannot support that budget plan, that on paper—if a lot of heroic assumptions work out—aims at a zero deficit by the year 2002.

But the refusal to accept amendments—amendments, Mr. President, that would not have changed that zero-deficit goal of a balanced budget by the year 2002—has left us with a budget plan that is not fair and that sacrifices our future for shortsighted savings today.

And, I am sorry to say, Mr. President, it leaves us with a budget plan that puts the burden of deficit reduction on those who are least able to bear it. That unfairness, I believe, will have real economic costs that could be avoided by a more carefully considered path toward the balanced budget goal.

Let us remember, Mr. President, that the amendments that were rejected would not have increased the deficit—they would have continued the path toward a zero deficit—but they would have achieved that goal while maintaining our commitment to investments vital for the future of our economy and society.

I supported an amendment by Senator ROCKEFELLER to restore $100 billion in Medicare cuts, and I cosponsored Senator JOHNSTON's amendment to restore two-thirds of the Medicare cuts. These amendments would still have eliminated the deficit by 2002. But, instead of tax cuts—tax cuts not for the middle class but for those who do not need them—these amendments would have preserved Medicare for those seniors on fixed incomes.

Unfortunately, both Medicare amendments failed. And, the effect of the underlying Republican budget would be to increase the costs of Medicare for the average senior citizen by $900 in the year 2002. I believe this is neither desirable nor necessary to balance the Federal budget.

In the same way, Mr. President, the Republican budget plan cuts $21 billion from a program to reward work that President Ronald Reagan called the best anti-poverty, the best pro-family, the best job creation measure to come out of the Congress, the earned income tax credit.

Senator BRADLEY's attempt to restore that cut—to repeal that tax increase on the working poor—was defeated.

The Republican cuts in the earned income tax credit come with no thought about how they would affect the pressing need for real welfare reform.

Now we all agree, Mr. President, that the central question in welfare reform is how to get people off the dole and back to work. But by increasing the tax burden on low-income working families, the cuts in the earned income tax credit will make work less attractive for the very families that are at the greatest risk of falling into the welfare system.

The Republican budget says, "cut first," Mr. President, "and ask questions later."

The Republican budget is shortsighted in other ways, Mr. President. It makes education more expensive, and cuts away at crucial supports for the research programs that have—up to now—kept our country in the lead internationally in the most critical factor needed for future competitiveness—knowledge.

I cosponsored and supported amendments that would restore funding to student loan programs and to the funds available for medical and other research programs that could sustain our country's international leadership in the production of that knowledge.

In all of these areas—providing health care, promoting work over welfare, supporting education, and research—I voted for amendments to the Republican budget plan. These changes would have achieved the balanced budget goal we all seek, but without the unwise and unnecessary cuts that will weaken the foundations for stronger economic growth.

Those changes I supported, Mr. President, would have also assured that more Americans could participate in that future growth.

Those amendments would have achieved the same balanced budget goal as the Republican plan, but in a way that shared the sacrifice more fairly now, and would provide a fairer distribution of the future benefits from that sacrifice.

When I saw the many weaknesses in the Republican plan, Mr. President, I resolved to join with Senator BRADLEY in offering an alternative balanced budget plan that would achieve the benefits from eliminating deficits in ways that did not sacrifice fairness or the foundations of economic growth.

As I said, Mr. President, among my first concerns was the unwise and unnecessary cuts in Medicare that are the real cornerstone of the Republican budget plan. Without those cuts, there is no Republican plan for balancing the budget.

The Bradley-Biden amendment restores $175 billion of the Republican cuts in Medicare and Medicaid. Our plan would increase Medicare 8 percent annually over the next 7 years.

However, it is our hope that we can reduce the cost of Medicare in that time through comprehensive health care reform—not with arbitrary cuts like those proposed in the Republican budget.

By controlling the underlying growth in health care costs—which is the real cause of the increase in Medicare costs—comprehensive health care reform would be a benefit not only to Medicare recipients but to all Americans. And the offshoot is that down the road, we can save money in the Medicare Program—savings that we hope will not require cutting how much Medicare pays to doctors and hospitals, and even more importantly, savings that will not mean higher costs to senior citizens on fixed incomes.

The irony is that Republicans have been using the annual report of the Medicare Board of Trustees to justify their draconian cuts in Medicare. But, the Republicans are ignoring the Board's recommendation to Congress to save the Medicare system as part of a broad-based health care reform.

But beyond the fact that the Bradley-Biden plan would honor our country's commitment to provide health

care for our elderly, there are other, more fundamental differences between our program and the Republican budget.

For example, we demand restraint in the growth of tax expenditures, among the fastest-growing reasons we continue to pile up deficits.

Now, Mr. President, this plan imposes a hard freeze on domestic spending—no increase in the dollars spent—and then cuts an additional $15 billion. And this plan cuts an additional $10 billion from the current projections for defense spending.

This is strong medicine for our persistent deficit disease.

Unfortunately, we now must take such dramatic—and painful—steps in those areas.

But in the name of fundamental fairness, Mr. President, how can we ask the children, the poor, the elderly, of our country to sacrifice without demanding that those who have prospered under the current system, and have continued to prosper as deficits have built up over the years, to participate in restoring balance to our country's finances?

Make no mistake, tax expenditures have the same effect on our deficits as any other kind of Federal program—they increase the gap between what we spend and what we take in. Why don't we examine them with the same critical accountant's eye that we must apply to defense spending, agricultural programs, education, health, and research?

Incredibly, Mr. President, the Republican plan refuses to touch this rapidly growing drain on the Treasury, choosing instead to permit what will be a $4 trillion entitlement program between now and the year 2002 to go untouched.

Let me repeat that Mr. President. Tax entitlements—exemptions, deductions, loopholes, call them what you will—will total $4 trillion between now and the year we seek to achieve a balanced budget.

In their search for ways to reduce Federal deficits, the Republicans have taken on spending for children, for the elderly, for the working poor, for education, for scientific and medical research. But they won't touch tax expenditures that will cost the Treasury three times what it will take to balance the budget over the next 7 years.

What Senator BRADLEY and I would do is subject those tax entitlements to the same scrutiny that we apply to the rest of the budget—no more sacrifice from that source than from others, but no less, either.

All told, we would cut only $197 billion over 7 years from that $400 billion—a 5-percent reduction over the 7 years.

Of course, not all tax deductions and exemptions have to be cut to achieve that modest goal. Our plan would not touch the home mortgage deduction, the deduction for State and local taxes, or the deduction for contributions to charities.

Let me repeat that before I hear that those worthwhile and necessary items are at risk under our plan. They are not. We do not need to touch them to achieve our balanced budget goal in the year 2002.

But we would slow the growth—not eliminate, but slow the growth—in such tax expenditures as the quick tax write-off for timber that will cost us $2.3 billion over the next 5 years.

I believe that most Americans would agree that such programs—programs that lose money from the Treasury as surely as any other—could share some of the restraint needed to restore balance to the Federal budget.

By cutting this and other tax breaks, we would save $197 billion that can be used to bring the Federal deficit to zero by the year 2002.

By refusing to take on the huge tax expenditure budget, Mr. President, the Republican plan must find its savings by raising Medicare premiums by $900, by adding $3,000 to the cost of a student loan, and by increasing taxes by $21 billion on working families.

These are cuts that the Bradley-Biden plan does not have to make, Mr. President, because it spreads the costs of deficit reduction more equitably, and thereby requires less sacrifice of those who can least afford it.

In addition to sharing the near-term sacrifice more evenly, this plan also builds a foundation for future economic growth that will be more widely shared, as well.

Our plan provides for full funding of student loans, and makes reckless cuts in our Nation's scientific and medical research unnecessary. It provides for prudent levels of investment in the equipment, the information, and the people who will lead our economy—and the world's economy—into the next century.

And, Mr. President, the Bradley-Biden plan permits—once a real deficit-reduction plan is in place and its benefits can be accurately predicted and scored by the Congressional Budget Office—it permits a $10,000 college tuition tax deduction for middle-class families.

It helps to underwrite our competitive future, and it helps to underwrite a key element of the American dream.

Mr. President, ours is a plan that would achieve the goal we all share—a balanced budget. But we should aspire to more, Mr. President—we should dream of a better future, and we should take the actions now that are needed to make that dream a reality.

Without continued support now for education, scientific and medical research, health care, public infrastructure, and other investments, we will be poorer in the long run, whatever shape our Federal finances are in.

The Bradley-Biden balanced budget plan not only achieves the mundane, but essential, goal of restoring balance to the Government's books. It makes the investments necessary to keep alive our faith in the future.

Mr. EXON. Mr. President, the Bradley amendment reduces defense spending by $5 billion; reduces nondefense discretionary by $15 billion more, than a hard freeze; restores $100 billion of the $256 billion Republican Medicare cut; $85 billion from a $1 a pack increase in the tobacco tax; restores $75 billion of the $175 billion Republican Medicaid cut; retains Republican agricultural cuts; restores funding of student loans; restores $60 billion of the $86 billion in income assistance cut by the Republican budget plan; reduces the tax loopholes for corporations and the wealthy by $197 billion.

If the fiscal dividend materializes, using $70 billion to restore a portion of the spending cuts from the Republican proposal; and lastly, uses the remaining $100 million of fiscal dividend, if available, to provide a middle-class tax cut.

Mr. DOMENICI. Mr. President, this proposes $282 billion in tax increases over 7 years. I think that is the record setter. It cuts outlays in the agricultural programs and others.

I believe it is pretty late to have a full budget before the Senate today. I move to table it.

AMENDMENT NO. 1197

(Purpose: To reduce the reconciliation instructions to the Committee on Labor and Human Resources (primarily affecting student loans) from $13,795,000,000 in outlays over 7 years, to $4,395,000,000 by closing tax loopholes)

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

The PRESIDING OFFICER (Mr. SMITH). The clerk will report.

The assistant legislative clerk read as follows:

The Senator from New Mexico [Mr. DOMENICI], for Ms. SNOWE, for herself, Mr. SIMON, Mr. COHEN, Mr. CAMPBELL, Mr. JEFFORDS, Mrs. KASSEBAUM, Mr. DODD, Mr. WELLSTONE, Mr. HOLLINGS, Mr. KENNEDY, and Mr. HARKIN, proposes an amendment numbered 1197.

The amendment is as follows:

Close tax loopholes and corporate subsidies by the following amounts:

On page 3, line 10, increase the amount by $875,000,000.

On page 3, line 11, increase the amount by $1,100,000,000.

On page 3, line 12, increase the amount by $1,250,000,000.

On page 3, line 13, increase the amount by $1,400,000,000.

On page 3, line 14, increase the amount by $1,550,000,000.

On page 3, line 15, increase the amount by $1,550,000,000.

On page 3, line 16, increase the amount by $1,675,000,000.

On page 3, line 20, increase the amount by $875,000,000.

On page 3, line 21, increase the amount by $1,100,000,000.

On page 3, line 22, increase the amount by $1,250,000,000.

On page 3, line 23, increase the amount by $1,400,000,000.

On page 3, line 24, increase the amount by $1,550,000,000.

On page 3, line 25, increase the amount by $1,550,000,000.

On page 4, line 1, increase the amount by $1,675,000,000.

Restore cuts in student loans by the following amounts:

On page 5, line 17, increase the amount by $875,000,000.

On page 5, line 18, increase the amount by $1,100,000,000.

On page 5, line 19, increase the amount by $1,250,000,000.

On page 5, line 20, increase the amount by $1,400,000,000.

On page 5, line 21, increase the amount by $1,550,000,000.

On page 5, line 22, increase the amount by $1,550,000,000.

On page 5, line 23, increase the amount by $1,675,000,000.

On page 6, line 16, increase the amount by $875,000,000.

On page 6, line 17, increase the amount by $1,100,000,000.

On page 6, line 18, increase the amount by $1,250,000,000.

On page 6, line 19, increase the amount by $1,400,000,000.

On page 6, line 20, increase the amount by $1,550,000,000.

On page 6, line 21, increase the amount by $1,550,000,000.

On page 6, line 22, increase the amount by $1,675,000,000.

On page 31, line 12, increase the amount by $875,000,000.

On page 31, line 20, increase the amount by $1,100,000,000.

On page 32, line 3, increase the amount by $1,250,000,000.

On page 32, line 11, increase the amount by $1,400,000,000.

On page 32, line 19, increase the amount by $1,550,000,000.

On page 33, line 2, increase the amount by $1,550,000,000.

On page 33, line 10, increase the amount by $1,675,000,000.

On page 31, line 13, increase the amount by $875,000,000.

On page 31, line 21, increase the amount by $1,100,000,000.

On page 32, line 4, increase the amount by $1,250,000,000.

On page 32, line 12, increase the amount by $1,400,000,000.

On page 32, line 20, increase the amount by $1,550,000,000.

On page 33, line 3, increase the amount by $1,550,000,000.

On page 33, line 11, increase the amount by $1,675,000,000.

On page 64, strike beginning with line 7 through page 64 line 12, and insert the following:

"Human Resources shall report changes in laws within its jurisdiction that provide direct spending to reduce outlays $266,000,000 in fiscal year 1996, $2,990,000,000 for the period of fiscal years 1996 through 2000, and $4,395,000,000 for the period of fiscal years 1996 through 2002."

At the appropriate place insert the following: The assumption underlying the functional totals include that "It is the sense of the Senate that cuts in student loan benefits should be minimized, and that the current exclusion of income of Foreign Sales Corporations should be eliminated."

Mr. SIMON. Mr. President, I was extremely happy to see that the Senate passed the Snowe-Simon amendment restoring $9.4 billion for the student loan program. The Senate has agreed to fund this amendment by closing corporate tax loopholes. I want to emphasize, however, that the specific loophole mentioned in the amendment was not binding in any way and was intended to serve only as one of many possible suggestions. Indeed, on the basis of the very persuasive arguments made by Senators MURRAY, KERRY, KENNEDY, and BIDEN about the high-tech industry in their States and in the nation, I have been persuaded to work with the Finance Committee to find a different tax loophole to use as a funding source.

Ms. SNOWE. I understand the concerns of my colleagues, as well. I too will work with the Finance Committee to find a source of revenue for the student loan program that best serves all the interests of my colleagues. I want to thank Senators MURRAY, KERRY, KENNEDY, and BIDEN for their help in restoring funding for the student loan program. And I especially thank my Republican cosponsors—Senators COHEN, KASSEBAUM, CAMPBELL, and JEFFORDS—for their help and assistance on this important amendment.

Mr. KENNEDY. Mr. President, I am delighted that the Senate returned to its tradition of bipartisan support for education to restore $9.4 billion to student loan accounts by an overwhelming majority. These funds provide vital support for the Nation's college students.

I also welcome the statement of my colleagues Senators SIMON and SNOWE concerning the offset and our willingness to work closely with members of the Committee on Finance to insure that the most appropriate offset is developed. Clearly, tax expenditures should bear their fair share of any serious effort to balance the budget.

Mr. ABRAHAM. Mr. President, while I strongly support the goal of the Snowe-Simon amendment to lessen the cuts in the education function, I cannot vote for this approach because it proposes to raise taxes.

Although the authors of this amendment claim that this will be accomplished by closing a tax loophole for foreign sales corporation, which I would support in the context of fundamental tax reform or overall tax reduction—as, indeed, I strongly favor closing many tax loopholes, and will work to so when a tax bill is under consideration—the practical legislative effect of this amendment would be to instruct the Senate Finance Committee to raise tax revenues by about $9.4 billion over 5 years through any means.

Mr. President, that could mean higher taxes on working families, the elderly or others whose economic future I care about. Out of the some $12 trillion we will spend under this budget, I believe that over the next 7 years, we can find the additional dollars to fully protect needy students by cutting corporate welfare and unnecessary spending. That is why I worked with Senator SNOWE yesterday on an amendment that would protect student loans by cutting spending.

Having said this, if this amendment should pass, I will support this budget resolution and strongly encourage the conferees on the budget to retain this resolution in student loan funding, but do so by cutting spending in other areas. Further, in my position as a member of the Senate Labor and Human Resources Committee I will work to ensure that the Guaranteed Student Loan Program is fully funded under any circumstances I yield the floor.

Mr. DOMENICI. Mr. President, this amendment reduces the reconciliation instruction to the Committee on Labor and Human Resources, primarily affecting student loans, from $13,795,000,000 in outlays over 7 years to $4,395,000,000 over the same period of time by closing tax loopholes.

The PRESIDING OFFICER. The Senator from Nebraska.

Mr. EXON. Mr. President, I think I have a little time left. With regard to this, we favor the Snowe amendment and urge its support. It would restore funding needed for student loans.

Mr. President, I ask unanimous consent that it be in order at this point to ask for the yeas and nays on the four remaining amendments that have been outlined with one request for the yeas and nays, which I request at this juncture.

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

Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. DOMENICI. Mr. President, I move to table the first Wellstone amendment and 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 majority leader.

Mr. DOLE. Mr. President, let me ask Members to stay right here because we are going to go as quickly as we can, hoping to do it in less time. We had an hour debate. We are going to ask consent, and I ask now unanimous consent to reduce that to 40 minutes instead of 1 hour on behalf of the managers on each side. Then we will have final passage of the budget and then we will move to the terrorism bill.

The PRESIDING OFFICER. The question is on the motion.

Mr. DOLE. Did we get the agreement on the 1 hour to 40 minutes?

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

VOTE ON MOTION TO TABLE AMENDMENT NO. 1136

The PRESIDING OFFICER. The question is on agreeing to the motion to table amendment No. 1136.

The yeas and nays have been ordered. The clerk will call the roll.

The legislative clerk called the roll.

Mr. FORD. I announce that the Senator from Maryland [Ms. MIKULSKI], is necessary absent.

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

The result was announced—yeas 84, nays 15, as follows:

[Rollcall Vote No. 228 Leg.]

YEAS—84

Abraham	Ford	Lott
Akaka	Frist	Lugar
Ashcroft	Glenn	Mack
Baucus	Gorton	McCain
Bennett	Graham	McConnell
Biden	Gramm	Moseley-Braun
Bingaman	Grams	Murkowski
Bond	Grassley	Murray
Bradley	Gregg	Nickles
Breaux	Hatch	Nunn
Brown	Hatfield	Packwood
Bumpers	Heflin	Pressler
Burns	Helms	Pryor
Byrd	Hutchison	Robb
Campbell	Inhofe	Rockefeller
Chafee	Inouye	Roth
Coats	Jeffords	Santorum
Cochran	Johnston	Sarbanes
Cohen	Kassebaum	Shelby
Coverdell	Kempthorne	Simpson
Craig	Kerrey	Smith
D'Amato	Kerry	Snowe
Daschle	Kohl	Specter
DeWine	Kyl	Stevens
Dole	Lautenberg	Thomas
Domenici	Leahy	Thompson
Exon	Levin	Thurmond
Faircloth	Lieberman	Warner

NAYS—15

Boxer	Feingold	Moynihan
Bryan	Feinstein	Pell
Conrad	Harkin	Reid
Dodd	Hollings	Simon
Dorgan	Kennedy	Wellstone

NOT VOTING—1

Mikulski

So the motion to table the amendment (No. 1136) was agreed to.

The PRESIDING OFFICER. The question now occurs on amendment No. 1141 offered by the Senator from Minnesota [Mr. WELLSTONE]. On this question, the yeas and nays have been ordered and the clerk will call the roll.

Mr. DOMENICI. Mr. President, I move to table the Wellstone amendment, 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 MOTION TO TABLE AMENDMENT NO. 1141

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from New Mexico to lay on the table the amendment of the Senator from Minnesota. 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 Maryland [Ms. MIKULSKI] is necessarily absent.

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

The result was announced—yeas 81, nays 18, as follows:

[Rollcall Vote No. 229 Leg.]

YEAS—81

Abraham	Feinstein	Lieberman
Akaka	Ford	Lott
Ashcroft	Frist	Lugar
Baucus	Glenn	Mack
Bennett	Gorton	McCain
Bingaman	Graham	McConnell
Bond	Gramm	Murkowski
Boxer	Grams	Murray
Breaux	Grassley	Nickles
Brown	Gregg	Nunn
Burns	Hatch	Packwood
Byrd	Hatfield	Pressler
Campbell	Heflin	Robb
Chafee	Helms	Rockefeller
Coats	Hollings	Roth
Cochran	Hutchison	Santorum
Cohen	Inhofe	Sarbanes
Coverdell	Inouye	Shelby
Craig	Jeffords	Simpson
D'Amato	Johnston	Smith
Daschle	Kassebaum	Snowe
DeWine	Kempthorne	Specter
Dodd	Kerrey	Stevens
Dole	Kerry	Thomas
Domenici	Kohl	Thompson
Exon	Kyl	Thurmond
Faircloth	Leahy	Warner

NAYS—18

Biden	Feingold	Moynihan
Bradley	Harkin	Pell
Bryan	Kennedy	Pryor
Bumpers	Lautenberg	Reid
Conrad	Levin	Simon
Dorgan	Moseley-Braun	Wellstone

NOT VOTING—1

Mikulski

So, the motion was agreed to.

Mr. EXON. Mr. President, I move to reconsider the vote by which the motion was agreed to.

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

The motion to lay on the table was agreed to.

Mr. DOMENICI. Mr. President, I move to table the Bradley amendment. 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 MOTION TO TABLE AMENDMENT NO. 1196

The PRESIDING OFFICER. The question is on agreeing to the motion to lay on the table amendment No. 1196, offered by the Senator from New Jersey [Mr. BRADLEY]. The yeas and nays have been ordered. The clerk will call the roll.

The legislative clerk called the roll.

Mr. FORD. I announce that the Senator from Maryland [Ms. MIKULSKI] is necessarily absent.

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

The result was announced—yeas 86, nays 13, as follows:

[Rollcall Vote No. 230 Leg.]

YEAS—86

Abraham	Ashcroft	Bennett
Akaka	Baucus	Bingaman
Bond	Frist	Mack
Breaux	Glenn	McCain
Brown	Gorton	McConnell
Bryan	Graham	Murkowski
Bumpers	Gramm	Murray
Burns	Grams	Nickles
Byrd	Grassley	Nunn
Campbell	Gregg	Packwood
Chafee	Harkin	Pressler
Coats	Hatch	Pryor
Cochran	Hatfield	Reid
Cohen	Heflin	Robb
Conrad	Helms	Roth
Coverdell	Hollings	Santorum
Craig	Hutchison	Sarbanes
D'Amato	Inhofe	Shelby
Daschle	Inouye	Simpson
DeWine	Jeffords	Smith
Dodd	Johnston	Snowe
Dole	Kassebaum	Specter
Domenici	Kempthorne	Stevens
Dorgan	Kerrey	Thomas
Exon	Kerry	Thompson
Faircloth	Kyl	Thurmond
Feingold	Lieberman	Warner
Feinstein	Lott	Wellstone
Ford	Lugar	

NAYS—13

Biden	Lautenberg	Pell
Boxer	Leahy	Rockefeller
Bradley	Levin	Simon
Kennedy	Moseley-Braun	
Kohl	Moynihan	

NOT VOTING—1

Mikulski

So the motion to lay on the table the amendment (No. 1196) was agreed to.

VOTE ON AMENDMENT NO. 1197

The PRESIDING OFFICER. The question is on agreeing to amendment No. 1197 offered by the Senator from Maine [Ms. SNOWE].

The yeas and nays have been ordered. The clerk will call the roll.

Mr. FORD. I announce that the Senator from Maryland [Ms. MIKULSKI] is necessary absent.

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

The result was announced—yeas 67, nays 32, as follows:

[Rollcall Vote No. 231 Leg.]

YEAS—67

Akaka	Feinstein	Moseley-Braun
Baucus	Ford	Moynihan
Bennett	Frist	Murray
Biden	Glenn	Nunn
Bingaman	Graham	Pell
Boxer	Grassley	Pressler
Bradley	Harkin	Pryor
Bryan	Hatch	Reid
Bumpers	Hatfield	Robb
Byrd	Heflin	Rockefeller
Campbell	Hollings	Roth
Chafee	Inouye	Santorum
Cochran	Jeffords	Sarbanes
Cohen	Johnston	Shelby
Conrad	Kassebaum	Simon
D'Amato	Kennedy	Simpson
Daschle	Kerrey	Snowe
DeWine	Kerry	Specter
Dodd	Kohl	Stevens
Domenici	Lautenberg	Warner
Dorgan	Leahy	Wellstone
Exon	Levin	
Feingold	Lieberman	

NAYS—32

Abraham	Coverdell	Gregg
Ashcroft	Craig	Helms
Bond	Dole	Hutchison
Breaux	Faircloth	Inhofe
Brown	Gorton	Kempthorne
Burns	Gramm	Kyl
Coats	Grams	Lott

Lugar	Murkowski	Thomas
Mack	Nickles	Thompson
McCain	Packwood	Thurmond
McConnell	Smith	

NOT VOTING—1

Mikulski

So the amendment (No. 1197) was agreed to.

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

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

The motion to lay on the table was agreed to.

The PRESIDING OFFICER (Mr. WARNER). The majority leader.

Mr. DOLE. Mr. President, we are going to have 40 minutes of debate now.

Mr. FORD. Mr. President, may we have order so we can understand?

Mr. DOLE. Forty minutes and then final passage. I think it would be helpful if all Members remain in their seats, or if they do not care to listen to final debate, then remove themselves from the Chamber. We hope to start the vote about quarter of 6, or 10 of 6. I think the first speaker will be the distinguished Senator from Nebraska, Senator EXON.

So I urge my colleagues to give the managers our attention here for the next 40 minutes.

Mr. EXON addressed the Chair.

The PRESIDING OFFICER. The Senator from Nebraska.

Mr. EXON. Mr. President, I yield myself 10 minutes of the time allotted to our side.

Mr. DOMENICI. Mr. President, I think we should have order.

The PRESIDING OFFICER. The Chair respectfully asks all Senators to take their seats.

The Senator from Nebraska.

Mr. EXON. Mr. President, as we reach closure——

Mr. DOMENICI. Mr. President, I make my request again. I think we should have order in the Senate.

The PRESIDING OFFICER. The Senator's point is well taken. The Chair requests all Senators to cease conversation.

The Senator from Nebraska.

Mr. EXON. Mr. President, as we come to the closure of debate on this very, very important budget matter, I want to start out my closing remarks by taking a moment to thank the Budget Committee staffs, the majority staff and the minority staff, for what I think was a truly wonderful job. It takes a lot of hard work and they performed it so very, very well, whether in the minority or majority. I think we all recognize that while we have fractious debates from time to time, our staffs do a particularly outstanding job in working together.

Senators on this side of the aisle are certainly most grateful for the contribution of our minority staff and also the important role and relationship we have had with the Senators on that side, headed by my good friend, Senator DOMENICI, and his excellent staff. I guess few realize the truly monumental task and the intricate time demands and the details—the daunting task, if you will, of budgeting. It was much tougher this year than it was in previous years, when we were obviously more restrained about our expenditures.

I want to take a moment if I can, then, just to run through some names here that I shall be forever indebted to. I think the Senate will be as a whole. The American people should know it was an able staff headed by my chief of staff, Bill Dauster, whom everyone recognizes is one of the true experts on our budget. I thank Bill for all he has done. And the excellent staff he has assembled to work with.

I want to thank: deputy chief of staff Jerry Slominski; analyst for Transportation and Justice Andy Blocker; analyst for Veterans and Commerce Kelly Dimock; special assistant to the ranking member Tony Dresden; analyst for government, community and regional development Meg Duncan; general counsel Jodi Grant; senior analyst for Energy and environment Matt Greenwald; LBJ fellow Nancy Harris; senior analyst for income security, social security and Medicaid Joan Huffer; chief economist Jim Klumpner; staff assistant Nell Mays; director of budget review and analysis and analyst for Mecdicare Sue Nelson; presidential management intern Susan Ross; and assistant director for revenue and natural resources David Williams, and the others who played key roles in our budget staff.

Mr. President, let me take a few minutes, if I can, to sum up the feelings this Senator has after a lot of work and effort by a lot of people.

I come down to the final debate on the 1996 budget resolution with a lot of thoughts and with a lot of appreciation for all the help I have had. I was just thinking the other day, though, that this will be my 17th budget that I have debated in the U.S. Senate. I voted for some good, creditable budgets, like the one in 1993 that provided nearly $500 billion in deficit reduction. I voted against others that I believed were fiscally unsound and were not in the best interests of our great Nation. Each of those budgets was important, but perhaps none as important as this one at this particular time.

As Nebraska draws me closer to home, I think more about the country I want to leave my fellow citizens. I think about their day-to-day struggle for a better life. I think about their grandchildren and the uncertainties they face, I think about how I want to leave them a country with shoulders broad enough to build a family and a future on.

This Republican budget may convey that legacy to some, but not to this fiscally conservative Nebraskan. It is a budget that makes a devil's bargain over tax cuts at a time when we should be appealing to our better angels. We should make sure we balance the budget before we make a real or phony commitment to the politically popular promise of a tax cut.

It is a budget that takes away unfairly from our seniors, children, and least fortunate, but disproportionately and unfairly lines the pockets of the wealthiest among us.

It is a budget that keeps the most affluent fling first class, but puts rural America in a tail spin.

It is a budget that turns a blind eye to working Americans who play by the rules.

In the final analysis, it is a budget I cannot support.

I know what a tough task my good friend, the chairman of the Budget Committee, has had. I salute him for the masterful job he has done. And he has my condolences for the job that lies ahead that will require the wisdom of Solomon and the patience of Job.

We may disagree on the shape of this budget. But the Senator from New Mexico and I truly believe, both of us, in balancing the budget. For us, and many of our colleagues on both sides of the aisle, this is not an abstraction. We want to make a decisive attack on our country's budget crisis.

I wanted a bipartisan balanced budget where all of us would share, and share equally, in the painful decisions and sacrifices that are necessary to bring the budget into balance. I wanted a balanced budget that was driven by fairness.

On many occasions, before and during this debate, I offered the olive branch to my colleagues on the other side of the aisle. In spite of the heated rhetoric, I thought that cooler heads could prevail. I offered compromise and reason. I offered unity instead of division. I thought we could fine tune this budget and redistribute the cuts within its framework. I thought that we could work together to produce a balanced budget that most Republicans and Democrats could support.

But the past 50 hours have proven me wrong. The Republicans froze us out of the process, basically. We were persona non grata as far as they were concerned. I didn't expect my Republican colleagues to accept all of our amendments. But they did not give serious consideration to barely any of the constructive and reasonable amendments we offered. And none, and I repeat none of the amendments I supported would have kept us from balancing the budget by the year 2002, which is the central element, I think in the plan offered by the majority.

The Republican majority put a fence around their budget. We were blocked at every turn. We were rebuffed on each critical amendment. It was "No"

to softening cuts on Medicare. It was "No" to the earned income tax credit. It was "No" to education. It was "No" to rural America. It was "No" to fairness. It was "No" to shared sacrifice.

Mr. President, this is not a budget for all seasons, and is certainly lacking in reason. This is not a budget for all Americans. This is not a budget of shared sacrifices. This is not a budget on which our fellow citizens in Nebraska, or elsewhere can build a better life. This is a budget that I cannot support.

Where do we go from here? To something workable and more constructive? Given the budget presented us by the House, and this one concocted in the Senate, we go to conference with little hope of a final budget that will have any semblance of bipartisan support.

It follows that the reconciliation bill and the appropriations measures will be so bound in advance by this unworkable budget that the end product will also be devoid of any real semblance of bipartisan support.

There are those who seemingly have reveled in the charges that the President is "irrelevant" in the budget considerations. They will find out how "irrelevant" he really is should he veto—and, in my opinion, properly so—the end product of all of this partisanship.

Beginning now, and up to the point of a possible veto, I will be working with my President and my colleagues on both sides of the aisle to attempt to fashion a workable bipartisan compromise that will not be painless, but will be fair to all Americans and, most importantly, to America.

I reserve the remainder of my time.

Mr. DOMENICI addressed the Chair.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. Mr. President, I have a few Senators who requested time. Maybe I will do that before I give my closing remarks. Senator GRAMM asked for some time, and I will give him 2 minutes. Senator ROBB, who is not here, asked for 2 minutes, and I am going to give him 2 minutes. And Senator NUNN asked for 3 minutes; I am going to give him time. Then I will get back to my time.

Mr. GRAMM addressed the Chair.

The PRESIDING OFFICER. The Senator from Texas is recognized to speak for 2 minutes.

Mr. GRAMM. Mr. President, there are many things to praise in this budget, and I want to begin by praising the man who made it happen, and his name is PETE DOMENICI.

I think he has provided great leadership in the Senate, and given the numbers we had to work with, given the disposition of our Members, I do not think anybody can have anything to say about PETE DOMENICI other than to give him the credit he is due.

But I want all my colleagues to understand exactly where we are as we pass this budget. With the adoption of the Snowe amendment, this budget now before the Senate spends $184 billion over the 7-year period, more on nondefense programs than the budget that was adopted in the House. That is $184 billion worth of additional nondefense program spending that is going to have to be taken out in conference, if we are going to have any opportunity to have a real cut in taxes for working families, and if we are going to have any real opportunity to provide incentives for growth.

I want my colleagues to know that I am going to vote for this budget. I want to urge every person in the Senate who wants to balance the Federal budget to vote for this budget, and I hope we get a sound vote.

But I want my colleagues to understand that unless we cut this excessive spending out, unless we let working families keep more of what they earn, unless we provide incentives for growth, and unless we balance the budget while doing those things in the final product that will come out of the House Senate conference, I am not going to vote for that budget. I believe we can do these things.

Our House colleagues have shown us that it can be done. And I am hopeful, when we go to conference with the House, that we will look at our mandate from the election, we will look at what our colleagues in the House did, we will take heart and leadership from them, and that we will come back with a budget that is balanced over a 7-year period, that lets working families keep more of what they earn, and that provides incentives for people to work, save, and invest. That is what I favor.

I believe that is what the American people favor. And by passing this budget today, we have an opportunity to begin to make that happen.

I yield the floor.

Mr. DOMENICI. I yield 3 minutes to Senator NUNN.

The PRESIDING OFFICER. The Senator from Georgia is recognized.

Mr. NUNN. Mr. President, first I want to commend my friend from New Mexico, Senator DOMENICI, and my friend from Nebraska, Senator EXON, for handling the management of this bill under very difficult circumstances. I have been in that place many times, and I know how difficult it is and what a challenge it is.

Second, I would like to commend the Senator from New Mexico, Senator DOMENICI, for real leadership in putting on the table for all of us to both contemplate, vote on, and study in the future, and the American people to contemplate, all the untouchables that have not been in budget resolutions before.

This is first time that I have seen all elements of spending on the table except Social Security. It is my view that will have to be on the table at some point in the future. But that one is not on the table today.

I disagree with a number of the priorities in this resolution, and I have voted differently from my friend from New Mexico on a number of amendments because I do believe that we have not earned any tax dividend at this point. I do not believe we ought to have a tax dividend until we really get the budget under control. I think that is essential, and that is a priority. And I think that is what the American people want.

I think moving to reduce taxes before we get spending under control, and before we really earn the dividend, is kind of like going on the wagon by starting off chug-a-lugging a bottle of whiskey. I do not think that is the way to proceed. However, having said that, I do think this budget is in the right direction. I think it moves in the right direction.

I am going to vote for it for that reason, because it does move in the right direction. And moving in the right direction in terms of tackling entitlements, in terms of restraining growth and spending in those programs that have been clearly out of control, as difficult as that is going to be to do, I think the direction is enormously important. It is important for our children. It is important for our grandchildren. It is important for our economy. It is important to increase savings, and thereby investment and productivity, and thereby the real income of the American people over a period of time.

Finally, I think that this direction is enormously important for the credibility of this Congress and the credibility of our Federal Government.

So I commend my friend from New Mexico for real leadership, and I will vote for the final passage of this resolution.

Like the Senator from Texas, I will be watching the conference very closely, perhaps from a slightly different perspective.

Mr. President, again, I rise today to announce my support for the fiscal year 1996 budget resolution. I commend my good friends, Senator PETE DOMENICI and Senator JIM EXON, the chairman and ranking member of the Senate Budget Committee, for their floor management of this bill. Having been a member of the Senate Budget Committee and having worked with Senator DOMENICI on a 10-year balanced budget plan in our Center for Strategic and International Studies [CSIS] "Strengthening of America Commission," I know how daunting a task it is to produce a plan to reach a balanced unified budget by 2002. I know that my friend PETE DOMENICI had to make many difficult decisions and fall back on many of his own priorities to forge a majority coalition on this bill. This type of leadership is often given sufficient recognition or praise.

I have followed this debate closely. This is a historic moment. This resolution marks the first time the Senate Budget Committee has reported a budget resolution that in my view deals with all the elements on the spending side of the budget that must be addressed to have any hope of balancing the budget. I commend my friend from New Mexico for the courage and the leadership he has exhibited in crafting this resolution.

The most significant improvement over past attempts to balance the budget is the Senate Budget Committee's inclusion of recommendations to restrain significantly the projected growth of Federal mandatory or entitlement spending, which now represents 50 cents of every dollar the Federal Government spends.

For years, Congress and the executive branch have tried to achieve a balanced budget by cutting the defense and domestic discretionary programs that are appropriated by the Congress and signed by the President, and by raising taxes. At the same time these budget efforts time after time allowed the mandatory or entitlement programs, which are on autopilot, to grow faster than inflation, faster than discretionary programs were being cut, and faster than taxes could be raised.

In the 1990 budget summit, half the savings came from cutting the defense budget. While large defense savings were possible due to the end of the cold war—and those savings which were made are still contributing to deficit reduction today—that kind of historic opportunity is a one-shot deal. That agreement predictably did not balance the budget because defense represented at that time 24 percent of the overall budget. As a result of that agreement, defense is only 18 percent of the budget today, and under this resolution it will fall to 14 percent by the end of the century.

Over half the deficit reduction in the 1993 reconciliation bill came from tax increases. Once again, reductions in the growth of entitlements contributed only a small portion of the deficit reduction. Tax increases and defense cuts will never balance the budget as long as the entitlement programs remain unrestrained.

These previous attempts, because they failed to address the largest and fastest growing part of the budget, were virtually doomed to fail. In my mind, our previous attempts to balance the budget without seriously addressing the out of control growth of spending in entitlement programs were analogous to Bonnie and Clyde robbing parking meters.

Mr. President, this budget resolution finally goes where the money is. Fifty percent of the deficit reduction in this plan comes from reducing the projected growth in spending—not the actual spending levels—in entitlement programs. Compared to CBO's baseline projections, it provides spending reductions totaling $1.3 trillion over the 7-year period ending in 2002. These reductions are achieved through reductions in two principal areas: entitlements and nondefense discretionary programs.

This resolution recommends that entitlement spending growth be reduced by $650 billion, that nondefense discretionary spending be reduced $350 billion, and defense will be reduced by another $100 billion below CBO's baseline. Due to these reduced Federal expenditures, it is estimated that interest payments on the debt will be lessened by $200 billion.

Mr. President, over the last few days, many of my colleagues have attempted to amend the resolution to correct what they believed to be flaws in this proposal. I share many of their concerns, and, if I had my way, I would make a number of changes, including:

First, holding the defense budget stable over this period rather than having it continue to decline as called for in both this resolution and President Clinton's budget;

Second, setting a goal of balancing the budget without using the surpluses from the Social Security Trust Fund, even if it takes 10 years rather than 7.

Third, reducing some of the cuts from projected growth in the Medicare and Medicaid programs to make the required reforms more achievable and sustainable;

Fourth, reducing the proposed cuts in Federal education programs to acknowledge that human capital is our most precious resource;

Fifth, restoring some of the proposed reductions in the Earned Income Tax Credit, which is essential in helping low-income working people and in making work more attractive than welfare;

Sixth, mitigating to some extent the proposed cuts to agriculture and veterans programs; and

Seventh, keeping the National Service program alive and viable. This program is proving to be both an important and efficient way of delivering human services, and it is also serving as a catalyst for community service by thousands of American young people.

Mr. President, I will continue to fight to address these priorities as this process continues and we debate the specific details in the reconciliation legislation that will carry out this plan. I also believe that tax expenditures should not be exempt from review as we legislate in the summer and fall. Balancing the budget requires shared sacrifice, and as we cut spending we should also review revenue-losing tax breaks which may not be justified. For these reasons I supported the Conrad alternative to the Committee-reported budget resolution.

Notwithstanding these reservations, I will vote for the Domenici budget resolution. We will debate the details for months to come, and we could vote and debate forever in search of a perfect solution, but the general direction required is clear. If there was an easy way to balance the budget without cutting spending on popular programs, we would have done it long ago. But that is simply not possible. This plan gives the American people a realistic look at what it takes to balance the budget with spending cuts alone.

I believe this resolution points us in the right direction. Mr. President, most of this debate has focused on specific elements of this plan, but what sometimes gets lost in the debate is the fact that the status quo is not painless either—in fact it is not even sustainable. We simply cannot continue to pile $200 to $300 billion in additional debt each year on our children and grandchildren.

I also hope that I will also be able to support the conference report, but that depends on its content. I consider the House's action in beginning a $1.2 trillion budget cutting exercise by reducing taxes by over $300 billion over 7 years to be fiscally irresponsible. I am pleased that more than two-thirds of my colleagues voted to overwhelmingly defeat this tax cut in the Gramm amendment, which have made the tax cuts contained in the House passed Contract With America part of this resolution. The House approach is like an alcoholic promising to go on the wagon right after gulping one last bottle of whiskey.

In this resolution, there is a reserve fund that makes the fiscal dividend resulting from enactment of a balanced budget plan available for tax cuts. This dividend was the focus of most of the proposed amendments to this resolution. In my view, the Senate should have adopted the Feingold amendment, which would have applied that dividend to deficit reduction and given us a cushion that would allow us to balance the budget even if the economy does not perform as well as CBO has projected.

The budget resolution contains an invitation to use this fiscal dividend for tax reductions rather than applying it to deficit reduction. I oppose this part of the resolution and I voted against the amendment which strengthened this invitation from may to shall. The Senate will address this question again before any such tax cut passes. If the Senate is unwilling to apply this fiscal dividend to the deficit then I prefer using the dividend to ease the most severe impacts of the spending reductions Medicare, education, and programs for low-income working people, rather than for tax cuts. My votes on several amendments reflect this. But my first choice was to take a more conservative approach by applying the fiscal dividend to deficit reduction as proposed by the fiscally responsible path in the Feingold amendment.

This budget resolution is tough medicine, and it will be very difficult to carry out some of the reductions called for. I suspect the reductions in the growth rate of spending in Medicaid and Medicare, education, agriculture and other areas that are required if we are to balance the budget will generate more and more opposition from substantial segments of America before the cuts are passed by Congress, and certainly before they are fully implemented. There is also a probability that in cutting projected spending by over $1 trillion dollars in a 7-year period Congress will inadvertently make some serious errors which will have to be corrected. For these reasons, I believe that reducing taxes by the amount produced in the fiscal dividend would be inequitable and premature until the spending cuts and restraints have been locked in.

I would remind all of my colleagues who believe, as I do, that we should be balancing the budget without using the Social Security surplus, that leaving the fiscal dividend alone and applying it to deficit reduction, as we would have done if the Feingold amendment had been adopted, would also help move us toward the goal of a real balanced budget. Balancing only the unified budget by continuing to borrow the Social Security surplus simply postpones the day of pain when the general fund must repay the Social Security Trust Fund.

The budget resolution before us balances the budget in 2002, including the Social Security surplus. But without that surplus, the deficit in 2002 would still be about $100 billion. While the exact size of the fiscal dividend would depend on what savings and enforcement provisions were enacted in a reconciliation bill, CBO's previous estimate of the fiscal dividend in 2002 was about $50 billion. If we had applied that to deficit reduction, we could have cut the deficit in 2002, excluding Social Security, in half, from about $100 billion to $50 billion.

Today, the general fund already owes the Social Security Trust Fund $500 billion. By 2002, when we finally get the budget back in balance including using these Social Security surpluses, the general fund will owe the Social Security Trust Fund $1.1 trillion. When the baby boom generation starts retiring around the year 2015, just 20 years from today, we will owe the Social Security trust fund about $3 trillion.

We all know that Congress and the President have to face up to the Social Security problem. We all know the Social Security system is not going to be the same for those who are in their 20s, 30s, and 40s today as it is for people who are already retired and receiving Social Security benefits today. It cannot be. And the longer we avoid facing up to that problem, the worse the problem is going to be. Balancing the budget without the continued use of the Social Security surplus to finance other Government spending is an absolute necessary first step in that effort. Unfortunately, this budget resolution does not meet that test or even have that goal.

Mr. President, in closing, I want to congratulate Senator DOMENICI for his leadership on this budget resolution. This budget resolution is but the first step of a long and difficult journey, but we are headed in the right direction—the direction that will bring our budget into balance.

Mr. EXON. Mr. President, I yield 2 minutes to the Senator from California.

The PRESIDING OFFICER. The Senator from California is recognized.

Mrs. BOXER. I thank my colleague.

I want to say that, as I look at the Senator from New Mexico and the Senator from Nebraska, I want to say my friend from New Mexico, the chairman of the committee, if I could get his attention, that I think the Senator from New Mexico and the Senator from Nebraska really are a model for this U.S. Senate. You can disagree without being disagreeable. I think we have had a tough and important debate, and I congratulate both of them on it.

I want to say that, from my perspective as a Senator from California who ran because I wanted to fight for the people of California, that this budget as it comes before us now is the broadest retreat on the American dream that I have ever seen in my time as an adult.

I will say that we tried to change this budget. We at every chance said that the tax cuts should go to the middle class, not to the wealthy. We offered broad restorations to education. We tried to make this better. We tried to ease the pain on the seniors, on the students. And I say to my friends on both sides of the aisle that if ever we were here to fight for anyone, should it not be the children? Should it not be the elderly? Should it not be the hard-working middle-class families who will have a tax increase, those who earn $28,000 a year and less?

So this budget turns its back on those people while maintaining tax loopholes, keeping military spending harmless and, frankly again, retreating from the American dream that I was so fortunate to be a part of in my lifetime.

I hope as this process continues we will have enough votes to turn back some of these priorities. I hope we will bring common sense to the debate in the days that lie ahead.

I will be voting against this budget. If it does anything, it shows the difference between the parties. I think that is good for this country, to see the differences between the parties.

I wish to thank my colleague and again the committee chairman for working with me, although we have disagreed many times. I think the staff on both sides have just been extraordinary as well as the chairman and the ranking member.

I yield the floor.

Mr. DOMENICI addressed the Chair.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. I yield 2 minutes to Senator D'AMATO from New York.

The PRESIDING OFFICER. The Senator from New York is recognized.

Mr. D'AMATO. Mr. President, I am proud to support this budget. Senator DOMENICI and the Budget Committee deserve to be commended. Senator DOMENICI's plan, for the first time, meets what the American people have been asking for—responsible and courageous leadership.

It is not easy to balance the budget. It is not easy to cut those programs, yes, that the people want and get used to. It is not easy to tackle Medicare. But let me tell you something. We were not elected and sent here to do things the easy way. That program will be bankrupt. We owe it to today's seniors and those in the future to protect it, preserve it, to strengthen it. We owe it to our children in the future to give them the opportunities we have had. Unless we achieve a balanced budget and cut spending, that will not be the legacy we leave to them.

There are those who preach fear and divisiveness. I have heard talk already about how this is going to help the wealthy. It seems to me, when we balance the budget and reduce interest costs that make it possible for people to have jobs and opportunity, we are helping America.

I do not believe that the administration or my Democratic friends for the most part have given the kind of leadership that this Nation needs. Criticize, create fear, create doubt, turn their backs on their own reports, a report that this administration came down with, which indicated that Medicare would run out of funds within the next 6 or 7 years.

We have an obligation to move boldly. We are. It is the right time, and it is about time, and I hope we can pass this budget overwhelmingly. I support it.

I commend Senator DOMENICI and all who have worked with him to bring us to this point.

Mr. DOMENICI. I thank the Senator from New York. I yield 2 minutes to Senator ROBB.

The PRESIDING OFFICER. The Senator from Virginia.

Mr. DOMENICI. Senator ROBB would like 2 minutes on my time.

I yield 2 minutes.

Mr. ROBB. Mr. President, if the Senator from New Mexico will yield 2 minutes, I would be very pleased.

The PRESIDING OFFICER. The Senator from Virginia is recognized.

Mr. ROBB. Mr. President, I thank the Chair, and I thank the chairman and the ranking member of the Budget Committee for their leadership and the long, hard work that brought us to this particular point.

If this were a budget and not a budget resolution, Mr. President, I might take a different course of action. I happen to believe that most of the choices, most of the priorities that we establish in terms of guidelines as to how we get to our destination are not the priorities that I would embrace and, indeed, I have voted with my Democratic colleagues on a number of occasions to try to change those priorities. But we did not prevail.

I believe that Republicans were wrong in 1993, when they felt as strongly as they did about deficit reduction, not to try to assist President Clinton and Democrats. And feeling as strongly as I do about the importance of deficit reduction, I believe it would be wrong for me not to assist with the heavy lifting.

Mr. President, the lifting is going to be very, very heavy. I do not think many of the Members who may be fully supportive of this resolution have considered all of the implications that are ultimately going to have to be considered when making the tough individual choices about cutting specific programs or cutting tax expenditures, raising revenues, whatever the case may be. But I am prepared to assist in that effort. I think it is important that, to the extent we can, we engage in this most important task on a bipartisan basis.

So, Mr. President, I will be pleased to vote for this resolution, notwithstanding significant differences with respect to the distribution of the burden and the pain and a very significant difference with respect to whether or not we ought to have any tax cuts in this measure at this time.

Nonetheless, I applaud the leadership for moving us to this point, for setting a very clear and important goal. I am embracing the destination and not the road as to how we get there, and I am going to work to try to make some course directions as we move down that road.

Mr. President, I thank the Chair. I thank the ranking member as well as the chairman of the Budget Committee for their hard work, and I yield the floor.

Mr. DOMENICI. I thank the Senator for the remarks. And I thank the Senator for the support with the vote today.

Mr. EXON addressed the Chair.

The PRESIDING OFFICER. The Senator from Nebraska.

Mr. EXON. Mr. President, I have no ill will at all toward some of the Democrats, some of my closest friends and associates, but I have tried to conduct this matter with a sense of dedication but still in good humor. I just want to say that if there are any Republicans who wish to vote against the budget, I will be glad to yield them time if they come to the Senate as quickly as possible.

I yield 2 minutes to my colleague from Rhode Island.

Mr. DOMENICI. I regret to tell the Senator he will have to do it all himself.

Mr. EXON. I so anticipated.

The PRESIDING OFFICER. The Senator from Rhode Island is recognized.

Mr. PELL. Mr. President, the fiscal year 1996 budget resolution marks the beginning of the end of an era. There can be no avoiding of the fact that the resolution in many ways lays out a plan for the effective dismantlement of progressive government as we have come to know and benefit from for half a century.

This I believe is a lamentable turn of events in my view, all the more so because I believe we could bring the Federal budget under control by less extreme and less destructive means.

When I came to the Senate in 1961, the political climate was keyed to national circumstances far different from those prevailing today. Most of us had vivid memories, first, of the era of active, interventionist government that resulted from the economic stresses of the 1930's; and second, of the dominant role of the Federal Government in the successful prosecution of our role in World War II, a role which was to continue through the cold war era.

From that basis of a dominant Federal role in opposition to foreign tyranny, there was a natural evolution to the historic role of the Federal Government in greatly expanding our national commitment to social justice at home. This found expression in the civil rights revolution of the 1960's, and in a host of other fields, including health, education, welfare, occupational safety, and environmental protection to name only a few.

To be sure, there were excesses and mistakes that were committed in the name of an activist central government, and their elimination is one of the benefits of the current swing of the pendulum of history back in the direction of less government and less intervention.

But as one who has been privileged to serve here during this remarkable cycle, I want to record the view that there is much that we have done over the past four decades that has made our country a better place, and those accomplishments should not be rejected in a willy-nilly rush to diminish the role of government.

Unfortunately, the budget resolution lays the groundwork for just such an evisceration of progressive government and I, therefore, cannot support it.

I am appalled at the implications of drastic cuts in the international affairs account, presaging a trend to isolationism and withdrawal from a half century of activist leadership in world affairs. This resolution envisions a progressive phasing back of assessed contributions for United Nations peacekeeping, as well as drastic cuts in foreign aid. These are radical and regressive changes and I reject them.

I am likewise dismayed at the assumed reduction in Federal spending for education by as much as $32 billion over 7 years. This would place at risk or threaten curtailment of a number of worthy programs which have evolved over the past 30 years to assert a Federal interest in this most basic area of public investment. So these cuts too are not acceptable.

I deeply regret also the assumptions underlying this resolution which would curtail the National Endowment for the Arts and Humanities, the Corporation for Public Broadcasting, and AMTRAK, while at the same time threatening to turn back the clock of post-Watergate reform by abolishing the Presidential campaign financing system. I hope the Senate amendment restoring the funding for this system will prevail.

These are but a few of the programs now in jeopardy in which I have a special interest. In combination with other provisions which likewise cancel out or curtail major elements of the Federal commitment to social justice—provisions such as the Medicare cutbacks and the cut in funding for the earned income tax credit—they serve to demonstrate how negative and regressive this resolution truly is.

The pity is, Mr. President, that much of this programmatic slaughter may be needless. The fact is that it was ordained by a commitment to suspect goals which were dictated by political expediency rather than national selection, namely, the idea that the Federal budget must be brought into exact balance, and the corollary idea that it must be brought into balance in the arbitrary time frame of 7 years.

With all due respect to the leadership of my own party, I must simply say that in my view these goals are specious and should not be the driving force for this sweeping revision of Federal policy.

When I opposed the balanced budget amendment to the Constitution earlier this year, I took the position that the Federal budget is not supposed to be in perpetual balance, but that, as John Maynard Keynes wisely noted, it should remain a flexible instrument of national economic policy, registering a surplus in good times and engaging in stimulative spending in downtimes.

The resolution before us puts us on an inflexible course, both in terms of achieving absolute balance and doing so by a certain date. It makes no allowance for all of the unforeseen contingencies, including natural disasters,

international emergencies, or economic recessions, that might require us at some point in the next 7 years, to engage in unexpected spending and thus not meet the goal so confidently embraced.

And even if the magical goal were somehow to be reached, there is a respectable body of opinion that warns that the deliberate withdrawal of $1.3 trillion in Federal spending in the arbitrary timeframe of 7 years could wreak havoc with the economy.

It seems to me that the far wiser course would be to continue a vigorous but more reasoned program of deficit reduction that would not rule out revenue increases and certainly would not exempt defense from further budget cuts. I would generally avoid tax cuts, although I must say that I continue to believe that a more liberal treatment of capital gains would have a beneficial effect in promoting economic growth.

Further, it seems to me that we ought to substitute flexible and rational measures of deficit control for the arbitrary goals which I believe have been too hastily accepted as a basis for a wholesale change of approach of Government. One useful measure is the ratio between the annual deficit and gross domestic product. Just as any prudent household should limit debt in proportion to income, it would make sense for the Federal Government to do likewise with respect to its annual deficit.

For the present, we must act on the basis of goals and assumptions that, while widely accepted, may not be valid. To my mind, the budget resolution takes us in the wrong direction and does so for the wrong reasons. I hope the time will come when others will see the matter in the same light.

OPPOSITION TO CHANGES IN THE EARNED INCOME TAX CREDIT—A TAX INCREASE ON WORKING FAMILIES

Ms. MIKULSKI. Mr. President, I rise today to speak in opposition to the proposed cut in the earned income tax credit [EITC].

The other day I spoke about this budget, its attacks on Medicare and how it affects senior citizens and their families. Today, I rise to speak about how the reduction in the earned income tax credit will affect their families and their children.

Today, I want to speak about how this is also a fight for the children and grandchildren of the senior citizens who are hit by cuts in Medicare.

In 1993 we dramatically increased the earned income tax credit, which cut taxes for middle and lower income families.

We cut taxes for parents working hard to stay out of poverty and off welfare. The first step to welfare reform is to make work pay. The EITC helps us to make work pay.

If this budget resolution passes we will increase taxes on millions of working parents. What do we say to these mothers and fathers? What do we say to any working family making less than $28,000 a year?

Who is affected? A mother who makes ends meet by waiting on tables. A mother who counts on every tip, every nickel and quarter left on the lunch counter. A mother who can make ends meet because of the earned income tax credit.

A father who lost a good-paying factory job and lost a piece of the American dream. A father who works a second job just to support his children, but still makes less than $28,000.

This budget cuts taxes for the wealthy by taking $21 billion from the EITC and the families who use it. This budget cut will hit over 12 million taxpayers, 199,000 in Maryland alone. For those Marylanders making $28,000, they will pay $1,500 in taxes if the EITC is cut.

This is not welfare reform. We cannot tell people to get off welfare and then cut what they will get in a paying job, and cut their Medicaid.

We cannot tell a mother on welfare to take a low-paying job that will be even lower paying if we cut this program. We must reward people who work.

It is time that we returned to the bipartisan spirit of this tax break. Let us return to the support that had President Reagan praise the EITC as, "the best antipoverty and pro-family" measure to ever come out of Congress.

When I spoke the other day on another occasion, I reminded the audience of First Lady Eleanor Roosevelt and how she explained that this is "no ordinary time." This is no ordinary time. It is a time to fight for these families who have worked hard and have earned a break.

Mr. FEINGOLD. Mr. President, I reluctantly voted against the budget resolution, but I believe it does represent a serious, and significant statement on my highest priority: deficit reduction.

My own 82-point plan reduces the deficit further and faster than this budget resolution does, and I cosponsored and voted for an alternative on the floor of the Senate that reduces the deficit more and achieves true balance sooner than the budget resolution. Nevertheless, the budget resolution does achieve significant deficit reduction, and if nothing else, it clearly demonstrates that we do not need to change our Constitution in order to balance the Federal books.

The purpose of a budget resolution is to establish the boundaries within which we formulate the details of the Federal budget. The most significant flaw in this resolution is that those boundaries effectively preclude us from going after three sacred cows: tax cuts, tax loopholes, and the defense budget.

If those three areas had been left on the table, we could have taken a much more balanced approach to deficit reduction, lessening the severity of the cuts to those on Medicare and Medicaid, farmers, students, veterans, and others, while also eliminating the deficit by the year 2000, not 2002 or 2004 or 2008.

There were some bright points to the resolution. One important improvement the Senate resolution makes to the one passed by the House is the elimination of what has been called the crown jewel of the Contract With America: the fiscally irresponsible $350 billion tax cut. In a resounding, bipartisan vote of 69 to 31, the Senate rejected an amendment to implement that reckless policy.

There are also a number of provisions assumed in the resolution that rightly slate outdated, wasteful, or low priority programs for cuts or elimination.

I was particularly pleased to see the Helium program terminated under this budget resolution. I introduced legislation on the first day of the 104th Congress to kill the national helium program, and this budget resolution is an important step in eliminating this vestige of the 1920's.

Though the broad budget outlines established by this resolution are skewed, I very much hope we will approach the details of the budget with the kind of bipartisan spirit demonstrated by the strong, bipartisan vote defeating the reckless House Republican tax cuts.

If the Senate takes that approach to the specific budget bills, and especially the reconciliation legislation that will determine how cuts are made to Medicare and Medicaid, we may be able to fashion a sensible budget that achieves the significant deficit reduction envisioned in the resolution without harming the most vulnerable.

AMENDMENT NO. 1150

Mr. SARBANES. Mr. President, I rise today to express my deep regret that the amendment offered by Senators ROTH and LIEBERMAN seeking to protect one of the last pristine wilderness areas of this Nation, the Arctic National Wildlife Refuge [ANWR], was defeated.

In 1980, the 96th Congress approved the Alaska National Interest Land Conservation Act. This important law, which set aside over a million acres of Federal land for national parks, wildlife refuges, and other conservation areas, prohibited oil and gas development in 1.5 million acres of ANWR's coastal plain, leaving the fate of this land in the hands of future Congresses.

Since 1980, the Congress has vigorously and consistently expressed its opposition to oil and gas leasing in the biological heart of the Arctic Refuge. This area on the coastal plain of ANWR, often referred to as the "American Serengeti," is home to about 165 different species of animals. It is the calving ground for the Porcupine Caribou herd, the denning area for the

Beaufort Sea polar bear population, and the nesting habitat for a variety of waterfowl and shorebirds, including snow geese, tundra swans and black brant.

There is little doubt that extensive development of this sensitive wilderness area would have a negative impact on the vast wildlife resources located there. A 1987 report prepared by the Department of the Interior and submitted to the Congress stated that oil development in ANWR would result in long-term changes in the wilderness environment, wildlife habitat, and Native subsistence hunting opportunities.

In my view, it is critical that we as a nation do not allow the destruction of one of our last remaining unprotected ecosystems. The Republican budget proposal recommends that the Federal Government lease 8 percent of ANWR for oil and gas development. While this backdoor assault on the Arctic Refuge claims to affect only a small portion of the wilderness area, oil development activity will affect the entire coastal plain. In addition, the expectations for oil and gas finds are excessive. The 1987 Interior Department report found there to be only a one in five chance of finding an economically viable oil field on the coastal plain.

Wilderness areas constitute only 2 percent of all land in the United States. If we fail to protect the integrity of the Arctic Refuge now, its wealth of natural beauty and treasures will be lost to future generations. This is too precious a resource to squander.

AMENDMENT NO. 1166

Mr. LAUTENBERG. Mr. President, this amendment was submitted on behalf of myself, Senators ROCKEFELLER, MURRAY, HARKIN, WELLSTONE, REID, DASCHLE, and MIKULSKI.

The Senate considered this amendment yesterday. Mr. President, this amendment could not be more simple. It closes the "Ex-Patriots" billionaires tax loophole and takes the money and restores some of the drastic cuts in veterans programs contained in this resolution. I call this amendment—take from "ex-patriots and give to American patriots."

This is the same amendment that I offered in committee. While this amendment failed on a tie 11 to 11 vote, it did enjoy bi-partisan support. The distinguished junior Senator from Maine [Senator SNOWE] voted for my amendment.

Mr. President, we have now all heard about this so-called "Benedict Arnold" tax loophole. This loophole allows billionaires and multi-millionaires who have made their fortunes in this country to renounce their citizenship and avoid paying Federal taxes like estate taxes and flee to some Caribbean island with their money.

This is no minor loophole. It costs the Treasury more than $3 billion over 10 years. And as a recent story in Fortune Magazine showed, wealthy individuals deliberately look at using this loophole to avoid paying taxes.

My amendment will close this loophole. And it will take the proceeds and put them into restoring the massive cuts in veterans programs contained in the Republican budget.

This Republican budget cuts discretionary spending on veterans programs by a whopping $26 billion over the next 7 years. But this is only discretionary spending on items like VA hospitals and outpatient clinics.

This budget also cuts veterans' entitlement programs by $10 billion over 7 years. That is a $36 billion slap in the face to our Nation's veterans.

What kind of reward is this for our Nation's veterans? Isn't it ironic that on the 50th anniversary of V-E Day, we are destroying the VA system for those heros who saved us from Fascism?

The Republican budget will force cuts in veterans' pensions, payments to those with service-connected disabilities, the GI bill, and numerous other health and benefit programs.

My amendment will help alleviate some of these cuts. It will not restore all of the funding but it will make a start in trying to cushion the coming blow.

Mr. President, the men and women who have put their lives on the line for this country deserve better. They deserve to be treated with respect.

Their benefits should not be cut while we are providing tax cuts for the rich. The Republican budget represents the wrong priorities.

Mr. President, I want to deal with one issue up front. Republicans may argue that we passed an amendment in the Budget Committee to close the Benedict Arnold tax loophole.

The fact is we did not. We passed a nonbinding sense-of-the-Senate amendment concerning this issue. However, we did not change any numbers in the resolution to force the Finance Committee to in fact close this loophole.

So the Finance Committee can do as it wishes regarding this tax loophole. It will not be required to do this in any way. So if Republican say that they already voted to get rid of the loophole, they are not shooting straight with the American people.

This amendment again poses the same question to the Senate as other amendments. The question is, "Whose side are you on?"

Are you on the side of billionaires who revoke their citizenship to avoid paying taxes? Or are you on the side of our Nation's veterans—the men and women who have fought for their country—who have laid their lives on the line to defend freedom?

I stand firmly with American Patriots not ex-patriots.

I hope my colleagues will do the same. The veterans of our country deserve much better than the cuts contained in this Republican budget.

(The following statement was inadvertently omitted from the RECORD of May 24, and appears here at the request of Mr. ROCKEFELLER.

AMENDMENT NO. 1166

Mr. ROCKEFELLER. Mr. President, I join with my colleagues, Senators LAUTENBERG, DASCHLE, MIKULSKI, WELLSTONE, MURRAY, HARKIN, and REID, in cosponsoring an amendment to the budget resolution, Senate Concurrent Resolution 13.

This amendment—known as the "Ex-Patriots to Patriots" amendment—would assume the repeal of the tax loophole that enables U.S. citizens to renounce their citizenship to avoid paying U.S. taxes. This would generate $3.633 billion in revenues for the Treasury over 10 years, from 1995 to 2005. Our amendment would restore funds from this revenue—$1.7 billion over the 7 years covered by the resolution—to Function 700, veterans programs, so as to offset some of the $15.4 billion in reductions contained in the budget resolution.

Mr. President, emigration and expatriation are fundamental rights of all Americans. They are guaranteed by the American Constitution and international human rights laws. Expatriation to avoid taxation is permitted by the Internal Revenue Code of 1986.

We believe this provision in the Tax Code should be repealed for several reasons. First, it is unfair to all Americans who work hard every day to support their families and who pay taxes to support their country. It offends our sense of justice that some of the wealthiest Americans—who can afford to pay taxes, whose fortunes blossomed in the freedom and bounty of our Nation—can take such a drastic measure to avoid paying their fair share. Second, at a time when we are all committed to reducing the Federal deficit, the Treasury losses significant revenue because of the actions of the approximately 25 individuals a year who choose expatriation to take advantage of this tax loophole. And finally, if these funds were available, they could be targeted toward needed programs and services which are in jeopardy—and which benefit far more than 25 people.

Mr. President, the matter of this "Ex-Patriots" tax loophole has come before the Senate earlier in this session of Congress and is on the table again. We passed the "Ex-Patriots" provision as part of the small business health care deduction bill in March, but it was dropped in the House-Senate conference in April. Later, the Senate voted again to repeal this tax loophole, this time by a vote of 96-4 in a sense-of-the-Senate resolution. And on May 15, Senate Concurrent Resolution 13, as passed by the Budget Committee, does repeal this tax loophole for wealthy Americans. However, it does not go far enough, it does not target any of the revenue for veterans' programs.

On May 11, Senate LAUTENBERG wisely linked the two issues—repeal of the expatriates' tax break and restoration and funding to America's true patriots—in Budget Committee action. The tie vote of 11–11 demonstrated the bipartisan support for changing the tax code and helping maintain veterans' programs. Our amendment links the repeal of the tax loophole for expatriates to the restoration of funds for America's true patriots—her veterans. It does so because approximately $15 billion in reductions for veterans programs—including health care services for service-connected veterans and poor veterans—are on the chopping block. As ranking minority member of the Senate Committee on Veterans' Affairs, I believe the patriotism demonstrated by the men and women who have worn our country's uniform—those who put themselves in harm's way, those whose lives have been irrevocably changed by injuries sustained in the line of duty, those who lost comrades in the heat of battle—speaks for itself. The repeal of the expatriates' tax loophole makes sense, and our veterans deserve no less.

Let us remember once again, in this 50th anniversary year of the end of World War II, the persons who enlisted in service to their country when tyranny threatened to obliterate peace and prosperity for generations to come. Science fiction writers and filmmakers have conjured up images of the unimaginable—what the world would have been like had our soldiers and sailors not made the world safe for democracy, safe for their children and grandchildren. Thankfully, many of these men and women are alive and well. But while many have their memories, their honor, and their dignity, they may not have their health or the material wealth with which to purchase the care they need.

Mr. President, I want my colleagues to understand some of the ways the underlying budget resolution, as reported by the Budget Committee, will affect the people who use the VA health care system. Under the resolution, VA would be forced to operate at a level below current services. In human terms, almost 150,000 eligible veterans would be denied inpatient and outpatient care in 1996 alone, and almost 1 million veterans would be denied care in 2002. In terms of VA's capacity to provide a full range of health care services nationwide, the equivalent of 5 VA hospitals would have to be shut down in 1996, and 35 VA hospitals would have to close their doors in 2002. In the first year of implementation, 8,200 VA health care professionals would lose their jobs, and by the end of this 7-year period, 53,000 VA medical facility employees would lose theirs.

Another equally disturbing effect of the Budget Committee's action would be the cut in VA research programs of $15 million and 142 FTEE. This amounts to 10 percent of all VA research projects, or 150 fewer medical research projects each year. VA research is geared toward some of the special illnesses and disabilities which affect veterans, among them blindness, posttraumatic stress, and spinal cord injury. These and other subjects of VA research endeavors—everything from Alzheimer's disease to heart disease to women's health—also benefit the general population by finding the causes of disease and aiding in developing the best diagnostic, treatment, and preventive methods. Today's research results are tomorrow's cures. By eliminating the opportunity for our Nation's medical professionals—VA research is conducted by VA clinicians and researchers and also by those from our Nation's medical schools which are affiliated with VA medical centers—we cut off a source of knowledge that is crucial to the health of our Nation's citizens.

Last, Mr. President, under the resolution, VA's construction program would be affected beyond repair. In fact, the program would be decimated. This program, which upgrades and maintains VA's $25 billion physical plant infrastructure, should cease to exist. All 200 pending projects, totaling $3.4 billion, would have to be canceled. These are not new projects, new hospitals, or new buildings. These are essential modernization projects. They are essential because 65 percent of VA medical centers, or 114 hospitals, are at least 30 years old. And 73 percent of VA hospital, domiciliary, and nursing home beds, that is more than 74,000 beds, do not comply with patient privacy standards. In this day and age, no hospital should have more than two beds per room, congregate bathing facilities, or inadequate space. If we suspend all work on these projects, VA's plans to upgrade its patient environment will never be realized.

Mr. President, because this amendment is budget neutral, there is every reason why we should use these new funds to minimize the negative impact on veterans' programs of the Budget Resolution. The link between the two, thoughtfully and rightfully, proposed by Senator Lautenberg should be adopted by the full Senate. It is within our power to do so, and it is the right to do. As ranking minority member of the Veterans Affairs Committee, I urge my colleagues to support our amendment.

(The following statement was inadvertently omitted from the RECORD of May 24, and appears here at the request of Ms. MIKULSKI.)

AMENDMENT NO. 1166

Ms. MIKULSKI. Mr. President, I rise in support of the amendment offered by Senators LAUTENBERG and ROCKEFELLER that would partially restore funding for VA programs by closing the ex-patriot tax loophole.

The ex-patriot tax loophole is a provision of the Internal Revenue Code of 1986 that allows billionaires to renounce their citizenship and avoid paying Federal taxes. By closing this loophole, an additional $3.6 billion will be added to the Treasury between 1995 and 2005. I think it is appropriate, Mr. President, that we apply the revenues generated by closing the ex-patriot loophole to help restore funding for veterans programs.

In supporting the Lautenberg/Rockefeller amendment, I rise in defense of the GI Joe generation—the World War II generation—our fathers who fought on the battlefront overseas and our mothers who fought on the homefront here in our communities.

Those wonderful Rosie the Riveters who kept the United States of America running while the men fought for democracy around the world.

These are the women—the Rosies—who made sure that not only the schools and businesses operated, but that we built airplanes, mobilized our defenses.

Mr. President, these are the men who fought from the shores of Normandy to Iwo Jima. America's veterans fought to save Americans; they fought to save Western civilization; and they fought to save the very principles that this country was founded upon.

And when the war was over, the GI Joe generation went back home to raise their families and contribute to the greatest prosperity that this country has ever known.

Mr. President, we would not be here as a nation today, we would not be a superpower today, if it had not been for the GI Joe generation.

We just commemorated V–E Day. In a few months we will commemorate V–J Day and the end of World War II. And now, here we are on the eve of Memorial Day.

And, how are we remembering these gallant men and women? With our thanks, with our commitment, with our compassion?

No, Mr. President. With this budget resolution, we are telling the GI Joe generation that promises made are not promises kept. We are telling these brave men and women that we intend to cut VA medical care by more than $5.5 billion over the next 7 years.

What we are telling our mothers and our fathers is that we are going to close 35 VA medical centers and that we are canceling 200 medical construction projects needed to bring existing facilities up to current health delivery standards.

Mr. President, this budget resolution will force the VA to eliminate 53,000 full-time jobs including physicians, nurses, lab technicians, x-ray technicians, and mental health counselors.

Treatment will be denied to over 1 million patients, including deep reductions in patient visits for primary care, acute medical and psychiatric care, treatment for the chronically mentally

ill, post-traumatic stress disorder, cardiovascular disease, and extended care.

In addition, this budget resolution adds insult to the injury we would inflict on our veterans. By forcing the elimination of almost 1,000 VA jobs in benefit services, the VA claims backlog will increase from 500,000 to over 1 million claims. Having served on the front lines, we will now ask our veterans to stand in line for 2 to 4 years in order to receive their benefits.

Finally, this budget resolution would limit future benefits for disabilities to those resulting directly from a veteran's performance of military duty, would phase in higher veteran prescription copayments, and increase the amount a servicemember must contribute in order to be eligible for benefits under the Montgomery G.I. bill.

Mr. President, we have gone from the New Deal and the Fair Deal—to the raw deal in this budget. I urge my colleagues to honor our veterans this Memorial Day with more than parades, plaques, and platitudes. Let us honor the GI Joe generation with our gratitude and our commitment. Let us stand and fight for them, the way they fought for us.

I urge my colleagues to vote for the Lautenberg-Rockefeller amendment.

AMENDMENT NO. 1179

Mr. McCAIN. Mr. President, earlier today, the Senate adopted an amendment, numbered 1179, proposed by Senator LEVIN, to express the sense of the Senate that overhead expenses of defense agencies should be reduced in fiscal year 1996 by at least 3 percent. I supported that amendment.

With the serious and continuing decline in the defense budget, it is imperative that every defense dollar be spent wisely. Cutting back on overhead expenses by 3 percent, or even more, is necessary to ensure that more of our scarce defense resources will be available for high-priority military requirements. Because the level of defense spending provided in the fiscal year 1996 budget resolution is, in my view, seriously inadequate to meet our national security needs, I supported the amendment to minimize low-priority and wasteful administrative expenses of the Department of Defense and defense agencies.

However, because of the rather vague language of the amendment, there may be some confusion as to its intent. Let me state my understanding of the content of the amendment.

The amendment merely expresses the sense of the Senate that unnecessary overhead costs be reduced by 3 percent this fiscal year. The amendment makes no change whatsoever in the functional totals for National Defense, function 050, nor does it reduce the total amount of discretionary spending available for defense in fiscal year 1996.

It is my understanding that, since the amendment did not explicitly reduce either the defense functional totals or the discretionary spending cap for defense, savings achievable by reducing overhead expenses will remain available for defense programs. Certainly, this understanding was central to my support for the amendment.

I will work to reduce the overhead expenses of all defense agencies and departments, as I will do for all Federal agencies. Unnecessary expenditures of taxpayer dollars, in whatever account, should be eliminated. However, any savings from reduced overhead, in DOD may, under this amendment, be reallocated to other defense programs. In my view, such savings must be used to fund force modernization, readiness, and quality of life programs which are inadequately funded under the Clinton adminsitration defense budget proposals incorporated into this resolution.

Mr. LEVIN. Mr. President. I cannot support Senate Concurrent Resolution 13, the congressional budget resolution which has been presented to the Senate by the Republican majority. That budget proposal which the Senate will likely approve today, has been described by our Republican colleagues as balanced in the year 2002 although it will not be. It relies heavily on surpluses in the Social Security trust funds to achieve balance. In fact, in 2002, there will remain, under the terms of the budget before us, a more than $113 billion deficit, masked by the use of the Social Security trust funds. This is one crucial reason that I supported the Conrad substitute which would have reduced the deficit even farther than the Republican budget by 2002 and which is truly balanced, without the use of Social Security funds, by the year 2004.

The Republican proposed budget resolution before us is unbalanced in another important way. The budget blueprint penalizes middle-income working families, reduces our investment in education, and penalizes our senior citizens, in order to provide for a tax reduction which will benefit mostly the wealthiest of Americans. The budget before us has its priorities wrong. It is simply a question of fairness.

The Conrad substitute and the Bradley substitute, each while not the budget in every respect that I would have crafted, reflected a more equitable set of priorities than the Republican budget.

One of the most inequitable aspects of the Republican proposal before us is that to pay for tax cuts which will principally benefit the most well off among us, it raises taxes on working families. The proposal to cut back the earned income tax credit for working families making less than $28,000 per year would, for instance, raise taxes by $354 on a single parent with two children making only $8,840 a year. That is minimum wage.

The earned income tax credit has a long history of bipartisan support. President Reagan called the EITC, "The best anti-poverty, the best pro-family, the best job creation measure to come out of the Congress." The EITC has played an important role in providing incentives to keep people working who are struggling to get on the lowest rungs of America's economic ladder and to stay off the welfare roles.

The budget resolution before us aims a $21 billion tax increase at the working families. In Michigan, this means a $457 million tax hike over 7 years on nearly 316,000 hard-working taxpayers making less than $28,000 a year. Over the next 7 years, they will pay an average of nearly $1,500 more.

While working families making less than $28,000 pay more, there is no effort in this budget to control the growth of corporate tax deductions, no effort to restrain the growing tax breaks for the largest and wealthiest among us.

The Republican budget also hits our senior citizens very hard. Medicare would be cut by $256 billion, by far the largest Medicare cut in history. It is the most vulnerable who are hit hardest. Nearly 83 percent of Medicare benefits go to beneficiaries with incomes less than $25,000. Two-thirds are below $15,000. Only 3 percent go to individuals or couples with incomes in excess of $50,000.

I supported the Rockefeller amendment which would have restored $100 billion for Medicare to the budget, without changing the target date for a balanced budget, and without increasing the deficit, by cutting funds the Republicans have earmarked for a tax cut for the wealthiest among us. The Rockefeller amendment was also defeated on a near party line vote.

Another $175 billion, under the Republican budget, is cut from Medicaid. Many people don't realize that 70 percent of Medicaid costs are long-term care for the elderly and the disabled. Many middle-income elderly wind up relying on Medicaid for nursing home and other care after their resources are expended.

The Conrad substitute, which I supported, provided more funds for Medicare and Medicaid, reduced the deficit by more than the Republican budget does by 2002, and would have balanced the budget honestly without using the Social Security trust fund to mask the real deficit.

Another way in which the Republican priorities are wrong is that in order to pay for a tax increase for the most well-off among us, they have cut funding for college loans and educational improvement. This is perhaps the most short-sighted aspect of their budget proposal. Investment in the education of our children is investment in America's future. There are few ways to better and more efficiently spend our dollars than educating America's future generations.

The Republican budget before us would increase college loan costs for four million students each year, by eliminating the in-school interest subsidy. The average student could pay $2,000–$3,000 more for his or her education and an additional 1 million college students could lose their financial aid or have their aid drastically reduced under the plan to freeze Pell grants.

I supported the Harkin-Hollings amendment which would have used funds which the Republicans have reserved for a tax cut for wealthier Americans to restore $40 billion in funds for affordable student loans and for better schools. That amendment which was rejected on a near party line vote would have provided the additional funding to invest in the education of our children without adding to the deficit or changing the target date for a balanced budget. The Conrad substitute which I also supported would include more funding for education and would balance the budget without using funds from the Social Security trust fund as the Republican budget does.

The majority also made clear their intentions when they rejected the Boxer amendment on Wednesday. That amendment, which I supported, would have assured that any tax cut be targeted to middle-income people. The Boxer amendment was defeated on a near party line vote.

Mr. President, the issue before us is not whether the Federal budget should be balanced in years ahead. The issue is how we do that. What are the priorities and who bears the burden. I believe that the priorities in the budget which our Republican colleagues have proposed are wrong. They place the burden squarely on the backs of the elderly, students in school, and working families, while cutting taxes for the most well off. That budget is simply not fair. And, Mr. President, it fails to get the job done. It continues to use the Social Security trust fund to hide the real deficit.

I have supported many amendments aimed at improving the budget resolution, making it more fair, without affecting the deficit reduction. Virtually all were rejected by the Republican majority along nearly straight party lines. I cannot support the resolution before us.

THE BUDGET RESOLUTION AND THE AGRICULTURE BUDGET

Mr. WELLSTONE. Mr. President, I would like today to make a very simple point. It is a point that I and other of my colleagues have been making over the course of recent weeks since the "Chairman's Mark" of this fiscal year 1996 budget resolution was issued. My point is this. The cuts to the agriculture category of spending in this budget resolution will cause significant harm—harm both to rural America and to low-income Americans throughout the country. That is why I have been voting for a number of amendments to reduce the size of the cuts to agriculture spending in this resolution.

As my colleagues know, the resolution proposes dramatic cuts to the agriculture category of the Federal budget. It proposes cuts of $28 billion over 5 years to the agriculture category, and suggests cuts of $45 billion over 7 years.

Mr. President, these cuts will seriously reduce farm income, and they will damage our rural economy. They will drive down agricultural land values, and they will diminish conservation benefits that are important to our quality of life—both in the present and in the future. Reductions of this magnitude will take from $380 to $400 million from farmers in my State over just 5 years. Furthermore, if we pass cuts this dramatic, we will devastate nutrition programs such as food stamps, the WIC Program, and the Child Adult Care Feeding Program.

Cuts to nutrition programs are contained in the same budget category as cuts to farm programs. As a result, it is clear that reductions as drastic as those in this resolution—$28 billion over 5 years, to be found by the Agriculture Committee—will pit struggling farmers against low- and moderate-income families for increasingly scarce Federal dollars.

We all support Federal deficit reduction. Every farmer knows the value of lower interest rates, which would be one result of Federal fiscal responsibility. Indeed American agriculture and rural America have contributed a heavy share to deficit reduction. They will continue to do their share to reduce the deficit, and they will do so willingly.

But why must this budget impose the most pain on those for whom it will be most difficult to bear? Why are we not cutting more unneeded military and corporate-welfare spending? Why are we not eliminating lucrative tax breaks for special interests? Why are we, in fact, considering a tax cut for wealthy Americans? This resolution makes the wrong choices and takes our country in the wrong direction.

Mr. President, now is not the time to abandon rural America or the nutritional needs of struggling families. I share with the President and the Secretary of Agriculture a desire to have a real debate on a real 1995 farm bill—not just a budget-cutting exercise. There are exciting prospects for rural America, and we are at a crucial historic moment for the social and economic health of our rural communities. We cannot simply slash and burn in such an important area of Federal policy and the Federal budget.

Mr. BYRD. Mr. President, as I pointed out in my remarks earlier this week, this is not the first budget resolution to project a balanced budget. In fact, it is the fifth budget resolution to do so. The budget resolutions of 1980, 1981, 1982, and 1991 also purported to balance the Federal budget. The latest of these prior budget resolutions, 1991, was passed by both Houses of Congress after the 1990 Budget Summit was completed. That budget resolution conference report (101–820) purported to balance the Federal budget over a five-year period without using the Social Security surplus. In fact, for the fifth year of that budget resolution—fiscal year 1995—the 1991 budget resolution conference report showed a surplus of $20.5 billion without using the Social Security surplus.

As has been noted repeatedly during the debate on the pending budget resolution, it does not balance the budget even at the end of seven years without using the Social Security surplus. In other words, the budget resolution before the Senate purports to balance the Federal budget in the year 2002 and, in fact, shows a surplus in that year of $1.3 billion, but only does so by using the Social Security surplus to mask the true deficit. The committee report on page 5 states that if one does not use the Social Security surplus to mask the deficit, there will in fact be a deficit of $113.5 billion in the year 2002.

As I also noted in my earlier remarks, all of the previous efforts to achieve a balanced Federal budget, while being undertaken based on the best information available at the time of passage of the budget resolutions that purported to balance the budget, nevertheless failed to do so. This is because human beings cannot accurately predict the future and, therefore, cannot accurately project inflation, interest rates, revenues, etc., for a period of even one year, much less for a period of five years or seven years, as the pending budget resolution attempts to do.

Having said that, however, I again applaud the chairman of the Budget Committee, Senator DOMENICI, for his efforts to reduce the Federal deficit by as much as $1 trillion over the next seven years.

I do not agree in a number of areas with the specific proposals contained in the pending budget resolution. For example, the budget resolution proposed by the Budget Committee would not make any cuts in military spending over the next seven years, but would cut non-military discretionary spending by $190 billion below a freeze, or $300 billion below the amounts contained in the President's budget. This amounts to an overall non-military discretionary spending cut of almost one-third. Further, the existing hold-harmless provisions under the Budget Enforcement Act would be eliminated, thereby jeopardizing even the reduced funding levels for non-military discretionary spending contained in the resolution. Additionally, emergency spending in the future, in order to be exempt

from the discretionary caps, would require 60 votes in the Senate.

For these reasons, plus the fact that this resolution would take a so-called "fiscal dividend" of $170 billion and apply that phantom dividend toward a massive tax cut for the wealthy, I shall vote against the pending budget resolution.

In doing so, however, I am not unaware of the fact that we must continue our efforts to achieve a balanced budget just as quickly as is prudently possible. But, we must do so in a way that is fair and in a way that does not negatively impact on the overall economy.

I believe that the alternative budget by the Senator from North Dakota [Mr. CONRAD] which I cosponsored, laid out a far superior blueprint for balancing the Federal budget by the year 2002 (if one uses the Social Security surplus to offset the deficit), and by 2004 without using the Social Security surplus.

Under the Conrad amendment, which I was pleased to co-sponsor and for which I voted, non-military discretionary spending would be frozen over seven years. This would have amounted to an increase of $190 billion above the committee-reported budget resolution. Medicare would have been reduced by $156 billion, or $100 billion less than under the committee-reported resolution. No tax cut would have been provided for under the Conrad amendment, rather $228 billion in additional revenues would have been achieved through the closing or tax loopholes for the wealthy and big corporations. Four trillion dollars was projected to be spent on tax preferences over the next seven years. The Conrad amendment would have limited the growth in such preferences by $228 billion, or 5.7 percent. In other words, even under the Conrad amendment, tax preferences would have still grown at the rate of inflation plus one percent.

For all of these reasons, the Conrad amendment was, in my view, a far more rational, fair, and even-handed approach toward balancing the Federal budget. It would have removed many of the deficiencies in the committee-reported budget resolution by restoring funding for investments in the nation's future through discretionary spending on physical and human infrastructure, and it would have been far less devastating to the nation's elderly and those who could least afford to take cuts necessary to balance the Federal budget. Rather, it required those who are the wealthiest in our nation to pay their fair share.

Finally, the Conrad alternative budget proposal proved the point that I have made repeatedly during debate on the constitutional balanced budget amendment—namely, that Congress does not need a constitutional amendment to enable it to balance the Federal budget. Rather, as I have pointed out, the Conrad amendment did all that is humanly possible in attempting to balance the Federal budget based on the best information available at this time in a fair, responsible, and even-handed way.

It is for these reasons that I voted for the Conrad "Fair Share Balanced Budget Proposal" and why I shall vote against the committee-reported budget resolution.

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Mr. MCCONNELL. Mr. President—

Once upon a time the oceans were moats around our bastions. Once upon a time it was a miracle to travel round the world in 90 days. Now it is done in as many hours. Once upon a time we were a comfortably isolated land. Now we are unavoidably the leader and the reliance of freemen throughout this free world. We cannot escape from our prestige nor from its hazard * * * There is no longer such a thing as isolated security.

In 1949, when the distinguished chairman of the Foreign Relations Committee, Senator Arthur Vandenberg, made these remarks he was urging his colleagues to ratify NATO. He made his case before a reluctant Senate, one weary of the costs of war in blood and treasure. But, Vandenberg understood that the defense of our Nation and the conduct of its foreign policy were the unique responsibilities of the Federal Government. He persuaded his colleagues not only to support NATO, but pay the costs of containment spelled out in the Truman Doctrine and the Marshall Plan.

Senator Vandenberg was not indifferent to his colleagues caution. He took note of their objections—he understood that many of President Truman's initiatives, and NATO in particular, were considered by some a sharp departure from our historic foreign policy of nonentanglement in the affairs of others.

Senator Vandenberg was a Republican who closely cooperated with a Democratic President and his administration. That bipartisan cooperation secured the foundation for treaties and alliances that continue to guard our interests to this day. That cooperation rebuilt Europe yielding trade, prosperity, and stability.

Today, the challenge is to rebuild Armenia and Ukraine, not Belgium and France. Our challenge is to include Poland and the Czech Republic and other nations in a new European security alliance.

Our challenge is a choice much like that faced by the Senate in 1949—to provide the resources to support American resolve, to secure American interests.

Today, the choice is to advance democracy and free markets or retreat in our fight against the threats of international terrorism, nuclear proliferation, crime, and narcotics. Today, we win exports, jobs, and partners in peace or we lose to ethnic genocide, trade wars, terrorists, and tyrants.

I am not so naive as to believe the choices we face are simple and stark. In some ways, if the choices were crystal clear, absolutely obvious, support for foreign aid and our global role would be much stronger. But it is the murky ambiguities of this day and age that give rise to both confusion and a general apathy about our place in the world. And, it is that confusion that risks our isolation.

In his State of the Union Address in January 1945, President Roosevelt issued a sharp warning to the Nation. "Let us not forget that the retreat to isolationism a quarter of a century ago was started not by a direct attack against international cooperation but against the alleged imperfections of the peace."

Every one of us has been critical of the imperfections of foreign aid. Every Member has expressed opposition to waste, fraud, and abuses. A majority could identify programs, embassies, and consulates which could be shut down.

But, the costs of these imperfections should not be our international leadership. We must not pay the permanent price of retreat from the world, because we were troubled by the inefficiencies or problems in our foreign aid program.

Foreign aid must be fixed. It must more clearly serve our national political, economic, and security interests. The public must understand exactly what we do with the 1 percent of the Federal budget foreign aid expends.

Like many of my colleagues, I hear from constituents who are uncertain about why we have a foreign aid program at all. To each of them, I offer my firm commitment that we will reduce spending by eliminating unnecessary programs, consolidating responsibilities, and assuring we only spend our spare resources where we can achieve concrete results.

I believe foreign aid is an important tool essential to maintaining our leadership around the globe. We cannot preserve, let alone promote, our interests for free.

And, why should that matter. First, we are a compassionate nation by tradition; in fact it is one of our finest traditions as exemplified by the outpouring of support for Oklahomans. But for the moment let's set aside altruistic motives—set aside what I like to call the CNN syndrome—where they broadcast a famine, funds will naturally follow.

Effective foreign assistance serves our interests. Let me review what I think we lose by the cuts proposed in the budget resolution.

First and foremost, the budget resolution assumes we will cut nearly $800 million from the trade promotion activities. Programs at the Export Import Bank, OPIC, and the Trade Development Agency are not lining the pockets of foreigners. These are programs which directly affect American jobs and exports.

Over the past 2 years Ex-Im has supported over $32 billion in exports and 300,000 jobs. In key sectors, such as power, telecommunications, and major construction, Ex-Im financed accounts for close to 30 percent of all new sales to developing countries and 15 percent of all U.S. production. In high growth developing markets, Ex-Im is financing anywhere from 10 to 40 percent of all U.S. capital goods.

That is why the Coalition for Employment through Exports is supporting an increase in the Function 150 account—a Coalition that is a broad based organization of exporters, labor unions, and State governors enjoying substantial bipartisan support. That is why I have heard from bankers and businessmen across the country supporting an increase in the Function 150 account. They understand that this is about American jobs, American exports, American income.

But there are other constituents who are concerned about the budget resolution cuts. The resolution assumes all aid to Eastern Europe and the Baltic nations will be zeroed out. Let me tell you what that means for just one country—Poland. After considerable effort by Congress, I think the administration has turned the corner and made the commitment to expand NATO. Poland is clearly first in line of the potential entrants. Just as the point where we are likely to make this offer, we zero out military assistance and training key to the effective integration of their forces.

Criteria under consideration for admission to NATO is civilian control of the armed services and transparency of the defense budget. Here too, we would be cutting off parliamentary exchanges, expanded IMET and democratization initiatives key to meeting these admission standards.

The budget resolution also assumes we will cut our program to the NIS from nearly $800 to $100 million. Just at the point when we are finally shifting emphasis from Russia to the other republics, we gut the program. Armenia and Ukraine are important partners in the region. Millions of Americans trace their roots to these countries—nations which deserve our support as they struggle down the perilous road of economic and political reforms. For the benefit of some of my colleagues who may not know about this constituency, let me offer a few statistics drawn up by the census bureau. Central and Eastern Europeans constitute: 18 percent of Pennsylvanians; 17 percent of New Jersey; 12 percent of Ohio; 18 percent of Connecticut; 15 percent of Illinois; 11 percent of Massachusetts; and nearly 2 million Californians.

Which one of us wants to apologize to our children for a nuclear catastrophe because we failed to help Ukraine safeguard its aging Chernobyl reactors? Which one of us wants to answer to the American Armenian with a grandmother in Yerevan who has not had heat or light for months? Which one will shrug their shoulders at the market opportunities to a region of hundreds of millions of people?

And, let's not forget Russia. With over 5,000 organized criminal enterprises with tentacles reaching our shores and access to nuclear material, do we really want to terminate the FBI's joint training and investigation efforts?

Mr. President, the budget resolution decimates support for these new republics and that is why many of us have heard from local, State, and national organizations representing Americans of European descent who support increasing the level of the 150 account to guarantee adequate funding for foreign aid programs. The Central and Eastern European Coalition which includes the Armenian Assembly, the Estonian World Council, the Lithuanian American Community, the Polish American Congress, the Ukrainian Congress Committee, the Ukrainian National Association, the Joint Baltic American National Committee, the U.S. Baltic Foundation, the Hungarian American Coalition, the Czecho-Slovak Council of America, the National Federation of Hungarian Americans, and several other groups all support this amendment.

I have only highlighted some of my specific concerns about the assumptions included in the budget resolution. I did not mention the fact that it assumes a cutoff of assistance to Greece and Turkey. I did not detail the devastating impact it will have on development assistance, peacekeeping, and the National Endowment for Democracy. I did not review country by country the consequence of terminating international lending to the world's poorest countries. I have only highlighted my concerns—concerns shared by many of our constituents. I hoped that this discussion would help all of us understand that this is not a debate about giving away tax dollars to foreigners or pouring our money down rat holes.

Our constituents recognize, as I do, that the budget resolution before the Senate will leave this President, the next President, our Nation and citizens with virtually no options except military intervention. In the last decade foreign aid has already suffered a 40-percent reduction. The reductions in the budget resolution, to an account that already represents only 1 percent of our spending, amounts to eliminating foreign aid.

I think that is a mistake which jeopardizes our interests. Eliminating foreign aid does not eliminate crises and needs. Eliminating foreign aid will not constrain a President from addressing these reqirements—from carrying out his policies, from serving our national interests.

Eliminating foreign aid will simply transfer the burden directly to the Pentagon. The costs DOD assumed for taking care of Cuban and Haitian refugees at Guantanamo will become routine, not rare. We can support private voluntary organizations carrying out feeding missions in Rwanda or we can deploy our National Guard. We can help train the military in Mexico to interdict narcotics, or we can drain the Pentagon's accounts to patrol our borders intercepting drug flights. We can fund the FBI's work with their Russian counterpart's to combat criminal organizations engaged in smuggling chemical, biological, and nuclear material, or the Pentagon can pay a price to manage the threat.

Crisis prevention costs less than crisis.

Much has been made by the administration of the isolationist symptoms twitching in this body. And there certainly are Members, Senators who I have a deep respect for who believe the United States should withdraw from the world stage.

But, I do not believe we have that option any more. The world is no longer conveniently divided into cold war camps. Our friends and allies, the emerging democracies, all turn to the sole remaining superpower for leadership and support. A time when the international landscape is troubled and confused is precisely the wrong time to withdraw. It is precisely the wrong time to create a vacuum for the Saddam Husseins and other ambitious tyrants to fill. We can pay a small price now to secure American interests or we will surely pay an enormous cost later.

Mr. President, Senator SARBANES and I had intended to offer an amendment to increase the level of the function 150 account. We were supported in this effort by Senators HATFIELD, LEAHY, and other members of the Foreign Operations Subcommittee and Foreign Relations Committee who were concerned about the budget resolution's impact.

We had worked hard to achieve a bipartisan base of support for an amendment to raise the level of resources for function 150. Unfortunately, these efforts were undercut by comments made by Secretary Christopher before the Subcommittee on Foreign Operations. The Secretary made clear he was concerned about the level of resources the Congress might make available. Nonetheless, when I asked him, as I had asked the Administrator for A.I.D. and other members of the Clinton administration, to work to secure congressional support to increase the account, he declined. He made it absolutely clear to all of us that the administration intended to sit on the sidelines as the resolution was debated.

I believe this reluctance directly affected our support for an amendment.

many Members I spoke with commented that if it isn't important enough to the President and the State Department to work to improve the resolution, why should I go out on a limb to increase foreign aid?

Ironically, just yesterday the President decided to lash out and threaten to veto the House bill which authorizes priorities and policies related to foreign assistance spending. The President is a day late and is attacking a bill that the budget process leaves billions of dollars short.

He refused to weigh in at the time that the crucial battle was being fought—the administration simply did not show up to participate in a bipartisan effort to secure adequate funds to administer our Nation's foreign affairs.

On other occasions in the course of our history similar mistakes have been made. By the time Gen. J.E.B. Stuart showed up at Gettysburg, General Lee had not only lost the battle, but ultimately the war. Stuart had wandered Pennsylvania aimlessly, leaving his commander blind to the strength and the position of Union troops.

This week, we saw aimless wandering not in the hills of Pennsylvania, but down the Avenue. Many of my colleagues understood the importance of the budget battle—understood it has significant implications for our long-term national interests. But the critical support for an effort to save the 150 account failed to arrive in time.

TRANSPORTATION CUTS

Mr. EXON. Mr. President the Senate proposal before us reduces transportation spending significantly more than the House. The difference between the Senate and the House is primarily attributable to unrealistic savings associated with privatizing certain air traffic control functions of the FAA. Beginning in 1997, the Senate assumes that this proposal will achieve savings of $3.675 billion a year.

The feasibility of the Senate Republican's air traffic control privatization proposal is highly suspect because it asks users to pay twice. Not only will users continue to pay the Federal Government, via the ticket tax, but users will have to pay an additional tax to the new private entity.

While the Republican plan may help reduce the deficit, it is clearly not fair. Asking users to continue to pay the ticket tax to help reduce the deficit and then asking them to pay an additional tax to pay for an air traffic control service they already receive is asking too much and has little chance of succeeding.

Given the fact that the Senate Republican's FAA proposal is totally unrealistic, the Department of transportation would then be forced to virtually eliminate new highway, Transit, and Airport Improvement Grant funding in fiscal year 1997 to even get close to achieving its Senate fiscal year 1997 budget

In addition, deep cuts of 20 percent or more in Coast Guard and FAA operations would be required to actually make the cuts proposed in Senate budget for fiscal year 1997.

We should not jeopardize the safety and viability of the Nation's transportation system with unrealistic budget assumptions. Let's have a more realistic budget for transportation, a budget that won't put vital transportation functions at risk.

PRIVATIZATION OF AIR TRAFFIC CONTROL

Mr. HOLLINGS. Mr. President, for 50 hours, we have debated the real impacts of the Republican budget proposal. I have talked at length about the Republican budget, and I won't restate my objections here. I do, however, want to point out the folly of one part of this plan.

All too often around here, someone hears an idea and runs with it. Buried in this budget is an assumption that the air traffic control services now provided by the Federal Aviation Administration will be privatized. The savings, through the year 2000, are projected to be $14.7 billion. The assumption raises many serious concerns, not the least of which are the potential impacts on safety, the traveling public, the airline industry, and travel and tourism.

Travel and tourism is the largest service export of the United States, producing a $22 billion export surplus. The industry employs six million Americans, and generates a $99.2 billion payroll. Travel and tourism is dependent on a U.S. aviation industry that over the last 5 years has lost $13 billion. We have seen carriers like Eastern Airlines and Pan American Airways, which paved the way for international aviation in the world, shut their doors. In reviewing the Domenici budget, and in particular the assumption to privatize air traffic control, it is important to bear in mind the tourism industry's importance to our economy and the airlines' current financial morass.

No matter what, we know that air traffic control services and the other FAA safety programs must continue. Someone will have to pay for those services. Right now, the users pay money into an airport and airway trust fund. It is a dedicated fund. The users pay approximately $6 billion per year into the trust fund.

Under the Domenici assumption, Federal spending for the FAA would be cut by a total of $14.7 billion, or $3.7 billion per year. We can cut the Federal Government's outlays for the FAA, but the need for the services does not end. This is not one of those unneeded services or programs that ceases as soon as Federal funding stops. Air traffic control services will need to be provided and paid for no matter what happens under the Budget resolution. Yet, Senate Concurrent Resolution 13 asks the users to continue to pay $6 billion to the Federal Government, but then calls for air traffic control services to be privatized. As a result, the Federal Government will not use the trust fund for those services, and the users must pay again for them. Essentially, the users will get double billed. We could solve the deficit very quickly if we charged every industry twice for the service provided by the Government, or simply continued to charge them for services that the Federal Government would no longer provide.

Over the last year, there has been a prolonged battle over the future of the FAA. The administration came up with a proposal to split up the FAA into a successor FAA and a Government corporation for air traffic control, which I and many others oppose. The plan was never proposed as a way to save money, but rather as a way to modernize the system and to maintain the current safety standards of the system. The Secretary of Transportation did not state that he expected huge savings from the breakup; instead he expected a more effective organization. The commercial aviation industry, initially thought to favor the air traffic control corporation, ultimately concluded that it could not endorse the Secretary's program. The general aviation sector also said no. So has Congress.

Now we get an assumption to privatize a key element of the FAA in this budget plan. What are we talking about? There are many privatization options that I can think of, but all of them would wreak havoc with the world's safest air transportation system. For example, do we really want to create a Postal Service for the air traffic control system? I get mad when letters are misplaced, but to think of misplacing aircraft is something else.

Should we consider contracting out these services to a private group? Do you really want your air traffic control system being run by the lowest bidder? In the alternative, we could auction off the system to the highest bidder, gaining lots of revenue for the Federal Government. Stop and think about those two possibilities. Consider the winner of the auction—the winning bidder would need to recoup its investment, operate and modernize the system, and earn a return on the investment. Doing a little shorthand math, let's say the air traffic control system is worth $15 billion, and using the Domenici assumption of $14.7 billion, it would cost another $15 billion to modernize and operate the system. The company also would want at least a 10 percent return on the investment. Congress would have created a winning formula for helping the aviation industry—a $30–$35 billion increase in costs. Remember, the industry lost $13 billion over the last 5 years. An industry further weakened could result in safety problems.

In addition, the winner of the auction would then be running a monopoly. Do we really want to have a complete laissez-faire attitude toward safety? Let's stop and think about this for a minute: a monopoly would need to be regulated—fees for air traffic control services would need oversight and safety functions would need monitoring. Are we really willing to tell the traveling public that the Government is no longer responsible for aviation safety? This proposal to privatize does not create efficiencies or facilitate competition for air traffic control services. It merely turns over to a private entity the function of providing those services. That corporation would have no incentives to make the system efficient—it would be a monopoly.

We could avoid the monopoly situation by creating competing air traffic control systems, so that New York could have its own system, Chicago another, and so on. Of course, small communities might have trouble paying for high quality air traffic control services. So they would either have to sacrifice safety by providing inferior services or close down their airports for lack of services. The free market can be counted on to eliminate inefficiencies, but our constituents can't be blamed for not applauding such results.

Let's begin by understanding that the air traffic control system is the heart of the safety network that the Government provides to people who fly. Admittedly, the system is not perfect, but most agree that it is by far the best in the world. Comparisons to other countries that have privatized air traffic control services are irrelevant and ridiculous. These countries—New Zealand, Switzerland, and Germany—combined probably have less air traffic than Atlanta. Our system is much more complex, much more integrated. Privatization of the air traffic control system is opposed by the vast majority of aviation industry experts.

The General Aviation Manufacturers Association [GAMA] recently wrote to me and reminded me that the Office of Technology Assessment in 1988 stated that "the ATC function is inextricably linked with aviation safety and is a central component of an integrated FAA safety system." The GAMA letter went on to say that the Aviation Safety Commission, appointed by President Reagan, "stressed that the Federal Government must continue to play the central role in ensuring safe operation of the U.S. aviation system." The GAMA letter included the following quotation from that Commission's report: "Since the Commission is not inclined to gamble in sorting out conflicting assertions about whether safety regulatory functions can be separated organizationally from air traffic control and facilities operations activities, the Commission cannot endorse the proposition that the air traffic control function should be privatized." The Senate Budget Committee's assumptions take that gamble.

We do not want to put the safety of the national air transportation system at risk. Ask the controllers who toil throughout the country if they want to privatize. Those folks work hard to make sure that all of us get home safely. They oppose privatization and seek meaningful reform.

I look forward to working with my colleagues on meaningful reform—not privatization or corporatization of air traffic control services. The process should proceed with caution before we assume in this or any budget that we should destroy the safest air traffic control system in the world.

FOOD AND NUTRITION PROGRAMS FOR CHILDREN

Mr. WELLSTONE. Mr. President, on March 29 of this year, the Senate unanimously adopted a resolution I offered opposing any measure that would increase the number of hungry or homeless children. Now, less than 2 months later, here we are considering a budget resolution that would drastically cut funding for important nutrition programs, including the Food Stamp Program and the Child and Adult Care Food Program. The cut would be $20 billion over 5 years in these programs.

This budget represents a massive setback in fighting hunger in this country. We do know the following about who is hungry in this country:

In 1991, FRAC's Community Childhood Hunger Identification Project estimated that there are 5.5 million children under 12 years of age who are hungry in the United States.

The group Second Harvest estimated that in 1993, the emergency food programs served 10,798,375 children.

The U.S. Council on Mayor's Status Report on Hunger and Homelessness in America's Cities: 1994 found that 64 percent of the persons receiving food assistance were from families with children.

A Tufts University Center on Hunger, Poverty and Nutrition Policy Study estimated that 12 million children were hungry in the United States in 1991.

A Carnegie Foundation study found that 68 percent of public school teachers in 1987 reported that undernourished children/youths are a problem in school.

There is a serious problem with hunger in this country—particularly for children. Our reaction should be outrage, but instead we are responding by cutting the most important nutritional program this country has. These two programs are critical supports to children's nutrition.

The Child and Adult Care Food Program [CACFP] is designed to ensure that children up to age 12 enrolled in child care centers, family care centers, before-and-after school programs, as well as Head Start centers receive nutritious meals. In 1994 the program cost about $1.3 billion and served slightly more than two million children. The budget proposal will cut at least $1.9 billion over 5 years and $3.21 billion over 7 years. This is the only program that is easily accessible to family day care centers, the majority of day care providers in this country. The CACFP is the single biggest incentive for family day care providers to become licensed or registered.

The chairman's assumption is that the savings will come from targeting lower income children through census tract eligibility. I worry how such a strategy will work in Minnesota, where rural districts can be rich or poor depending upon a very small number of people. The alternative that these homes will have is to means test each family monthly, an appalling paperwork morass for such small operations. We are afraid these homes may go back underground by leaving the program.

An even larger concern is the impact of this budget resolution on the Food Stamps Program. Food Stamps is the program that feeds the hungry in this country.

Who are the people on Food Stamps? Well, we know that over half of Food Stamp recipients are children. Some 13 million children received benefits in 1992. Families with children received 81.9 percent of food stamp benefits. Elderly and disabled households received 12.9 percent of food stamp benefits. The program targets the population in need very well with 56 percent of food stamps benefits going to households with gross incomes below half of the poverty line and 76 percent are at or below the poverty level. So you see, most of the people we will be cutting off or restricting benefits to will be the most vulnerable, the poorest in our society. And yet again we are making poor children pay. Over half of these benefits go to poor children, but that is the program we pick to slash.

The Food Stamp Program works. A recent overview of the literature indicated there is considerable evidence that the Food Stamp Program is an important factor in helping low-income households have better nutrition intakes. Participants have a higher level of recommended dietary allowances than do eligible nonparticipants. Under-nutrition has serious health consequences and is associated with an array of medical problems including longer healing of wounds and injuries, susceptibility to disease and extended recovery time when contracted. In children, under-nutrition is associated with cognitive deficits and impaired development.

This is a temporary program for the majority of recipients. Half of all food stamp recipients leave the program within 6 months and two-thirds leave within 1 year. This is not a dependency-producing subsidy, a point of great concern to many.

Yet the program does this with very little money. In 1994, the program provided an average benefit of $69 per person per month, or 76 cents per person per meal. The maximum benefit—received by less than 23 percent of households—is $368 for a family of four or $1.06 per person per meal. All food assistance programs represent only 2.4 percent of Federal outlays and this percentage is expected to decline slightly in the future as a share of total spending.

This is not to say that the Food Stamps Program does not have its problems. There is evidence of fraud and waste, yet one estimate is that the amount of money saved by fraud will only make up 0.1 percent of the savings the House welfare reform bill intends to gain by cutting the food program. I certainly agree with those who would like to reduce fraud through reasonable means. Those who waste these benefits or who fraudulently use them are wasting taxpayers' money. I am afraid that the desire to cut this program is too strongly influenced by a run-away desire to correct this wrong-doing, with little examination of the consequences to those in need.

People will go without because of the reductions proposed in this resolution, and we need to recognize that. These cuts are massive, and will dramatically reduce the money available to feed hungry people. Given the very real possibility that this body will pass a welfare reform bill which ends the AFDC entitlement, food stamps will be the only program with entitlement status that will cushion our poor families against recessions. We are shortsighted in taking food from those who need it to pay for tax cut primarily for wealthy people and corporations.

I urge my colleagues to oppose these unwise reductions, and to support amendments to restore critically needed food assistance to children and others who rely on these programs.

Mr. DOLE. Mr. President, I yield to Senator GRAMS.

Mr. GRAMS. Thank you, Mr. President. I appreciate the time and effort the majority leader has put into this bill.

Mr. President, during my campaign for the Senate, I promised the people of Minnesota I will do everything that I can do to get government off their backs and out of their back pockets. I told them my fight for them was to turn legislation like my families first plan, and its $500 per child tax credit and economic growth incentives, into law. I believe that this tax credit should be available starting next year for all children under age 18. Today, I am pleased that the U.S. Senate has taken the first step to provide families with the tax relief they want and deserve. The budget resolution reported out of the Budget Committee included a substantial fiscal dividend which may have been used for family tax relief. The Grams-Abraham amendment guarantees that the dividend will be used for family tax relief. Mr. Leader, I would like you to clarify the phrase "tax relief."

Mr. DOLE. I thank the Senator for his inquiry. While the phrase "family tax relief" is not specific, my interpretation is that the phrase could include a $500 per child family tax credit. It is of course up to the Finance Committee to determine exactly how the fiscal dividend will be given back to Americans in the form of tax cuts. But I can assure you that as a senior member of the Finance Committee and its former chairman, and a majority leader, when the Finance Committee determines how to provide specific tax cuts, I will be there fighting for tax credits for children, such as that provided by the $500 per child credit. We should provide tax credits for families that adopt children, expanded IRA's for homemakers, estate tax relief for family businesses, and other benefits targeted to the family.

The amendment also calls for the fiscal dividend to be used for tax incentives for savings and investment, job creation and economic growth. I would work to ensure that, as a result of the Grams-Abraham amendment, we cut the capital gains tax to stimulate economic growth and create jobs.

Mr. GRAMS. Also, on behalf of Senator HUTCHISON, I would like to ask if spousal IRA's would be included in the definition of "family tax relief"?

Mr. DOLE. Mr. President, I would say while the specifics of family tax relief and incentives to increase savings and investment will be determined by the Finance Committee, expanded spousal IRA's would certainly be considered in the context of providing family tax relief.

Mr. ABRAHAM. Would the majority leader yield for another question?

Mr. DOLE. Certainly.

Mr. ABRAHAM. Like the Senator from Minnesota, I also campaigned on a platform that emphasized tax relief for all Americans including the $500 per child family tax credit, and savings and investment incentives such as estate tax reform for family-owned businesses. The fiscal dividend included in the budget resolution will provide approximately $79 billion in tax relief over the next 5 years. Now, our amendment directs the Committee on Finance to use this dividend for family tax relief and incentives to stimulate savings, investment, job creation, and economic growth. By including these directions, I believe we have substantially improved the Senate's position when entering into negotiations with the House over tax cuts. Is it the majority leader's intention to work for additional tax cuts in the budget resolution conference to ensure that the largest possible family and pro-growth cuts are enacted this year?

Mr. DOLE. I thank the Senator for the question. Let me indicate as I have before, I have always said that balancing the budget is my first priority. But we can balance the budget and cut taxes too. The Senate budget resolution will ensure that we do both. Any fiscal dividend that results from enacting balanced budget legislation will be returned to the American people in the form of reduced taxes. There are significant differences between the House and Senate budget resolutions, and I will encourage the Senate conferees to increase the deficit reduction achieved in this budget to the maximum extent possible. If we achieve even more savings, then I will fight to ensure that further tax cuts are provided to the American people.

Let me just say to both my colleagues from Minnesota and Michigan that I appreciate their willingness throughout the last several days to try to come to some agreement that would provide the relief that they were seeking. This does not quite reach everything they wanted, but I commend them for their efforts.

I think this is a very significant amendment that was adopted today on the floor, with bipartisan support, I might add. And it was due to the efforts of the Senator from Minnesota [Mr. GRAMS], and the Senator from Michigan [Mr. ABRAHAM].

If I can say one word that would follow the statement of the Senator from Delaware on the antiterrorism bill, I thank Senator HATCH and Senator BIDEN for their willingness to try to pass this bill. I urge my colleagues, particularly on this side of the aisle, to help us enter into some time agreements to make it possible. It might be—and it may not happen—that we can reach a time agreement on a number of amendments and not be in very long tomorrow. We will have a couple of votes, and we will take it up the day we are back. I promised we would take up telecommunications on that day. Without an agreement, I do not have any idea how long it will take if we bring up or continue on this bill when we come back on June 5.

I will be working with Senators DASCHLE and BIDEN and HATCH. We promised the President we would bring this up before the Memorial Day recess, and we have done that now. We have not completed action, but we have had a little debate. Had we been able to start on this last night, we may have been able to finish it tonight or tomorrow. It may not be possible to do that now. I know colleagues have other commitments starting early afternoon tomorrow, and some have them in the morning. I hope that on both sides we can have the cooperation of our colleagues working with the chairman of the committee, Senator HATCH, and the ranking Democratic member, Senator BIDEN.

Mr. BIDEN. While the majority leader is still on the floor, I can say for the minority that I am confident we can agree on time agreements on all of the amendments I am aware of thus far. We are continuing to hotline this to see if there are any amendments other than the ones that I am aware of.

I doubt whether we can get an agreement on a final passage time. But I would suggest that if we can get narrowed down time agreements tomorrow on each of the amendments, we should do all we can to lock it in. I thank the leader for honoring his commitment to bring this up. It was a bit beyond his control, having 50 some votes in the last 2 days. To the best of my knowledge, the House has not acted on this at all. Even if we passed a bill tonight, we are not in a position to be able to send it to the President or even go to conference. I do not think there is any damage done by not doing that.

Mr. SPECTER addressed the Chair.

The PRESIDING OFFICER. The Senator from Pennsylvania is recognized.

Mr. SPECTER. I thank the Chair.

IMPACT STATEMENTS ON FUNDING FOR THE NIH

Mr. SPECTER. Mr. President, on May 18 of this year, the Appropriations Subcommittee on Health, Human Services, Education and Labor held a hearing on the funding for the National Institutes of Health, and at that time a request was made by the representatives of the various units of the NIH to submit impact statements as to what the budget reductions would do. A good bit of this information was used by me in my statement on an amendment offered by Senator HATFIELD.

I ask unanimous consent that the RECORD contain these impact statements.

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

A GUIDE TO THE IMPACT STATEMENTS ABOUT NIH BUDGET REDUCTIONS

The National Institutes of Health (NIH) has identified 15 specific areas of research that would be severely affected by the cuts recommended by the Senate Budget Committee. These are only a representative sampling of the many research activities that would be significantly slowed, halted, or never started due to the proposed reductions. The effects are likely to be especially dramatic and long-lasting for several reasons:

NIH now funds less than one in four grant applications, so that any reduction in support would affect only those investigators already judged by expert peer reviewers to be among the best in the nation.

It is in the nature of medical research to find that the most important discoveries are made in unexpected places. If funding is reduced to what are deemed bare essentials, much of the best research may be eliminated because it is not obviously connected to immediate medical goals.

Over 80 percent of the NIH budget supports research at many colleges, universities, medical schools, and institutes in every state in the country. These awards are essential not only for generating new knowledge; they also improve the quality of medical care and training, help to recruit new biomedical scientists, and strengthen educational programs. A major reduction in funding will undermine these important aspects of American life; the effect will be felt for many years. Bright, young people, recognizing that the future for biomedical research has dimmed, would pursue other career options.

The research that NIH supports in the areas discussed in our samples is different from the kind of work conducted at biotechnology and pharmaceutical firms, where a commercial product is the central goal. Without the basic knowledge generated by NIH-sponsored investigators, our international leadership in the industrial sector will be threatened.

IMPACT STATEMENTS FROM THE NATIONAL INSTITUTES OF HEALTH

Alcoholism.
Alzheimer's Disease.
Anti-Cocaine Agent.
Blinding Diseases.
Breast Cancer.
Cancer Vaccines.
Conquering Genetic Diseases (mapping the human genome).
New and Re-emerging Infectious Diseases.
The Obesity Gene.
Otitis Media (a serious childhood infection).
Parkinson's Disease.
Prostate Cancer.
Sexually Transmitted Diseases.
Sickle Cell Disease.
Stem Cell Research.
Stroke.
Vaccines to Prevent Stomach Ulcers and Stomach Cancer.

IMPACT OF NIH BUDGET CUTS ON PEOPLE'S HEALTH

Alcoholism: Naltrexone, the first medication approved for treating alcoholism in forty years, is a major step forward.

The Promise: Researchers supported by the National Institutes of Health (NIH) have shown that naltrexone, an opiate-blocker used for treating heroin addiction, is an effective treatment for alcohol addiction. The combination of naltrexone and skilled counseling resulted in alcohol-dependent people staying sober twice as long as placebo-treated patients. Even if naltrexone-treated alcoholics drank, they rarely "binged."

The Next Steps: Naltrexone is the first medication approved for the treatment of alcoholism in forty years. However, that approval is only for three months of use in any patient. Further research is needed to make this treatment more effective and to exploit what insights it may provide into underlying biological and behavioral mechanisms. NIH is currently studying naltrexone's longer-term use, side effects, and most importantly, how naltrexone—an opiate blocker—reduces alcohol craving.

Improved technologies are also aiding in the study of alcohol addiction. New brain imaging systems can actually show what alcohol craving looks like, including blood flow changes. Computer-aided design of new drugs to treat alcoholism has begun, using recently discovered information on how alcohol affects the surface of nerve cells. And investigators are narrowing in on the genes which account for inherited vulnerability to alcoholism.

Effects of a Budget Cut: The clinical trials of the longer-term use of naltrexone would have to be curtailed or not initiated. Other promising leads in alcoholism research would either have to be delayed or dropped.

Alcohol kills over 100,000 Americans every year. Some 20 to 40 percent of adult hospital beds in large urban hospitals are occupied by people being treated for alcohol-caused organ damage. Alcoholism and alcohol abuse costs the Nation about $100 billion every year in medical costs, social costs, and loss of productivity. Slowing advances in the treatment of alcoholism could cost tens of billions of dollars.

Comment: Alcohol addiction is the number one drug problem in the United States. New treatments to help alcohol-dependent people stay sober are showing positive results, and the biological roots of alcoholism are being uncovered.

Alzheimer's Disease: Delaying or preventing the onset of symptoms and loss of mental capacity.

The Promise: Just in the last year, scientists working with support from the National Institutes of Health (NIH) have: discovered a gene that is a major risk factor for Alzheimer's disease and found ways to detect early changes in the brain (by combining brain imaging and genetic analysis) before obvious symptoms of Alzheimer's develop

The Next Steps: Now scientists are ready to conduct critical studies to find the direct role played by genes in Alzheimer's disease so that they can find ways to prevent the disease or at least delay the loss of mental capacity that devastates the patients and their families.

Effects of a Budget Cut: NIH's ability to continue these studies on Alzheimer's disease depends on maintaining a network of scientists, patients, and research institutions. A budget cut would cripple this network, delaying the translation of research advances to the next step—effective treatments.

Today, there is no effective treatment for Alzheimer's disease, which affects 4 million Americans. If no treatment is developed, by the year 2050, there will be over 14 million people affected by some form of dementia requiring care and institutionalization.

Comment: No family is immune from Alzheimer's disease—that became clear earlier this year when former President Reagan chose to reveal his diagnosis.

Total national cost to care for patients with Alzheimer's disease is about $100 billion annually. If we don't find ways to delay, prevent or treat the disease, our health care system will be overwhelmed early in the 21st Century. The total NIH budget—for all diseases—is a small fraction of those health care costs and a small price to pay for the hope that Alzheimer's disease can be conquered.

Anti-cocaine Agent: To help combat the escalating epidemic of cocaine use, including "crack" cocaine.

The Promise: Because of breakthroughs in brain and immunology research in the last five years, scientists supported by the National Institutes of Health (NIH) are on the threshold of providing an effective anti-cocaine medication or "cocaine blocker".

In the last two years, scientists have: identified the major sites (receptors) where cocaine works on the brain; discovered how cocaine works on the brain; and uncovered 4 biological targets at which to aim medication development, with more than 12 compounds in the pipeline

The Next Steps: Medical scientists are now ready to study more closely the new, candidate compounds and select the most promising for tests in patients.

Effects of a Budget Cut: A reduction in the budget would freeze this program in its infancy, shut down the pipeline of new candidate medications, and preclude testing in patients of even the most promising drugs. It would delay by at least 5 years the development of an effective anti-cocaine agent.

Currently there is no way to treat cocaine overdose and there are no medications available to treat cocaine addiction. Large numbers of people die of overdose, and the Nation pays dearly for the violence, family disruption, and health care costs that result from growing cocaine use.

Comment: The single most important need in this Nation's battle against drug abuse and addiction is an effective anti-cocaine medication. Today we have none. Research is desperately needed to develop a useful drug to help us control the cocaine epidemic.

Blindness: Finding ways to treat eye diseases causing blindness.

The Promise: Scientists have recently identified a gene related to glaucoma in young people. This discovery provides great opportunities for early diagnosis and treatment of a disease that is the second leading cause of blindness in this country.

Other scientists have developed micro-surgical techniques in animals to "rescue" degenerated macular cells—cells in the part of the eye that allows the clearest, sharpest vision. If this surgical "rescue" proves successful in humans, it would be a major breakthrough in treating macular degeneration, the leading cause of blindness of people over age 60.

The Next Steps: Scientists supported by the National Institutes of Health (NIH) are now ready to capitalize on the genetic discovery relating to glaucoma in young people by developing ways to identify at-risk patients early so that effective treatment can be begun.

Other scientists supported by the NIH are set to apply microsurgical techniques for macular cell "rescue" in humans. Advances are desperately needed in macular degeneration, a disease for which, in most cases, no treatment currently exists.

Effects of a Budget Cut: Budget reductions would slow scientists' ability to move these two promising early findings into larger scale studies involving humans.

Comment: Blindness from glaucoma is estimated to cost the U.S. more than $1.5 billion annually in Social Security benefits, lost tax revenues, and health care expenditures. Macular degeneration, which affects one of ten Americans over age 60, will become an increasingly important national health problem as the U.S. population ages. We need to continue this potentially sight-saving research.

Breast Cancer: Gene discoveries promise clinical advances.

The Promise: Scientists are on the verge of major clinical advances in breast cancer, thanks to long-awaited gene discoveries made in the last year. BRCA1, a breast cancer susceptibility gene, has been isolated and characterized, and scientists are closing in on other breast cancer genes, including BRCA2. Such breast cancer genes—when inherited in a mutated form—can cause breast cancers that strike early and afflict many women in the same family through generations.

These gene discoveries will permit the development of diagnostic tests to identify women who are at risk and will speed research to develop effective methods of prevention, early detection, and treatment.

The Next Steps: Scientists are eager to take the next steps:

Determine the role BRCA1 and BRCA2 genes play in converting a normal breast cell into a cancer cell;

Develop cost-effective, accurate diagnostic tests to identify those women at risk in order to intervene early;

Establish genetic counseling services to help women who believe—from family history—they are at risk make informed decisions and cope with the emotional trauma; and

Continue research to fully understand all the mutations involved in breast cancer including those involved in the spread of the disease (metastasis) in order to improve our ability to prevent, diagnose, and treat this disease.

Effects of a Budget Cut: A budget cut would slow or even curtail the enormous promise of these gene discoveries at the very time women are anticipating the real possibility of changing the previously depressing outcomes of breast cancer.

Comment: 182,000 women will be diagnosed as having breast cancer in 1995 and 46,000 women will die of breast cancer. Five to ten percent of these woman will be classified as genetically prone to early onset familial breast cancer through BRCA1 and related genes. A diagnosis of breast cancer is most dreaded by American women. The widespread publicity attendant on the discovery of these breast cancer genes has led to optimism that this disease may be prevented or cured. The women's health movement would be devastated if this research is curtailed.

Cancer Vaccines: Strengthening the body's own natural defense against diseases that have already developed.

The Promise: Just a month ago, medical scientists working with the National Institutes of Health (NIH) reported that they had reversed the course of disease in a 43-year-old woman dying of multiple myeloma, a type of blood cancer that is nearly always fatal. They accomplished this by immunizing a healthy bone marrow donor against the cancer and then transferring the immunity to the sick woman through a bone marrow transplant. Two years later, she is free of detectable cancer.

Long-term follow-up of cancer patients receiving immunotherapy shows that this approach can bring dramatic response in melanoma and kidney cancer. In addition, last year, scientists identified a gene for one of the principal proteins that elicits natural immunity against melanoma. Potentially, this gene or its corresponding protein, could be used to produce a melanoma vaccine.

The Next Steps: In the next few years, this and other "vaccine" approaches to curing cancer need to be tested. Eight different vaccines for breast cancer and 13 for skin cancer (melanoma) are in early stages of testing in patients. If these efforts offer promise, they could someday be applied to other cancers such as prostate, colon, and lung cancer.

Effects of a Budget Cut: A budget cut would curtail or slow the testing of the 21 cancer "vaccines" already being used in patients. The entire "vaccine" approach to cancer treatment would be held back—an approach that offers hope for the thousands of cancer patients who die every year despite treatment with surgery, radiation and chemotherapy.

Comment: The American public desperately needs new ways to treat cancer. Today many people are cured of cancer through surgery, radiation, and the drugs—thanks to research supported for many years by the NIH—but 550,000 die of cancer each year and are counting on these vital research advances.

Conquering Genetic Diseases: Jump-started by mapping the human genome.

The Promise: Creating detailed maps of the human genome and understanding the makeup of the estimated 100,000 human genes will certainly speed the discovery of the approximately 5,000 genes that cause human disease.

Discovery of diseased genes will dramatically improve our ability to develop tests for individuals who are at risk for the diseases, and enhance early treatment.

Scientists supported by the National Institutes of Health (NIH) have already:

A full year ahead of schedule, created a detailed genetic map of the human genome (this provides landmarks along the chromosomes, a powerful tool aiding scientists in search of disease genes);

Nearly completed a physical map of the human genome (this provides even more information for the gene-hunters); and

Discovered 42 disease genes, including those for early onset breast cancer, hereditary colon cancer, polycystic kidney disease, and Huntington's disease.

The Next Steps: Mapping alone will greatly increase the number of disease genes isolated. In addition, scientists are now ready to begin "sequencing"—analyzing the chemical makeup of the genes—a year ahead of schedule. The entire sequencing project is expected to be completed by 2005 and tremendously speed the discovery of disease genes and new avenues for diagnosis, prevention and treatment.

Effects of a Budget Cut: A reduction in resources will mean that large-scale gene "sequencing" will not be started and the project will not be completed by 2005, because funds are needed to improve sequencing technology.

Scientists are on the brink of finding genes for prostate cancer, diabetes, familial Alzheimer's, obesity, schizophrenia and manic depression. A cut in funding will delay these discoveries.

Comment: If the U.S. fails to follow through, Japan, Britain and Germany are poised to finish the project themselves and they will be first to reap the health and economic benefits. The hopes of many patients and families will be dashed.

New and Re-Emerging Infectious Diseases: Changes in microbes and our environment, overuse of antibiotics, and increasing global travel present new challenges.

The Promise: One of the triumphs of the twentieth century is the conquest and control of many infectious diseases. This conquest was a result of research on vaccines, antibiotics, and the basic properties of microbes (much of it conducted by the National Institutes of Health). But in the past 15 years, new and re-emerging microbes and antibiotic-resistant organisms have eroded that victory.

The National Institutes of Health (NIH) is establishing a "New and Re-emerging Infectious Disease Initiative." This initiative addresses the threat of new microbes (such as Ebola virus and HIV), re-emerging infectious diseases (such as cholera and hantavirus), and drug-resistant strains of previously treatable infections (such as tuberculosis and streptococcus). The focal point of this initiative will be the development of vaccines, the most cost-effective and dependable method to combat new and re-emerging infectious diseases, particularly in light of increasing resistance to virtually all of the currently available antibiotics.

The NIH is uniquely positioned to launch this initiative because of its many infectious disease research collaborations with the

World Health Organization, the Centers for Disease Control, the Agency for International Development and many individual nations. All of these collaborations assist in the attempt to identify and to control outbreaks of emerging and re-emerging microbes.

Additionally the NIH has established:

Seven U.S. university-based programs working in countries where tropical diseases are common;

Three tropical medicine research centers located in Colombia, Brazil and the Philippines;

Four tropical disease research units at U.S. academic medical centers;

An intramural Center for International Disease Research which is focused on parasitic diseases; and

Eight Regional Primate Research Centers across the U.S. Non-human primates are the natural reservoirs of many emerging diseases. These primate centers facilitate the rapid identification, study, and containment of these threats to our Nation's health.

Effects of a Budget Cut: A budget cut would curtail or significantly slow all of these efforts, both the launching of the "New and Re-emerging Infectious Diseases Initiative" and the continuation of NIH's network of national and international tropical, parasitic and primate research centers. International collaborations are especially vulnerable to budget cuts, but the ongoing crisis concerning the Ebola virus demonstrates the obvious need for sustained, stable funding.

The seriousness of this challenge cannot be overstated. Events of the past year have demonstrated our increasing vulnerability to infectious diseases that may rapidly assume epidemic proportions. Many new and re-emerging microbes threaten our Nation's health. Vaccine development, continued international collaboration, and rapid identification of new strains are our best hope for the future.

Comment: The "antibiotic holiday" is over. We need a sustained strategic approach to new and re-emerging infectious diseases.

The Obesity Gene: Revolutionary advance providing hope for reducing obesity and its complications.

The Promise: Last year, scientists supported by the National Institutes of Health (NIH) discovered a gene in mice related to a protein that regulates body weight. A very similar "obesity gene" was also found in humans.

This finding has great potential for developing a totally new kind of agent for regulating body weight in humans. Over 50 million Americans are obese, and the number of obese adults has increased by one third in just one decade. An effective new obesity treatment could also combat the serious complications of obesity—heart disease, diabetes, stroke and cancer.

The current economic costs of the obesity epidemic are estimated at almost $70 billion annually, to which can be added an estimated $33 billion spent each year on weight reduction products and services, for a total of $100 billion annually. Thus, the potential economic impact of the obesity gene discovery is tremendous.

The Next Steps: To capitalize on this important discovery, scientists supported by NIH now need to:

Study the protein made by the obesity gene to understand how the gene acts on the body and prepare an experimental form of the protein to learn its biological activity;

Conduct tests of the effects of the protein on obese and normal animals; and

Initiate clinical studies in humans to determine the potential of the gene product in obesity prevention or treatment.

Effects of a Budget Cut: Decreases in the budget would mean that NIH could fund fewer new research grants, thus slowing the basic, early research steps that scientists are eager to begin. Human studies would be put off into the future, awaiting the results of basic research.

Comment: The discovery of the obesity gene was met with great interest by the scientific community and the public. Research should push on to bring the public the benefits of this advance.

Otitis Media: A serious childhood infection in need of a better solution.

The Promise: Scientists funded by the National Institutes of Health (NIH) have recently been successful in developing a candidate vaccine to combat otitis media (oh-TIGHT-iss MEE-dee-ah), a bacterial or viral infection of the middle ear common in young children ages 3 months to 3 years.

Further development and testing of this candidate vaccine would offer hope that children might be spared the severe pain and sometimes serious side-effects of these middle ear infections. A useful vaccine could also significantly reduce the estimated health care costs of this disease—$1 billion annually.

The Next Steps: Having developed a promising candidate vaccine, scientists are now ready to progress into the testing phase, initially in animals and later in children, looking first at safety and in later stages for clinical effectiveness.

Effects of a Budget Cut: It is estimated that a reduction in the budget at this time would delay development of a clinically useful vaccine by three years.

Comment: Otitis media is the major reason cited for taking a young child to the emergency room or to a physician's office and is the most frequent reason that doctors prescribe antibiotics for children. The disease causes little children and their families great distress. Each year of delay in the development of a vaccine costs the country $1 billion in health care bills. Securing a vaccine to fight otitis media would reduce this toll on children, their families and the health care system.

Parkinson's Disease: New treatments for degenerating nerve cells.

The Promise: Parkinson's disease is caused by the degeneration of the cells that make dopamine, a chemical messenger in the brain. Lack of dopamine produces tremor, rigidity, gait abnormalities, and often changes in behavior. Replacement of the missing neurotransmitter, dopamine, with L-dopa has a limited effect and undesirable side effects.

Researchers supported by the National Institutes of Health (NIH) have discovered a drug, deprenyl, which delays the need for L-dopa therapy in Parkinson's disease patients, thereby significantly improving their quality of life. In addition, possible surgical intervention and other new treatment developments—including growth factors—are on the horizon.

The Next Steps: Scientists are ready to:

Develop new drugs with fewer side effects, building on deprenyl;

Evaluate surgery that restores brain functions impaired by the disease and surgical methods to implant dopamine-producing cells;

Assess whether a recently discovered growth factor can restore function by protecting dopamine-producing cells; and

Develop new methods, using biotechnology and genetic engineering, to deliver treatments to the targeted cells.

Effects of a Budget Cut: Budget cuts would slow the basic and applied research that has led to the first real progress against Parkinson's in forty years. Clinical trials of promising treatments would have to be delayed and the momentum created by the discovery of deprenyl would be lost.

A budget cut would diminish the hopes of the approximately 500,000 Americans—one percent of those over 50—who suffer from Parkinson's disease. The economic burden of Parkinson's disease, currently estimated at $6 billion per year, will only increase as the U.S. population ages.

Prostate Cancer: New discoveries may lead to clinical advances.

The Promise: Clinical advances in prostate cancer have been slow in coming, but recent new discoveries offer hope:

Some useful animal models of the disease have been found;

The drug finasteride (Proscar), which is useful in controlling a non-cancerous prostate condition that may be a precursor to prostate cancer, could offer a way to prevent the cancer;

Male sex hormones have been shown to exert a strong influence on the prostate, and new reports indicate that mutations occur in receptor genes for male sex hormones when prostate cancer worsens; and

Chemical markers—such as the prostate specific antigen (or PSA)—show promise for diagnosing prostate cancer.

The Next Steps: NIH-supported scientists have recently begun studies of:

The role of oncogenes (cancer-causing genes) and suppressor (cancer-blocking) genes in transforming a normal prostate cell into a malignant cancer cell that can be spread throughout the body;

The roles of the male hormone (androgen) and its receptor in the transition of prostate cancers from hormone sensitivity to hormone resistance;

Hormone treatment in combination with surgery in an attempt to develop better therapy;

The drug finasteride (Proscar) to prevent prostate cancer in human trials; and

Diagnosis of prostate cancer using a blood test to detect prostate specific antigen (PSA) in combination with ultrasound.

Effects of a Budget Cut: A budget cut would curtail or significantly slow all of these studies. This will, in turn, inhibit development of new and improved methods of prevention, early diagnosis and treatment for this very serious disease.

Comment: Prostate cancer, although it receives less attention than breast cancer, is a significant public health problem. New, promising leads should be followed so as to have an impact on this disease. This year 244,000 American men will be diagnosed with prostate cancer. Some 40,400 deaths will occur this year as a result of metastatic disease (the spread of cancer throughout the body) due to prostate cancer.

Sexually Transmitted Diseases: Topical microbicides for women could reduce the spread of HIV [the AIDS virus] and other sexually transmitted diseases.

The Promise: Scientists supported by the National Institutes of Health (NIH) are researching safe, effective "topical microbicides" which may be applied by women to block the transmission of sexually transmitted diseases (STDs). Currently several promising topical microbicides are being evaluated that kill the infectious microbes

that cause HIV and other STDs. The successful development of these products will enable women to take control of their own reproductive health and significantly reduce the incidence of STDS, including HIV.

The Next Steps: Evaluation of these promising topical agents requires clinical trials to prove that a proposed microbicide is both safe and effective. Development of better microbicide products based on the results of these trials, as well as further basic research in the laboratory is also a part of the overall research program.

Effects of a Budget Cut: A budget cut would significantly impair the ability of the NIH to move these products from the laboratory into clinical trials. This would result in a delay in making safe and effective topical microbicides available to women, and thereby diminish any impact on the current epidemic of STDs and HIV. The significant cost savings and the reduction in illness and death associated with STDs and HIV will be severely delayed and possibly lost entirely.

Comment: A sexually transmitted disease, including HIV, is acquired each year by an estimated 12 million Americans—a disproportionate number of whom are women. Adolescents and young adults under 25 account for 63 percent of these cases. STDs account for over $6 billion in health care costs alone. Up to forty percent of women with certain forms of STDs become infertile. STDs contribute excessively to illnesses, deaths, and health care costs among women as well as among newborns, who can be infected before or during birth.

Topical microbicides would greatly increase the empowerment of women in the prevention of all sexually transmitted diseases, including AIDS.

Sickle Cell Disease: The first effective treatment nearly ready for wide application

The Promise: People who suffer the painful, debilitating effects of sickle cell disease, an inherited blood disorder that primarily affects African-Americans, can now look forward to a better quality of life.

After many years of research investment, scientists supported by the National Institutes of Health (HIH) this year developed the first effective treatment for the disease.

A drug—hydroxyurea (hy-DROX-ee-urEE-ah)—relieves the pain and reduces by half the number of episodes or "crises" afflicting people with sickle cell disease.

The drug was also proven to reduce the number of blood transfusions and hospitalizations for sickle cell "crises", which are estimated to cost about $350 million annually.

The Next Steps: Having proven success in treating adults with sickle cell disease, medical scientists are now ready to test the drug in children. The challenge is to test whether the drug is as effective in children as in adults, and whether the drug harms growing children.

Additional clinical studies are needed to find the optimal dosage, consider long-term effects of the drug, and look at combination therapy to improve treatment further.

Effects of a Budget Cut: A reduction in funding would put a hold on the availability of this promising treatment for children, because the needed clinical studies would be slowed. This would prolong the suffering of both the children and their families. The likely reduction in health care costs would not materialize.

Comment: Thanks to 20 years of research investment, tens of thousands of adults who suffer from the excruciating pain of sickle cell disease now have hope for relief. We cannot turn our backs on children who might also benefit from treatment.

STEM CELL RESEARCH: A revolutionary approach to a variety of diseases

The Promise: Bone marrow transplantation and gene therapy are currently being used to treat disease, but their utility is limited by the availability of blood stem cells.

Scientists are beginning to understand and harness the incredible promise of stem cells—cells that give rise to all the different cells found in blood. These stem cells may make ideal "universal donor cells" because they maintain the capability for cell division and can accept genes from other cells.

Recently, scientists have learned how better to isolate these cells, not only from bone marrow, but also from umbilical and peripheral blood. They have also learned how to increase the number of stem cells produced in animal models and in human volunteers.

There is great hope that stem cells can be used to:

Improve the prospects for people—such as those with aplastic anemia, a serious blood disorder—waiting for suitable bone marrow donors; the goal is to perform transplants from sources other than bone marrow, perhaps from blood itself;

Re-populate blood cells necessarily killed off when cancer patients undergo life-saving chemotherapy; and

Advance human gene therapy for patients with genetic disorders, AIDS and cancer.

The Next Steps: Scientists supported by the National Institutes of Health (NIH) are eager to move quickly to:

Search for sources of stem cells and test their usefulness for patients;

Explore potential for using stem cells for gene therapy;

Continue basic research to better understand how blood is formed; and

Create special facilities needed to isolate and grow stem cells under sterile conditions so they can be used in patients.

Effects of a Budget Cut: A budget reduction would mean that the research—both basic and clinical—would move more slowly and the clinical payoffs would be significantly delayed. A delay would deny the great potential of this revolutionary approach.

Stroke: Preventing stroke and limiting brain damage.

The Promise: Research supported by the National Institutes of Health (NIH) has recently provided important new advances and insights:

Surgery to open blocked arteries in the neck can prevent stroke or stroke death;

Aspirin can protect against stroke in certain patients; and

New treatments to protect brain cells from damage during stroke are emerging from animals studies.

The Next Steps: Further research could show how to prevent more strokes, limit brain damage when stroke occurs, and help people regain normal life after a stroke.

Scientists are ready to begin new studies in patients to:

Compare drug treatment and surgical approaches to episodes of bleeding within the brain;

Learn more about differences in stroke and in optimal treatment for stroke in different racial groups; and

Refine ways to reduce the occurrence and severity of brain bleeding in low birth weight infants.

Effects of a Budget Cut: A reduction in the budget would come just as scientists are poised to take a new approach by aggressively treating acute stroke to prevent brain damage.

Basic research would be curtained just as promising new opportunities are coming to light, such as the effects of vitamin supplements, clot-dissolving medications, and agents such as calcium channel blockers to protect brain cells.

Comment: Research has brought us a dramatic decline in stroke death in the U.S. in the last 25 years, but stroke is still the third leading cause of death. Every year, over 500,000 Americans experience a stroke and many are left disabled, costing more than $25 billion annually for medical treatment, rehabilitation, long-term care, and lost wages. These numbers and costs will only increase as the U.S. population ages.

Additional research—capitalizing on scientific opportunities—can help us learn how to prevent stroke and limit its damage when it does occur.

VACCINES TO PREVENT STOMACH ULCERS AND STOMACH CANCER

The Promise: Tremendous opportunity now exists for scientists supported by the National Institutes of Health (NIH) to develop a vaccine to prevent gastric (stomach) ulcer and to create the possibility of preventing stomach cancer.

This opportunity flows from the recent discovery that stomach ulcers are caused by a bacterium, H. pylori (pie-LOR-ee), and that recurrence of ulcers can be prevented with a simple antibiotic treatment. This finding can save an estimated $400-$800 million annually by preventing ulcer recurrence alone.

It is also known that H. pylori is strongly linked to stomach cancer, one of the leading causes of cancer death throughout the world. Today only about 18 percent of patients survive stomach cancer in the U.S., where there are 23,000 cases per year.

The Next Steps: Scientists are now ready to:

Isolate the genes from the bacterium in order to develop a vaccine;

Study how the bacterium might cause cancer; and

Follow up on preliminary evidence that other types of H. pylori may cause other intestinal cancers such as liver cancer.

Effects of a Budget Cut: A reduction in the budget would impede scientists' ability to pursue the many steps needed to develop a vaccine against H. pylori, conduct critical human trials on ulcer prevention, and understand more fully the role of the bacterium in various cancers and how to prevent them.

A budget reduction would diminish the number of scientists working on this important problem. Cuts would delay by years the development of a simple vaccine that might bring life-long protection from some of the most deadly cancers.

Comment: Recent understanding that stomach ulcers, and probably stomach cancers, are caused by a bacterium offers tremendous opportunity to develop a protective vaccine. We should not turn our backs on this opportunity to have a major impact on a serious public health problem.

Schizophrenia: Identifying the genetic factors involved in the onset of Schizophrenia.

The Promise: In the past few months, NIH-supported scientists reported and subsequently verified that a specific gene located on chromosome 6 is one trigger to the expression, or onset, of schizophrenia. While more than one gene is likely to have a role in causing this complex disease, this finding is of major importance to researchers seeking to develop more effective methods to diagnose, treat, and even prevent schizophrenia.

The Next Steps: For the first time, because of advanced genetic research and the possibility of locating the family of genes that

underlay the vulnerability to schizophrenia, it may be ultimately possible to prevent a mental illness. This concept was virtually unthinkable 5 years ago. Having located a single gene loci associated with schizophrenia, it is vital that we pursue this lead aggressively to search for other relevant genes. In this manner, the complexity of this disease will be delineated and heretofore unknown approaches to treatment and prevention will be elucidated.

Effects of a Budget Cut: A budget cut at this time would have the effect of extending by years efforts to devise and apply molecular genetic strategies to the prevention of schizophrenia.

Comment: Schizophrenia, the most devastating mental illness, affects approximately 2 million Americans annually. Although there is no known single cause, scientists believe that genetic factors produce a vulnerability that may be triggered by environmental factors. Most currently available medications are only palliative and have severe side effects. In addition to the distress and disability caused by schizophrenia, the financial cost to society is great: treatment costs alone exceed $7 billion per year, and social costs are estimated to be $20 billion annually.

CHANGE OF VOTE

Mr. NUNN. Mr. President, on rollcall 229 I voted no. It was my intention to vote yes. It was a tabling motion.

Therefore I ask unanimous consent that I be permitted to change my vote. This will in no way change the outcome of the vote.

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

(The foregoing tally has been changed to reflect the above order.)

Mr. CRAIG. Mr. President, I rise in strong support of Senate concurrent resolution 13, the fiscal year 1996 congressional budget resolution.

I want to commend the hard work undertaken, and the excellent results obtained, by the chairman of the Budget Committee, the senior Senator from New Mexico [Mr. DOMENICI]. We all know that his expertise in budget matters is unequalled and that he has great respect within this body and without as an opponent of deficit spending. I also appreciate how he has sought to work with and accommodate Senators with a wide variety of concerns.

This budget is not perfect; but then, no document produced by a committee—or a Senate—ever is. It is a good budget. More importantly, it is an essential budget, because it is a balanced budget.

My perfect budget would have included instructions for tax relief that is pro-family, pro-saving, pro-investment, and pro-economic growth.

We had a chance to vote on such a package yesterday, in the amendment offered by Senator GRAMM of Texas. That amendment was similar to the Contract With America tax relief bill passed by the House of Representatives. It was also similar to the Coats-Grams-Craig bill, S. 568, the first bill—the Family, Investment, Retirement, Savings, and Tax Fairness Act.

I'm disappointed that the Gramm amendment was not adopted. But I applaud Senator DOMENICI for designating a "fiscal dividend" reserve fund that takes the additional deficit reduction and surpluses expected under this budget, which will come from an improved economy and lower interest rates, and dedicates them to tax relief.

Senators have spent much time these last few days debating over this and many other budget priorities. This is what should happen when we consider a budget resolution. But this budget fulfills what is, by far, the single most important priority:

It sets us firmly on a course toward a balanced budget by the year 2002.

For most of our Nation's history, the moral imperative to balance the budget was considered part of what has been called our "unwritten constitution"—those traditions so firmly imbedded in the American system, like political parties and the actual operation of the electoral college that they have the status of virtual constitutional status. For more than 60 years now, and especially over the last 30 years, this balanced budget rule has been repealed.

Because Congresses and Presidents did not have to set priorities, every item of spending has been treated like a priority. To qualify, an item needs only some well-intentioned supporters. We all know what has happened as a result:

The sum total of these individually pleasant programs exceeds the capacity or the willingness of the American people to pay for all of them.

Without a binding requirement, or at least an extraordinary commitment, to balance the budget, there is no constituency to limit spending to the amount the American people are willing or able to pay in taxes.

This dynamic has become a systemic problem, a fundamental flaw, in how our Government operates. It has led us to the point where the Government has saddled its citizens with almost $5 trillion in debt. It has put the economic security of every American on a collision course with catastrophe.

This isn't just one Senator or one political party talking. The realization is bipartisan. The status quo is the least tolerable alternative. The experts agree:

The General Accounting Office's 1992 report, entitled Prompt Action Necessary to Avert Long-Term Damage to the Economy, said, "[I]naction is not a sustainable policy. * * * [T]he Nation cannot continue on the current path."

The Bipartisan Entitlement Commission's Final Report, issued in January of this year, said, "The present trend is not sustainable."

DRI/McGraw-Hill, one of the world's leading economic forecasting firms, in testimony before the Senate Budget Committee in January, said, "[T]he current economic strength is not sustainable. * * * A balanced budget would be a major boost to the long-term growth of the U.S. economy."

This is the year, and this is the budget, in which Congress finally makes that extraordinary commitment necessary to balance the budget.

By definition, an extraordinary commitment is not permanent. That's why we still will need to return to, and pass, the balanced budget amendment to the U.S. Constitution.

When we debated that amendment on the floor of the Senate earlier this year, opponents said, "You don't need a constitutional amendment; all you need is the political will." They also raised the taunt, "Where's your plan? Show us which way you'll balance the budget."

Well, the first Republican Congress in 40 years is showing the professional skeptics in Washington, DC, and the people across America that it has the will and the way.

This budget resolution is a blueprint for hope, full of promise for current and future generations. This budget is the one that will restore opportunity and growth. This is the budget for America's future.

My colleagues know, and it is important to remind others watching, that a budget resolution is just a blueprint. The details will be filled in during the coming weeks and months by the Appropriations Committee and the various authorizing committees. I, for one, look forward to carrying this process forward within my assignments on the Agriculture, Energy, and Veterans Affairs Committees.

There's been plenty of blame to go around for not balancing the budget. That blame has extended, for years, to both political parties and both the legislative and executive branches of Government. With today's vote, we will see if the solution is bipartisan, as it should be and as I hope it is.

In the coming weeks, we will see if the President is willing to become part of the solution. I was sad to see the President become a conscientious objector to the war on deficit spending when he submitted his official budget this past February.

The law said the President had to submit a budget, so he did. But that budget dodged responsibility, dodged deficit reduction, and declared unconditional surrender to bigger deficits and more debt as far as the eye could see. In contrast, the budget before us today enlists, fights, and promises to win the war on the deficit.

The President still will have the chance to choose whether to be a fiscal freedom fighter or a member of the status quo resistance. Congress will give him that chance in the coming weeks as we send him 13 appropriations bills and a budget reconciliation bill. Those bills, taken all together, will enact into law a 7-year plan that finally, in

fiscal year 2002, for the first time in 33 years, and only the second time in 42 years, will balance the budget.

It's very tempting to make the perfect into the enemy of the very good. And probably not one Senator thinks this budget is perfect. Many of my colleagues on the other side of the aisle have come to the floor to say how much they are for balancing the budget. Then they add that one little word, those three little letters, that cause so much mischief in this town: "B-U-T." We keep hearing, "I'm for a balanced budget, but * * *."

Maybe they think 7 years is too soon. Or too late. Or they say it's not really balanced unless you don't count Social Security. Or they want to take interest savings that aren't officially counted yet and use that for more social spending. Or they don't want to rescue and reform a Medicare System that is on the verge of bankruptcy. Or they demand the cart come before the horse and they want Medicare to be completely overhauled before we assume in a budget blueprint that it's going to be overhauled. Or they do want to reform Medicare, but not without the Federal Government taking over everybody's health care, or the list goes on.

The easy thing is to vote no and say you wished someone had given you something on which to vote yes. There are always excuses available, if you want to say you're for a balanced budget but you want to vote against the real balanced budget.

Mr. President, the only balanced budget that counts is the one that passes, the one that can be translated into binding law as the budget process continues this summer.

A balanced budget is not an abstract goal or a political sound bite. It's an absolute necessity.

The vote that counts today is a "yes" vote on final passage of Senate Concurrent Resolution 13. I'm proud to cast that vote. I'm proud of the Budget Committee for writing a fair, reasonable, balanced budget resolution. I expect to be proud of the Senate when the vote is complete, and I believe the American people will feel the same way.

Mr. President, I spoke briefly on Monday about what I consider the top ten reasons why the budget must be balanced, as it will be under this resolution. I would like to reiterate some of those points now, and expand on why this conclusion is inescapable.

THE TOP TEN REASONS TO PASS SENATE CONCURRENT RESOLUTION 13 AND BALANCE THE BUDGET

10. THE WILL OF THE PEOPLE

A vote for the balanced budget resolution is the vote consistent with the will of the American people that the Federal Government get its house in order: 70 percent in some polls, 80 percent-plus in others.

9. REASONABLE GLIDEPATH

Under this budget resolution, overall spending still increases 3 percent a year through 2002, compared with the current rate of 5.4 percent a year.

The real dividend comes after a successful glidepath to balance. After fiscal year 2002, all it takes to keep the budget balanced is to match future spending growth to revenue growth. That would again allow more than 5.2 percent a year growth in spending after 2002, based on CBO projections.

It is critical to keep in mind: balancing the budget will be easier now than it will be later.

In the mid-1980's, a glidepath comparable to that in Senate Concurrent Resolution 13 would have produced a balanced budget within 2 to 4 years. Now, it will take 7 years. The longer we wait, the harder it will get to balance the budget ever. Anyone who has any experience with debt accumulation understands why. Anyone who understands the explosive growth in Federal programs under current trends understands why.

This year, fiscal year 1995,

The $175 billion Federal budget deficit is 11.4 percent of total outlays, 12.9 percent of revenues, and 2.5 percent of gross domestic product.

Total revenues are enough to cover all entitlement spending plus interest payments plus 68 percent of discretionary spending, in other words, enough to cover 88.5 percent of outlays.

Total Federal outlays are 21.8 percent of GDP.

According to the Bipartisan Commission on Entitlement and Tax Reform, under current trends, by the year 2030:

The deficit will be almost 50 percent of outlays and almost 19 percent of GDP.

"Projected spending for Medicare, Medicaid, Social Security, and Federal employee retirement programs alone will consume all tax revenues collected by the Federal Government." That is, revenues will cover barely 50 percent of all outlays.

Total Federal outlays could exceed 37 percent of the economy.

This is why a number of us have said during this debate that this is not only our best chance of passing a balanced budget—it may be our last.

8. PRESERVING FLEXIBILITY TO ADDRESS PRIORITIES

Families and businesses understand that, if you have discipline in the short term, if you forego instant gratification, you will have more later, more money and more options.

The increasing share of the Federal budget consumed by interest payments on the debt means a decreasing share which Congress controls, ever-higher taxes, or both.

More debt means more interest payments on that debt. Interest costs squeeze other spending priorities and threaten to swallow the options of our kids and grandchildren.

Already, by fiscal year 1994, net interest payments were five and one-half times as much as outlays for all education, job training, and employment programs combined.

GAO's 1992 report found that, if current policies continue, Congress may be forced to enact one-half trillion dollars in deficit reduction each year just to hold annual deficits to a constant 3 percent of GDP.

According to the Bipartisan Commission on Entitlement and Tax Reform:

If current trends continue, by the year 2030 net interest payments will consume 30 percent of the Federal budget—double the rate of today.

Under current trends, net interest payments on the Federal debt will more than triple as a percentage of GDP. Net interest is currently 3.3 percent of GDP and is projected at more than 10 percent of GDP by 2030.

Beyond the deficit reduction already built into this budget resolution, CBO has acknowledged a possible $170 billion "reserve fund," or "Domenici dividend," in debt service savings and increased revenues from economic growth. This could result in an additional $170 billion in deficit reduction and surpluses over 7 years, which frees up more money for other budget priorities, such as tax relief.

DRI/McGraw-Hill went even further, saying that, by 2002, half of all the $1 trillion in spending restraint necessary to balance the budget could come from interest savings alone.

7. STOPPING THE REGRESSIVE/OVERSEAS TRANSFER OF WEALTH

Interest on the Federal debt is largely a transfer from middle-income taxpayers to large institutions, wealthy individuals and foreign investors.

In fiscal year 1994, 22.8 percent, $44.5 billion, of the interest on debt held by the public was paid to foreign investors. Also in fiscal year 1994, 33.9 percent—$62.6 billion—of the dollars borrowed from the public came from overseas.

Interest on the Federal debt is actually the biggest foreign aid program in history. In fact, these payments amount to more than twice the amount spent on everything in the international affairs budget function, $17.1 billion in fiscal year 1994, $18.9 billion in fiscal year 1995.

I do not mean to imply here that there is anything wrong with being wealthy, a lender, or investor. To the contrary, these persons supply the capital that creates jobs, raises living standards, and legitimately finances the Government in time of war or dire emergency.

But it is unfair to taxpayers, and bad for the entire economy, for wealth to be arbitrarily and artificially redistributed through interest payments on a growing and excessive debt that has been accumulated over the decades, merely because spending and borrowing

was the course of least political resistance.

This actually was one of the reasons why the original Jeffersonian Republicans were so opposed to Government indebtedness. The Republicans, representing them, as now, farmers, merchants, and other working Americans, did not want to see the fruits of their labors taxed excessively to pay interest to the monied class, represented by the big-government Federalists.

6. INTEREST RATES AND INVESTMENT

Lower interest rates and greater economic growth, of course, do not benefit only the Federal budget, but all Americans.

In an appendix to its April "Analysis of the President's Budgetary Proposals," CBO discussed the drop in interest rates that could result from balancing the budget, noting:

> Good arguments exist for * * * a range of from 100 to 200 basis points. A drop of that magnitude from CBO's baseline forecast would leave real long-term rates at between 1 and 2 percent—lower than they have been since the 1950's—and real short-term rates close to zero * * * (R)eal short-term interest rates have already been as low as zero.
>
> One widely used model, developed by Data Resources, Inc. (DRI), predicts an exceptionally large drop in interest rates as the deficit falls, nearly 400 basis points * * *.

We know what these interest-rate drops mean to American families: buying a house, buying a car, or financing a college education would be more affordable than today, by hundreds and even thousands of dollars.

DRI/McGraw-Hill says that balancing the budget could result in nonresidential investment increasing 4 to 5 percent by 2002, over what it would be with today's $200 billion annual deficits.

5. ECONOMIC GROWTH

Balancing the budget means preserving, in the near term and especially for our children, the American dream of economic opportunity. The damage being done by the borrow-and-spend status quo must be stopped. A study by the Federal Reserve Bank of New York showed that America lost 5 percent growth in GNP—and 3.75 million jobs—from 1978–89 because of deficit and debt. DRI/McGraw-Hill estimates that balancing the budget by fiscal year 2002 would raise real gross national product by about 2.5 percent. That means putting about $1,000 a year into the average household's pockets, at today's prices, by 2005.

The U.S. Chamber of Commerce has cited a Laurence H. Meyer & Associates study showing that economic output would rise between 1 to 1.6 percent within 5 years after balancing the budget.

Even the Congressional Budget Office, using a more cautious model, projects a GNP in 2002 that is 0.8 percent—almost 1 percent—higher than in its baseline projections.

The idea that balanced budgets produce economic growth is not a new one. More than 160 years ago, President Andrew Jackson said:

> Once the budget is balanced and the debts paid off, our population will be relieved from a considerable portion of its present burdens and will find not only new motives to patriotic affection, but additional means for the display of individual enterprise.

4. LOWER TAXES

Balancing the budget and keeping it balanced will remove pressure for future tax increases. Since every dollar borrowed today has to be repaid eventually, with interest, the status quo promises ruinous levels of taxation in the future.

According to the National Taxpayers Union Foundation, for every year in which the Federal Government runs a $200 billion deficit, the average child of today will pay $5,000 in additional taxes over his or her lifetime. The status quo and the Clinton budget show deficits that large and larger for as long as the eye can see.

President Clinton's fiscal year 1995 budget included a section on "generational accounting." It projected that failure to change current trends will force generations to face a lifetime net tax rate of 82 percent to pay off the current generation's bills, counting taxes at all levels of government.

3. PROTECTING SENIORS

The debt is the threat to Social Security, Medicare, and the economic security of seniors on fixed incomes.

Gross interest payments on debt are the second largest single spending item for the Federal Government, and under the status quo or the President's budget, would overtake Social Security within a few years.

Growing interest payments crowd out other spending, regardless of whether an item is off-budget or on-budget or financed through a trust fund. When the Government faces the need to make good on its obligations, its ability to do so is going to be affected by the total debt load it is carrying.

More debt and a bigger chunk of the budget going for interest payments ultimately threatens the Government's ability to pay for anything else.

This becomes more obvious and more true when we remember that, under current trends: Medicare goes into deficit in 1996 and runs out of money in 2002; and Social Security taxes no longer cover benefits in 2013, the system goes into deficit in 2019, and it runs out of money in 2029.

2. JOBS

DRI/McGraw-Hill projects that balancing the Federal budget can create 2.5 million new jobs by 2002.

The last Federal balanced budget was in 1969. According to Investor's Business Daily, unemployment from 1970–1990 averaged 6.7 percent as compared to the post-war period as a whole which was 5.7 percent. In the first three decades of this century, before deficit spending was the rule and not the exception, unemployment averaged 4.5 percent.

1. OUR CHILDREN

The future for our children and grandchildren depends on the future of the economy.

The General Accounting Office, in its 1992 report, showed gains in standard of living of between 7 percent and 36 percent in 2020 resulting from balanced Federal budgets. More recent economic and budget developments would still keep projections well within this range.

In fact, remembering the late 1970's, there's every reason to believe that the borrow-and-spend trends of the status quo and the President's budget would provoke a return of high interest rates and make GAO's "no action" scenario positively optimistic.

We all have become familiar with Thomas Jefferson's admonition in this regard:

> The question whether one generation has the right to bind another by the deficit it imposes is a question of such consequence as to place it among the fundamental principles of government. We should consider ourselves unauthorized to saddle posterity with our debts, and morally bound to pay them ourselves.

Now is the time to act on that principle, by passing Senate Congressional Resolution 13, the balanced budget resolution.

Mr. BRADLEY. Mr. President, I would like to preface my remarks by commending Senator DOMENICI for his efforts to help tame the Federal Government's runaway deficits.

As you know, Mr. President, under 12 years of Republican administrations, the Federal debt quintupled. In 1980, when Republicans took over both the White House and the Senate, the Federal debt stood at about $800 billion. After 12 years of Republican leadership, the debt stood at roughly $4 trillion. If it were not for the almost $200 billion in interest that we pay each and every year on the debt that was amassed under successive Republican administrations, we would already have a balanced budget. In 1993, in order to begin to tackle the problems posed by this mountain of debt, Congress passed the largest deficit reduction passage in history. We did this without a single Republican joining in the effort.

Time and time again, I have stated that we cannot gain control over the Government's fiscal crisis with gimmicks. No amendment to the Constitution will ever balance the budget. No rosy projections about economic growth and supply-side impacts will balance the budget. Only strong and consistent leadership will balance the budget. If we want to restore the Federal Government to fiscal sanity, we cannot abrogate our leadership responsibilities or refuse to join the debate

for fear of the political consequences of tough decisions. Instead, we must act decisively to continue to move toward a balanced budget.

We could adopt a "scorched earth" approach to balancing the budget, slashing and burning everything which gets in our way. But what good have we done for our children if we reduce their debt burden but deny them a decent education and adequate health care? How much have we improved our workers' ability to compete in the world economy if we deny them the funding necessary to improve their skills?

Presenting numbers which add up to a balanced budget is one thing; deciding how to reach those numbers is an altogether different task. It is in deciding how to reach those numbers—deciding what our priorities really are—that we reveal who we are as individuals and what we stand for as a nation. So, Mr. President, while I am pleased that the proposed budget resolution moves us toward a balanced budget, I am concerned about the means used to achieve this end.

Mr. President, the Republicans' choices distort the principle of shared sacrifice. They have balanced the budget on the backs of children, students, families, and seniors. They have chosen to cut programs for those most in need in our society, while asking little or nothing of large corporations and the wealthy.

Mr. President, no matter how the Republicans phrase their assault on Medicare, it's just that—an assault. Their cuts will force millions of seniors to suffer drastically reduced benefits, a much lower quality of care, and significantly higher medical bills. We desperately need Medicare reform, but we cannot simply let seniors free-fall until these reforms take place.

The Republicans' Medicare cuts mean that, on average, seniors will have to find an additional $3,447 to pay for their health care over the next 7 years. For the majority of seniors, this will be no easy task. In 1992, the median income of seniors in this country was only about $17,000 a year, and about a quarter of elderly households had incomes under $10,000. These seniors already spend more than $1 of every $5 on medical care. For the millions of seniors across the country who live on fixed incomes, finding an additional $3,447 will mean sacrificing something else which is important to them. It has been stated that each month millions of American seniors are forced to choose between food and necessary medication. I can't help wondering how many more will be faced with this horrible choice once the proposed cuts are put into place.

In addition to higher costs, seniors are likely to have fewer choices. In many cases, financial limitations will leave them with no choice but to join a managed care plan. Doctors, hospitals, and others providers are all likely to face even lower reimbursement rates. As a result, many health care providers may no longer be able to afford to accept Medicare patients. Those that can will be forced to shift even more costs onto their privately insured patients, creating a hidden tax on employers and individuals.

Mr. President, that's just Medicare. This budget proposal also cuts Medicaid by $175 billion. Again, I think it is important that we all understand exactly who these cuts will affect. Medicaid now insures about one of every four American children. It helps to pay for roughly one of every three births in this country. It also provides aid to over three-fifths of the people who need long-term care services, either in nursing homes or at home. Most elderly recipients of Medicaid are people who spent their whole lives as members of the middle class. But when faced with nursing home costs averaging almost $40,000 a year, it doesn't take long for their entire life's savings to disappear. Once they reach this point, these people have nowhere else to turn. Thankfully, Medicaid has been there to provide a safety net for them.

This resolution caps Federal Medicaid spending at an average annual growth rate of 5 percent. We all know that Medicaid spending is expected to grow faster than that in the future. By setting a 5-percent cap, the Federal Government is essentially saying to the States: "It's all your problem now. We can't figure out how to deal with the growing number of uninsured and the rising costs of health care, so you do it. We wash our hands of any responsibility to help you deal with these critical needs." But, if we are honest with ourselves, we must admit that States can't cope with these problems alone.

So, Mr. President, let me tell you what is expected to happen once these proposed Medicaid cuts go into effect. By the year 2002, the number of uninsured children in America is predicted to rise by more than 6 million. By that same year, there will be an additional 3 million persons who need, but will not receive assistance with, the costs of long-term care. These individuals will not be able to obtain nursing home care, despite the fact that they will need more care than their family and friends will be able to provide. For those individuals who will be able to enter and remain in nursing homes the picture will not be much brighter. Medicaid now pays significantly less than the private sector for long-term care. When Medicaid cuts these payments even further—as it will have to do in response to the budget cuts—nursing homes will have to do even more with less. This means that staff will be stretched even thinner, and each resident will receive even less personal attention. The proposed cuts will mean that the quality of life of nursing home residents will deteriorate even further.

There is no doubt that Medicare and Medicaid have taken the brunt of the proposed cuts. But they are not the only examples of shortsighted cuts contained in this budget proposal. Consider the cuts to the earned income tax credit and education funding. The EITC provides tax relief to lower income working families. By proposing to cut the EITC, this budget deals a strong blow to the working families. While I strongly believe that sacrifice is needed to balance the budget, I have to ask: Is it fair to ask working families to make a sacrifice of this magnitude at the same time the Republican budget proposals contemplate tax cuts for corporations and the wealthiest Americans?

At the same time, this budget significantly cuts funding for student loans. We all recognize that we must balance the budget so that our citizens will be able to compete successfully in the next century. While I agree with the need to prepare for increased global competition, it is difficult to understand how we will become more competitive without the skills and knowledge that an education provides.

At the same time that this budget makes drastic cuts in critical programs, it completely ignores the billions of dollars we spend each year on special-interest tax loopholes. The tax code provides special exceptions that will total over $480 billion in 1996, more than double the entire Federal deficit and nearly one-quarter of total Federal spending. Because many of these tax code provisions single out narrow subclasses for benefit, the rest of us must pay more in taxes.

Balancing the budget will not be easy. It will require significant sacrifices. However, how can we argue that we are fairly balancing the budget when we raise taxes on working families and make dramatic cuts in Medicare, Medicaid, and education, yet continue to spend billions each year in tax pork?

Mr. President, to help correct many of the problems contained in the Republican budget proposal, I have offered a substitute balanced budget proposal. In fact, under my proposal, the Federal Government would have a significant budget surplus by the year 2002.

The main difference between the proposals the Republicans and I have offered is in the priorities that they set. I believe that our Nation's future success will depend on the choices we make today. To ensure this success, I believe that our priorities must be placed on our children. The most important step we can take to build a better life for our children will be to balance the budget, which my proposal would do. However, in our efforts to put the budget in balance over the long

run, we cannot ignore the needs of our children today. Therefore, my proposal would fully fund the education and child nutrition programs cut under the Republican proposal.

At the same time we are attempting to create a better future for our children, we cannot ignore the legitimate needs of older citizens today. To ensure that the elderly and the least well off in our society are not forced to bear the bulk of the sacrifices that balancing the budget will require, my proposal restores $100 billion in Medicare funding and replaces $75 billion in Medicaid cuts.

I would also repeal the Republican tax increase on those families that are trying to work their way out of poverty. Although we need to balance the Federal budget, it would be shortsighted to do so on the backs of America's working and middle-class families. In the face of declining real wages and Republican proposals to cut important aid programs, more and more American families are facing increasingly tough times. These are working families who need every penny of the wages they earn just to make ends meet. We simply should not tax these families into poverty by cutting the EITC.

My budget would pay for these changes by reducing defense spending by just $5 billion below the current baseline, cutting $15 billion in wasteful, pork-barrel spending, eliminating $46 billion in unnecessary agriculture subsidies, and raising the tobacco tax by $1 per pack to restore much of the funds lost in the Republican Medicare cuts.

I would also close $197 billion in special-interest tax loopholes. My budget explicitly provides that individual tax rates will not be raised and that the deductions for mortgage interest, charitable contributions, and State and local taxes will not be affected. Instead, these savings will be realized by simply slowing the rate of growth in special-interest loopholes enjoyed by corporations and the very wealthy. Left unchanged, between now and the year 2002, the Federal Government will spend roughly $4 trillion on tax subsidies; my proposal would affect less than 5 percent of this amount.

Rather than reducing the deficit by singling out children, working families, and the elderly for especially harsh treatment, I would offset a portion of these potential cuts by setting specific targets for eliminating tax loopholes. I believe that this approach would allow us to balance the needs of the many with the desires of the few.

Mr. President, I expect that some will attempt to mischaracterize my efforts to close special interest tax loopholes as a tax increase. If there was a special tax credit for Members of Congress, and we closed that loophole, no one would claim that we were raising taxes. However, when we attempt to close tax loopholes for the oil and gas industry, the agricultural industry, or other industries, we hear the champions of these special interests claim that we are trying to raise taxes.

Tax loopholes give some individuals and corporations a special exception from the rules that oblige everyone to share in the responsibility of our national defense and protecting the young, the aged, and the infirm. The only way to let everyone keep more of what they have earned is to minimize these tax expenditures so that we can reduce the burden of the national debt and bring down tax rates fairly, for everyone.

Finally, if, by balancing the budget, we realize additional savings, my budget provides that these savings may be used to provide a middle-class tax cut. This tax cut would not be available until after we have achieved the savings necessary to put us on a path toward a balanced budget. It is my strongest hope that we will have these savings in order to provide much needed tax relief to working families in New Jersey and across the country.

Frankly, Mr. President, I do not expect my budget proposal to pass. By asking the Defense Department, the tobacco industry, agribusiness, and other special interests to share in the burdens of balancing the budget, my proposal takes a small bite out of a number of sacred cows. As a result, I anticipate that my budget proposal will raise a good deal of organized opposition. Unfortunately, unlike defense, tobacco, and the wealthy, most Americans cannot afford high-paid lobbyists to protect their interests. So, in all likelihood, my budget proposal will be defeated, average Americans will be left bearing the burden of balancing the budget, and special interests will continue to enjoy all of their same benefits at the expense of the rest of us.

Mr. President, fundamentally, my budget proposal is about setting priorities. There's no serious disagreement between Democrats and Republicans on the need to balance the budget. In fact, my proposal would reduce the deficit by even more than the Republican proposal. However, the real question that my proposal raises is how we should balance the budget. Either we can balance the budget by raising taxes on working families and cutting needed assistance for children and the elderly—as the Republican proposal would do—or we can spread the burden for balancing the budget more fairly—as my proposal would do.

I am very pleased that our Republican colleagues have chosen to join the fight to eliminate budget deficits. Again, I commend Senator DOMENICI for introducing a budget resolution which seeks to achieve that goal. At the same time, however, I have serious concerns about many of the specific proposals contained in this budget. I am deeply concerned for our Nation's children, families, and seniors. And, I am concerned that many of the cuts in the Republican budget proposal are necessary because of a refusal to simply slow the rate of growth in special interest loopholes.

Mr. President, America needs a balanced budget. But it deserves a much better balanced budget than that proposed by our Republican colleagues. The budget I have proposed will balance the budget without losing sight of the obligations we have as a nation to our children, families, and seniors.

Mr. LIEBERMAN. Mr. President, today, by voting for the amendment offered by Senator CONRAD, I voted to balance the Federal budget by the year 2002. I was pleased to work with Senator CONRAD in recent days on his amendment, and I am particularly pleased that it restored funds for education, economic growth, job training, and environmental protection. Senator CONRAD's amendment would have balanced the budget by making tough choices: it drastically slowed the increase in spending on Medicare and Medicaid; it froze discretionary spending, meaning no real growth in spending over the next 7 years; it closed tax loopholes and eliminated wasteful subsidies.

I did not agree with every detail of this amendment, but it came closest to my priorities in terms of what we need to preserve and what we need to reduce or get rid of to reach the goal of a balanced budget. It balanced the budget without harming our Nation's defense or reducing our fight against crime. It did so without slashing Government's commitment to helping businesses create jobs, helping children receive a good education, and helping protect our environment from pollution.

I am sorry that the amendment did not pass, but I do not regret my decision to support it, because I believe achieving a balanced budget is essential if we are to keep our economy strong and keep hope for a brighter future alive for our children.

After careful consideration of the budget offered by Senator DOMENICI, I decided to vote against it. I have great admiration for what he has done: he brought a serious balanced budget to the floor and shaped a historic debate over the direction of our country. Senator DOMENICI deserves much credit for putting us on the path toward a balanced budget.

But I concluded the path his budget takes to achieve that goal is too strewn with policies that I do not support. The worthy end does not justify the harsh means. I decided to oppose the Budget Committee's budget because it: reduces government's key role in promoting education, research, technology, and trade promotion, all of which are crucial to our children's economic future; turns back the clock on

environmental protection, threatening to foul our waters and beaches and pollute our lands; and increases the tax burden on working families by canceling the expansion of the earned income tax credit.

I could not reconcile the Budget Committee's balanced budget with the steps taken to achieve that balance. If there were no other way to achieve a balanced budget, I would have had no choice. But the Conrad Amendment proved that there is a better way.

One final point: this has been, for the most part, a sober, substantive debate over a serious, precedent-setting budget resolution. But too much politics was being played by both parties. Unfortunately, some Democrats used this occasion too frivolously by simply sniping at the Budget Committee's plan for short-term, partisan gain. As a consequence, they have helped reinforce an image of our party as reflexively committed to spending and the status quo. I also regret that the leadership of the Republican party failed to reach out to those of us on the other side of the aisle who share a genuine commitment to a balanced budget to fashion a budget that could have won substantial bipartisan support. By acting alone, I believe they have gone too far.

This is the first step of a long process, however, and I hope we can begin to work together so that, in the end, we can pass a bipartisan balanced budget.

THE BUDGET RESOLUTION

Mr. KERRY. Mr. President, America has three deficits—not one. And we have to address all three if we are to solve our fiscal and social problems. We have to cut the budget and reduce the fiscal deficit, but, as I have said before, we also have an investment deficit and a spiritual deficit that require our collective commitment to retool and rebuild our communities, our politics, and our culture for the next century.

This budget, Mr. President, is wrongheaded and misdirected in concept as well as in substance. It is at best myopic and at worst destructive.

I have come, once again, to the floor to talk about the three American deficits, not one about a commonsense approach to the budget and about fair cuts. These things seem to have eluded my friends on the other side of the aisle, and I submit that this budget proposal, Mr. President, proves it.

I have to say, first, I think the American people are looking for an honest, truthful budget that tells them what really is being cut and who will bear the burden.

Mr. President, we all want to eliminate the deficit. It is bankrupting this country, but to cut Medicare and break a generational compact with American mothers and fathers who are retired and struggling to make ends meet in order to pay for tax cuts for the wealthiest among us is not the way to do it.

I was both troubled and in a way amused to see, Mr. President, that the Republican cuts in Medicare actually take "choice" in health care away from senior citizens. They will not be able to chose their own doctors. That is exactly what my friends on the other side complained about last year when they rejected the President's health care plan because working Americans would not have a choice of doctors.

And now, here they are doing what they said was wrong for workers last year, but in their minds is apparently right for senior citizens this year.

Mr. President, this is the height of hypocrisy. We saw television commercials that played on those fears, and here we are today with those same Republicans doing what they claimed a year ago was dead wrong.

If that is not a flip-flop on the fundamental issue of health care reform, then I don't now what is.

Let me say a few things about Medicare, Mr. President.

Medicare was a Democratic compact and I—for one—will not trade it for an ill-conceived attempt to score political points.

It is a bedrock program that provides adequate health care to one out of every seven Americans—that's 38.3 million people—38.3 million Americans who worked hard, played by the rules, and made plans based on our contract with them, and we won't break it.

Without these benefits many if not most of our seniors would have limited access to adequate care, and in many cases no treatment at all.

Mr. President, when it comes to Medicare, turning our back on our commitment to the elderly and disabled by asking them to pay almost $900 more per year in premiums, $1200 for home health services, and $100 more per year to meet their deductible may be what the Republicans think they need to do to keep their promise to protect the wealthiest and the strongest in this society, but it is not part of the Democratic commitment to protect average, hard-working Americans.

That is not to say that Medicare doesn't need to be fixed, but this is not how we ought to fix it.

Mr. President, I find it very interesting that the proposed cuts in the Medicare program under this Republican plan virtually equal the total amount the Republicans have budgeted for a tax cut for the wealthy.

They have to break a promise to millions of Americans who live on fixed incomes and have made careful plans based on our commitment to them to achieve their goal.

It is absolutely outrageous. It is fundamentally unfair. And it's just plain wrong.

We need to fix the system, Mr. President, but fixing it does not mean using it to balance the budget or win some ideological points.

The system is, indeed, costly. This year's estimated Medicare expenditures will be 10.4 percent higher than last year. But that is not the function of government largesse. It is the function of a number of factors: including a rapidly aging population resulting in more beneficiaries, increases in the costs of medical procedures, inefficiencies in the utilization of medical services, and the costs of new technologies for increased medical care.

For all these reasons, Mr. President, Democrats supported comprehensive health care reform last year, and my colleagues on the other side took a walk on it; and now I am amazed to hear my colleagues demanding that the Democrats should take the lead on the budget and do something about health care costs.

We did, and they said no. Now it is time for them—now that they are in the majority—to stand and deliver.

The truth is that the President's proposals to accomplish this last year were shot down by the Republicans without their offering even a single alternative—and despite all the publicity of the Contract With America, it has not produced even the beginnings of a broad health care reform proposal, much less a comprehensive plan this year.

Mr. President, it has been my belief that we must gain control over the increases in Medicare costs. But it should be done in the context of comprehensive reform of our health care system, not by willy-nilly cutting benefits to the elderly.

The problem with Medicare is nothing new. It has been articulated by the trustees, and by every responsible government official. For this reason, Mr. President, when this latest political effort to trade Medicare for tax cuts is over, I anticipate that this Congress, Republicans and Democrats, will support a broad range of bi-partisan reforms that will make the Medicare trust fund solvent—just as we did for Social Security in 1981.

I do not support dumping those problems on the States, or thoughtlessly cutting eligibility for these programs or the services they finance for the elderly.

And I am not for cutting reimbursement rates to providers so deeply that they leave the program, go out of business, or simply shift costs to individuals who pay for their care directly or with private insurance.

Mr. President, I will support only thoughtfully-devised approaches designed to address these six basic reforms to Medicare: eliminate unneeded care and treatment; put a stop to paying for ineffective treatments; increase inefficiency of the entire medical care delivery system; emphasize preventive rather than remedial care; emphasize

outpatient rather than inpatient care; and implement financial reforms that build-in disincentives to excessive use of medical services without inhibiting needed preventive care.

Any plan that addresses these six basic areas will represent the kind of comprehensive reform we need.

But, Mr. President, we must approach reform intelligently and compassionately with a deep and abiding regard for the promises we've made to elderly Americans who have reached the age of 65 and have planned on Medicare benefits.

Medicare needs to be fixed—not raided.

Having said that Mr. President, I believe that Medicare is hardly the only problem with this proposed budget.

I have said on this floor, and I will say it again, that we face an enormous fiscal deficit and I am prepared to make the cuts necessary to reduce the deficit and avoid bankrupting our children and grandchildren, if they pass the fairness test and the common sense tests.

But I want to discuss how this budget fails to address the two other American deficits.

Yes, we face a growing fiscal deficit, but we also face a growing investment deficit and a growing spiritual deficit, and this budget is wrongheaded in not understanding or appreciating the significance and interrelation of the three American deficits that are ruining this nation.

As much as we need to reduce the fiscal deficit we also need to increase living standards, create jobs, educate our children and our workforce, and preserve and protect the quality of life that generations of Americans have come to expect.

I believe the budget debate should focus on attacking all three of these deficits:

The first is the fiscal deficit. The national debt has more than tripled since 1979 and will soon top $5 billion. Just the interest payments on the debt affect every other budget decision we can make. We know that.

We know that if we let this continue, we will be crowding out all the other choices we can make: how much we can spend on national defense and on essential social programs like drug treatment and prevention.

The second deficit is the investment deficit. We need to find ways to invest in our infrastructure as well as in our people. A nation that does not invest is a nation that has given up hope for the future. We are not such a nation.

And let me tell you, we are a nation that has always found a way to build and grow—re-tool and re-invest in education, in business, in the arts and sciences, in our culture and in our families. We need to remove unnecessary regulations so business can create jobs while, at the same time, we maintain the health and safety of every American.

The third deficit is the spiritual deficit. Values, my friends, do not come from laws and speeches. They come from families, teachers, and churches.

There are millions of young Americans today who no longer have significant contact with any of these sources.

If this country is going to have children having children; if families are going to continue to erode—then our ability to reach these kids is essential. If that means investing in community organizations with a track record of success, then we should do it.

So, I submit that this budget debate needs to go beyond the political rhetoric about our fiscal deficit. We all agree that we need to downsize and streamline government, but we must not lose sight of our obligation to reinvest in our people and in our nation to keep both strong.

Mr. President, let me quote from an editorial on this budget debate in the Washington Post on Tuesday by E.J. Dionne. I think he asks an important question that must be addressed.

He asks, "Will Democrats be bold enough to question the Republicans' core assumptions about government? The issue in this debate," he said, "should not be whether to reduce the deficit, but how that can be done in ways that will increase living standards and average wages, which have been dropping for two decades."

Now, Mr. President, I am challenging those core assumptions of the Republicans because I believe they are shortsighted and wrong. And I believe that we will not be in an economic position to increase living standards until we have a budget that addresses the three American deficits simultaneously.

In fact, Mr. President, I submit that if we pass this budget we will dramatically increase our investment and our spiritual deficits because we will not have committed ourselves to creating opportunities and jobs. We will not have committed to preserving the fundamental structural integrity of our nation—whether it's our roads, railroads, and bridges, or our values and our belief in citizenship and in the concept of community.

This budget, Mr. President, is, therefore, wrong-headed, misdirected. It doesn't make any sense. It fails the common sense test. It fails the fairness test.

This budget disinvests in people and makes us less competitive.

It cuts Medicare by $256 billion; it cuts student aid by $14 billion; it terminates AMTRAK by the year 2000—terminates it.

Do you know that we are 34th in the world in our commitment to our rail system which industry and commerce rely on. We are behind Ecuador and just ahead of Bangladesh. And the Republicans now want to cut all support for the railroads.

The proposed budget decimates environmental programs and cuts all the crime prevention programs we passed last year.

It cuts $34 billion from food and nutrition programs.

It cuts unemployment compensation, SSI, and other programs under the jurisdiction of the Finance Committee by $66 billion.

But this so called revolution doesn't stop there. It disinvests in our infrastructure by cutting $3 billion for airports, highways and school improvements.

It disinvests in job training for young people by cutting $272 million. It disinvests in summer jobs for kids by cutting $871 million. It even disinvests in safe drinking water with a $1.3 billion cut in grants to the states to keep our water clean.

These are not just draconian cuts that go to the heart of our ability to address the three deficits we face. They are the symbol, Mr. President, of a wrong-headed political philosophy that does not represent the mainstream of America.

So, I submit that this budget is fundamentally flawed in its concept and is designed simply to achieve the political goals of a minority of anti-government zealots who are blind to the real needs of this nation. They cut what we need and keep what we don't.

Let me conclude by saying, Mr. President, that I am emphatically for a balanced budget. I voted for the Bradley and Conrad alternative budgets because, though they are not perfect, they better protect Medicare, Medicaid, education, and other critical government services and they make better choices than the Republican leadership's budget.

What the Bradley and Conrad alternatives prove is that we can balance the budget in less than ten years without increasing income tax rates for lower- and middle-income Americans. They prove in somewhat different ways that we can balance the budget without pillaging or eliminating key government services on which tens of millions of Americans depend and which are critical to keeping our nation competitive and our people healthy, happy, and safe.

Both of these alternatives balance the budget in a fairer fashion than the Republican leadership in both the House and the Senate has tried to persuade the American people is possible.

Mr. President, until my Republican colleagues understand that this budget is about people and their future and the future of our nation, and that there are three deficits we face as a nation—until they change their core assumptions about what we must preserve as well as what we must cut, then they will have failed, as the majority party, to legislate in the best interest of the people who have entrusted them with

the fundamental process of this democracy. As I oppose this Budget Resolution, I commit to continue working to place us on a different course that will permit us to realize our potential as a nation.

AMENDMENT NO. 1150

OIL AND GAS LEASING IN THE ARCTIC NATIONAL WILDLIFE REFUGE

Mr. KERRY. Yesterday the Senate voted on an amendment sponsored by Senator ROTH which removed from the budget all savings attributable to enactment of legislation to open the Arctic National Wildlife Refuge (ANWR) to oil and gas leasing. The Arctic Refuge is often referred to as America's Serengeti because of its outstanding wildlife, beauty and recreation opportunities. ANWR serves as the staging area for thousands of migratory birds, denning habitat for polar bears, and calving grounds for the 160,000 member Porcupine Caribou Herd. Moreover, the Refuge plays an integral part in the lives of the Gwich'in people, whose members depend upon the seasonal migrations of the caribou for both survival and cultural identity. The biological heart of this pristine wilderness is the 1.5 million acre coastal plain.

The fate of ANWR has been the subject of a complex and highly contested debate for more than a decade. That is why I am deeply saddened that the Budget Committee would use this back door approach via the budget process to try to open one of the Nation's last great wilderness areas to oil drilling.

Under current law, receipts generated from assets sales and leases cannot be used for deficit reduction. I fear using the anticipated $1.4 billion proceeds from opening ANWR to drilling for deficit reduction may signal the beginning of a "fire sale" of natural resources such as the ANWR. For many Americans, trading the Arctic Refuge wilderness for a one-time budget reduction, and the possibility but only the possibility of finding oil, is simply not worth it. The environmental costs of opening the Refuge to leasing are not worth the estimated benefits, especially when the oil—estimated to supply only a 200 days supply of oil for the nation—is not needed because small gains in energy conservation could provide both more energy and more job creation than developing all of the potential for oil available in ANWR. It is very ironic that, while taking the first step towards opening up ANWR for exploration for petroleum, this budget will cut funding for energy conservation programs that could decrease our dependence on petroleum and create more U.S. jobs. A national energy efficiency program would create, on average, ten times the number of jobs that might be produced from Arctic Refuge drilling.

All Americans have a stake in our national wildlife refuges and parks. The Arctic National Wildlife Refuge is the crown jewel of the National Wildlife Refuge System. The Refuge is a wilderness area unique not only in the United States but in the world. The words of the renowned naturalist, George Schaller, say it all:

> Based on my experience, I conclude that the Arctic National Wildlife Refuge in all its magnificent diversity, from mountain range to coastal plain, is unique and irreplaceable not just on a national basis, but also on an international basis. It is sometimes thought that there are still many remote and untouched wilderness areas in which the earth's biological diversity will be protected . . . Most remote ecosystems, both inside and outside reserves, are rapidly being modified. The Refuge has remained a rare exception. It represents one of the last and true large wilderness areas left on earth, an area unspoiled, its biological systems intact. Our civilization will be measured by what we leave behind. The Refuge was established not for economic value but as a statement of our nation's vision. There are certain places on earth that are so unique that they must be preserved without compromise . . . Such places include the Virunga Volcanoes with its mountain gorillas, the Serengeti plains, the Chang Tang of Tibet—and the Arctic National Wildlife Refuge.

Mr. President, I voted for the Roth amendment primarily because I believe it is unconscionable to allow the degradation of the "biological heart" of the only complete arctic ecosystem protected in North America without a thorough and substantive debate undertaken in full view of the American public. I terribly regret a majority of the Senate did not vote the same way and that we moved one step closer to what I believe is an unacceptable outcome.

Mr. EXON. Mr. President, I yield 2 minutes to the Senator from North Dakota.

The PRESIDING OFFICER. The Senator from North Dakota is recognized.

Mr. CONRAD. I thank the Chair. I thank the ranking member.

I wish to commend the chairman of the Budget Committee and commend the ranking member for really an exceptional effort. The chairman of the Budget Committee has been truly dedicated to balancing the budget and deficit reduction for as long as I have been a Member of this body, and I wish to pay respect to that commitment.

The goal is absolutely right. This is precisely what we must do for the country's future. I think all of us who have worked on the budget understand that we must rein in the growth of entitlements, we must look at freezing defense spending and domestic discretionary spending if we are going to have a chance to do what is the right economic policy for this Nation's future. It will mean a better future for America if we achieve a balanced budget.

Mr. President, I do not believe the specifics that we have in this plan are yet a fair sharing of the burden of deficit reduction.

It seems to me that the middle-class children and the elderly have been ordered into the front lines, but the wealthiest among us have been ushered to the sidelines. More than that, they have been put at the head of the line for additional tax preferences, tax breaks, and tax loopholes.

Mr. President, I do not think that is right. A group of us offered an alternative. We called it the fair share plan because we think it had a more equitable distribution of the burden of reaching a balanced budget, and we reached a balanced budget in the year 2004 without counting the Social Security surpluses. We had more deficit reduction in the year 2002 than the plan we will vote on momentarily.

But perhaps the most interesting irony is that as part of our plan, we proposed closing tax preferences and tax loopholes. Yesterday, the other side said that was a tax increase. But interestingly enough, the last vote that we had on an amendment offered by a Republican Senator was to do precisely what we advocated.

The Senator from Maine offered an amendment to restore funding to education priorities and do it by closing tax preferences and tax loopholes. I am glad they have put it on the table. It got 67 votes, when that was the last amendment adopted because that is precisely what direction we ought to take to reach a fair conclusion when we vote on reconciliation. I hope we do that, Mr. President. I hope we do that.

Mr. BIDEN addressed the Chair.

The PRESIDING OFFICER. Who seeks recognition?

Mr. BIDEN. Will the Senator yield me 2 minutes?

Mr. EXON. I yield 2 minutes.

The PRESIDING OFFICER. The Senator is recognized for 2 minutes.

Mr. BIDEN. Mr. President, we have reached an important point in dealing with the budget deficit. The Senator from New Mexico has proposed a deficit reduction budget that is real. The Senator from Nebraska and the Senator from the State of North Dakota and Senator BRADLEY and I, although they are different plans, have introduced proposals that are real, genuine reductions in working on a balanced budget and moving to a balanced budget within 7 years.

But there is a big difference here. I believe the one we are about to vote on is simply not fair. We can get there from here fairly. There is a fundamental difference in the approach taken by Senator BRADLEY and myself and the Senator from North Dakota, and others, and the Republican proposal, and that is, we put a lot less burden on the elderly, a lot less burden, or no burden, on college loans, a lot less burden on middle-class folks. We increase the burden on other elements of society. The point is, we do look at and do play a major part in dealing with closing tax loopholes.

It is a big difference. It is a fundamental difference, but this is only the first round of the fight. This is a budget resolution that does not mean a darn thing other than as it guides us. It is not a law. It does not change anything. The President does not get to veto it or sign it. We now get into the hard stuff, the hard part.

I am confident that as the American people understand the commitment on both sides to move to a balanced budget, they are going to be able to begin to weigh what the real costs are, and they are going to make a judgment whether or not cutting Medicare and Medicaid by $400 billion is a better way to go than closing $176 billion worth of tax loopholes. They are going to make those basic judgments. I think we will be back at it again. I compliment the managers of the bill for their diligent effort.

The PRESIDING OFFICER. Who seeks recognition?

Mr. DOMENICI. I yield 1 minute to Senator THURMOND.

The PRESIDING OFFICER. The President pro tempore of the U.S. Senate is recognized.

Mr. THURMOND. Mr. President, we have the greatest nation in the world. It has given us more freedom, more justice, more opportunity and more hope than any nation has given its people in the history of the world. If we are going to keep it free, though, and enjoy freedom and democracy, we have to do at least two things: We have to keep a defense that is strong to protect us from our enemies. And the other thing is, we have to take steps to handle our finances correctly. We have not balanced this budget but once in 32 years, eight times in 64 years. We cannot keep on like this.

I want to commend Senator DOMENICI, the chairman, for the great job he has done. I also commend the able Senator from Nebraska for how he has handled this bill on the floor. In addition I commend Senator DOLE, for the leadership he provides.

Mr. President, we must take steps to take care of our finances. If we do that, and protect our defense, we can continue as the greatest nation in the world. I hope we will take a step tonight toward putting our fiscal house in order, and pass this Budget Resolution. I thank the chair and yield the floor.

Mr. DOLE addressed the Chair.

The PRESIDING OFFICER. The distinguished majority leader.

Mr. DOLE. Mr. President, it is my understanding both the distinguished minority leader and the majority leader each have 5 minutes of the allotted 40 minutes. How much time is remaining?

The PRESIDING OFFICER. There are 9 minutes left for the Senator from New Mexico and 2 minutes left for the Senator from Nebraska.

Mr. DOLE. I wonder if I might inquire of the Democratic leader, will he speak following the Senator from New Mexico?

Mr. EXON. Mr. President, the order, I thought, was I would speak, Senator DOMENICI would speak, Senator DASCHLE, and then Senator DOLE. That is what we tentatively agreed to.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. Mr. President, I yield myself 4½ minutes so the Senator from Kansas can make the final remarks on our side.

Mr. President, there are so many people to thank. I do not believe I am going to try to thank them name by name, because I am going to forget some. But I must say, there are 11 Senators that I must thank very personally and very specifically.

Senator DOLE, on January 6, assigned the Budget Committee and I was its chairman. As I looked at the Senators that were assigned and the Senators that were left from previous years, I wondered how would I get 12 Senators to vote together.

Maybe to those on the outside they would not understand this, but let me just read off the names as I thank them individually and share with our leader how difficult and daunting I thought the chore was on January 6:

Senator GRASSLEY, Senator NICKLES, Senator GRAMM of Texas, Senator BOND, Senator LOTT, Senator BROWN, Senator GREGG, Senator GORTON, Senator SNOWE, Senator ABRAHAM, and Senator FRIST. That is a very diverse group of Republican Senators.

But let me say to the American people, a very significant event is going to occur tonight when we vote on this balanced budget. And as it is recorded and as we look back on it, while many deserve credit, none deserve the credit more than these 11 Senators who joined with me in producing what I am absolutely convinced is a fair budget, is a good budget and will, indeed, protect today and tomorrow. It is a budget for today and a budget for tomorrow.

The tomorrow part is shown right here behind me. I am not going to go through each one. Here are five little children and a set of twins.

Mr. President, if you look at those big numbers on each of these including—let us pick whatever you want, Sam and Nicholas. You can guess about how old they are. You see that $151,000. Mr. President, I say to my fellow Senators that $151,000 is what those children will pay out of their income to pay the interest on the national debt if we were to adopt the President's budget and stay at current law.

Mr. President, I say to my fellow Senators, we can talk all we want about who this budget helps and who it hurts. But I want to tell you, for one thing, you cannot continue to do that to our children or there will be no America, there will be no future. For what will young people have to work for if they work for us to pay our interest on our debts which we adult leaders refuse to pay?

Frankly, what we are saying today is a very simple vision. For the first time in 25 years, the grown-up leadership of America is going to say we are going to pay our own bills. If we want to give citizens of the United States benefits, if we want to have programs that we herald across America, we are going to pay for them or we are not going to have them. That is what this budget says, 7 years from now, not tomorrow, for some would say, is it not too quick?

How quick is too quick? Twenty-five years in deficit and 7 more in deficit—that is 32, I say to my friend. When is it enough? Mr. President, let me suggest that Senator EXON has been a marvelous ranking member, and I thank him, his great staff and my great staff. But I do not believe it is fair to say that there was no room for cooperation. It is now many, many days since we put forth a comprehensive budget that everyone that has looked at it says not only is it fair, but it is filled with integrity. It is honest, it has no smoke and mirrors, and, if implemented, its probability for a balance is very, very high. We cannot do much better for our people than to produce that.

Now, frankly, I have not seen any real serious effort to try to address the issues that we put before the Budget Committee or here on the floor. Frankly, in the committee they have an argument. The first couple of days they did not know enough about it. Even after they found out about it, the amendments all went to spending more money but taking it out of the reserve fund.

I close today saying to my fellow Americans—young, old, seniors, military men—you all ought to be proud of the Senate tonight because we will vote about 56 or 57 strong to preserve today and make sure that we are strong and powerful in the future and that our children live in a land of opportunity.

I yield the floor.

Mr. DASCHLE addressed the Chair.

The PRESIDING OFFICER. The Democratic leader is recognized.

Mr. DASCHLE. How much time remains?

The PRESIDING OFFICER. Four and a half minutes to the Senator from New Mexico, 2 minutes to the Senator from Nebraska.

Mr. DASCHLE. I will use additional leader time, if I must, to accommodate whatever time is required for my remarks.

Mr. President, let me begin by commending the distinguished chairman of the Budget Committee and the ranking member for what I consider to be an outstanding job. They have led this

Senate in the last several days in a very good-faith effort, and I applaud their work, and I applaud the staff, especially, for what has been an extraordinarily arduous and extremely meaningful project for which we can all be very proud.

Let me also say there is absolutely no disagreement with what the chairman said about those children. There is no disagreement about how concerned we are about the debt they are incurring. There is no disagreement whatsoever about their futures and how important it is that we address this budget. The only disagreement is how we got the interest amounts that were designated under each picture. The amounts those children have to pay, in large measure, were run up in the Reagan and Bush administration years, and everyone understands that.

The question now is: How do we get out of it? Because for the last couple of years, that is what this administration has given us the opportunity to do—to begin making the downpayment on a balanced Federal budget.

So this debate is about priorities. It is not about goals. Everyone understands the importance of the goal. We agree on the need for a balanced budget. We agree on the need for a date certain by which the budget should be balanced. We agree on the tough choices that have to be made.

We offered over 50 amendments to this budget resolution and not one—not one, Mr. President—would have increased the debt. Not $1. Only one moved back the date, because it was honest, because it did what we said a couple of months ago we had to do, and that was to exclude Social Security. In fact, this budget resolution does not bring about a balanced Federal budget by the year 2002 as touted. On page 7, on line 21, it shows that we will still have a $113 billion debt, money borrowed from the Social Security trust fund to make the budget appear balanced.

Whether or not Social Security is included, let me reiterate that this debate is about priorities. This debate is about what is important. With or without Social Security, we agree on the goal.

When it comes to those priorities, this budget resolution, in the opinion of most Senators on this side of the aisle, is fundamentally flawed. We have many substantive disagreements, but most of them boil down to one core difference—the Republican majority has insisted on tax cuts for the wealthiest 1 million Americans, and they have made that the highest priority above everything else. As a result, this budget takes the side of the privileged few. It virtually abandons ordinary Americans, families, students, veterans, seniors, and children. It demands deep sacrifice from America's middle class, while it showers tax cuts on the elite.

We knew the Republicans had the votes to pass this resolution. That was never in doubt. What Democrats have tried to do is to reveal the truth about this budget and to try as best we can to improve it.

Without increasing the debt, Mr. President, our priority was to ensure that millions of older Americans have access to health care, by taking $100 billion in tax cuts for the most prosperous among us and investing in the health of senior citizens. The Republicans said "no."

Without increasing the debt, we tried to help millions of young Americans by investing $40 billion in education and averting the largest educational cuts in our Nation's history. The Republicans said "no."

Without increasing the debt, we tried to assist 12 million working Americans by repealing a $21 billion tax increase by slightly reducing the huge tax breaks going to the 1 million wealthiest among us. The Republicans said "no."

Without increasing the debt, we tried to invest a small part of the tax cuts in science, technology and research. The Republicans said "no."

We tried to use the tax cuts to reduce the deficit. The Republicans said "no."

With our amendments—and without increasing the debt—we tried to help seniors, to lower the heavy burden on students, to attempt to be fair to veterans and to farmers and to small businessmen and to families, to reduce the deficit. And on virtually every occasion, the Republicans said "no."

We even tried to ensure that the middle class would be the beneficiaries if we had a tax cut, and that 90 percent of the benefit would not go to the 10 percent of us who are the most well-to-do. And again, the Republicans said "no."

Time after time, amendment after amendment, the wealthy won and the middle class lost.

Fairness and equal sacrifice were great goals, but they were lost to the higher Republican priority—a tax cut we simply cannot afford.

This budget is fundamentally flawed, Mr. President. It does not strengthen America; it weakens it. It does not bring us together; it moves us apart.

The "haves" will have more and the rest will have less.

It is not what the American people would have as their priorities, not when you put tax cuts for the privileged ahead of seniors, students, families and deficit reduction.

But this is a long process. It is only the beginning. Today is the easy part. When the American people understand whose side this budget is on, I believe they will demand that we change it. By the time the committees confront the hard choices in reconciliation, the public will understand who is sacrificing and who is benefitting. This budget will be altered, or it will not become law.

Democrats remain committed to balancing the budget. We remain open to working with Republicans to fashion a bipartisan budget. But it must be a budget that asks equal sacrifice and does not exclude the privileged few.

It must be a budget that invests in America, even as we reduce spending, a budget that pulls Americans together, rather than divide us. We can do that, Mr. President. It is not beyond our reach. And the American people expect no less.

I yield the floor.

Mr. DOLE addressed the Chair.

The PRESIDING OFFICER. The majority leader is recognized.

Mr. DOLE. Mr. President, like most Senators, I have lost track of the meetings I have attended. But a few years back, I was in a meeting that I will never forget.

These people were not presidents or prime ministers. They did not run big businesses. In fact, most of them did not even have a job.

Who were they? They were high school seniors—100 of them—one boy and one girl from each State.

The reason why I will never forget that day is because of what they taught me—and what they should teach all of us.

Sometime during our meeting, one young man stood up and said, "Senator, it seems like every group of Americans is represented in Washington. Everyone has somebody who speaks for them." "But who speaks for us?" He asked me, "Who speaks for the future?"

It was a good question then. And it is a good question now.

And for far too long, the answer has been that "No one speaks for the future." Instead, we have piled deficit upon deficit, mortgaging our children's future for the temporary convenience of the present.

But today, the Senate will make a statement, and we will make history in the process.

We will finally begin to unpile the deficits. We will finally begin to speak for the future. And we will do it with one word—leadership.

Harry Truman was right when he said:

> Where there is no leadership, society stands still. Progress occurs when courageous leaders seize the opportunity to change things for the better.

And let us be frank. When it comes to reducing the deficit, Congress has stood still—frozen in place year after year after year, as our debt grew bigger and bigger and bigger.

But in November 1994, Americans voted to change all that. For the first time in 40 years, they gave control of Congress to the Republican Party. And with that control came a responsibility.

A responsibility to do what we promised—a responsibility to act courageously—a responsibility to change things for the better.

And under the leadership of Senator DOMENICI that is exactly what we have done. We have accepted the responsibility of leadership. We have made the tough choices. We have put a plan on the table that will result in a balanced budget within 7 years.

This budget is based on the underlying principle that we simply cannot go on spending our children's money.

In fulfilling that principle, those bureaucracies and programs counting on their usual big spending increases must learn to make do with less—$961 billion less over the next 7 years, to be exact.

And we begin right here in Congress, as this budget reduces legislative branch spending by some $200 million.

Those who are used to more and more power flowing to Washington, DC, will have to adjust to a new tide, where power is carried back to the States and to the people.

And we will have to learn how to make do without the Department of Commerce, and its more than 140 Federal departments, agencies, and programs. This Senator is confident that we will do just fine, thank you.

And despite the rhetoric coming out of the White House, this budget also recognizes that Government has certain responsibilities.

Responsibilities like taking the steps necessary to preserve, improve, and protect Medicare, which three of the President's Cabinet members tell us will go bankrupt in 7 years if we do nothing. We do this by slowing the growth rate of Medicare—while still allowing Medicare spending to increase by $1.6 trillion.

This budget also recognizes that there are those in need who depend on Government programs, and who often have nowhere else to turn.

Therefore, it provides for an additional $36 billion in spending for Medicaid.

It increases funding for the Women/Infant/Children Program by $2 billion.

It increases funding for food stamps, for aid to families with dependent children, for supplemental security income. and for the earned income tax credit.

Is the budget perfect? Of course not. Some of us would have reduced spending in other programs than the ones chosen. Some of us would have increased spending in others. And some of us—including this Senator—would have dedicated more funds to reducing the tax burden on Americans.

But make no mistake about it, this budget does provide tax relief.

The $170 billion fund this budget creates must and will be devoted to tax reductions that will help America's families, stimulate savings, increase investment, create jobs, and promote economic growth.

Family tax credits, spousal IRA's, estate tax relief for family businesses, and a capital gains rate reduction are some of the actions I will promote as Senate majority leader, and as a member of the Finance Committee.

Additionally, it's no secret that when the House and Senate return from conference on our respective budgets, we are likely to return with a budget that will dedicate even more funds to tax relief.

Mr. President, when Republicans drew up our plan to reach a balanced budget, we also drew a line in the sand.

And we said that those who are serious about balancing the budget will cross that line and work with us, or propose an alternative.

And those who are not serious will stay on the other side of the line and offer no leadership. I regret to say that President Clinton has never come close to crossing that line.

While he says we have the wrong plan, he never comes close to saying what the right plan is—except one that gave America $200 to $300 billion deficits well into the next century, and that would have added $1.2 trillion to our debt in the next 5 years.

Thankfully, that plan was defeated by a vote of 99–0.

Instead of leadership, the President offers fear. And he casts his net far and wide. Seniors, children, the so-called middle class, the needy, farmers, students, the list goes on and on. Each day, the President tells them they should be afraid of our budget, they should be afraid of Republicans.

Let me again quote the words of Harry Truman. Truman said:

> America was not built on fear. America was built on courage, on imagination, and an unbeatable determination to do the job at hand.

So, Mr. President, we will win this vote today. We will take our budget to conference. We will work with the Republican majority in the House. And we will return with a plan that will balance the budget in 7 years. We will do it with the help of the American people—people who have always exhibited courage, imagination, and an unbeatable determination to do the job at hand.

I conclude where I began. With speaking for the future. And I conclude not by quoting Harry Truman, but by quoting another President.

> Somewhere at this very moment, another child is born in America. Let it be our cause to give that child a happy home, a healthy family, a hopeful future. Let it be our cause to see that child reach the fullest of their God-given abilities.

Those words were spoken by Bill Clinton in 1992, as he accepted his party's nomination for President.

And with passage of this budget, Republicans will turn those words into action. Because somewhere at this very moment, another child is born in America.

And that child comes into the world already owing $18,500 as his or her share of the national debt.

That child comes into the world with the knowledge that he or she will pay $163,300 in taxes during his working life just to pay off interest on the debt. That child comes into a world facing a future of fewer jobs, fewer opportunities, and higher interest rates.

Today, with this vote, we begin to change that child's world for better.

Today, we begin to speak for all the children born today and in the days to come.

Today, we begin to speak for the future.

Mr. DOMENICI. Mr. President, I ask unanimous consent that the Senate proceed to consideration of Calendar No. 115, the House budget resolution.

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

The clerk will report.

The legislative clerk read as follows:

> A concurrent resolution (H. Con. Res. 67) setting forth the congressional budget for the United States Government for the fiscal years 1996, 1997, 1998, 1999, 2000, 2001, and 2002.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the concurrent resolution?

There being no objection, the Senate proceeded to consider the concurrent resolution.

Mr. DOMENICI. Mr. President, I ask unanimous consent that all after the resolving clause be stricken and the text of Senate Concurrent Resolution 13, as amended, be substituted in lieu thereof, and that the Senate amendment be adopted, and that all time on the resolution be yielded back.

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

The question is now on agreeing to the concurrent resolution.

Mr. DOLE addressed the Chair.

The PRESIDING OFFICER. The majority leader is recognized.

Mr. DOLE. 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.

CHANGE OF VOTE

Mr. HATFIELD. On rollcall vote No. 231, I voted "no." It was my intention to vote "yea." Therefore, I ask unanimous consent that I be permitted to change my vote. This will in no way change the outcome of the vote. This has been cleared by the two leaders.

(The foregoing tally has been changed to reflect the above order.)

The PRESIDING OFFICER. The question is on agreeing to the concurrent resolution, as amended. The yeas and nays have been ordered. The clerk will call the roll.

The legislative clerk called the roll.

Mr. FORD. I announce that the Senator from Maryland [Ms. MIKULSKI] is necessarily absent.

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

The result was announced—yeas 57, nays 42, as follows:

[Rollcall Vote No. 232 Leg.]

YEAS—57

Abraham	Gorton	McConnell
Ashcroft	Gramm	Murkowski
Bennett	Grams	Nickles
Bond	Grassley	Nunn
Brown	Gregg	Packwood
Burns	Hatch	Pressler
Campbell	Hatfield	Robb
Chafee	Helms	Roth
Coats	Hutchison	Santorum
Cochran	Inhofe	Shelby
Cohen	Jeffords	Simpson
Coverdell	Kassebaum	Smith
Craig	Kempthorne	Snowe
D'Amato	Kerrey	Specter
DeWine	Kyl	Stevens
Dole	Lott	Thomas
Domenici	Lugar	Thompson
Faircloth	Mack	Thurmond
Frist	McCain	Warner

NAYS—42

Akaka	Exon	Lautenberg
Baucus	Feingold	Leahy
Biden	Feinstein	Levin
Bingaman	Ford	Lieberman
Boxer	Glenn	Moseley-Braun
Bradley	Graham	Moynihan
Breaux	Harkin	Murray
Bryan	Heflin	Pell
Bumpers	Hollings	Pryor
Byrd	Inouye	Reid
Conrad	Johnston	Rockefeller
Daschle	Kennedy	Sarbanes
Dodd	Kerry	Simon
Dorgan	Kohl	Wellstone

NOT VOTING—1

Mikulski

So the concurrent resolution (H. Con. Res. 67), as amended, was agreed to.

(The text of the concurrent resolution will be printed in a future edition of the RECORD.)

(Applause.)

Mr. DOLE addressed the Chair.

The PRESIDING OFFICER. The distinguished majority leader.

Mr. DOLE. Mr. President, I move to reconsider the vote by which the concurrent resolution was agreed to.

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

The motion to lay on the table was agreed to.

Mr. HATCH. Mr. President, I ask unanimous consent that the Senate insist on its amendment and request a conference with the House on the disagreeing votes of the two Houses, and that the Chair be authorized to appoint conferees.

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

Mr. DOLE addressed the Chair.

The PRESIDING OFFICER. The majority leader is recognized.

MORNING BUSINESS

Mr. DOLE. I want to ask that there be a period for the transaction of routine morning business for about the next 10 minutes or so. There are a couple of people who want to speak. Then we will turn to the terrorism bill.

Mr. President, I ask unanimous consent that there be a period for the transaction of routine morning business with Members permitted to speak for not more than 5 minutes each, and that at 6:45 the Senate then turn to the consideration of Calendar No. 192, S. 735, the antiterrorism bill.

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

Mr. JEFFORDS addressed the Chair.

The PRESIDING OFFICER (Mr. GRAMS). The Senator from Vermont is recognized.

Mr. JEFFORDS. I thank the Chair.

(The remarks of Mr. JEFFORDS pertaining to the introduction of S. 856 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

HEARINGS ON TERRORISM

Mr. SPECTER. Mr. President, the Subcommittee on Terrorism of the Judiciary Committee was scheduled to have hearings on terrorism today.

Those hearings could not be held because the Senate was in session continuously from 9 a.m. with rollcall votes of 9 minutes. So those hearings had to be postponed. They are going to be held on Thursday, June 8.

A good many people came from substantial distances. I expressed our regrets that we could not hold the hearing. But it was not possible to do so. But I did tell them that the statements which had been submitted would be put in the RECORD at this time so that their prepared statements could at least be read by Members of the Senate or those interested in reading them.

At this time, I ask unanimous consent that the statement of attorney John W. DeCamp, the statement of Mr. Norman Olson, the statement of Mr. Leroy Crenshaw, and the statement of the Militia of Montana be printed in the RECORD.

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

Memorandum from: Senator John W. DeCamp, Atty.

To: Sub Committee on Terrorism, U.S. Senator Judiciary Committee.

Re: Testimony to Committee.

To paraphrase an old saying. . . . "Five months ago I couldn't spell 'Militia' and now I represent one."

It was five months ago I agreed to PROVIDE LEGAL ASSISTANCE TO the leaders of the Montana Militia on a dozen felonies. Why? I felt the felony charges involved open and shut first amendment issues of freedom of speech, assembly and right to petition Government issues, and have learned a wealth of information since that time—particularly in light of the Oklahoma bombing and the anti-militia movement.

Before I go too much further, let me give brief background on myself and let me answer the first questions that press and your staff asked of me.

Question: Are you a white supremacist?

My wife is Vietnamese—one of the Boatpeople. Our four home made AMERASIAN children are the four most beautiful and talented mixed race children on the planet. My business partner is African-American. My Comptroller is Indian from Bombay & my legal associates over the years have been mostly Jewish. You make your own conclusions.

Question: Are these militias dangerous?

Absolutely yes, and absolutely no.

First, the media and MOST OF US have made the same fundamental error ("Cat Bagging" I call it) as was made during the McCarthy Era, during the Vietnam War Protest Movement, and during Watergate.

That is, we lump all the Militias, the So Called Patriot groups, and Tax Protesters and Free Men & Survivalist Groups together as identical cats and then put them all into one bag.

Second, we SELECT An individual or entity that is simply off the spectrum in their beliefs, one not tethered to reality and attribute those horrible characteristics to all the militias. In short, we "demonize" them. Quickly, they are all labeled as white supremacist, racist, anti-government, paranoid revolutionaries fixing to blow up the world.

The truth is that there is as much diversity among these groups as there is among religious groups. As a young boy, I remember sitting in the front pew and hearing the Priest in my small town of 1,800 people explain why the Protestants were all going to hell. And, on Monday morning at school my best friend, a Protestant kid named Jimmy, would explain to me that his preacher had told him the same thing about us Catholics the day before.

It has been my observation that many of these groups—particularly the ones I considered not tethered to reality—are a bit like the Priest and the Preacher * * *. That is, much of their effort is devoted to explaining to their members why the other group are not real patriots, or why Bo Gritz or John Trochman are really C.I.A. agents.

In truth, most of the militia groups—Montana Militia, Oklahoma Militia, New Hampshire Militia—could be classified as middle of the road among hard conservatives. What do I mean?

Ten, twenty and thirty years ago they are the individuals who were clamoring for "Law and Order.'

I suppose it is ironic, some might say poetic, that what many of them sought, "Law and Order" has now come to pass in a FORM they deem to be excess * * * that is too much oppressive law and abuse of the Constitution. And "order" has become what they fear to be "a new world order." And thru speaking out, they want everyone to know this attitude on their part and their fears and concerns.

But are they dangerous?

They are a political movement. All political movements are dangerous to some other political movement they run counter to.

That is how our system of government evolves * * * thru political conflict and wars fought with words instead of bullets and fought in the press and from the bully pulpit instead of on the battlefield.

Ultimately, that is the only truly distinguishing feature separating our 200-year-old political system from all others that went before it. Namely, the ability thru verbal conflict and battle for our system to reverse itself (revolution) and go in an opposite direction without the necessity of a violent revolution.

But are they physically dangerous or a threat to our Government or our Constitution?

You judge * * * but do it on the facts, not on innuendo or the words of the natural enemies of these militias, namely, other political groups opposed to their philosophy.

To the best of my knowledge, there are no reported incidents of any significance of militias being involved in any of the following:

1. Drive by shootings.
2. The drug trade.
3. Use of children for pornography, pedophilia & drug couriers.
4. Gang wars.
5. Auto theft.
6. Murder, rape, robbery, trafficking in illegal arms.

If militias are involved in these somebody is not reporting them. And I doubt that.

For benefit of those who might differ with me on this, I would point out that in each of the incidents you might be familiar with, Gordon Kahl, Radny Weaver, Waco, the events were initiated by the Government in an attempt to serve usually misdemeanor warrants on contested tax matters using overwhelming force and what in hindsight seems rather poor judgement.

In short, an analysis by you will show that the militias themselves have been the victim of violence rather than the perpetrator or initiator.

As an example to prove my point, I challenge this committee to examine the most notorious & deadly event in American history involving U.S. marshals * * * namely, the Gordon Kahl shoot-out 12 years ago in which about a half-dozen marshals were shot, and Kahl escaped resulting in the largest manhunt in American history.

Have the courage to OBJECTIVELY examine this event—same with Waco—, and you will begin to understand the origins of the militia movement, their disenchantment and fear of law enforcement and Government.

Whether you believe Kahl was the most notorious and crazy tax protester in American History or whether you believe he was a martyr responsible for triggering the militia movement, it is only by understanding this case in depth that you can understand the origins of the Militia movement.

Question: Are you, John DeCamp, a member of a militia?

Sure, about twenty-five years ago I was a member. We called it the United States Army. We had training sessions and exercises in a place called Vietnam. I was an Infantry Captain there specially assigned to a man named Bill Colby. Bill subsequently became my friend, Godfather, advisor and Legal Associate on a case or two. Bill was the individual who insisted I write the book, the Franklin Coverup—which book resulted in some of the Militias asking me to represent them. You may remember Bill as the former head of a group called the C.I.A., Central Intelligence Agency.

So, since Colby told me to write my book the Franklin Cover-up; and since the book resulted in my representing the Montana militia and being here today, I suppose I'm here because of the C.I.A. just kidding. . . .

My Militia leader, a chap named McNamara, told us in Vietnam that we were winning; that our government was sincere . . . and a lot of other nice things that inspired us to get our heads blown off. Then a couple weeks ago, I understand Mr. McNamara told the world that he was only "funnin" us when he told us those things during the war. McNamara said that he or our other leader Lyndon knew all along that they were lying to us.

That is the about the same thing those war protesters were saying twenty-five years ago. But twenty-five years ago Mr. McNamara and Lyndon said the war protesters were lying and Mr. McNamara and Lyndon tried to suspend their right to criticize or question government. Lyndon tried to beat their heads in, lock them up and shut them up using government agencies. Now, I get a little gun-shy when I see the Government taking the same approach to the Militias today. Instead of raiding them, threatening them, indicting them for what they say and believe, let's keep open minds and listen to their arguments the same as any other political debate.

Who knows, we might discover that "truth lies somewhere in the middle" as it frequently does in all things in life.

There is no proof at this point, nor any indication of proof, that the militias themselves—unlike Vietnam war protesters—have blown up any buildings, media and political innuendo to the contrary notwithstanding.

Question: How should government treat the militias?

The same as any other political movement or group. Give them the full benefit of the First Amendment. Let the war be fought in the press and with words. The legitimate ones will survive and maybe evolve. In open debate, any crazies will self-destruct.

The only real danger from the militias is if you try to suspend pieces of the Constitution to shut them up or destroy them.

For God's sake . . . for America's sake . . . don't rip off a corner of our Constitution to address a crisis or threat that has yet to be proven to even exist.

Three times in my short life, I have watched panic set in with Government Leaders. Those three times are: McCarthyism, Vietnam war protest movement, Watergate.

Each time, government reacted by trying to suspend our Fundamental First Amendment Rights.

McCarthyism: I remember * * * teachers taking loyalty oaths * * * neighbors questioning and accusing their neighbor or competitor of being a Communist. J. Edgar being given free reign to suspend the Constitution. And everybody was paranoid about their neighbor.

Vietnam war protesters: I sure remember that. First reaction was to try to shut them up. That simply resulted in violence.

Watergate: My hero Dick Nixon panicked and for his own security also tried to rip off a corner of the Constitution and shut up his critics. That resulted in a brutal First Amendment "caning."

But, in each case, it was not the Government which saved the Constitution for the people; rather it was the free and unfettered press using their First Amendment which saved the Constitution from the Government abuse.

That First Amendment—and the free press and robust and wild and wooly free speech it promotes—is our ultimate check and balance to preserve the Constitution.

Whether it is Edward R. Murrow exposing McCarthy as a Charlatan; or the New York Times daring to print the Pentagon Papers; or, God Forbid, the Washington Post taking on Nixon and the entire government in Watergate, it has been the press operating under the First Amendment that has saved our Constitution and Americans from Government abuse rather than the Government saving our Constitution from press or American citizen abuse.

So what ever you do, don't overreact and trade pieces of our Constitution for an instant solution to some perceived but unproved problem.

Let me conclude by simply saying this: the best way to understand the militias, their motives, their agenda, their danger or their benefit to America is to understand their origins.

And, you can only understand their origins if you will as a governing body publicly, openly and thoroughly examine Waco and Gordon Kahl and Randy Weaver.

This is what we ask of you. An open, public, above-board Senate examination of those events that will help re-establish, no matter the outcome of that objective examination, trust and credibility in our Government agencies when they speak.

(From The Alanson Armory: Wolverines, May 24, 1995)

TESTIMONY OF MR. NORMAN OLSON

Thank you for the opportunity to testify today. The following statement will attempt to answer the question of the legitimacy and the need of the citizen militia.

Not only does the Constitution specifically allow the formation of a Federal army, it also recognizes the inherent right of the people to form militia. Further, it recognizes that the citizen and his personal armaments are the foundation of the militia. The arming of the militia is not left to the state but to the citizen. However, should the state choose to arm its citizen militia, it is free to do (bearing in mind that the Constitution is not a document limiting the citizen, but rather limiting the power of government). But should the state fail to arm its citizen militia, the right of the people to keep and bear arms becomes the source of the guarantee that the state will not be found defenseless in the presence of a threat to its security. It makes no sense whatsoever to look at the Constitution of the United States or that of any state for permission to form a citizen militia since logically, the power to permit is also the power to deny. If brought to its logical conclusion in this case, government may deny the citizen the right to form a militia. If this were to happen, the state would assert itself as the principle of the contract making the people the agents. Liberty then would depend on the state's grant of liberty. Such a concept is foreign to American thought.

While the Second Amendment to the U.S. Constitution acknowledges the existence of state militia and recognizes their necessity for the security of a free state; and, while it also recognizes that the right of the people to keep and bear arms shall not be infringed, the Second Amendment is not the source of the right to form a militia nor to keep and bear arms. Those rights existed in the states prior to the formation of the federal union. In fact, the right to form militia and to keep and bear arms existed from antiquity. The enumeration of those rights in the Constitution only underscores their natural occurrence and importance.

According to the Tenth Amendment, ultimate power over the militia is not delegated to the Federal government by the Constitution nor to the states, but resides with the people. Consequently, the power of the militia remains in the hands of the people. Again, the fundamental function of the militia in society remains with the people. Therefore, the Second Amendment recognizes that the militia's existence and the security of the state rests ultimately in the people who volunteer their persons to constitute the militia and their arms to supply its firepower. The primary defense of the state rests with the citizen militia bearing its own arms. Fundamentally, it is not the state that defends the people, but the people who defend the state.

The second line of defense of the state consists in the statutory organization known as the National Guard. Whereas the National

Guard is solely the creation of statutory law, the militia derives its existence from the inherent inalienable rights which existed before the Constitution and whose importance are such that they merited specific recognition in that document. While the National Guard came into existence as a result of legislative activity, the militia existed before there was a nation or a constitutional form of government. The militia consisting of people owning and bearing personal weapons is the very authority out of which the United States Constitution grew. This point must be emphasized. Neither the citizen's militia nor the citizen's private arsenal can be an appropriate subject for federal regulation. It was the armed militia of the American colonies whose own efforts ultimately led to the establishment of the United States of America! While some say that the right to keep and bear arms is granted to Americans by the Constitution, just the opposite is true. The Federal Government itself is the child of the armed citizen. We the people are the parent of the child we call government. You, Senators, are part of the child that We The People gave life to. The increasing amount of Federal encroachment into our lives indicates the need for parental corrective action. In short, the Federal government needs a good spanking to make it behave.

One other important point needs to be made. Since the Constitution is the limiting document upon the government, the government cannot become greater than the granting power, that is the servant cannot become greater than his master. Therefore, should the Chief Executive or other branch of government, or all branches together act to suspend the Constitution under a rule of martial law, all power granted to government would be canceled and defer back to the granting power, the people. Martial law shall not be possible in this country as long as the people recognize the Bill of Rights as inalienable.

Since the power of self defense and the defense of the state is ultimately vested in the people, there is no possible way that a Governor or the Chief Executive of the United States, or any legislative body can "outlaw" the citizen militia for to do so would rob inherent power from the people. If that were to happen, our entire form of government would cease.

Historically, we have found that the Governor's militia, that is the National Guard, is intended to reduce the need for the citizen militia. Simply, if the National Guard did it's job in securing the state, the citizen militia would not emerge. That it has emerged so dramatically seems to indicate that the people do not feel secure. Simply stated, the growing threat of centralized Federal government is frightening America, hence the emergence of the citizen militia. When government is given back to the people at the lowest level, the citizen militia will return to its natural place, resident within the body of the people. Civil war and revolution can be avoided by re-investing governing power to the people.

To summarize: Citizen militia are historic lawful entities predating constitutions. Such militia are "grandfathered" into the very system of government they created. The Constitution grants no right to form militia, but merely recognize the existing natural right of all people to defend and protect themselves. The governments created out of well armed and free people are to be constantly obedient to the people. Any attempt to take the means of freedom from the people is an act of rebellion against the people.

In order to resist a rebellious and disobedient government, the citizen militia must not be connected in any way with that government lest the body politic loose its fearful countenance as the only sure threat to a government bent on converting free people into slaves.

TESTIMONY OF LEROY CRENSHAW BEFORE THE SENATE COMMITTEE ON THE JUDICIARY, MAY 25, 1995

Good Morning Chairman Hatch and Distinguished Members of this Committee.

My name is Leroy Crenshaw, and I would request that this Committee accept my prepared statement as a part of the record of these proceedings.

I was born and raised in the beautiful State of Alabama, and I now live and teach school in the great State of Massachusetts. I have a faithful and supporting wife and we have raised six fine children.

We all feel privileged to have been born in these times when the promise of our forefathers has begun to spread to all races, colors, and creeds, of our countrymen. Ironically however, these times have evolved all too soon into conflicts between my countrymen of all races and the officers of their government. For many of my friends who are not Black Americans, these times have brought circumstances into their lives that have no memorable precedent. For me and my wife, we see emerging official conduct that is all too reminiscent of earlier days of "us" and "them" that Black Americans have known as their daily diet since our country began. We welcome our white brethren to our sides in this time of burgeoning oppression.

During recent times, we ordinary Americans have experienced repeated episodes of authoritarian confrontation provoked and executed by our federal government. We have witnessed with horror as each of our individual rights, as enumerated in the first Ten Amendments to our Constitution, has fallen to attack by our federal government at the highest levels. We have repeatedly attempted redress through our courts, through our elected Representatives and Senators, and through pleading with the agencies of our government, all to no avail after a consistent pattern of restatement of our issues into "non-issues", in order to avoid dealing with the substance of our complaints.

We have witnessed our federal Government make itself a party to the collapse of our banking and Savings and Loan institutions.

We have witnessed our Government commit our young men to foreign military adventurism upon false premise, and upon an usurped authority.

We have all been victims of federal incursion into our private financial affairs to the point of our right invasion of the sanctity of our family domain, under the guise of routing out fraud by us working Americans.

We have witnessed out right and provable lies told to the records of our federal courts by the judges appointed to these high positions.

We have witnessed our own President disclaim our Bill of Rights as "radical" liberties to be granted to ordinary people.

We have witnessed one Vice President (Quayle), along with at least one Attorney General (Barr), attempt to convince us to abandon our right to jury trials in all criminal cases and an civil case in excess of twenty dollars (1990–1991).

We have discovered that the CIA, the Department of Justice, and the DEA, along with other agencies of government have worked in concert to engage and profiteer from drug trafficking.

We have witnessed the compromise of the sovereignty of our state governments by federal funding schemes that always contain a myriad of control strings.

We have witnessed our community controlled school systems invaded by "better idea" federally funded concepts that offer no rational solutions, except mind conditioning of our young into "interdependent" concepts that scorn the virtue of self reliance and fundamental education.

We have witnessed repeated instances when officers of our federal government, acting under color of federal law, have committed multiple crimes against us, in the form of actual violence, and in the form of 'white collar' extortion, theft, embezzlement, and provable fraud.

We have witnessed the consistent official forgiving of these crimes without any authority under our Constitution to grant these officers any reprieve for their offenses against our laws and our Constitution.

We have studied our Law, and we have found there our fundamental rights still stated to be "protected".

We also have found within our Constitution, the prescription for dealing with these perversions to our security that trouble us so much.

We find in the First Amendment to the Constitution that the Congress shall pass no law abridging our right "peaceably to assemble, and to petition the government for a redress of grievances.", but Congress has passed such laws.

We find the Second Amendment constitutionally prescribed protection of our individual duty to take arms if need be in defense of our Constitution, to be under attack by our own Congressmen.

We find in the Fourth Amendment, our protection of our right to be secure in our homes from official threats against our persons, our papers, and our effects, against searches and seizures upon non-existent or warrantless incursions into our private domains, but we know of repeated incidents of just such incursions into the homes of persons who are later found to be completely innocent of any wrongdoing, and some of such persons have died as a result.

We find in the Fifth amendment that none of us is to be deprived of our life, without due process of law, but we know now of many unarguably innocent people who have been killed by our federal officers who knew of the innocence of their victims before their killing acts.

We find in the Fifth Amendment that none of us is to be deprived of our liberty without due process of law, but we know that many of us have been imprisoned upon trumped up charges that are ultimately shown to have been knowingly brought upon fraudulent grounds.

We find in the Fifth Amendment that none of us is to be deprived of our property without due process of law, but we know that many of us has had his cash, possessions, and future means of earning a living, seized without any opportunity to oppose such seizure before the fact.

We find in the Fifth Amendment that each of us is entitle to obtain "just compensation" as payment from our government before our property of any sort is taken for public purposes, but our government is depriving us of that which is ours upon a daily basis without any payment what so ever.

For all the above findings, the officers of our government are acting in clear repugnance to our Constitution. Those in government who control the course of redress within our institutions know that we have suffered these crimes under our Constitution. Yet, they do nothing, and these facts constitute a condition of officials acting in insurrection and rebellion against our Constitution, as meant in section 3 of the Fourteenth Amendment.

We all know that should our government fail to immediately purge itself of such manner of conduct, that we each are empowered by Section 4 of the Fourteenth Amendment to suppress any such manner of insurrection and rebellion—at the expense of our National Treasury.

Now let us all understand:

That we the people have always had, and still possess, the right, the duty, and the power, to "effect [our] Safety and Happiness."

That, "Prudence . . . will dictate that Governments long established [such as ours] should not be changed for light and transient causes; and . . . all [our] experience has shown, that mankind is more disposed to suffer, while evils are sufferable, than to right themselves by abolishing the forms to which [we] are accustomed. But when a long train of abuses and usurpations, pursuing invariably the same Object evinces a design to reduce [us] under absolute Despotism, it is [our] right, it is our duty, to throw off such government [or usurping officers within], and to provide new Guards for [our] future security."

"Such has been the patient sufferance of [my countrymen]; and such is now the necessity which constrains [us] to alter [our present state of oppression]." To this end, we have commenced to keep and bear our Arms upon common respect and allegiance to the defense of our Constitution, and to those long suffering public servants of our government who are compelled to remain silent while a small arrogant elitist sect wield powers never granted to them by us, and destroy our nation.

My humble message to this panel is that we know you and your counterparts in the House of Representatives are aware of these problems, and your sworn duty to suppress those federal officials acting against us. We urge you to do your duty. We shall not fail to do ours.

Thank you all for your kind attention.

LEROY CRENSHAW,
Springfield, MA, May 25, 1995.

Hon. ROBERT GOLDBERG,
Subcommittee on Terrorism, Senate Office Building, Washington, DC.

DEAR MR. CHAIRMAN: I come before this subcommittee on terrorism to state my views, establish for the record the basic concepts behind the Militia movement, and for all American's who are unable to receive justice from a system that is bogged down in red tape and corruption.

First, I speak for myself. My dealings with the Internal Revenue Service [IRS] began at a time when I was personally involved with two deaths in my immediate family. One was our daughter, the other was my wife's mother. The IRS claimed we owed an additional $1,000.00 to $2,000.00 in taxes. This figure skyrocketed from that level to $12,000.00 after application of penalties and fines. Upon advice of the federal judge who heard our case, we paid nothing pending a class action suit against the tax shelter. The IRS subsequently closed down the tax shelter, and all participants who were assessed additional taxes, fines, and penalties, by the IRS for their good faith money management. As I said, at that time I was under stress, having just lost two loved ones, and so we paid the $12,000.00. We were given forms to complete that we were told would allow the debt to be forgiven. However, nothing has come of this assurance to date. The forms were returned to the IRS, and we made several telephone calls on this matter only to be told that no one knew anything about this. Justice has not been served in our matter, and I petition this chamber to launch an investigation and return to myself and every other individual that has been targeted by the IRS any and all moneys that have been taken under duress and threat of prosecution.

Another case is that of *Thomas M. Read* v. *The United States of America, et al.* This case went to the U.S. Supreme Court upon dismissals all along the way (Supreme Court Docket No. 92-1952). Thomas Read, and his wife Sandy, had been hounded for six and one-half years by corrupted federal court appointees in the Northern California bankruptcy system. Neither Read, nor his wife, has any connection to any bankruptcy—except by the fraudulent and false claims lodged under Connecticut law against them. In October of 1986, Read underwent a two week jury trail, and he and his wife were found to have been completely innocent of the allegations lodged against them. It was a jury trial, and the jury determined that the plaintiff, a bankruptcy trustee, was guilty of knowingly inducing the Reads into a fraud, a tort offense under Connecticut law. But the trustee ran to his bankruptcy judge in California, and sought and received a "Permanent Injunction" against the Reads from ever acting upon their judgment upon the issues he (the trustee) had brought to trial in Connecticut Superior Court. The case had not been removed to federal jurisdiction—because a prior federal action brought against the Reads had resulted in an abstention by the federal courts of exercise of federal jurisdiction over this case, and also because the time limitations for removal to federal jurisdiction had long since expired. Mr. Read was not aware of the corruption that existed in the Northern California bankruptcy system, and filed an appeal to the Bankruptcy Appellate Panel for the U.S. Court of Appeals for the Ninth Circuit. That court misstated facts, and proceeded to proclaim bankruptcy trustees immune from personal liability upon the false premise that they possessed "derived judicial immunity" (This case was mentioned in Rodney Stitch's Book Defrauding America, pp. 109 and 110), even though these trustees do not function in a judicial capacity. The Reads had already suffered a $346,000.00 loss resulting from the years of fraudulent suit, and ultimately suffered a complete financial collapse, in 1989.

Since that time, Mr. Read has been railed upon by our federal courts when he has stated the facts of this case. The fact remains, a jury determined that court appointees did conceive and work in concert to perpetrate a fraud upon the Reads. If our government, in order to serve the public, must commit acts constituting torts against ordinary citizens and protect its appointed federal actors, then the government assumes the burden of justly compensating the damaged parties under the Fifth Amendment Taking Clause. In this case, and many others, it did not.

Finally we come to the militia movement. Because of all of the above incidents, and many more, the citizens of this country have become disenchanted, skeptical, and suspicious, of our federal government on all levels. I, myself, am not a member of any militia, but having been involved in a dispute with the government in the form of the IRS, and having seen many friends who have become involved in incidents that were not of their making or choosing, I have come to realize that we must force our elected officials to do our bidding because they refuse to respond to us. I must conclude that, since there is so much corruption in government, and there seems to be no way that the "good guys" can be differentiated from the "bad guys", by the government, then, we have to eliminate the "bad guys" ourselves. I am here to advise you that the American people are waking up, and these awakening Americans are seeing the truth of our times. They are seeing many of you, and many of your colleagues, lie and deceive us without even a thought of remorse.

The militia movement started because the majority of the politicians are not telling the truth and the people have no redress for their grievances. The politicians are liars and the news media are purveyors of these lies as if they were the truth. The militia movement is comprised of ordinary every day people who love their country and the way of life that is slowly being sucked away by government officers acting upon an usurped authority. You were all put in office by people who are in the militia, who are teachers, like myself, and who are more likely than ever to be unemployed individuals due to unconstitutional laws passed by this Congress, and Executive Orders signed into law that should never see the light of day.

Certain actions by the ATF, CIA, IRS, and other federal agencies have brought attention to themselves and their "Jack booted thugs" by the few who need to be eliminated from the ranks of federal government. There is no justice if the ones who shoot nursing mothers and dogs, and little children in the back, later get promoted instead of prosecuted. Case in point is Special Agent Potts. Let's get some justice for the American people by putting this murdered (Potts) in jail. We don't want him promoted, we want him, and others of his ilk, out of office, with NO benefits, NO retirement, and NO chance of ever later acquiring them. If a public officer dishonors his oath to defend and protect the Constitution, that officer should relinquish any rights he or she thought that were theirs, but instead it is the people of America who end up relinquishing their individual rights. That IS a crime. People who break the law need to be punished, that includes politicians, judges, trustees, or anyone who has acted in violation of the public trust.

The terrorism that has been perpetrated against America, has been against all Americans. How dare they insinuate that loyal Americans would stoop to hurt other Americans. Yet, individuals in the person of Ms. Janet Reno, have the nerve to sit there and act indignant about charges spoken against her on the Waco massacre. Make no mistake, it was a massacre, and I doubt if the truth will ever be told because of the corruption and graft that permeates the entire justice system. These harsh words, but not nearly as harsh as the reality that American citizens endure each day.

There is today in America, a resurgence of loyalty and if you are not corrupt, if you work for the people, and if you uphold the Constitution, you have nothing to fear from anyone, much less a militia movement. Unfortunately, payoffs, underhanded money deals, corruption and illegal use of the power of office is the rule rather than the exception. Some believe that the only terrorism

instigated in this country today, has been at the hands of government officials. I don't see the people of this country putting up concrete barriers around their homes. This country was founded on the premise that the government worked for the people, not the other way around. If we are being denied access to our "elected officials" what is the next step? The saying "A guilty mind needs no accuser" applies here! Only the guilty flee, when no one pursues.

If Larry Nichols and Terry Reed are wrong in their accusations of massive drug trafficking against Mr. Clinton, let's put them in jail after a fair trial. But, if as we all suspect, they are truthful, let's put Mr. Clinton on the line, Impeach and prosecute and do not under any circumstance allow him to grant immunity or to pardon anyone. Is this too much to ask? I ask all of you, how many members of Congress as well as judges, etc., would remain in office of forced to be held accountable to the laws of the ordinary man.

As a black man born and raised in Alabama, I've been subjected to things most Americans only read about in History books. Now, today, in this country, land of the free home of the brave, white Americans are beginning to be subjected to the same types of discrimination and random acts of violence that are really not targeted at any one group, but at all Americans who love their country and are trying to get rid of the corruption and graft that lines our courtrooms and legal professions. The few bad apples do spoil it for the "good guys" every time.

Sincerely,

LEROY CRENSHAW.

EXCERPT FROM HEARING BEFORE THE SUBCOMMITTEE ON ECONOMIC AND COMMERCIAL LAW OF THE COMMITTEE ON THE JUDICIARY, NOVEMBER 6, 1991

Hamilton described another bankruptcy-related killing, in which attorney John Scott was murdered as his charges of bankruptcy corruption started to threaten the established racketeering enterprise and the involved federal judges, trustees and law firms. Someone killed Scott near Austin, Texas.

GIVING THEMSELVES IMMUNITY FROM THEIR CRIMES

Federal judges of the Ninth Circuit held that the private trustees, including embezzler Charles Duck, who committed the nation's worst Chapter 11 corruption, were officers of the court, and were therefore immune from liability. Federal judges, therefore, held that a citizen has no claim against an officer of the court (i.e., trustee, attorney, judge, or one of their employees) arising from the criminal acts of that federal official, even though the acts are criminal and inflict enormous harm upon an innocent person. They held in effect that officers of the court could inflict any type of outrage upon the public, and the public has no remedy.

One of the many people victimized by the judicial corruption was Thomas Read of Connecticut. Read had not sought relief in Chapter 11, but was affected by Charles Duck, and the federal judges seeking to protect the admitted embezzler. Read obtained a Connecticut judgment against Duck. Bankruptcy Judge Alan Jaroslovsky of Santa Rosa, who had protected Duck's criminal activities, issued an injunction forever barring Read from enforcing the judgment. Read argued that the injunctive order exceeded the judge's authority. Read filed an appeal with the Ninth Circuit Bankruptcy Appellate Panel (composed of Chapter 11 judges. The appellate panel rendered a published decision:

"Federal judges, seeking to protect these criminal acts and themselves, have rendered decisions holding that "judicial immunity not only protects judges against suit from acts done within their jurisdiction, but also spreads outward to shield related public servants, including trustees in bankruptcy."

"This circuit has adopted a . . . rationale stating that a trustee or an official acting under the authority of the bankruptcy judge is entitled to derived judicial immunity because he is performing an integral part of the judicial process. . . . a trustee, who obtains court approval for actions under the supervision of the bankruptcy judge, is entitled to derived immunity.

"It is well settled that the trustee in bankruptcy is an officer of the appointing court. Courts other than the appointing court have no jurisdiction to entertain suits against the trustee, without leave from the appointing court, for acts done in an official capacity and within his authority as an officer of the court. . . . It is . . . axiomatic that the Trustee, 'as a trustee in bankruptcy [and] as an official acting under the authority of the bankruptcy judge, is entitled to derived judicial immunity because he is performing an integral part of the judicial process.'

"Sound policy also mandates immunizing the trustee. The possibility that we would hold trustees personally liable for judgments rendered against them in their representative capacity would invariably lessen the vigor with which trustees pursue their obligations. Immunity is essential because, as Judge Learned Hand noted, "to submit all officials, the innocent as well as the guilty, to the burden of a trial and to the inevitable danger of its outcome, would dampen the ardor of all but the most resolute, or the most irresponsible, in the unflinching discharge of their duties. . . . Accordingly, we hold that the trustee [Charles Duck], acting under the authority of the court, is entitled to derived judicial immunity."

As the judicial involvement in the Chapter 11 corruption surfaced, the Ninth Circuit Court of Appeals rendered a judgment[103] protecting judges against responsibility for their criminal acts. The Ninth Circuit rendered the decision holding that regardless of any criminal conduct committed against the public or an individual by a judge or person acting on his behalf, such as a trustee, the public had no remedy against the judges, or anyone acting with the judges. The need for these self-protective and unconstitutional decisions is rapidly increasing as federal judges are heavily implicated in some of the worst criminal activities ever exposed in the history of the United States. Worse judicial corruption has yet to be described.

Justices of the U.S. Supreme Court enlarged upon the protection against their own criminal acts (and they may need this protection shortly). The Supreme Court Justices held in *Stump* v. *Sparkman*[104] that a judge could deliberately commit unlawful, unconstitutional, and corrupt acts upon a citizen, destroy personal and property rights, and be immune from financial liability. This decision was repeatedly stated by U.S. District Judge Marilyn Patel, San Francisco, as I sought relief against California and federal judges.

The Constitution and statutes disagree with judge-made law, federal civil rights statutes and constitutional rights to seek relief clearly do not provide immunity to federal judges when they violate clear and settled civil and constitutional rights, or against corrupt or criminal acts, and who inflict harm upon any member of the American public.

In *Stump* v. *Sparkman* the judge entered into a conspiracy, ordering a young girl permanently sterilized. The Supreme Court held that the girl had no remedy against the judge, as the public's welfare requires that a judge be free to exercise his duties without fear of the consequences. That is a farce, and the public's welfare isn't protected by protecting crooked judges.

APPEARANCE BEFORE THE SENATE SUBCOMMITTEE ON ANTI-TERRORISM, MAY 25, 1995

Not only is it a pleasure to have this opportunity to define for you and America who and what the militia is, what they stand for and why all Americans have the constitutional obligation to participate in patriotic or militia groups, but it is also saddening that this opportunity arose out of the Oklahoma tragedy.

Contrary to popular opinion, the Militia Of Montana does not base its existence upon the legal definition of militia. The foundation for the right to exist is clearly a First Amendment issue, freedom of speech and freedom of assembly, as a private organization. At this time there are approximately ten million American citizens participating in patriot/militia activities in all fifty states, with the numbers growing steadily every day.

The Militia Of Montana, created by a few loyal American citizens, has become a national "guide-post" for newly founded patriot groups.

Why people need to participate in militia/patriot organizations and activities is best shown in the Declaration of Independence. It is too lengthy to read at this time, however it speaks for itself and for American patriots. We would like to request that this document be entered into the permanent record at this time, as a partial support document to our statements.

The Declaration of Independence gives excellent insight and explanation as to why individuals go to extreme measures when flagrant injustices continue by "out of control", oppressive public servants. This same restrictive oppression is once again rearing its ugly head, only this time in America.

The following are just a few examples as to why American citizens are becoming more and more involved in militia/patriot organizations:

The high Office of the Presidency has turned into a position of a Dictator through the abusive use of Executive Orders and Directives. This must be stopped. The Senate and the House of Representatives have been stripped of their power and authority and act only as mouth pieces for "public policy". When the President over rules the Congress by Executive Order, Senators and Representatives wonder why their constituents are so upset.

When government corruption, fraud, deception and secret government theft has not been tried and adjudicated, Senators and Representatives wonder why their constituents are so upset.

When government plans and authorizes the assassination of 87 Americans in their home and church, or directs the sniper to kill a mother while holding her infant in her arms and then awards those responsible with a job promotion, Senators and Representatives wonder why their constituents are so upset.

When government takes private property from American Citizens to protect the kangaroo rat, Senators and Representatives wonder why their constituents are so upset.

When government law enforcers, dressed like local gang members in total black, bust down your door, often the wrong door, Senators and Representatives wonder why their constituents are so upset.

When the President, Senate and House of Representatives infringed upon the Second Amendment, are attempting to infringe upon the Fourth Amendment (H.R. 666) and are now, through these hearings, contemplating on infringing upon the First Amendment, Senators and Representatives wonder why their constituents are so upset.

When private interest groups like "The World Government of World Citizens" can sell their own stamps and their own passports to their own members and the government allows and accepts them as valid, contrary to the law, Senators and Representatives wonder why their constituents are so upset.

When government allows our military to be ordered and controlled by foreigners, Senators and Representatives wonder why their constituents are so upset.

When government allows foreign armies (some of whom are using them to kill their own citizens) to train in our land, Senators and Representatives wonder why their constituents are so upset.

When government allows the military to label patriots as the enemy, Senators and Representatives wonder why their constituents are so upset.

When government defines human beings as a biological resource under ecosystem management, Senators and Representatives wonder why their constituents are so upset.

When government sends billions of dollars in aid to foreign countries while there are millions of homeless and starving Americans, Senators and Representatives wonder why their constituents are so upset.

When government forces Americans to work over five months to pay their income taxes alone, Senators and Representatives wonder why their constituents are so upset.

When government refuses to hold hearings on government sanctioned abuses, Senators and Representatives wonder why their constituents are so upset.

When government tampers with and destroys evidence needed to solve a crime, Senators and Representatives wonder why their constituents are so upset.

When government now considers the very idea of infringing upon the people's rights of freedom of speech, assembly and the right to redress, Senators and Representatives wonder why their constituents are so upset.

"The Law perverted and the police powers of the state perverted along with it!! The law not only turns from its proper-purpose, but made to follow a totally contrary purpose, the law becomes the weapon of every kind of greed.

Instead of checking crime the law itself becomes guilty of the evils it is supposed to pursue.

Since this is now true, it is a grave and serious fact. Moral duty to my fellow man requires us to call these facts to the attention of our fellow citizens."

These were the words of a French Patriot, Frederick Bastiat, in 1884 as he watched his nation move into Socialism and an oppressive police state.

These are identical concerns echoed today by the militia/patriot groups and organizations. These groups and organizations represent lawyers, doctors, soldiers and laborers.

Militia/patriot organizations are not terroristic, aggressive or offensive in structure or design. We have, and presently deplore and denounce the senseless act of violence that took place in Oklahoma. We have and will continue to assist in any manner to apprehend all persons that may have planned or carried out that deed. At whatever level they may hide.

Militia/patriot groups are only aggressive in our means by which we educate a docile American public. Our singular mandate, which is public and overt, is the preservation of the Constitution of the United States (a Republic), as it was founded and the Sovereignty of this great nation.

Ladies and Gentlemen of the Senate and House of Representatives the people would like to know where and when it will end? Will it end with America turning into a Socialist Republic (which we all know is the end result of a Democracy)? Or, will you do your duty to fulfill your oath which all of you took to defend this country from all enemies foreign and domestic?

If you decide to fulfill your oath the first thing you must do is stop relying upon rumor and gossip. Do not rely upon the press or other organizations which have their own agendas. Rely upon your own investigations.

As one example, we would like to refer you to the Congressional Record of the 92d Congress, First Session, Vol. 117, No. 189, Monday, December 6, 1971, House of Representatives. Congressman John R. Rarick (D-La.) exposed the Anti-Defamation League's (ADL) vast world-wide spy network. According to Congressman Rarick the ADL provides information to the press which accepts it as truth, Congressman Rarick also stated the ADL uses its information "to suppress free speech and discussion and to influence public thought and sentiment of an unsuspecting citizenry."

Lo and behold what do we now have? Legislation that will suppress freedom of speech and discussion.

In 1983 the Department of Justice (DOJ) paid the ADL $20,000 in taxpayers' money to produce a report on so-called "hate groups". The DOJ refused to publish the report because it was so sensationalized that the DOJ could not consider it credible. The ADL went ahead with it's own copyright and published the report anyway, feeding it to the press. The DOJ forced the ADL to relinquish the copyright. Now the ADL is once again feeding the press lies, rumor and gossip which the press accepts as gospel.

The press then takes this mis-information, rumor and gossip, sensationalizes it to spin a tale until it grows and grows so out of proportion that the press starts scrambling to create a better story than the other guy. Law enforcement, military and government officials then pick up on it believing in a literal "feeding-frenzy" of the press. This has become a story that had lost control and those who do not investigate it for themselves are totally irresponsible, especially law makers.

As we are now witnessing, Americans are questioning the press. This is evidenced by the phenomenal growth of the patriot/militia movement.

As this patriotic awareness expands, millions of Americans will expect a new view from a more responsive government. A new re-birth of responsibility from a government that has strayed from it's "job-description" as mandated by the Constitution. A government created by the people and for the people. Not the limited few.

May God be with all America as he watches over the shoulders of you who write her laws. A nation can survive it's fools and even the ambitious. But it cannot survive treason from within.

America has nothing to fear from patriots maintaining "vigilance." She should, however, fear those that would "outlaw" vigilance.

WACO AND RUBY RIDGE INQUIRIES

Mr. SPECTER. Mr. President, I had been looking for some time to talk on my own inquiries into the events at Waco and Ruby Ridge, but since the leader has scheduled the terrorism bill to come up and has limited the opening statements in morning business to 5 minutes, it is my intention to try to be the lead speaker tomorrow. That will fit into some of my opening comments on terrorism. I will present the findings of my preliminary inquiry at that time.

I thank the Chair and yield the floor.

CONCLUSION OF MORNING BUSINESS

Mr. HATCH. Mr. President, I ask unanimous consent that morning business be closed.

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

COMPREHENSIVE TERRORISM PREVENTION ACT

The PRESIDING OFFICER. The clerk will report S. 735 by title.

The legislative clerk read as follows:

A bill (S. 735) to prevent and punish acts of terrorism, and for other purposes.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

AMENDMENT NO. 1199

Mr. HATCH. Mr. President, I send an amendment in the nature of a substitute 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 Utah [Mr. HATCH], for Mr. DOLE, for himself, Mr. HATCH, Mr. NICKLES, Mr. INHOFE, Mr. GRAMM, and Mr. BROWN, proposes an amendment numbered 1199.

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

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

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

Mr. HATCH. Mr. President, today the Senate begins consideration of the Dole-Hatch Comprehensive Terrorism Prevention Act of 1995. This amendment has within it one of the most important pieces of criminal law in this country's history, and that is the Dole-Specter-Hatch habeas corpus reform bill. That is only one part of it, but that is the one part that will make a difference with regard to the Oklahoma City bombing.

This legislation represents a landmark bipartisan effort to address the issue of grave national importance; that is, the prevention and punishment

of acts of domestic and international terrorism.

This legislation adds important tools to the Government's fight against terrorism and does so in a temperate manner that is protective of civil liberties. In short, I believe that this bill is the most comprehensive antiterrorism bill ever considered in the Senate.

This legislation increases the penalties for acts of foreign and domestic terrorism, including the use of weapons of mass destruction, attacks on officials and employees of the United States, and conspiracy to commit terrorist acts.

It gives the President enhanced tools to use his foreign policy powers to combat terrorism overseas, and it gives those of our citizens harmed by terrorist acts of outlaw states the right to sue their attackers in our own courts of law.

Our bill provides a constitutional mechanism to the Government to deport aliens suspected of engaging in terrorist activity without divulging our national security secrets.

It also includes a provision that constitutionally limits the ability of foreign terrorist organizations to raise funds within the United States.

Our bill also provides measured enhancements to the authority of Federal law enforcement to investigate terrorist threats and acts. In addition to giving law enforcement the legal tools they need to do the job, our bill also authorizes increased resources for law enforcement to carry out its mission. The bill provides for $1.8 billion over 5 years for an enhanced antiterrorism effort at both the Federal and the State level.

The bill also implements the convention on the marking of plastic explosives. It requires that the makers of plastic explosives make the explosives detectable.

Finally, the bill appropriately reforms habeas corpus, as I mentioned before.

The Specter-Hatch habeas corpus bill will correct some of the deficiencies in criminal law that exist today. It will stop the frivolous appeals that have been driving people nuts throughout this country and subjecting victims and families of victims to unnecessary pain for year after year after year.

Habeas corpus allows those convicted of brutal crimes, including terrorism, to delay the just imposition of punishment for years. And this will correct that while still preserving and protecting the constitutional rights of those who are accused.

Several points, however, should be addressed. I have long opposed the unchecked expansion of Federal authority and will continue to do so. Still, the Federal Government does have a legitimate role to play in our national life and in law enforcement. In particular, the Federal Government has an obligation to protect all of our citizens from serious criminal threats emanating from abroad or those that involve the national interest. Over 140 years ago, Abraham Lincoln had this to say about the role of Government.

The legitimate object of Government is—

> . . . to do for the people what needs to be done, but which they cannot, by individual effort, do at all, or do so well, for themselves. If some men will kill, it is a common object with peaceful and just men to prevent it.

Similarly, it is the responsibility of the Federal Government to assist the States in meeting those threats that none alone can adequately meet. The terrorist threat, whether posed by foreign entities or domestic interests, meets this test.

We must, nevertheless, remember that our response to terrorism carries with it the grave risk of impinging on the rights of free speech, assembly, petition for the redress of grievances, and the right to keep and bear arms. We cannot allow this to happen. It would be cruel irony if, in response to the acts of evil and misguided men hostile to our Government, we stifled true debate on the proper role of Government.

Nor shall we exchange our precious Constitution which has protected us for over 200 years for false promises of "increased security." For as Ben Franklin said:

> Those who would give up essential liberty to purchase temporary safety deserve neither liberty nor safety.

Mr. President, the legislation the Senate begins consideration of today enhances our safety without sacrificing the liberty of American citizens. Each of the provisions in the bill strikes a careful balance between necessary vigilance against a terrorist threat and the preservation of our cherished freedom. Several of the provisions deserve special mention.

First, I would like to briefly discuss the Alien Terrorist Removal Act. I firmly believe it is time to give our law enforcement and courts the tools they need to quickly remove alien terrorists from within our midst without jeopardizing, for example, national security or the lives of law enforcement personnel.

This provision in this bill provides the Justice Department with a mechanism to do this. It allows for a special deportation hearing and in camera, ex parte review by a special panel of Federal judges when the disclosure in open court of Government evidence would pose a threat to national security.

It is entirely within the power of Congress to establish special adjudicatory proceedings and to specify the procedural rights of aliens involved in terrorist acts. As the Supreme Court noted over 10 years ago, "control over matters of immigration is a sovereign prerogative, largely within the control of the Executive and the Legislature." [*Landon* v. *Plasencia*, 459 U.S. 21, 34–35 (1982).] So long as the procedures established by Congress are essentially fair, they satisfy the requirement of Due Process.

Moreover, we have the power as well to distinguish between classes of aliens and accord separate procedures to different classes. Congress has plenary power over immigration and naturalization. The legitimate distinction between aliens and citizens justifies and permits both separate procedures for aliens and the congressional determination that not all aliens should be treated alike. [*Mathews* v. *Diaz*, 426 U.S. 67 (1976).]

Mr. President, sound policy dictates that we take steps to ensure that we deport alien terrorists without disclosing to them and their partners our national security secrets. The success of our counter-terrorism efforts depends on the effective use of classified information used to infiltrate foreign terrorist groups. We cannot afford to turn over these secrets in open court, jeopardizing both the future success of these programs and the lives of those who carry them out.

Some raise heart-felt concerns about the precedence of this provision. I believe their opposition is sincere, and I respect their views. Yet, these special proceedings are not criminal proceedings for which the alien will be incarcerated. Rather, the result will simply be the removal of these aliens from U.S. soil—that is all.

Americans are a fair people. Our Nation has always emphasized that its procedures be just and fair. And the procedures in this bill are in keeping with that tradition. The special court would have to determine that:

First, the alien in question was an alien terrorist;

Second, that an ordinary deportation hearing would pose a security risk; and

Third, that the threat by the alien's physical presence is grave and immediate.

The alien would be provided with counsel, given all information which would not pose a risk if disclosed, would be provided with a summary of the evidence, and would have the right of appeal. Still, in our effort to be fair, we must not provide to terrorists and to their supporters abroad the informational means to wreak more havoc on our society. This provision is an appropriate means to ensure that we do not.

Second, this bill includes provisions making it a crime to knowingly provide material support to the terrorist functions of foreign groups designated by a presidential finding to be engaged in terrorist activities.

I am sensitive to the concerns of some that this provision impinges on freedoms protected by the first amendment. I have worked hard to ensure that this provision will not violate the Constitution or place inappropriate restrictions on cherished first amendment freedoms. In fact, we have made

significant changes to the original version of this measure proposed by the Clinton administration. For example, we have subjected the executive branch's designation of a group as an international terrorist group to judicial review. In addition, we have removed troubling licensing requirements that were in the original bill submitted by the administration.

Nothing in the Dole-Hatch version of this provision prohibits the free exercise of religion or speech, or impinges on the freedom of association. Moreover, nothing in the Constitution provides the right to engage in violence against fellow citizens. Aiding and financing terrorist bombings is not constitutionally protected activity. Additionally, I have to believe that honest donors to any organization would want to know if their contributions were being used for such scurrilous purposes.

And finally, Mr. President, I would like to address an issue which has inappropriately overshadowed all of the other fine provisions of this legislation—the inclusion of the Specter-Hatch habeas corpus reform in this bill. Some have stated that the inclusion of habeas reform in this bill is political opportunism. Mr. President, nothing could be further from the truth. The plain truth is, habeas corpus reform is entirely germane to this legislation. The President has asked for this reform. And the American people are demanding it.

Let me just read this letter that is shown here on this particular chart. It is dated May 10, 1995. It is to the Honorable Bill Clinton, the President of the United States. Let me just read one paragraph.

I ask unanimous consent that the full text of the letter be printed in the RECORD at this point.

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

MAY 10, 1995.

Hon. BILL CLINTON,
The President of the United States,
The White House,
Washington, DC.

DEAR PRESIDENT CLINTON: As a bi-partisan group of Attorneys General from our respective states, we would like to express our support for your efforts to bring the American people together in a common expression of support for those who have suffered from the tragic events in Oklahoma City. We also appreciate your clear expression of support for the rule of law, at a time when these acts of lawlessness have brought about such human tragedy.

In this regard, your comments on CBS' 60 Minutes program regarding the need for the reform of federal habeas corpus procedures is most appropriate. In our own states, we continue to experience endless appeals and continuous delay. We believe that such abuse of the criminal justice system produces a disrespect for the law, and serves to undermine deterrence.

This is particularly true with respect to the enforcement of the death penalty. As the Powell Committee Report noted:

"The relatively small number of executions as well as the delay in cases where an execution has occurred makes clear that the present system of collateral review operates to frustrate the law of the 37 states."

This accurately describes the current status of capital punishment in the states and unfortunately portends a similar fortune for the recently enacted death penalty provisions of Title VI of the Violent Crime Control and Law Enforcement Act of 1994. Motions under current Title 28 U.S.C. §2255 will produce the same morass of endless delay and procedural manipulation that the states have encountered under Title 28 U.S.C. §2254. Thus, if we are to have an effective death penalty on the state and federal levels, legislative action is necessary.

In this regard, expedited consideration of such legislation in the context of the anti-terrorism bill is entirely appropriate. Unless habeas corpus reform is enacted, capital sentences for such acts of senseless violence will face endless legal obstacles. This will undermine the credibility of the sanctions, and the expression of our level of opprobrium as a nation for acts of terrorism.

It is our belief that S. 623, the Habeas Corpus Reform Act of 1995, is the appropriate vehicle to bring about an effective and enforceable death penalty with respect to both state and federal levels of jurisdiction. The enactment of these provisions is essential to our states, and critical to Federal anti-terrorism legislation, if the maximum sanctions our society has to offer will have real meaning.

We again, offer our support for your efforts to lead the nation out of the abyss of a terrible tragedy. We also offer our commitment to help deliver legislation to the American people that will provide an enforceable death penalty for the most heinous crimes against our citizens. Thank you again for your consideration.

Sincerely,

W.A. DREW EDMONDSON, Attorney General of Oklahoma; DANIEL E. LUNGREN, Attorney General of California; JEFF SESSIONS, Attorney General of Alabama; ERNEST D. PREATE, JR., Attorney General of Pennsylvania; DAN MORALES, Attorney General of Texas; GALE A. NORTON, Attorney General of Colorado, JOSEPH P. MAZUREK; Attorney General of Montana, DON STENBERG, Attorney General of Nebraska; RICHARD P. IEYOUB, Attorney General of Louisiana; GRANT WOODS, Attorney General of Arizona; ALAN G. LANCE, Attorney General of Idaho; MIKE MOORE, Attorney General of Mississippi.

Mr. HATCH. Let me emphasize this one paragraph right here.

This is from, I might add, a bipartisan group of attorneys general from respective States, both Democrats and Republicans. This is what they say in this paragraph:

It is our belief that S. 623, the Habeas Corpus Reform Act of 1995, is the appropriate vehicle to bring about an effective and enforceable death penalty with respect to both State and Federal levels of jurisdiction. The enactment of these provisions is essential to our states, and critical to Federal anti-terrorism legislation, if the maximum sanction our society has to offer will have real meaning.

This is signed by W.A. Drew Edmondson, Democrat Attorney General of Oklahoma; Daniel E. Lungren, Republican Attorney General of California; Jeff Sessions, Attorney General of Alabama, Ernest D. Preate, Jr., Attorney General of Pennsylvania; Dan Morales, Attorney General of Texas, who also is a Democrat; Gale A. Norton, Attorney General of Colorado; Joseph P. Mazurek, Attorney General of Montana; Don Stenberg, Attorney General of Nebraska; Richard P. Ieyoub, Attorney General of Louisiana; Grant Woods, Attorney General of Arizona; Alan G. Lance, Attorney General of Idaho; and Mike Moore, Attorney General of Mississippi, who is also a Democrat.

So this is a bipartisan group of attorneys general. And I believe most attorneys general are in agreement that habeas corpus reform is absolutely essential if we are going to solve some of the problems that exists in the terrorist area.

President Clinton, on "60 Minutes" right after the Oklahoma bombing, or shortly after, had this to say:

I do believe the habeas corpus provision of the Federal law which permit these appeals sometimes to be delayed seven, eight, nine years should be changed. I have advocated that. . . .

I hope the Congress will pass—a reform of the Habeas Corpus provisions because it should not take eight or nine years and three trips to the Supreme Court to finalize whether a person in fact was properly convicted or not.

The President's instincts were right at that time and they are right today.

Now, let me just say one other thing, so people understand the rule of law is being mocked in our society.

This chart shows the number of inmates on death row versus the actual executions. These are people who have been convicted of heinous crimes, have been proven to be guilty of the murders involved. There were 2,976 as of January 1995. Since 1977, almost 20 years ago, 18 years ago, there are only 281 who have had to suffer the punishment. In 20 years, only 281 have had to face the punishment that they were assessed by their respective juries and the States. And in almost every one of those cases there have been habeas appeals one right after the other.

For those who think habeas corpus reform is not appropriate, let them listen to those victims of the Oklahoma bombing who called me yesterday, who lost their wives, their children, members of their family, and who said, "Please pass your habeas corpus reform," Senator SPECTER's and your habeas corpus reform.

I spoke with several family members of victims of the Oklahoma City bombing. They held a press conference yesterday and said this is the only thing we could do to prevent even further suffering by these people.

I have to say, under our habeas corpus reform provisions, under those provisions, people's rights will be protected. There will be a full right of appeal all the way up the State courts,

from the lowest court to the Supreme Court of the State. There will be a full right of appeal all the way up the Federal courts, from Federal court to district court to the Supreme Court of the United States, and their rights will be protected. But that is all they are going to have, unless they can show newly discovered evidence of innocence or unless the Supreme Court applies retroactively future cases to these problems.

So, rather than exploiting the devastation of Oklahoma City, I believe that by including this provision in the antiterrorism legislation, we are protecting the families of victims.

Mr. President, I ask unanimous consent that a series of letters from the victims in this matter be printed in the RECORD at this point.

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

STATE OF OKLAHOMA,
May 24, 1995.

Hon. ORRIN G. HATCH,
Chairman, Committee on the Judiciary, Dirksen Senate Office Building, Washington, DC.

DEAR CHAIRMAN HATCH: On April 19, 1995, each of us lost a dear member of our family in the devastating bombing that occurred in downtown Oklahoma City. Our families and many other families will never recover from this tragedy.

When the blast occurred, Oklahoma City was helped by experienced and skilled professionals. Our state placed the care of our victims and family members in their hands and they responded with all of the expertise that we expected. Their jobs were performed efficiently and with tremendous ability.

Now, we find that we must place our faith in the abilities of prosecutors and lawmakers and hope they can repair the appeals process so that it takes not a moment longer than is required by the Constitution. As ordinary citizens we are unable to fully understand all of the legal implications that are found within the Dole-Hatch-Specter habeas corpus provision in Senate Bill 735. We believe that Oklahoma Attorney General Drew Edmondson is acting in our behalf by trying to change the laws so that criminals may be brought to justice quickly. This measure must not be weakened.

President Clinton made a promise to the victim's families during his visit at the Oklahoma City Memorial Service. Please help him keep his promise to use and see that this bill is passed.

Dan McKinney Diane Leonard; Glenn A. Seidl; Carolyn Tamplé; Connie Williams; Nicole N. Williams; Wanda L. Fincher; Alice Maroney-Denison; Cliff Davis.

STATE OF OKLAHOMA,
May 24, 1995.

My sister Kathy Seidl and myself both work downtown at the Alfred P. Murrah building. She worded for Secret Service, I work for GSA. On April 19th my sister's life along with many others was taken away. I'll never be able to forget the sound or the terrible feeling of death that was in the air that day. My first thought was to try to find my sister. When I reached the 9th floor I knew there was no way she would have survived the explosion, my only hope was that she stayed home that day. But unfortunately she didn't. Now the only way I can focus my anger, loneliness and the piece of my heart that is now empty, is to try to get the Hatch/Spector bill passed. Mr. Clinton promised swift justice to the persons responsible for this crime. We need to have change. We need your support and help to bring change.

Sincerely,

CLIFFORD DAVIS.

STATE OF OKLAHOMA,
May 24, 1995.

DEAR SENATOR: My name is Diane Leonard. My husband, Secret Service Agent Donald R. Leonard, was murdered along with 167 innocent people in the bombing of the Alfred P. Murrah Federal Building on April 19, 1995. The employees in this building were abiding by and upholding the laws of this country. We now need your support, not only for the families of this tragedy, but for all American families who have lost loved ones at the hands of murderers. Please lend all your support to seeing that the habeas reform contained in the Hatch-Specter bill is passed as expeditiously as possible.

We have been promised justice, but we feel justice will not be accomplished until the verdict of a jury is carried out.

Please help us in this effort.

Sincerely,

DIANE LEONARD.

STATE OF OKLAHOMA,
May 24, 1995.

MEDIA ADVISORY FROM DREW EDMONDSON, ATTORNEY GENERAL OF OKLAHOMA

Victims of the Murrah Building bombing who have family members scheduled to be represented at this news conference are Kathy Lynn Seidl, 39, investigative assistant, Secret Service; Scott Williams, 24, who had made a delivery to the day care center April 19; Mickey Maroney, 50, special agent, Secret Service; Don Leonard, 50, special agent, Secret Service; Linda McKinney, office manager, Secret Service; Shelly Turner Bland, 25, Drug Enforcement Administration; and Sonja Sanders, Federal Employees Credit Union.

STATE OF OKLAHOMA,
May 24, 1995.

TO JUDGE MIKVA: My name is Dan McKinney, my wife (Linda McKinney) office manager for the secret service was murdered on April 19, 1995. Please accept my heartfelt gratitude for you and your staffs effort in trying to pass the Dole, Hatch, Spector, Habeas Reform Bill. Criminals have been allowed too much time in appealing their sentences. Lets give them fair opportunity but not ten to twenty years to live and waste taxpayers dollars. Attorney General Drew Edmondson and his staff are working and speaking for us here in Oklahoma. They are doing a wonderful job and we stand behind them 100%. Please let everyone involved in this bill know that it is past time to quit catering to the criminal faction. We want America to know Oklahoma is tired of this attitude. Thank you for your help in this matter.

Respectfully,

DAN MCKINNEY.

STATE OF OKLAHOMA,
May 24, 1995.

DEAR SENATOR: My name is Glenn Seidl, my wife Kathy Seidl was murdered along with 167 innocent people in the bombing of the Alfred P. Murrah building April 19th, 1995. The habeas corpus reform bill presented by Hatch-Specter as I understand will shorten the appeals process. We need change, my family wants justice. Here in Oklahoma we have a man on death row. This man committed several brutal murders. Roger Dale Stafford has been on death row for 17 years. This is not right. When the remains of the Murrah building was imploded May 23rd there was some relief. When the people responsible for this terrible act are found guilty and executed, our families can begin a very important step of the healing process.

Thank you,

GLENN SEIDL.

STATE OF OKLAHOMA,
May 24, 1995.

DEAR SENATOR: My name is Alice Maroney-Denison. My father, Mickey B. Maroney, was murdered in the Oklahoma City bombing on April 19th. On that day my life fell apart. You see my father was my life and in one second he was gone. I didn't get to say goodbye or I love you. I did get to see a war zone in downtown Oklahoma City and a federal building that was blown apart. You might have seen it on T.V. but you didn't feel the glass on your feet or the pain in your heart like I did.

I'm telling you this because I need your help. I need your support in passing Habeas reform. The murderers who committed this crime should be executed as soon as possible, not in 15–20 years. My father will not get to live another 15–20 years so why should the convicted?

I cannot put all of my feelings about my father on paper, but I can tell you one thing, I loved him with all of my heart. Please help me by supporting this reform. Thank you.

God Bless,

ALICE MARONEY-DENISON.

STATE OF OKLAHOMA,
May 24, 1995.

My name is Nicole Williams. My wonderful husband Scott Williams was murdered along with 167 other individuals in the bombing of the Alfred P. Murrah Building on April 19, 1995.

We as family and friends of the ones who died ask that you would please pass Senate Bill 623 presented by Hatch and Specter. We don't want to see the individuals who committed this horrible crime to sit in prison for 15–20 years, I am 8 months pregnant and my husband Scott did not have a chance to even see his child!

Just as the President said, we want this to be swift and quick so that we can start the healing process.

We will be eternally grateful.

Thank you,

NICOLE WILLIAMS.

STATE OF OKLAHOMA,
May 24, 1995.

SENATOR: My 24 year old son, Scott Williams, was murdered along with 166 other innocent victims in the Oklahoma City Murrah Building bombing. On behalf of my son, and the others who lost their voices on April 19, 1995, because of this senseless tragedy, I urge you to help enact much needed reform of habeas corpus.

Those who are brought to trial and convicted must be punished to the full extent of the law. It is certainly my hope that the death penalty will be carried out as soon as possible in this case. My son and the other victims surely deserve no less.

Sincerely,

CONNIE WILLIAMS.

STATE OF OKLAHOMA,
May 24, 1995.

SENATOR: I am the mother-in-law of Scott Williams, one of the victims in the Oklahoma City bombing. We would ask you to please pass Senate Bill 623 the Hatch and Spector bill. We feel that if you are sentenced to die, it should be as swift as our President said. Our loved ones did not have ten to twenty years to prepare for their deaths. So please see to it that the people who commit these crimes are given swift justice.

Thank you for your help,

CAROLYN TEMPLIN.

STATE OF OKLAHOMA,
May 24, 1995.

SENATOR: My sister, Kathy Seidl, was murdered on April 19, 1995 at the federal building in Oklahoma City.

Our family is afraid that the people responsible for this act will be allowed to sit in federal prison for many long years before execution takes place.

Kathy wasn't allowed to say goodbye to her family or to share any more of her wonderful presence with us. If the murderers are sitting in federal prison for 10-20 years they will be given the right to visit with their families and to say their goodbyes. How does this give justice to us?

We would like to see that habeas corpus reform presented by Hatch-Spector is adopted. We thank you and are eternally grateful for your support of habeas corpus reform.

Sincerely,

WANDA FINCHER.

STATE OF OKLAHOMA,
May 24, 1995.

DEAR SENATOR FEINSTEIN: My name is Dan McKinney. I lost my wife (Linda McKinney), my niece (Shelly (Turner) Bland) in the bombing of the Alfred P. Murrah building on April 19, 1995. My wife was the office manager for the Secret Service here in Oklahoma City. She and my niece have never hurt anyone. I am very angry at the perpetrators of this heinous crime. I'm sorry that it has taken such a tragedy to bring forth the effort to try to get a change in our appeals system. But I want my voice to have a vote in the strongest bill we can possibly pass to keep these animal from reaching old age before they have to account for their total disregard for our judicial system, but most of all human life. We, the survivor's of the victims of the bombing want the nation to know, we are fed up. We want justice to be fair, but we want it to be swift for all parties that are found guilty. Please support the strongest habeas reform bill presented by Specter-Hatch that we can get. No more living off the taxpayers for ten to twenty years.

Thank you for your support,

DAN MCKINNEY.

STATE OF OKLAHOMA,
May 24, 1995.

My sister Kathy Seidl and myself both work downtown at the Alfred P. Murrah building. She worked for Secret Service, I work for GSA. On April 19th my sisters life along with many others was taken away. I'll never be able to forget the sound or the terrible feeling of death that was in the air that day. My first thought was to try to find my sister. When I reached the 9th floor I knew there was no way she would have survived the explosion, my only hope was that she stayed home that day. But unfortunately she didn't. Now the only way I can focus my anger, loneliness and the piece of my heart that is now empty, is to try to get the Hatch/Spector bill passed. Mr. Clinton promised swift justice to the persons responsible for this crime. We need to have change. We need your support and help to bring change.

Sincerely,

CLIFFORD DAVIS.

STATE OF OKLAHOMA,
May 24, 1995.

DEAR SENATOR: My name is Diane Leonard. My husband, Secret Service Agent Donald R. Leonard, was murdered along with 167 innocent people in the bombing of the Alfred P. Murrah Federal Building on April 19, 1995. The employees in this building were abiding by and upholding the laws of this country. We now need your support, not only for the families of this tragedy, but for all American families who have lost loved ones at the hands of murderers. Please lend all your support to seeing that the habeas reform contained in the Hatch-Specter bill is passed as expeditiously as possible.

We have been promised justice, but we feel justice will not be accomplished until the verdict of a jury is carried out.

Please help us in this effort.

Sincerely,

DIANE LEONARD.

Mr. HATCH. Let me just read one of them to the folks who are listening. This is dated May 24, yesterday:

DEAR CHAIRMAN HATCH: On April 19, 1995, each of us lost a dear member of our family in the devastating bombing that occurred in downtown Oklahoma City. Our families and many other families will never recover from this tragedy.

When the blast occurred, Oklahoma City was helped by experienced and skilled professionals. Our state placed the care of our victims and family members in their hands and they responded with all of the expertise that we expected. Their jobs were performed efficiently and with tremendous ability.

Now, we find that we must place our faith in the abilities of prosecutors and lawmakers and hope they can repair the appeals process so that it takes not a moment longer than is required by the Constitution. As ordinary citizens we are unable to fully understand all of the legal implications that are found within the Dole-Hatch-Specter habeas corpus provision in Senate Bill 735. We believe that Oklahoma Attorney General Drew Edmondson is acting in our behalf by trying to change the laws so that criminals may be brought to justice quickly. This measure must not be weakened.

President Clinton made a promise to the victims' families during his visit at the Oklahoma City Memorial Service. Please help him keep his promise to us and see that this bill is passed.

Again, we will put all these letters into the RECORD. I wish I had time to read them all.

By including this provision in the anti-terrorism legislation we are protecting the families of the victims. Comprehensive habeas corpus reform is the only legislation Congress can pass as part of the terrorism bill that will have a direct effect on the Oklahoma City bombing case. It is the one thing Congress can pass now to ensure that President Clinton's promise of "swift" justice is kept.

President Clinton recognized this fact during his April 23, 1995, appearance on the television program 60 Minutes, when, in response to a question about whether those responsible would actually be executed without the adoption of habeas corpus reform, he said:

I do believe the habeas corpus provisions of the federal law which permit these appeals sometimes to be delayed seven, eight, nine years should be changed. I have advocated that. * * * I hope the Congress will pass a * * * reform of the habeas corpus provisions because it should not take eight or nine years and three trips to the Supreme Court to finalize whether a person in fact was properly convicted or not.

In one case in Utah, a heinous crime, where the murderers murdered people but before they did, tortured them, rammed pencils through their eardrums, poured Drano down their throats. One person survived who will never be the same. They were sentenced to death. In one of those cases it took 18 years, 28 appeals, all the way up through the State courts, all the way up through the Federal courts, before the sentence could be carried out. And in every one of those appeals the victims had to be there and had to go through the complete process one more time. It is time to get some reason into this system.

The claim that habeas corpus reform is tangential or unrelated to fighting terrorism is ludicrous. We can be confident that those responsible for the bombing in Oklahoma will be brought to justice. The American people do not want to witness the spectacle of these terrorists abusing our judicial system, and delaying the imposition of a just sentence, by filing appeal after meritless appeal; frivolous appeal after frivolous appeal. A system which permits such a result does not provide justice to the victims of terrorism, and must be changed.

Although most capital cases are State cases, and the State of Oklahoma could still prosecute this case, the habeas reform proposal in this bill would apply to federal death penalty cases as well. It would directly affect the Government's prosecution of the Oklahoma bombing case.

First, it would place a one year limit for the filing of a habeas petition on all death row inmates—state and federal inmates.

Second, it would limit condemned killers convicted in state and Federal court to one habeas corpus petition. In contrast, under current law, there is currently no limit to the number of petitions he or she may file.

Third, it requires the Federal courts, once a petition is filed, to complete judicial action within a specified time period.

Therefore, if the Federal Government prosecutes this case and the death penalty is sought and imposed, the execution of sentence could take as little as one year if our proposal passes. This stands in stark contrast to the 8 to 10

years of delay we are so used to under the current system.

Last week, 13 state attorneys general, including Oklahoma Democrat Drew Edmondson, sent a bipartisan letter to President Clinton that I read into the RECORD, supporting the incorporation of comprehensive habeas corpus reform in the anti-terrorism bill.

President Clinton vowed that justice in the wake of the Oklahoma tragedy would be "swift, certain, and severe." We must help President Clinton keep this promise to the families of those who were murdered in Oklahoma City by passing comprehensive habeas corpus reform.

As I have stated, the Comprehensive Terrorism Prevention Act of 1995 provides for numerous other needed improvements in the law to fight the scourge of terrorism, including the authorization of additional appropriations—nearly $1.6 billion—to law enforcement to beef up counter-terrorism efforts and increasing the maximum rewards permitted for information concerning international terrorism.

I would note that many of the provisions in this bill enjoy broad, bipartisan support and, in several cases, have passed the Senate on previous occasions.

In that regard I would like to pay special tribute to our former chairman and the current ranking minority member on the committee, Senator BIDEN. He has done an excellent job in working on these bipartisan provisions. And I want to pay tribute to the White House, to the Justice Department, and the General Counsel's office in the White House for working with us throughout this process. Working together, we have come to a broad, bipartisan consensus.

Indeed, we have worked closely with the administration during the development of this legislation, and many of the provisions in this bill have the administration's strong support. And the administration deserves a great deal of credit for having helped with that. In fact, we have taken a lot of provisions right out of the administration's bill and have tried to help them in every way, tried to cooperate with them in every way. And I believe we have done so and have strengthened this bill in many respects.

I would like to compliment the President and his Administration, particularly Attorney General Reno and FBI Director Freeh, and Deputy Attorney General Jamie Gorelick on their handling of the investigation of the Oklahoma City bombing and their work with us on this bill.

The people of the United States and around the world must know that terrorism is an issue that transcends politics and political parties. Our resolve in this matter must be clear: Our response to the terrorist threat, and to acts of terrorism, will be certain, swift, and unified.

Mr. President, ours is a free society. Our liberties, the openness of our institutions, and our freedom of movement are what make America a Nation we are willing to defend. These freedoms are cherished by virtually every American.

But this freedom is not without its costs. Since our society is so open, we are vulnerable to those who would take advantage of our liberty to inflict terror on us. The horrific events of last month in Oklahoma City tragically demonstrate the price we pay for our liberty. Indeed, anyone who would do such an act, and call it a defense of liberty, mocks that word.

We must now redouble our efforts to combat terrorism and to protect our citizens. A worthy first step is the enactment of these sound provisions to provide law enforcement with the tools to fight terrorism.

In closing, what is shocking to so many of us is the apparent fact that those responsible for the Oklahoma atrocity are U.S. citizens. To think that Americans could do this to one another. Yet, these killers are not true Americans—not in my book. Americans are the men, women and children who died under a sea of concrete and steel. Americans are the rescue workers, the volunteers, the law enforcement officials and investigators who are cleaning up the chaos in Oklahoma City.

The genuine Americans are the overwhelming majority who will forever reel at the senselessness and the horror of April 19, 1995. It falls on all Americans in heart and spirit to condemn that sort of political extremism and to take responsible steps to limit the prospect for its recurrence.

Can the Congress pass legislation which will guarantee an end to domestic and international terrorism? We cannot. Nevertheless, the Congress has a responsibility to minimize the prospect that something like this could ever happen again.

We must resolve that anarchistic radicalism, be it from the left or from the right, will not prevail in our freedom-loving democracy. The rule of law and popular government will prevail.

For these reasons I urge my colleagues to support the passage of this important legislation.

Mr. BIDEN. Mr. President, for the benefit of my colleagues who are still here and those who are still left standing after 20-some votes today, I will be mercifully short. I will take about 15 to 20 minutes to make this opening statement on the bill.

Today, to state the obvious, the Senate turns to consideration of the counterterrorism legislation. Earlier this year, I, along with Senator KOHL and Senator SPECTER, introduced the President's original counterterrorism bill which responded to our experience with the World Trade Tower Center bombings 2 years ago.

Since that time, our attention to the threat of terrorism has been heightened by the tragedy in Oklahoma City, which teaches that the threat of homegrown terrorism must be taken every bit as seriously as the threat of terrorism from abroad.

Before the two tragedies occurred—that is, Oklahoma City and the World Trade Tower—many in America had thought ourselves immune from the bombs and other mass killing devices that were employed elsewhere, in other parts of the world.

Americans enjoy freedoms unlike those of any other people in any other country on the planet. For decades, we have enjoyed those freedoms innocently and without fear here at home.

We have always understood that freedom brings certain risks. The challenge before the Senate now, as we consider this legislation, is to improve our responsiveness to the risk, to the threat of terrorism, without losing the very freedoms we hold dear, without allowing the terrorists to succeed by forcing us, in order to deal with them, to give up the very freedoms they do not cherish but we do.

Responding to this risk means standing against those who seek to destroy our democratic form of government, whether they come from the left or the right, from home or abroad. Incidents like Oklahoma City's bombing have no place in our free and democratic society, which allows full expression of all types of political views through legitimate means.

There is simply no excuse, ever, in this country for turning to violence in a society where all the airwaves are open, uncensored newspapers exist, regular and free elections of the people's representatives take place, and we have a first amendment that guarantees the right of the people to be ignorant as well as informed; to be stupid as well as bright; to say outrageous things as well as informed things. So there is no excuse to turn to anything but the airwaves to deal with that issue.

Mr. President, the Oklahoma City bombing and earlier bombing of the World Trade Center demonstrate clearly that the United States must respond seriously to those, whether foreign or domestic, who kill and seek to make their point through killings and mass killings of Americans.

These events demand that we examine our current laws and practices to ensure that we are doing everything that is necessary and appropriate to guard against the threat.

Mr. President, let me suggest that the overall point I wish to make at this juncture is that it is arguable by some that in other societies where there is no expression or outlet for one's frustration, anger, or cynicism, that they resort to physical force. If there is any country in the world where there is no

justification to resort to physical force, it is this country. As I said, all you have to do is listen to some of the talk radio shows and some of the people that call in, and some of us on the floor—myself included—and you will know we even protect the right to be stupid and say crazy things. So there is certainly no need for anybody to suggest that they have to react to their frustration by the use of force.

But the events in New York City and, most recently, in Oklahoma City, demand that we examine our current laws and practices to ensure that we are doing everything that is necessary to appropriately guard against threat. We have to take strong action to counteract terrorism, both foreign and domestic.

There are steps we can take and should take, and the President has proposed a number of them in his bill. Of course, at the same time, we should not, in the heat of the moment, pass legislation that we and the American public will later regret. Our freedoms and our Constitution are simply too valuable to be put at risk in a hurried rush to respond to a terrible tragedy.

Those of us working on the President's proposal over the last month have done so with an eye to ensuring that all of our constitutional protections remain fully intact.

The President's original bill, introduced in February, laid out a core set of terrorist proposals. The Republican substitute bill, as the chairman of the committee has indicated, is built largely around these proposals.

I might add, humorously, it continues to be built. We just got the final copy of a bill that is 160 pages long. So I am assuming what I am about to say is accurate. It was accurate as of a few hours ago. But I am told there are additional changes made in the Republican bill. The Republican bill is comprised primarily of, as I understood it 2 hours ago, measures from the terrorism bill that Senator KOHL and SPECTER and myself introduced on behalf of the President in February. There are a few new proposals by the President, in the wake of the Oklahoma City bombing, and several proposals were added by Senator DOLE, plus habeas corpus provisions added by Senator HATCH and Senator DOLE.

We tried to reach agreement with Senator HATCH on many of the provisions of this bill, and I continue to believe that most all of us here can agree on the core terrorism provisions.

Unfortunately, in my view, the Republican substitute does not include several provisions sought by the President of the United States after the Oklahoma City bombing, which focused on domestic terrorism. While I agree that a few of the provisions in the President's bill need further work, several of those rejected by the Republican bill are reasonable and limited expansions of the law, which would greatly enhance our ability to fight terrorism without damaging our civil liberties. But for reasons that will be explained, I am certain, they were not included by the Republicans in their bill.

I expect that these needed provisions, which I will outline in a moment, will be offered as amendments to the Republican substitute, and I hope that all my colleagues will support their addition to the bill.

But, first, let me outline the key terrorism proposals from the President's bill that are contained in the Republican substitute. These provisions include the following: A new offense to assure Federal jurisdiction over all violent acts, violent acts which are motivated by international terrorism. This provision will cover gaps in current Federal law. For example, a terrorist who commits mass murder on a private or State-owned property may now be subject only to State court jurisdiction, not to Federal jurisdiction, not to the FBI, but the local police.

This new provision that the President had in his proposal, and the Republicans included, carries a new death penalty, complementing the terrorism death penalty in last year's crime bill. Parenthetically, I might note that the person or persons who get convicted of the World Trade Center bombing for having killed people cannot get the death penalty under Federal law. But the person or persons convicted in the Oklahoma City bombing will get the death penalty or can get the death penalty because of the crime bill we passed last year. Had we defeated the crime bill, there would be no death penalty for whomever is convicted in Oklahoma City.

The Republican bill will also implement an international treaty to require a detection agent to be added to plastic explosives. That was in the President's bill. It will enhance the Government's ability to obtain consumer credit report and hotel and motel vehicle records in foreign intelligence investigations. It does not change the law governing such information as it relates to domestic investigations.

It also gives the Government greater ability to exclude from entering into the United States those aliens who are involved in terrorist activity—a power the President does not now presently possess.

But, unfortunately, the Republicans dropped some very important provisions from the President's terrorism legislation. Among those provisions sought by the President that were dropped by the Republican substitute, and which will be subject to amendments to this bill, are two limited changes in wiretap authority. I believe that the two changes make sense.

As my friend from Utah and others would acknowledge, I suspect, I have not been one who has been very ready to limit civil liberties. I have jealously guarded the civil liberties of folks, and I have interfered with efforts to change—such as the exclusionary rule—change rules which may, in my view, limit the civil liberties and constitutional rights of Americans.

But I believe, notwithstanding my 23-year record here in the Senate on those issues, that we can change the wiretap law, giving the police more authority, without violating the civil liberties of Americans. The changes do not affect the basic requirement built into our present law to protect legitimate privacy interests or—put another way—the basic protections, including a requirement that the Government must show there is probable cause. And by must show I mean they have to go to a judge and say, "We want to do this, and we have probable cause to believe that a crime is being committed, or a crime has been committed, and we want you to give us authority to do a wiretap."

So the basic protections include a requirement that the Government must show there is probable cause to believe that a criminal violation occurred, and a current requirement that the Government must minimize the intrusion of the civil wiretap by turning the wire off whenever a conversation has nothing to do with the commission of a crime.

I want to make it clear. The extension of wiretap authority that I and Senator LIEBERMAN are going to seek, that the President wants, starts off with two basic requirements that are now in the Federal law: A, there has to be probable cause; and, B—most of my colleagues understandably do not realize this—under Federal law now, if a Federal court gives an FBI agent and the FBI authority, a warrant, to tap someone's phone, they must engage in minimization procedures.

So if they are to tap the phone because they think someone is engaged in racketeering, prostitution, or whatever—murder, anything—and the person picks up that phone and calls his daughter at school and starts talking about her latest lacrosse game, they must turn off the wiretap. They are not allowed to keep the wiretap on 24 hours a day. We do not change that. So the protections built in stay built in.

One of the changes, though, sought by the President but not included by my friend from Utah in his bill, is to allow emergency wiretaps which are now available in organized crime cases to be obtained for domestic terrorism offenses. Quite simply, if we can use this tool of emergency wiretaps against the Mafia, I do not understand why we ought not be able to use it against domestic terrorists. But for some reason, my friends on the Republican side have not included that in this bill. I hope it is an oversight, but I do not think it is. We will have an attempt to correct that.

The Republican substitute also does not include a provision on what is called a multipoint, or roving, wiretap. Let me take a moment to explain what these multipoint wiretaps are.

Right now, most wiretap orders identify both the person whom we want to listen in on, and a telephone number from which we expect that person to call. That is the line that they are allowed to go tap. Current law permits the Government to get a multipoint wiretap, allowing the Government to tap any line it sees the subject using when the Government can prove that the subject under surveillance is changing phones with the intent to thwart surveillance.

So the way it goes now is, let us say the FBI gets a wiretap on John Doe's home, and John Doe decides that phone may be tapped. So he does not use that phone. He always goes to the same phone booth on the corner. And he often makes calls from his mother's home. Well, if they can show a judge that John Doe is using those, and perhaps other phones with the intent to evade possible detection of what he says on his phone, they can get a multipoint tap. They can tap all three of those phones. But in order to do so, they have to prove that he is doing that with an intent to avoid, to thwart the surveillance.

Because of the proliferation of mobile telephones, the President wants to eliminate the intent requirement to allow the Government to obtain multipoint wiretaps where the subject may not know he is under surveillance but is, nonetheless, changing phones rapidly with the effect, if not the intent, of thwarting the surveillance. For some reason, my Republican friends do not include that in this bill. The President wants it. The FBI wants it. I think it makes sense. We are going to try to put it back in.

I have long shared the concern that wiretaps are an intrusive law enforcement tool. When Congress first gave the FBI authority to use wiretaps in criminal investigations, we placed special protections directly in the statute precisely to protect legitimate privacy interests. I will detail how these protections work in practice when we get to the amendment on this subject.

In my view, the changes sought by the President are limited and reasonable, and we should add those provisions back to the bill, the provisions deleted by the Republican proposal.

A second area the President has asked the Congress to address is that of adding so-called taggants to explosives. What are taggants? Taggants are microscopic particles that are added to the explosive during the manufacturing process. Those particles survive the explosion when that explosive is detonated, and can later be used, if necessary, to trace where and when the explosive materials were purchased.

That just seems to me to be a pretty logical thing to do. It does not affect the ability of the explosive to function. But, if it does function, some of these are like little pieces of microscopic plastic. The investigators can go in with, in effect, a magnet, pick up these particles from the dust of the explosion, identify through those particles where that explosive was purchased, when it was purchased, and when it was made. That gives them an investigative tool then to go trace, just like they trace a bullet in a gun. They shoot a gun; the bullet is in the wall. The investigator takes the bullet out of the wall and tries to trace the manufacturer of the gun, to trace the purchaser, to trace the owner, and so forth. This is the same principle. But for some reason, folks do not like that idea. The President seeks a study to identify the most effective and cost-efficient ways to tag explosives during the manufacturing process.

Then it gives the Secretary of the Treasury the authority to promulgate regulations requiring chemical manufacturers and other manufacturers to use taggants and to make the violation of that regulation, when they are promulgated, a violation of the law, a crime. The President's proposal also requires a study of whether fertilizers and other readily available materials can be used to build bombs that can be rendered inert.

I was at a conference with General Rose, a British general, who is in charge of the U.N. military force in Sarajevo, in Bosnia. We were meeting on the issue of Bosnia when the god-awful news came about Oklahoma City.

We immediately cut off our meeting, and we repaired to the television. As General Rose and I and others sat there watching the horror on the screen, General Rose, a British general, turned to me and said something that startled me. Just looking at the building, he said, "That's a fertilizer bomb." And I said, "I beg your pardon?" He said, "That bomb, that building was blown up by fertilizer."

And I thought, how in the Lord's name could he know that? And about 3 hours later on the television, investigators came on and said that it was a fertilizer bomb that caused this damage. So I asked him how did he know that? He said he could tell by the jagged way in which the building was ripped apart from his experience in Northern Ireland. And he said, you know what we did in England with this because the IRA was using these kinds of bombs? We reduced the amount of nitrogen in fertilizer and we added a requirement to fertilizer that an inert material—that is, something that will not affect the effectiveness of the fertilizer—an inert material can be added to fertilizer to make it impossible, or diminish the possibility that it can be used to blow up something.

Now, it seems to me that makes sense. Unless someone can prove to me that by adding this inert subject to the production of fertilizer, you are going to render the fertilizer useless for its purpose on the field, it seems to me we should do that.

The Republican substitute includes a study of taggants and whether or not fertilizer can be made inert, but it does not grant authority for regulations requiring taggants, and this is an issue that has already been the subject of significant study.

The Republicans rejected the President's request to move from the theoretical to the real and authorize the Secretary of the Treasury to require the inclusion of taggants in explosives. My question is why? Why? Why will they not include that?

Well, Senator FEINSTEIN and I will have an amendment to reinstate the President's language in his terrorism bill. In my view, it is time to act and require the ATF, the agency with expertise and jurisdiction over explosives, to gather the best information and promulgate the necessary regulations.

Finally, the Republican substitute does not include a proposal to allow the use of the military to assist in investigations of biological and chemical weapons. The President proposed a narrow exception to what is called the Posse Comitatus Act, a narrow exemption to permit law enforcement to use the unique expertise of the Defense Department in combating biological and chemical weapons in terrorism similar to what the law now permits with regard to nuclear material.

Right now, we can use the military in a domestic situation where nuclear material is involved, an exception to the Posse Comitatus Act. The Posse Comitatus Act, for people listening, is a fancy name, but it merely says we do not want the military having arrest power in the United States of America. The military is to fight enemies foreign, not domestic. And that is a good thing. We all agree with that. We are one of the countries in the world that does not have the military dictating the day-to-day operations of the country. I do not want to change that. But the military has the expertise on nuclear weapons, the military has the expertise on biological weapons and the expertise on chemical weapons, and it seems to me we should provide a similar exception for them to be able to be involved in domestic investigation where it affects biological agents and where it affects chemical agents, just as we do now allow them to be involved where it involves nuclear material.

Negotiations among interested parties on the Armed Services and the Judiciary Committees have occurred over the last few days, and we are nearing a bipartisan agreement on this, I hope. If, however, an agreement is not

reached, the distinguished Senator from Georgia, Mr. NUNN, and I plan to offer a proposal to permit the use of the military in these limited circumstances of biological weapons and chemical weapons. We must be in a position to respond immediately should we ever, God forbid, have an event like that which occurred in the Tokyo subway. And to be ready to respond, we should avoid wasted duplication of setting up a new bureaucracy to be able to handle chemical and biological weapons, and we certainly should avoid any more delay. So we will have an amendment, if an agreement is not reached, to provide an additional exception to the Posse Comitatus Act as it relates to chemical agents and biological agents.

Now, habeas corpus. The distinguished Senator from Utah and I have been debating habeas corpus for as long as we have been here, and in his opening statement—I may be mistaken, but I would estimate 40 percent of his statement related to habeas corpus, or a large portion that I heard. And so he includes habeas corpus in this proposal.

Now, the President asked that this be kept, to use the parlance of the Senate, a clean bill; that we deal with terrorism.

Well, that is not going to happen. And although habeas corpus as explained by Senator HATCH has little to do with fighting terrorism, we are going to have to debate it anyway.

Now, the Republican provision to reform habeas corpus procedures would require Federal courts to defer to State court decisions even when the State court has made an incorrect decision on habeas corpus. This provision is what everyone around here knows as the full and fair rule. The need for habeas corpus reform is clear. All of us want to end the delay and abuse in habeas corpus and all of us have supported provisions in the past that would limit a prisoner's right to appeal, would allow a very narrow window in which a habeas corpus petition could be filed, and would place strict limits on when that petition had to be filed.

However, the Republican proposal goes much further. The standard proposed in the Republican substitute would direct a Federal court to defer to a State court decision as long as it is not unreasonable. In other words, if reasonable minds could disagree, the State court decision would stand in Federal court even if it is incorrect.

Now, this is a dressed up version of what is known around here as the full and fair rule. Reasonableness is a highly deferential standard, one never before used in habeas corpus. And current law permits Federal courts to make a merit-based decision and to correct harmful State court errors.

I believe we must reform habeas corpus, and I believe we can reform habeas corpus to adopt limits on the number of petitions and the time limits on the petitions such as those contained in the Republican substitute, but without stopping Federal courts from correcting serious State court errors in interpreting the United States Constitution.

In addition, the Republican substitute changes current law which mandates appointment of a lawyer in Federal habeas corpus cases to make such appointments discretionary, not mandatory. I support limiting a prisoner's right to petition. I support limiting prisoners to one habeas corpus petition and giving them a very short period within which it must be filed, but I cannot fathom why we would deny that same petitioner a lawyer at the same time. Such a step serves neither efficiency nor justice.

Now, I noted that the habeas corpus provision in the Republican bill is not directly related to terrorism in that it applies primarily to prisoners who are prosecuted in State courts.

It is particularly inappropriate, in my view, to work such a devastating change in the law on a bill which is designed for a very narrow purpose, for which the Senate is working to move quickly.

Now, when we get to the debate on habeas corpus, we will have what has become known around here as "dueling charts." I will show that the Biden habeas corpus provision would not allow those outrageous examples that the Senator uses where a petitioner sat on death row 2, 5, 10, 12, 18 years after having committed a heinous crime and avoiding the death penalty for that period as a consequence of filing petitions. We want to allow only one bite out of the apple.

But I want to make a point. My friend from Utah made an impassioned statement tonight about how it would be horrible if we find and convict the murderer, the man or woman, or men or women, who murdered those people in Oklahoma and that person was able to avoid execution by filing repetitive petitions.

Well, his proposal has nothing to do with that. So I will have an amendment that says: Limit their habeas corpus changes to Federal court matters.

For example, all the horror stories the Senator pointed out tonight, none of them have to do with somebody who has been tried in Federal court. If you have been tried in a Federal court—which this bill says, by the way, the terrorism bill says, the only purpose of it is to say you do these bad things, you go to a Federal court, you go to a Federal judge, you have the Federal FBI investigate you, you go to a Federal prison, you have a Federal executioner. That is the only reason for the bill. That is why we are doing it.

So if the Senator is as concerned as he appears to be about these exorbitant delays, let us apply it to Federal court.

Now, the reason I am going to offer that amendment is not that I think his idea as to how he wants to limit it in Federal court makes much sense, but just to prove that this is a sham. This has nothing to do with it.

I will have a chart tomorrow, or whenever we get to this, showing all the prisoners in Federal court sitting on death row who are filing Federal habeas petitions. What he is talking about is a need to remedy the State court problem. And I am willing to do that; I have been trying to do it for 10 years, but not on this bill.

Why are we getting into this debate on this bill? But I will leave that for another moment, another day, another hour to debate it, because we have debated it before.

Finally, the Republican substitute contains two very controversial provisions from the administration's proposal that I believe are troubling. The first is that it includes a provision that I must acknowledge the President's included, a provision to create new deportation procedures for aliens in the United States who are alleged to be terrorists.

In the administration's bill, the Government could, in some circumstances, use secret information, not disclosed to the defendant, not disclosed to the defendant's lawyers, in order to make a case.

We have never had such a procedure in history, to the best of my knowledge, in America, where someone can bring a charge against an individual, go into a Federal court, have the prosecutor meet alone with the judge and say:

"Judge, these are all the horrible things that the defendant did. We're not going to tell the defendant what evidence there is that he did these horrible things. We're not going to let the defendant know what that evidence is. We're not going to let the defendant's lawyer know what it is. We're not going to let the defendant's lawyer answer these questions. You and me judge"—me, the prosecutor; you, the judge—"let's deport him in a secret hearing, using secret evidence. Let's walk out of this courtroom, out of your chambers, walk out and say, 'OK, Smedlap, you're deported. We find you're a terrorist. You're out of here.'"

And Smedlap looks and says, "Hey, tell me who said I was a terrorist. How do you know that?" We say, "Oh, no, we can't tell you. We know you did it, and we can't tell you how we know "

Now I think that is about as un-American as it gets.

Now what we will hear is—and I think the President is dead wrong on this—but what we will hear is, "Well, look, these folks are not American citizens. They are not entitled to the same privileges as American citizens in a courtroom."

Well, that is technically true. But, my lord, I do not want to be part of

anything that establishes that kind of Star Chamber proceeding. Technically, they may be right; philosophically, it is dead wrong.

But it is interesting, my Republican friends do not include taggants. They do not include additional wiretaps. But they include this. I mean, who, as my little daughter used to say, "Go fish." How can you figure that one out? I cannot, anyway.

Our judicial system generally requires that a defendant be given evidence that is to be used against him so that he can prepare a defense. Unseen, unheard evidence simply cannot be defended against and it creates the possibility of erroneous decisions.

The Republican substitute, unlike the prior version of the Republican bill, moves back toward allowing what the President wrongheadedly put in his bill, in my view.

The bill also includes a radically revised version of an administration proposal to bar fundraising within the United States for organizations which the Secretary of State designates as terrorists. The President's proposal guarded against first amendment concerns by allowing persons to send funds to designated organizations if it could be shown that the funds were going to a legitimate purpose, for humanitarian effort or for political advocacy only.

For example, the substitute bill revises this proposal. First, it changes the Presidential determination to one made by the Secretary of State and then subjects the determination to searching judicial review. While this addresses some of the first amendment concerns in the administration's proposal, it is also problematic because Presidential designations of this sort are not usually litigated in Federal court.

Second, the substitute eliminates any opportunity for persons to make donations for proper purposes, in my view increasing the first amendment concerns on that aspect of the bill.

In conclusion, Mr. President, let me say that I would have preferred to have come to this floor on a bill that was wholly bipartisan without controversial and irrelevant provisions, but the majority has not chosen to proceed that way. I would also, frankly, have preferred to have seen the bill we are considering in advance of the day we are considering the bill on the floor. But, in fairness to my Republican friends, they have been working hard to put it together to try to meet the deadline to get it in before the recess. But, nonetheless, it puts us in a difficult position.

Having received a final version of the bill at only about 6:30 tonight, I have not been able to review it carefully to see whether any of my concerns have already been addressed in the bill—maybe some of the things I have said now have been addressed by this new version—or whether or not additional concerns have been raised by the new bill.

It is my hope and belief that, with certain changes, the substitute offered today by my Republican friends can become a true pro-law-enforcement, pro-civil-liberties, counter-terrorism, bipartisan bill. It is my hope and belief that all Senators will listen to the director of the FBI, the Attorney General of the United States, the Secretary of the Treasury, and the President, and not to groups who believe violence, not voting, is the means to change the system—not that anyone is listening to anyone who is advocating violence, but those who do not think we should expand the ability of law enforcement to look more closely at those groups who believe violence and not voting is the means to change the system.

All Federal law enforcement is part of a team of brave men and women who protect the lives of all Americans from terrorist attacks. Let us stand with law enforcement as we consider this bill, and give them the tools that they badly need. Even as we protect our constitutional freedoms, we can make this legislation a truly effective tool in fighting terrorism, the threat that comes from distant shores as well as those that come from the American heartland. We have a duty to protect law-abiding Americans and that is what this bill must do.

In conclusion, I believe we can enter into a time agreement on most of the amendments that we will have and hopefully we can move quickly, after the recess, to finish and to complete this bill. Because, as I understand the majority leader, he is looking for a couple of amendments to be brought up tomorrow—whether that means one, two or five, I do not know—but several amendments tomorrow, which we are ready to do. We will give time agreements on those amendments and then we will move back to the bill when we come back.

Again, I thank my Republican colleague, the chairman of the committee, for the areas in which we have cooperated. I look forward to vigorous and substantive debate on those areas where we do not agree. But ultimately we will produce a bill.

I thank the Chair and thank my colleagues. I yield the floor.

The PRESIDING OFFICER. The Senator from Utah.

Mr. HATCH. Mr. President, I thank my colleague, the ranking member on the committee. I have enjoyed his remarks this evening. Literally some of his concerns we have addressed in the bill, in the substitute that has been filed. We cannot address all of his concerns in the way he would like them to be addressed because of differences. But some have been, and I think he will be pleased with those.

We will continue to work with him to try to perfect this bill in the interests of everybody, including the administration.

As I understand it, Senator THURMOND would like to make a short statement, and also Senator DEWINE. I do not know if there is anybody else who does, but as soon as the last few statements are made, we will shut the Senate down.

The PRESIDING OFFICER. The Senator from South Carolina.

Mr. THURMOND. Mr. President, I rise today in strong support of the substitute amendment to S. 735, offered by the able chairman of the Judiciary Committee of the Senate, Senator HATCH, and others who joined on this matter. As an original cosponsor of this legislation and the substitute amendment, I believe it builds upon a solid foundation to assist law enforcement in their fight against terrorism.

We must send a clear message that the people of America will not tolerate cowardly acts of terrorism, in any fashion—whether their source is international or domestic. It is important that the Congress work closely with Federal law enforcement to provide the necessary tools and authority to prevent terrorism. I am ever mindful that an appropriate balance between individual rights guaranteed in the Constitution and the needs of law enforcement must be achieved as we meet our responsibility. The American people appropriately look to their Government to maintain a peaceable society but do not want law enforcement to stray into the private lives of law-abiding citizens. The balance is to provide reasonable authority to law enforcement to investigate and prevent terrorism while respecting the rights of the American people to form groups, gather, and engage in dialog even when that dialog involves harsh antigovernment rhetoric. The recent bombing in Oklahoma City compels us to address this issue.

Mr. President, it is my belief that this legislation will enhance law enforcement capabilities to combat terrorism while respecting our cherished rights under the Constitution. This bill contains provisions to increase penalties for conspiracies involving explosives and the unauthorized use of explosives. Additionally, our legislation will assist law enforcement in fighting international terrorism, including language to prohibit U.S. aid to countries that provide military equipment to terrorist nations. The United States must send a strong signal to our allies and adversaries that America's policy is one of zero tolerance for aiding terrorists.

Also, I am pleased that this legislation contains the much needed language on alien terrorist removal. These provisions create a new "terrorism court" made up of sitting district court

judges appointed by the Chief Justice of the Supreme Court. This specialty court would have the authority to hear deportation cases involving alien terrorists and would ensure, through the use of a limited ex parte procedure, that the United States can expeditiously deport alien terrorists without disclosing national security secrets to them and their criminal associates.

There are other provisions to provide anti-terrorism assistance to Federal law enforcement agencies. Further, one of the most important sections of this legislation, which I will now address, is designed to curb the abuse of habeas corpus appeals.

Mr. President, for years, as both chairman and ranking member of the Senate Judiciary Committee, I have called for reform of habeas corpus appeals. The habeas appellate process has become little more than a stalling tactic used by death row inmates to avoid punishment for their crimes. I have authored and joined as an original cosponsor of legislation designed to curb the abuse of habeas corpus and to limit the intrusion of Federal courts in State court convictions.

Unfortunately, the present system of habeas corpus review has become a game of endless litigation where the question is no longer whether the defendant is innocent or guilty of murder, but whether a prisoner can persuade a Federal court to find some kind of technical error to unduly delay justice. As it stands, the habeas process provides the death row inmate with almost inexhaustible opportunities to avoid justice. This is simply wrong.

In my home State of South Carolina, there are over 60 prisoners on death row. I am informed that one has been on death row for 18 years. Two others were sentenced to death in 1980 for a murder they committed in 1977. These two men, half brothers went into a service station in Red Bank, S.C. and murdered Ralph Studemeyer as his son helplessly watched. One man stabbed Mr. Studemeyer and the other shot him. It was a brutal murder and although convicted and sentenced to death, these two murderers have been on death row for 15 years and continue to sit awaiting execution.

Mr. President, without adequate habeas reform, the murdering coward who exploded the bomb in Oklahoma City could avoid justice for many years as many are now doing who have been sentenced to death. President Clinton has called for habeas reform, and I urge my colleagues on the other side of the aisle to join us to ensure that justice becomes a certainty and not a mere probability.

The habeas reform provisions in this legislation will significantly reduce the delays in carrying out executions without unduly limiting the right of access to the Federal courts. This language will effectively reduce the filing of repetitive habeas corpus petitions which delays justice and undermines the deterrent value of the death penalty. Under our proposal, if adopted, death sentences will be carried out in most cases within 2 years of final State court action. This is in stark contrast to death sentences carried out in 1993 which, on average, were carried out over 9 years after the most recent sentencing date.

Mr. President, the current habeas system has robbed the State criminal justice system of any sense of finality and prolongs the pain and agony faced by the families of murder victims. Or habeas reform proposal is badly needed to restore public confidence and ensure accountability to America's criminal justice system.

Mr. President, while there is nothing we can do to alter the tragic bombing in Oklahoma City, the Congress should now adopt legislation to bolster our efforts to prevent heinous and cowardly acts of terrorism. The preamble to the U.S. Constitution clearly spells out the highest ideals of our system of government—one of which is to ensure domestic tranquility. The American people have a right to be safe in their homes and communities.

I urge my colleagues to support this legislation to provide valuable assistance to our Nation's law enforcement in their dedicated efforts to uphold law and order. I yield the floor.

Mr. DEWINE. Mr. President, I rise this evening in very strong support of the bill that we are considering tonight, the Comprehensive Terrorism Prevention Act of 1995.

This is a bill that truly will help the United States fight terrorism, while at the same time preserving basic constitutional rights and civil liberties.

Let me begin tonight by congratulating Senator DOLE, the majority leader, Senator HATCH, Senator THURMOND, who have worked so very, very hard on this bill. They have crafted a bill that will truly make a difference. They have crafted a bill that will help the United States as a country fight back, against terrorism.

This bill being brought to the floor tonight is in immediate response to the horror of Oklahoma City. But it is also this response to the realization that we all have, about what a very, very dangerous world we live in today. Some thought that with the ending of the cold war we would be living in a safer world. But we all know today that is simply not true. Whether the terrorism comes from our own shores or is international terrorism, it is still horrible and we still must fight back.

I would like to talk briefly tonight about one particular aspect of this bill. That has to do with the provisions in this bill that give local law enforcement the resources and the tools that they need to fight back. I am specifically talking about the provisions in the bill that give local law enforcement the resources to provide for 21st century technology.

I have talked, Mr. President, on this floor during the last several weeks on 6 or 7 different occasions about how very, very important it is, that local law enforcement throughout the country, where 95 percent of all criminal prosecution occurs, where 95 percent of all arrests occur, where 95 percent of all investigations occur, that the resources be driven down to those local communities and those local law enforcement officers so that they have the technology, the DNA, the automated fingerprints, the ballistics, the criminal record, so that they have those tools so they can fight back.

This bill takes a major provision of my crime bill—the crime bill, by the way, that is cosponsored by Senator HATCH as well as Senator THURMOND, Senator ASHCROFT—this bill takes a major provision of that bill and inserts it in this bill and provides $500 million that will go directly to local law enforcement to help them develop the data bases that they need, and that the FBI knows they need.

This will, Mr. President, make a difference. It will help the government solve crime. It will help to save lives. It will make a difference in fighting terrorism, and it will make a difference in fighting all kinds of crime.

Last year's crime bill, Mr. President, had a major provision that provided that very significant amount of money to the FBI to develop the national central data base—DNA, fingerprints, identification of individuals, ballistics.

When I traveled Ohio the last few months and talked to local law enforcement officers, one of things that they told me was that is all well and good, but if we cannot access that information, if we cannot get it, if we do not have the tools to bring it to law enforcement, it will not do any good.

Several months ago, I visited the FBI and spent a day with them and spent a day with their experts in all of these different high technical fields. That, I found, is what local law enforcement had told me the FBI confirmed. That is, their fear is that local law enforcement will not have the resources so that we all can develop this national data base.

This is a unique role for the Federal Government. When we talk, Mr. President, about anticrime bills, antiterrorism bills, we always should first focus on what can only the Federal Government do.

I submit, Mr. President, that the evidence is abundantly clear that it is only the Federal Government that can establish this national base throughout the country. Now, why is that? Let us pretend that we are the sheriffs in Lawrence county, Ohio, or the chief of police in Ironton.

Our ability to use these tools, to use these data bases, depends on three things.

Number one, we have to have the ability or the resources there, and we have to put the information in. We have to do a good job.

Number two, the FBI, of course, has to build up a national base, so we can access from a national point of view.

But the third thing that we sometimes miss is that my ability —if I am the chief of police or a police officer in Ironton—to get information is dependent not only on the local community, local police, local sheriff and local FBI, but also on tens of thousands of jurisdictions across the country, because we live in a very, very mobile society. People move around; criminals move around.

So what the Federal Government does and what we are doing in this bill—and again, I congratulate my colleague from Utah and Senator DOLE the majority leader, for having the wisdom to listen to local law enforcement, to listen to the FBI when they say this is what we need, and to set aside a provision of this bill and to take that $500 million and say it will go down to local law enforcement so that we can, as a country, develop this national data base. It will, in fact, Mr. President, make a very substantial difference.

What are we talking about? What practical applicability does all of this have? You know, I have said many times, Mr. President, that we debate in this Congress—in the Senate and in the House —on the national news media a lot of things regarding crime that really do not make a lot of difference. But giving local police officers the tools that they need makes a difference. It matters. It is important. This is what the provisions of this bill truly do.

What is the practical application? We have seen it on TV a lot in the last few in regard to DNA. One of the things that is sometimes missed is the fact that DNA can be used, and is used, every single day in this country to help clear from investigations innocent people, so that someone does not stay the focus of a criminal investigation. DNA can be used for that.

But the situation we have in this country today is that law enforcement officers throughout the country do not, as a rule, really have access to good DNA technology. The laboratories are not there. If the laboratories are there and they have access, there is waiting time. They have to pick only their top cases, only the highest priority cases.

This bill will help solve that problem by establishing the resources so we can have DNA laboratories and experts who can come into court and testify, no matter where that crime is committed.

How else does it help? Think how important it is if you are a police officer or a sheriff's deputy, and at 3 o'clock in the morning you are following a car and, for some reason, you make the determination you need to pull that car over, and you need to pull that car over on a dark road, away from civilization, away from people, and you do that. Is it not important that you know that when you run that license plate, that the information you get back on the ownership of that car is accurate? Is that not important? Is it not important, or would it not be important if you are a police officer and you had just arrested someone and you wanted to determine really who that person was, and you did not believe them when they told you who they were, if you could take that person back to your police cruiser and take his or her hand and put it up against a screen and have those prints electronically transmitted to a central data base, and within a matter of seconds know who that person really is? We have that technology today. It is not widespread because of the cost. But we have the ability to do that.

Would it not be important for our children, for possible victims of sexual abuse, to be able to start as a country what some States are just now beginning to do—that is, to develop a national data base, DNA data base of sex offenders? The sad truth is, Mr. President, that sex offenders have just about the highest repeat offender rate of any group of criminals. I think check forgers and those who pass bad checks probably have about the same number of recidivism. But it is a little different when we are dealing with a sex offender.

I think it is important that every sex offender who goes into prison gets their blood taken. It is constitutional. We can do it. We just have not put the resources behind it. We can take their blood and develop a national DNA data base of sex offenders. So when that person comes out—as most of them do—and if that person commits another offense—as many do, tragically—then we have that data base, and we have the ability to take any bodily fluid from the crime scene, anything, and match that up and make that DNA comparison. We will solve crimes, save lives, and we will convict sex offenders.

Mr. President, I could go on and on with example after example. This money is important. We talk a lot about what matters in crime and what does not matter. The money provided in this bill, the provision that Senator HATCH and Senator DOLE have put in, when they have listened to local law enforcement and to the FBI—these provisions are an integral part of this bill, a very important part of the bill. I congratulate them and thank them for putting it in the bill because it will truly make a difference.

Mr. President, I yield the floor.

Mr. HATCH. Mr. President, I compliment the distinguished Senator from Ohio for an excellent statement and also the distinguished Senator from South Carolina. As usual, Senator THURMOND really covers these matters as well as they can be covered.

MORNING BUSINESS

Mr. HATCH. Mr. President, I ask unanimous consent that there now be a period for the transaction of routine morning business with Senators permitted to speak therein for up to 5 minutes each.

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

HAPPY BIRTHDAY TO KITTY WILKA

Mr. DASCHLE. Mr. President, today I want to take a moment to wish Kathleen "Kitty" Wilka of Sioux Falls, South Dakota, a happy sixty-fifth birthday.

Mrs. Wilka was born Kathleen Kelly on May 25, 1930, in Larchwood, Iowa. On August 16, 1948, she married Bill Wilka, and, together, they have built a strong family of 12 children and, so far, 28 grandchildren. Their son Jeff has worked in my Sioux Falls office for many years.

On behalf of the entire Wilka family, as well as my wife, Linda, and my staff, I want to wish Kitty Wilka the happiest of birthdays.

RETIREMENT OF JAMES O. KING

Mr. FORD. Mr. President, throughout my career in public service, I have had the good fortune of having a number of bright, loyal, and hard working individuals on my staff. One such individual is James O. King, now serving as Democratic Staff Director of the Senate Rules Committee, who is retiring on June 7.

Jim has been a very good friend to me for many years. He worked with me back when I served as Governor of Kentucky, came with me to Washington as one of my Administrative Assistants, and was Staff Director of the Rules Committee for 8 years.

He has served the Commonwealth in a number of roles in public administration, including working under no less than five Kentucky governors. In addition, he served in a number of capacities in higher education in the Commonwealth, including Vice President for Administration and also Administrative Assistant to the President of the University of Kentucky.

It seemed that no matter what job title he held, Jim was always working in public service, always trying to give something back.

We here in the Senate have been recipients of some of the fruits of his labor. Jim was a key person in 1988 to help the Committee review Senate rules and procedures. Under his direction, the Rules Committee has addressed a number of major pieces of

legislation including the motor-voter bill and campaign finance reform. And all the while, he was still keeping a eye on the "nuts and bolts" of the Senate operation.

Anyone who's ever come in contact with Jim knows that he loves Kentucky, its people and its way of life. And, from what I understand from reliable sources, he's already getting in the swing of retirement by posting some of the best golf scores he's had in recent years!

We're going to miss Jim on the Rules Committee. And I know I'm speaking for my staff, the Rules Committee staff, and the Senate as a whole, in thanking him for his good work and wishing him all the best for his retirement.

WAS CONGRESS IRRESPONSIBLE? THE VOTERS HAVE SAID YES

Mr. HELMS. Mr. President, on that November evening in 1972 when I learned I had been elected to the Senate, I made a commitment to myself that I would never fail to see a young person, or a group of young people, who wanted to see me. In the nearly 23 years since that election night, I have been inspired by an estimated 60,000 young people with whom I have visited.

Most of them have expressed concern about the enormous Federal debt that Congress has run up for coming generations to pay. Almost without exception the young people and I discuss the U.S. Constitution which forbids that any President spend even a dime of Federal money that has not first been authorized and appropriated by both the House and Senate of the United States.

Mr. President, I have been making these daily reports to the Senate since February 22, 1992. I began because I wanted to make it a matter of daily record the precise size of the Federal debt. As of yesterday, Wednesday, May 24, the Federal debt stood at $4,887,785,166,023.46—$18,554.12 for every man, woman, and child on a per capita basis.

MR. JEFFERSON WAS RIGHT: GOP BUDGET PROVES IT

Mr. HELMS. Mr. President, there has been a great deal of phony and highly partisan criticism of the Republican budget proposal—criticism which the liberal news media have hastened to circulate. However, polls show that the majority of American people are not misled, except those who insist that they are entitled to something for nothing.

To their credit, Republicans in Congress have delivered on their commitment to come forth with a budget to—First, balance the Federal budget in 7 years; second, cut Federal spending by $961 billion; third, eliminate 140 Federal departments, agencies, and programs; fourth, freeze salaries of Member's of Congress; and fifth, cut the Senate staff budget by 15 percent.

Mr. President, the American people obviously realize the dire financial straits into which our Nation has plunged as a result of decades of irresponsibility by those in charge of their Federal Government. But children understand the penalty for spending more money than they have in their piggy banks.

I have an example to share, a poignant letter from the sixth grade class of Swain County West Elementary School in Bryson City, NC:

DEAR SENATOR HELMS: Our teacher shared with us your letter which mentioned the Federal debt as of March 14, 1995, which was $4,846,819,443,348.28.

We are amazed to see how large the Federal debt is and understand that anything that is "free", the working people pay for. We don't have much, but our class sends this collection to you and ask that you put it in the fund to reduce the Federal debt. Our generation is going to have to reduce this debt and we would like to begin our part now. We really want to help our country and as sixth graders we understand that you can't leave it up to somebody else to take care of what we must begin now."

Mr. President, enclosed with this letter came a check for $44.75, emphasizing the obvious if these sixth graders in North Carolina can recognize the importance of balancing the federal budget, why can't Congress?

Needless to say, I greatly admire these young people and their teachers. Implicit in their letter is an obvious question: If politicians cannot live up to promises to balance the budget, the politicians perhaps should be called home to smell the coffee, if I may be permitted to mix a couple of metaphors.

Mr. President, it is difficult to remain silent amidst false charges by the President and various Senators of his party that the Republican budget will cripple Medicare, the health care system upon which so many of our elderly have been encouraged to depend. Contrary to the false prophets, the Republican budget allows Medicare spending to increase each year by 7.1 percent.

Mr. President, the American people should always have realized that there is no such thing as a free lunch. Thomas Jefferson said it best:

> To preserve our independence, we must not let our rulers load us with perpetual debt. We must make our election between economy and liberty, or profusion and servitude.

Mr. Jefferson also warned:

> The question whether one generation has the right to bind another by the deficit it imposes is a question of such consequences as to place it among the fundamental principles of government. We should consider ourselves unauthorized to saddle posterity with our debts, and morally bound to pay them ourselves.

Mr. President, that just about says it all, especially when one considers the moral injustice we are heaping upon our children and their children. This year Republicans made a promise to balance the budget. We should keep that promise. Balancing the Federal budget is simply a matter of doing what we were sent to Washington to do.

ERNEST K. KOPECKY

Mr. DASCHLE. Mr. President, Ernest K. Kopecky has served as construction manager for the Architect of the Capitol and the Congress of the United States for 17 years. He began his service in 1978 and will retire this year. His tireless and unselfish efforts have contributed to the completion of many construction projects in the Capitol and in other buildings in the congressional complex and in maintaining and preserving the structures that house the legislative and judicial branches of the U.S. Government.

Under Mr. Kopecky's direction, such notable and historically significant projects as the restoration of the pedestal for the Statue of Freedom that crowns the Dome of the Capitol building and restoration of the Bartholdi and Neptune fountains have been successfully completed.

As a dedicated public servant, Ernest Kopecky has set an example for others. His genuine concern for quality of work and efficiency of those he supervises, his willingness to assist others, and his reputation for responsive service have brought great credit to the Office of the Architect of the Capitol and reflect positively on his colleagues in that office.

I congratulate Mr. Kopecky on his distinguished career and wish him well in his retirement.

COMMERCIAL SPENT FUEL STORAGE

Mr. MURKOWSKI. Mr. President, dangerous nuclear leftovers from the cold war and the commercial spent fuel storage problem present the U.S. with two major environmental challenges. An explosion at the liquid high-level waste storage tanks at Hanford could result in a catastrophic nuclear accident, and electric utilities are running out of space for storage at commercial nuclear reactors. Although these are separate problems, the solutions are related. Unfortunately, President Clinton is AWOL (absent without leadership), and the DOE is playing legal games instead of taking responsibility for taking the commercial spent fuel by 1998. It's time for a comprehensive solution.

First, let's review the facts:

Thirty thousand tons of spent nuclear fuel is being temporarily stored at powerplants at 75 sites.

In less than 3 years, 23 reactors will run out of space in their spent fuel storage pools.

By 2010, a total of 78 reactors will have run out of space.

We've already spent 12 years and $4.2 billion to find permanent high-level repository and conduct site characterization at Yucca Mountain.

DOE will decide if Yucca Mountain is a suitable site for a permanent repository in 1998. If it is, DOE will file for license in 2001. DOE has told us that the odds of the site being suitable are about 80 percent. However, DOE has also indicated that the odds of getting a license for a permanent repository under our existing laws are about 50-50, and probably much worse. These odds are not good enough to bet the taxpayer's money on.

Still, the fact remains that, if after 3 to 6 years more work at Yucca Mountain, and a total expenditure of at least $9 billion on our nuclear waste disposal program, Yucca is either found not to be suitable or licensable, we have nowhere to turn. We currently have no contingency plan for waste storage. We will simply have to start over.

Meanwhile, the President and DOE are dragging their feet. DOE has recently issued a "Final Interpretation of Nuclear Waste Acceptance Issues," reaffirming its earlier position that its contracts with the utilities to take waste by 1998 are not enforceable in court. DOE has also asserted that it has no authority under existing law to site an interim repository. DOE has missed the point. While DOE is focusing on legal technicalities to avoid its obligations to the American people, we have had no suggestions from DOE regarding solutions to this problem.

Although we have been told that DOE is studying the issue, all we have heard from the administration is a refusal to support any pending legislation at this time. I have received no response to my letter to the President requesting that the administration engage on this issue in a meaningful way.

Finally, the State of Nevada and the Nevada congressional delegation remain opposed to the location of any nuclear waste facilities in their State.

It is time to take a comprehensive look at the problem based on two basic principles: First, the Government must meet its obligation to take spent fuel by 1998 or as soon thereafter as practical. The ratepayers have paid for it. They deserve performance, not excuses. Even if it is found to be suitable, Yucca Mountain will not be ready before 2010. Therefore, interim storage of spent fuel is needed. Although there is nothing unsafe about the storage of spent fuel at reactor sites, for reasons of both economics and safety, we must consolidate our 74 spent fuel storage sites into 1 or 2.

Second, the U.S. must continue efforts toward a permanent geological repository. While we can keep alternatives such as deep seabed disposal and transmutation alive (if Yucca is found unsuitable), our long-term goal remains geologic disposal.

This raises a more difficult question: Where do we locate central interim storage? I would suggest the best location for an interim storage facility would meet the following criteria:

Spent fuel should already be there.

There should be adequate land area.

The Federal Government should already own the land.

There should be transportation infrastructure.

There should be a security infrastructure.

A skilled work force familiar with handling nuclear materials should be available.

A nuclear safety/worker protection infrastructure should be in place.

The location(s) should be in general proximity to the Nation's reactors, i.e., one for the East and one for the West.

The new economic activity associated with spent fuel management may address concurrent job losses.

After all of these considerations are evaluated, the relative costs of the alternatives should be taken into account.

Locations that meet the above criteria include some of our existing DOE weapons facilities. Geographically, the most likely candidates are Hanford and Savannah River. There are other important factors about Hanford, and Savannah River—each contain nuclear materials dramatically more dangerous than spent commercial fuel safety contained in dry casks. For example, Hanford has 61 million gallons of liquid high level wastes in 177 underground tanks—some of which have leaked or are leaking. Under certain conditions, one or more of these tanks could explode, resulting in a catastrophic nuclear accident. Also at Hanford are 4,300 metric tons of plutonium in various forms and locations, contaminated reprocessing facilities, corroding and possibly dangerous DOE nuclear fuels, and a contaminated plutonium finishing plant just to name a few. Savannah River has five closed reactors, two contaminated reprocessing facilities, and a variety of liquid and solid radioactive wastes.

Despite the very real environmental health and safety risks that exist at Hanford and Savannah River, fiscal pressures are forcing us to cut the overall cleanup budget even as we squander millions of dollars cleaning up low risk sites to comply with environmental regulations designed for a perfect world. As Ivan Selin, Chairman of the NRC, said last week, Prioritization of the cleanup at DOE sites, based on an assessment of risk to the public and the cleanup workers, isn't happening to the extent it should.

Finally, Hanford and Savannah River already have spent nuclear fuel. Not the safe, stable nuclear fuel found in commercial power reactors—but military fuel designed to be quickly reprocessed to make plutonium. When we abruptly shut down plutonium production, this military fuel was left in limbo. Today it sits, corroding, in pools at Hanford and Savannah River . . . 206 metric tons at Savannah River, and 2132 metric tons at Hanford.

To review the situation, we need one or two centralized, dry cask storage sites for spent commercial nuclear fuel, until Yucca Mountain or another permanent geologic repository is ready. We have spent military fuel at Hanford and Savannah River—along with a host of other environmental problems—that demand attention despite declining dollars and misplaced priorities dictated by current environmental statutes. Employment at Hanford and Savannah River is dropping. The local communities are feeling the economic pinch. the activity at Hanford and Savannah River is shifting from defense production to environmental restoration.

Hanford and Savannah River meet all the criteria listed earlier:

Spent fuel is already there.

There is adequate land area.

The Federal Government already owns the land.

There is transportation infrastructure.

There is security infrastructure.

There is an available, skilled work force that knows how to handle nuclear materials.

There is a nuclear safety/worker protection infrastructure in place.

Savannah River is conveniently located with respect to civilian power reactors in the east, and Hanford is convenient to reactors in the west.

The new economic activity associated with spent fuel management will help address economic declines in the area.

The new dry cask storage facilities may even help safely contain the more dangerous spent military fuel that exists at both sites.

Overall costs of transportation and storage would appear to be lower at these sites.

Therefore, I believe Hanford and Savannah River offer excellent sites for the temporary, dry cask storage of civilian spent nuclear fuel until a permanent geologic repository is available. At this point, I would like to make clear my support for continued progress toward a permanent geologic repository. Hanford and Savannah River already have defense nuclear waste and spent nuclear fuel from defense and research activities that is destined for the permanent geologic repository. This proposal is intended to hasten the day that those wastes, as well as the civilian spent fuel, are sent away from the sites for permanent disposal. I realize that at this time, nobody wants to store nuclear waste. Incentives must be offered. The communities near Hanford and Savannah

River will understandably ask, what's in it for us?

I would be prepared to pursue benefits for these communities if they are inclined to take spent commercial fuel on an interim basis only. First, I am working with several of my colleagues to develop legislation that will prioritize DOE cleanups in accordance with actual risks. That approach will result in Hanford and Savannah River being cleaned up faster, since many of the high-risk problems are located there. Second, I am encouraging the privatization of efforts to vitrify—or turn into glass—high-level liquid wastes at Hanford. This is the best way to stabilize the liquid tanks and make them safe.

Third, we are offering new construction and economic activity associated with the construction and operation of an interim, above ground, dry cask storage site. This will help address the job losses and economic declines associated with the end of defense-related activities at Hanford and Savannah River. Fourth, there are other arrangements, including financial incentives, that can be considered. Whether or not DOE continues to exist as a Cabinet-level agency, its functions and operations will be significantly scaled back. As the various DOE sites compete for the remaining missions, special consideration could be given to a site that hosts the interim storage facility. Other benefits to communities agreeing to host an interim storage site can also be discussed.

Finally, to provide assurances to the local communities of Richland/Pasco/Kennewick, WA; Aiken, SC; and Augusta, GA, that the interim dry cask storage sites are not intended to be permanent, work on Yucca Mountain will be continued. Remember, there is already spent nuclear fuel at these sites that is destined for a permanent geologic repository, when one is available. It is in the long-term interest of these facilities to participate in a program that will take care of the immediate problem so that the work on the permanent repository can go forward.

In addition to selecting a site, there are four elements that we should include in a legislative bill dealing with spent nuclear fuel. First, in order to construct a central interim storage facility in a timely manner, changes must be made in the Nuclear Waste Policy Act. These amendments should provide: that licensing of an interim storage facility can begin immediately; that the interim dry cask storage site can be constructed incrementally and that waste acceptance can begin as sections are completed; that the NRC will be the sole licensing authority; short-term renewable licenses to ease NRC rulemaking; and that DOE will be treated like a private licensee.

Second, to help ensure that the spent fuel can be moved from reactor sites to interim storage as soon as possible, a transportation system must be developed. Legislative changes would provide: that utilities are responsible for obtaining casks; that DOE will take title to fuel at reactor site; that DOE will be responsible for delivery; and a clear regulatory regime related to the transportation of spent fuel.

Third, to ensure that Yucca can be licensed, we should streamline licensing provisions, specifying repository performance standards.

Finally, fourth, a budgetary framework must be established that ensures that the money put into the Nuclear Waste Fund by the ratepayers is available to the program in amounts sufficient to achieve the first three goals in a timely and efficient way.

These draft proposals outline a workable and efficient interim storage program that would allow us to pursue the investigation of our permanent disposal options, including a full study of the Yucca Mountain site. However, one lesson we have learned is that we cannot put all of our eggs in one basket. We cannot solve every nuclear waste and spent fuel issue before this country in this Congress. However, we can set up the beginnings of a workable, integrated nuclear waste management system that will allow succeeding generations to apply new technologies to these problems.

In conclusion, I have given a basic outline of principles Congress must address if we are to solve these two major environmental problems. As chairman of the Committee on Energy and Natural Resources, I pledge to continue our goal of reaching a common sense and comprehensive solution. We'd like to do that with the help of President Clinton and his Department of Energy. So far, I have not seen sufficient indication they really want to be a part of any solution. Unfortunately, this issue is not one where America can be without leadership. I will look forward to working with all of those who have an interest and concerns to resolve what is undoubtedly one of America's most frightening problems, the management of waste left at DOE defense weapons facilities, while providing a legislative framework for DOE to meet its obligation to take possession of the Nation's civilian spent nuclear fuel.

FOREIGN OWNERSHIP OF TELECOMMUNICATIONS

Mr. BYRD. Mr. President, the distinguished Majority Leader has indicated that, when the Senate returns from the upcoming recess, it will take up S. 652, the "Telecommunications Competition and Deregulation Act of 1995." As my colleagues are aware, this is a very important piece of legislation dealing with many aspects of the complicated, fast-changing marketplace in telecommunications and the many competing commercial interests in that marketplace.

Of great interest is the international marketplace in telecommunications equipment and services, which is extremely lucrative, and is subject to many of the same kind of barriers to entry for American companies that we see in other business sectors. Currently, the US Trade Representative, Ambassador Mickey Kantor, has initiated a 301 case against the Japanese in the area of automobile parts, after years of frustration in trying to gain fair entry into the Japanese market—just as the Japanese have access into the American market, and the Senate has strongly endorsed this action. Similar problems exist in the telecommunications field, and the bill as reported from the Commerce Committee includes a provision to protect our telecommunications companies from unfair competition. The provision requires that reciprocity is needed in the international marketplace, and in adjusting the rules for foreign ownership of telecommunications services in the U.S., the host countries of those businesses seeking market access in the U.S. allow fair and reciprocal access to our telecommunications providers in those nations.

This is a case of fairness, and the Committee has wisely included needed leverage for the Administration to prod our trading partners into opening their markets.

Given the highly lucrative nature of the telecommunications marketplace, the stakes of gaining market access to foreign markets are high. It should be no surprise that securing effective market access to many foreign markets, including those of our allies, including France, Germany and Japan has been very difficult. Those markets remain essentially closed to our companies, dominated as they are by large monopolies favored by those governments. In fact, most European markets highly restrict competition in basic voice services and infrastructure. A study by the Economic Strategy Institute in December of 1994 found that "while the U.S. has encouraged competition in all telecommunication sectors except the local exchange, the overwhelming majority of nations have discouraged competition and maintained a public monopoly that has no incentive to become more efficient." U.S. firms, as a result of intense competition here in the U.S., provide the most advanced and efficient telecommunications services in the world, and could certainly compete effectively in other markets if given the chance of an open playing field. The same study found that "U.S. firms are blocked from the majority of lucrative international opportunities by foreign government regulations prohibiting or restricting U.S. participation and international regulations which intrinsically discriminate and overcharge U.S. firms and consumers."

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This study found that the total loss in revenues to U.S. firms, as a result of foreign barriers is estimated to be over $100 billion per year between 1992 and the turn of the century. These are staggering sums.

Thus the administration has adopted an aggressive incentives-based strategy for foreign countries to open their telecommunications services markets to U.S. companies. First, as my colleagues are aware, the negotiations which led to the historic revision of the GATT agreement and which created the World Trade Organization were unable to conclude an agreement on telecommunications services. Thus, separate negotiations are underway in Geneva today to secure such an agreement, in the context of the Negotiating Group on Basic Telecommunications. In the absence of such an agreement, we must rely on our own laws to protect our companies and to provide leverage over foreign nations to open their markets. To forego our own national leverage would do a great disservice to American business and would be shortsighted—the result of which would be not only a setback to our strategy to open those markets, but pull the rug out from under our negotiators in Geneva to secure a favorable international agreement for open telecommunications markets. Indeed, tough U.S. reciprocity laws are clearly needed by our negotiators to gain an acceptable, effective, market opening agreement in Geneva in these so-called GATS [General Agreement on Trade in Services] negotiations.

Second, the bill as reported by the Commerce Committee supports a strategy to provide incentives for foreign country market opening by conditioning new access to the American market upon a showing of reciprocity in the markets of the petitioning foreign companies. Current law, that is section 310 of the Communications Act of 1934 provides that a foreign entity may not obtain a common carrier license itself, and may not own more than 25 percent of any corporation which owns or controls a common carrier license. This foreign ownership limitation has not been very effective and has not prevented foreign carriers from entering the U.S. market. The FCC has had the discretion of waiving this limitation if it finds that such action does not adversely affect the public interest. In addition, the law does not prevent some kinds of telecommunications businesses, such as operation and construction of modern fiber optic facilities or the resale of services in the U.S. by foreign carriers. Nevertheless, maintaining restrictions on foreign ownership is generally considered by U.S. industry to be useful as one way to raise the issue of unfair foreign competition and to maintain leverage abroad. Therefore the bill establishes a reciprocal market access standard as a condition for the waiver of Section 310(b). It states that the FCC may grant to an alien, foreign corporation or foreign government a common carrier license that would otherwise violate the restriction in Section 301(b) if the FCC finds that there are equivalent market opportunities for U.S. companies and citizens in the foreign country of origin of the corporation or government.

Even though Section 310 has not prevented access into our market, the existence of the section has been used by foreign countries as an excuse to deny U.S. companies access to their markets. The provision in S. 652, applying a reciprocity rule, makes it clear that our market will be open to others to the same extent that theirs are open to our investment. This is as it should be.

Given the importance of this provision, and the tremendous stakes involved in the future telecommunications markets worldwide, a number of issues regarding the provision have been raised, including the role of the President in reviewing FCC decisions, how the public interest standard should be applied, whether our negotiators should have wide authority to exercise leverage among telecommunications market segments, to what extent Congress should be informed and involved in the developing policies which effectively define the American public interest, the impacts of the legislation on the ongoing negotiations in Geneva for a multilateral agreement, what mechanisms are needed to ensure that promises for market access turn into reality by foreign nations—after the ink on an international agreement is dry—and several other matters.

In order to clarify and develop a fuller understanding of the ramifications of the provision of S. 652, I wrote Ambassador Kantor on April 3, 1995, soliciting his views in five areas: First, the impacts of the provision on the ongoing telecommunications negotiations in Geneva; second, the nature of foreign market behavior that would trigger action under the concept of reciprocity in the bill; third, the likely reactions of foreign governments to the provision; fourth, the most useful role that the United States Trade Representative can play in implementing the proposal in the bill; and, fifth, his suggestions for any changes which might strengthen the effectiveness of the provision. I received a very full reply from Ambassador Kantor on April 24, 1995, which I ask unanimous consent be printed in the RECORD at this point. I commend the Ambassador for his attention to this matter, and am sure that his reply will be useful to the Senate when the bill comes to the floor. I hope that the Senate will have a good debate on this particular provision, and hope that we will seize this historic opportunity to put into place effective reciprocity tools to truly open the world's economies to opportunities for American genius and labor.

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

APRIL 3, 1995.

Ambassador MICKEY KANTOR,
U.S. Trade Representative,
Washington, DC.

DEAR MR. AMBASSADOR: The Senate will soon take up S. 652, the Telecommunications Competition and Deregulation Act of 1995, to promote competition in the telecommunications industry. I am writing to solicit your views on the revision of foreign ownership provisions, specifically the revision to Section 310(b) of the 1934 Communications Act.

As you may know, the Commerce Committee's reported bill would allow the FCC to waive current statutory limits on foreign investment in U.S. telecommunications services if the FCC finds that there are "equivalent market opportunities" for U.S. companies and citizens in the foreign country where the investor or corporation is situated.

I would like to have your assessment of the impact of this provision for both enhancing the prospects of U.S. penetration of foreign markets, and for foreign investment in American telecommunications companies and systems.

Specifically, what impacts and advantages can we anticipate will result from enactment of this provision on the ongoing negotiations in Geneva on Telecommunications which has been established under the GATT, to be incorporated into the General Agreement on Trade in Services?

Second, which markets in Asia and Europe are now closed to U.S. telecommunications services in such a way that action on the basis of the concept of Reciprocity in the Senate bill is likely? What timeframes for such action, if any, would you contemplate?

Third, what has been the position of nations whose markets are closed to U.S. telecommunications services in the way of justifying their lack of access, and what likely reactions can we anticipate from those nations as a result of this legislative provision?

What role do you think can be most usefully played by your office in effectively implementing the provision that has been recommended?

Lastly, in analyzing the legislation reported from the Senate Commerce Committee, do you have any suggestions as to how the provision might be strengthened to better serve the goal of opening foreign markets to U.S. telecommunications services and products?

Thank you for your attention to this matter.

Sincerely,

ROBERT C. BYRD.

THE U.S. TRADE REPRESENTATIVE,
Washington, DC, April 24, 1995.

Hon. ROBERT BYRD,
U.S. Senate,
Washington, DC.

DEAR SENATOR BYRD: This is to respond to your letter of April 3, 1995 regarding S. 652, the "Telecommunications Competition and Deregulation Act of 1995" and its proposed revision of Section 310(b) of the Communications Act of 1934. The Departments of Commerce, Justice, State and Treasury have concurred in this response to your letter.

The Administration and the U.S. telecommunications industry are united in their support for Congressional action to revise the foreign ownership rules under Section

310(b). As Vice President Gore indicated recently to our G-7 partners, the Administration seeks legislation to allow us to open further our common carrier telecommunications market to the firms of countries which open their markets to the American common carrier telecommunications industry. This would contribute greatly to the development of the Global Information Infrastructure (GII).

As you know, the U.S. leads efforts in the World Trade Organization (WTO) aimed at reaching a market-opening agreement on basic telecom services. The U.S. negotiating team—led by the USTR with representatives from the Departments of Commerce, Justice, State and the Federal Communications Commission—has successfully advanced U.S. objectives at the WTO talks.

I have attached detailed responses to each of your five questions. By amending the legislation as we suggest, the Congress would provide effective market-opening authority for both multilateral and bilateral negotiations on basic telecommuncations services.

We stand ready to work with you to develop legislation which can serve our shared interest in a stronger U.S. economy and the development of the Global Information Infrastructure. We would also be pleased to provide your staff with a briefing on the status of major telecom services markets in Asia, Europe and Latin America at their convenience.

Sincerely,

MICHAEL KANTOR.

Attachments.

1. Specifically, what impacts and advantages can we anticipate will result from enactment of this provision on the ongoing negotiations in Geneva on Telecommunications which have been established under the GATT, to be incorporated into the General Agreement on Trade in Services?

Answer: The U.S. maintains one of the world's most open and competitive markets. Our objective in this negotiation is to obtain firm commitments regarding similar levels of openness in the markets of other important trading partners.

Legislation providing the Government with effective market-opening authority with respect to Section 310(b) could have a powerful positive effect on these talks. Section 310(b) is regarded by foreign companies as a major barrier to market access in the United States. That perception is out of proportion to the actual effect of Section 310(b). Authority to remove this restraint through international negotiations or on the basis of similar levels of openness could lead in turn to the removal of ownership restrictions and monopoly barriers to U.S. companies in key markets abroad.

U.S. firms are successful global players in the common carrier telecommunications industry. Telecommunications companies in many major developed countries regard access to the U.S. market as a strategic imperative. Legislation providing the Government with effective market-opening authority is essential if we are to level the playing field for U.S. firms. This authority would greatly enhance the prospects for U.S. penetration of foreign markets—markets that now are sanctuaries for our companies' top competitors. At the same time, it would benefit the U.S. economy by greater openness to foreign investment in this growing sector.

2. Second, which markets in Asia and Europe are now closed to U.S. telecommunications services in such a way that action on the basis of the concept of reciprocity in the Senate bill is likely? What time frames for such action, if any, would you contemplate?

Answer: Most markets in Europe, Asia and elsewhere have monopoly arrangements which prohibit or restrict both foreign ownership of basic telecommunications infrastructure and provision of basic services. For example, most Member States of the European Union have voice telephone service monopolies, which they plan to maintain at least until 1998. The European Union and its Member States may introduce reciprocity provisions on foreign ownership in the absence of a successful conclusion to the WTO negotiations. In Japan and Canada, foreign ownership of firms that own telecommunications infrastructure is restricted to 33 percent.

Foreign governments remain cautious about allowing competition to firms which remain state-owned or controlled. In the past these companies have been regarded mainly as state-managed sources of employment and demand for domestic high tech goods.

Our key trading partners are much more likely to open their basic telecom services markets to U.S. companies in return for a balanced market-opening commitment by the U.S. which includes changes to the restrictions on common carrier radio licenses in Section 310(b). Unilateral action by the U.S. to eliminate these Section 310(b) provisions would forfeit leverage vis-a-vis these countries.

Effective market-opening legislation would reaffirm our commitment to the principles of private investment and competition and would allow us to challenge our key trade partners to embrace fully these principles.

The WTO negotiations have a deadline of April 30, 1996. We seek market-opening action within that time frame.

3. Third, what has been the position of nations whose markets are closed to U.S. telecommunications services in the way of justifying their lack of access, and what likely reactions can we anticipate from those nations as a result of their legislative provision?

Answer: Foreign markets are closed to U.S. firms, in varying degrees, mainly due to the worldwide heritage of natural monopoly in basic telecommunications services. The United States moved first to begin abandoning this approach over twenty years ago. The very successful American result in terms of increased information sector employment, fast-growing high-technology industries and better services to consumers and businesses has helped to motivate some key trading partners gradually to abandon monopoly as well. But progress has been incremental at best, with most markets only allowing competition in data and value-added services. Very few trading partners have taken steps to liberalize their basic infrastructure and voice telephone service markets. Even the United Kingdom, which now has one of the most liberal basic telecommunications services markets, still maintains a duopoly on facilities-based international services.

Some trade partners regard global market access as a strategic imperative for their companies. Since the United States represents about one-quarter of the world telcom services market, we can expect these nations will seek to obtain the benefit of any market-opening steps offered by the U.S. In this way, we hope to negotiate an exchange of market-opening commitments in the WTO productively with these trade partners.

Other significant trade partners which have inefficient telecommunications monopolies are faced with large unmet domestic demand for basic telecommunications services. Nonetheless, they remain cautious about allowing competition. The WOT negotiations offer an opportunity to harmonize and to expedite these parties' transition away from monopoly and towards reliance on private investment and competition.

4. Fourth, what role do you think can most usefully be played by your office in effectively implementing the proposal that has been recommended?

Answer: The Federal Communications Commission recently proposed to consider foreign market access in certain decisions affecting foreign-affiliated firms. The role of the Executive Branch as defined by statutory reform of Section 310(b) should conform with the view expressed below by the Executive Branch in its recent comments on the FCC's proposed rulemaking. In comments filed on April 11, 1995 by the Commerce Department's National Telecommunications and Information Administration on behalf of the Executive Branch, we stated,

"The Commission . . . has authority over the regulation of U.S.-based telecommunications carriers in interstate and foreign commerce, as well as concurrent authority with the Executive Branch to protect competition involving telecommunications carriers by enforcing certain provisions of the antitrust laws. In carrying out its regulatory responsibilities, the Commission may help effectuate the policy goals and initiatives of the Executive Branch and promote U.S. interests in dealing with foreign countries. Accordingly the Commission must accord great deference to the Executive Branch with respect to U.S. national security, foreign relations, the interpretation of international agreements, and trade (as well as direct investment as it relates to international trade policy). The Commission must also continue to take into account the Executive Branch's views and decisions with respect to antitrust and telecommunications and information policies."

The Administration plans to work with the Commission to establish a process to take the respective authorities of the Commission and Executive Branch agencies into account in making such determinations.

5. Lastly, in analyzing the legislation reported from the Senate Commerce Committee, do you have any suggestions as to how the provision might be strengthened to better serve the goal of opening foreign markets to U.S. telecommunications services and products?

Answer: First, the legislation should provide the Executive Branch with leverage to negotiate greater openness, in conformance with the view expressed by the Executive Branch in its recent comments on the FCC's proposed rulemaking. Otherwise, the legislation reported from the Senate Commerce Committee would make market access factors determinative, in a departure from the FCC's existing public interest standard. Under the existing public interest standard, the government can exercise discretion with respect to foreign investors from otherwise unfriendly nations.

Second, the bill should provide authority to conform with the obligations of a successful outcome in the WTO negotiations. This would require the U.S. to make any new market-opening commitments on a most-favored-nation (MFN) basis within the framework of the General Agreement on Trade in Services (GATS). In order to provide effective leverage in these talks, legislation to reform Section 310(b) should explicitly provide

for the Government to take on such an obligation. If the WTO basic telecommunications services negotiations are not successful, the U.S. will take a most-favored-nation exception for basic telecommunications services under the GATS.

Third, the bill's market-segment-for-market-segment approach should be dropped to allow market opening generally balanced among telecommunications services markets.

Fourth and finally, the bill's "snapback" provision is a unilateral provision to remove negotiated benefits which would be unacceptable to us if proposed by other nations for themselves. It is unnecessary insofar as the FCC can already condition authorizations and reopen them if the conditions later are not met, consistent with U.S. international obligations.

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.)

REPORT ON THE STATE OF SMALL BUSINESS—MESSAGE FROM THE PRESIDENT—PM 53

The PRESIDING OFFICER laid before the Senate the following messages from the President of the United States, together with an accompanying report; which was referred to the Committee on Small Business.

To the Congress of the United States:

I am pleased to forward my second annual report on the state of small business, and to report that small businesses are doing exceptionally well. Business starts and incorporations were up in 1993, the year covered in this report. Failures and bankruptcies were down. Six times as many jobs were created as in the previous year, primarily in industries historically dominated by small businesses.

Small businesses are a critical part of our economy. They employ almost 60 percent of the work force, contribute 54 percent of sales, account for roughly 40 percent of gross domestic product, and are responsible for 50 percent of private sector output. More than 600,000 new firms have been created annually over the past decade, and over much of this period, small firms generated many of the Nation's new jobs. As this report documents, entrepreneurial small businesses are also strong innovators, producing twice as many significant innovations as their larger counterparts.

In short, a great deal of our Nation's economic activity comes from the record number of entrepreneurs living the American Dream. Our job in Government is to make sure that conditions are right for that dynamic activity to continue and to grow.

And we are taking important steps. Maintaining a strong economy while continuing to lower the Federal budget deficit may be the most important step we in Government can take. A lower deficit means that more savings can go into new plant and equipment and that interest rates will be lower. It means that more small businesses can get the financing they need to get started.

We are finally bringing the Federal deficit under control. In 1992 the deficit was $290 billion. By 1994, the deficit was $203 billion; we project that it will fall to $193 billion in 1995.

Deficit reduction matters. We have been enjoying the lowest combined rate of unemployment and inflation in 25 years. Gross domestic product has increased, as have housing starts. New business incorporations continue to climb. We want to continue bringing the deficit down in a way that protects our economic recovery, pays attention to the needs of people, and empowers small business men and women.

CAPITAL FORMATION

One area on which we have focused attention is increasing the availability of capital to new and small enterprises, especially the dynamic firms that keep us competitive and contribute so much to economic growth.

Bank regulatory policies are being revised to encourage lending to small firms. Included in the Credit Availability Program that we introduced in 1993 are revised banking regulatory policies concerning some small business loans and permission for financial institutions to create "character loans."

New legislation supported by my Administration and enacted in September 1994, the Reigle Community Development and Regulatory Improvement Act of 1994, establishes a Community Development Financial Institutions Fund for community development banks, amends banking and securities laws to encourage the creation of a secondary market for small business loans, and reduces the regulatory burden for financial institutions by changing or eliminating 50 banking regulations.

Under the Small Business Administration Reauthorization and Amendments Act of 1994, the Small Business Administration (SBA) is authorized to increase the number of guaranteed small business loans for the next 3 years. The budget proposed for the SBA will encourage private funds to be directed to the small businesses that most need access to capital. While continuing cost-cutting efforts, the plan proposes to fund new loan and venture capital authority for SBA's credit and investment programs. Changes in the SBA's 7(a) guaranteed loan program will increase the amount of private sector lending leveraged for every dollar of taxpayer funds invested in the program.

Through the Small Business Investment Company (SBIC) program, a group of new venture capital firms are expected to make available several billion dollars in equity financing for startups and growing firms. The SBIC program will continue to grow as regulations promulgated in the past year facilitate financing with a newly created participating equity security instrument.

And the Securities and Exchange Commission's simplified filing and registration requirements for small firm securities have helped encourage new entries by small firms into capital markets.

We are recommending other changes that will help make more capital available to small firms. In reauthorizing Superfund, my Administration seeks to limit lender liability for Superfund remediation costs, which have had an adverse effect on lending to small businesses. Interagency teams have been examining additional cost-effective ways to expand the availability of small business financing, such as new options for expanding equity investments in small firms and improvements to existing microlending efforts.

We've also recognized that we can help small business people increase their available capital through tax reductions and incentives. We increased by 75 percent, from $10,000 to $17,500, the amount a small business can deduct as expenses for equipment purchases. Tax incentives in the 1993 Budget Reconciliation Act are having their effect, encouraging long-term investment in small firms. And the empowerment zone program offers significant tax incentives—a 20 percent wage credit, $20,000 in expensing, and tax-exempt facility bonds—for firms within the zones.

REGULATION AND PAPERWORK

But increasing the availability of capital to small firms is only part of the battle. We also have to make sure that Government doesn't get in the way. And we're making progress in our efforts to create a smaller, smarter, less costly and more effective Government that is closer to home—closer to the small businesses and citizens it serves.

In the first round of our reinventing Government initiative—the National Performance Review—we asked Government professionals for their best ideas on how to create a better Government with less red tape. One recommendation was that Federal agency compliance with the Regulatory Flexibility Act—that requires agencies to examine proposed and existing regulations for their effects on small entities—be subject to judicial review. In

other words, they said we need to put teeth in the legislation requiring Federal agencies to pay attention to small business concerns when they write regulations. That proposal has been under debate in the Congress.

Federal agencies are already considering and implementing specific ways to streamline regulations and make paperwork easier for small businesses to manage. For example, the Environmental Protection Agency (EPA) responded to small business owners and advocates who said that the agency's toxic release inventory rule was especially costly and burdensome. In November 1994, the EPA announced a final rule that will make it easier for small businesses to report small amounts of toxic releases.

And SBA has slashed the small business loan form for loans under $100,000 from an inch-thick stack to a single page. The SBA is also piloting a new electronic loan application that will involve no paperwork, but will allow business owners to concentrate on the business at hand—building a successful operation.

When businesses are unable to succeed, no one is served by a process that entangles small business owners in an endless jumble of paperwork. Sweeping changes made to bankruptcy laws in the past year will help small businesses reorganize. Small firms with less than $2.5 million in debt may utilize a streamlined reorganization process that is less expensive and more timely.

My Executive order on Regulatory Review provides a process for more rational regulation, and we've been listening to the concerns of small firms through a Regulatory Reform Forum for Small Business. Five sector-specific groups have made specific proposals for regulatory relief. These groups have said that a comprehensive, multiagency strategy, with better public involvement, is probably the most cost-effective way to improve both the quality of regulations and compliance with them. The key is to make sure that Government serves small business and the American people, not the other way around.

ELECTRONIC COMMERCE AND GOVERNMENT PROCUREMENT

The reinventing Government initiative also called for expanded use of electronic marketing and commerce, and we have made great strides in providing information about Government programs electronically. These methods will increase small business access to markets.

Another area that has been sorely in need of reform is the Government procurement process. In October 1994, I signed into law the Federal Acquisition Streamlining Act, which will change the way the Government does business. The law modifies more than 225 provisions of procurement law to reduce paperwork burdens, improve efficiency, save the taxpayers money, establish a Federal acquisition computer network, increase opportunities for women-owned and small disadvantaged businesses, and generally make Government acquisition of commercial products easier. This report documents how small businesses are doing under the old system; my hope is that opportunities for small business success will be even greater once these reforms are in effect.

HUMAN RESOURCES

Beyond encouraging an economic environment that supports small business success, opening doors to capital resources, buying more of our goods and services from small firms, and getting out of small business' way, I believe we in Government have a responsibility to ask whether we are doing enough to ensure a healthy and adequately prepared work force.

I remain committed to seeking a way to provide health insurance coverage for all Americans. As this report clearly shows, the number of uninsured Americans is too high—and it's growing. Millions of those citizens are in working families. And the sad fact is that many of those workers are in small businesses, which have seen their premiums and deductibles soar. We must make sure that self-employed people and small businesses can buy insurance at more affordable rates—whether through voluntary purchasing pools or some other mechanism.

We also ought to be able to ensure that our citizens are adequately provided for when they reach the end of their working years. Here too, small firms have been at a disadvantage. Our proposed pension legislation exempted most small plans from compliance and reporting increases.

And while our industries restructure and move from an age of heavy industry to an information age that demands new skills and new flexibility, we need to make sure that our work force has the skills and tools to compete. That is why I proposed the Middle Class Bill of Rights, which would provide a tax deduction for all education and training after high school; foster more saving and personal responsibility by permitting people to establish an individual retirement account and withdraw from it tax-free for the cost of education, health care, first-time house buying, or the care of a parent; and offer to those laid off or working for a very low wage, a voucher worth $2,000 a year to get the skills they need to improve their lives.

INTERNATIONAL TRADE

We also want to empower small businesses to succeed in a global economy. One of the greatest challenges in the next century will be our international competition. Ninety-six percent of all exporting firms are small firms with fewer than 500 employees, but only 10 percent of small firms export; therefore the potential for increasing small firm exports is significant. I believe the North American Free Trade Agreement and the General Agreement on Tariffs and Trade will benefit small firms interested in expanding into international markets in this hemisphere and beyond.

Lending to small exporters is being eased through reforms in the Export-Import Bank's Working Capital Guarantee Program. New one-stop export shops are moving in the right direction to assist small firms by providing access to export programs of the Department of Commerce, Export-Import Bank, and Small Business Administration all under one roof.

HEARING FROM SMALL BUSINESS

Small businesses are too important to our economy for their concerns not to be heard. That is why I have given the SBA a seat on the National Economic Council and invited the SBA Administrator in to Cabinet meetings.

Over the past 2 years, my Administration has been asking questions of small business owners and listening to the answers—seeking advice and guidance from a diverse audience of business leaders to determine the most critical problems and devise solutions that work.

This year presents a special opportunity for small business persons to make their concerns known at the White House Conference on Small Business, set to convene in Washington in June 1995. In State conferences leading up to the national conference, small business owners have been frank about their concerns. I look forward to hearing their small business action agenda.

I firmly believe that we need to keep looking to our citizens and small businesses for innovative solutions. They have shown they have the ingenuity and creative power to make our economy grow; we just need to let them do it.

WILLIAM J. CLINTON.

THE WHITE HOUSE, *May 25, 1995*.

MESSAGES FROM THE HOUSE

At 12:25 p.m., a message from the House of Representatives, delivered by Mr. Hays, one of its reading clerks, announced that the House has agreed to the following concurrent resolution, in which it requests the concurrence of the Senate:

H. Con. Res. 72. Concurrent resolution providing for an adjournment of the two Houses.

At 2:36 p.m., a message from the House of Representatives, delivered by Mr. Hays, one of its reading clerks, announced that the House disagrees to the amendment of the Senate to the bill (H.R. 483) to amend title XVIII of the Social Security Act to permit Medicare Select policies to be offered in all States, and for other purposes, and asks a conference with the Senate on

the disagreeing votes of the two Houses thereon; and appoints Mr. BILIRAKIS, Mr. HASTERT, Mr. ARCHER, Mr. THOMAS, Mrs. JOHNSON of Connecticut, Mr. DINGELL, Mr. WAXMAN, Mr. GIBBONS, and Mr. STARK as the managers of the conference on the part of the House.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. MURKOWSKI, from the Committee on Energy and Natural Resources, with an amendment in the nature of a substitute:

S. 333. A bill to direct the Secretary of Energy to institute certain procedures in the performance of risk assessments in connection with environmental restoration activities, and for other purposes (Rept. No. 104–87).

By Mr. ROTH, from the Committee on Governmental Affairs, with an amendment in the nature of a substitute:

S. 291. A bill to reform the regulatory process, to make government more efficient and effective, and for other purposes (Rept. No. 104–88).

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted:

By Mr. D'AMATO, from the Committee on Banking, Housing, and Urban Affairs:

Bruce A. Morrison, of Connecticut, to be a Director of the Federal Housing Finance Board for a term expiring February 27, 2000.

J. Timothy O'Neill, of Virginia, to be a Director of the Federal Housing Finance Board for the remainder of the term expiring February 27, 1997.

(The above nominations were reported with the recommendation that they be confirmed, subject to the nominees' commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

By Mr. ROTH, from the Committee on Governmental Affairs:

Ronna Lee Beck, 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.

John W. Carlin, of Kansas, to be Archivist of the United States.

G. Edward DeSeve, of Pennsylvania, to be Controller, Office of Federal Financial Management, Office of Management and Budget.

Linda Kay Davis, 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.

Eric T. Washington, 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.

Inez Smith Reid, of the District of Columbia, to be an Associate Judge of the District of Columbia Court of Appeals for the term of fifteen years.

Robert F. Rider, of Delaware, to be a Governor of the United States Postal Service for the remainder of the term expiring December 8, 1995.

S. David Fineman, of Pennsylvania, to be a Governor of the United States Postal Service for the term expiring December 8, 2003.

(The above nominations were reported with the recommendation that they be confirmed.)

Mr. THURMOND, from the Committee on Armed Services:

Mr. THURMOND. Mr. President, from the Committee on Armed Services, I report favorably the attached listing of nominations.

These nominations are to lie on the Secretary's desk for the information of any Senator since these names have already appeared in the Records of May 23, and 24, 1995 and to save the expense of printing again.

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

(The nominations ordered to lie on the Secretary's desk were printed in the Records of May 23 and 24, 1995 at the end of the Senate proceedings).

In the Army there are 2,538 promotions to the grade of second lieutenant (list begins with Thomas H. Aarsen) Reference No. 406.

In the Marine Corps there are 5 promotions to the grade of second lieutenant (list begins with Christian R. Fitzpatrick) Reference No. 409.

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. JOHNSTON (for himself, Mr. FAIRCLOTH, Mr. BREAUX, Mr. PRESSLER, Mr. DORGAN, Mr. LOTT, Mr. DOLE, Mr. MURKOWSKI, and Mr. HEFLIN):

S. 851. A bill to amend the Federal Water Pollution Control Act to reform the wetlands regulatory program, and for other purposes; to the Committee on Environment and Public Works.

By Mr. DOMENICI (for himself, Mr. CRAIG, Mr. BROWN, Mr. CAMPBELL, Mr. HATCH, Mr. BENNETT, Mr. BURNS, Mr. SIMPSON, Mr. THOMAS, Mr. KYL, Mr. PRESSLER, Mr. KEMPTHORNE, Mr. CONRAD, Mr. DORGAN, Mr. DOLE, and Mr. GRAMM):

S. 852. A bill to provide for uniform management of livestock grazing on Federal land, and for other purposes; to the Committee on Energy and Natural Resources.

By Mr. GORTON (for himself, Mr. BURNS, Mr. MURKOWSKI, Mr. STEVENS, Mr. KEMPTHORNE, Mr. CRAIG, Mr. BAUCUS, Mr. PACKWOOD, and Mr. HATFIELD):

S. 853. A bill to amend title 28, United States Code, to divide the ninth judicial circuit of the United States into two circuits, and for other purposes; to the Committee on the Judiciary.

By Mr. LUGAR (for himself and Mr. LEAHY):

S. 854. A bill to amend the Food Security Act of 1985 to improve the agricultural resources conservation program, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

By Mr. MURKOWSKI (for himself and Mr. STEVENS):

S. 855. A bill to amend title 10, United States Code, to revise the authorization for long-term leasing of military family housing to be constructed; to the Committee on Armed Services.

By Mr. JEFFORDS (for himself, Mrs. KASSEBAUM, Mr. KENNEDY, Mr. PELL, Mr. SIMPSON, and Mr. DODD):

S. 856. A bill to amend the National Foundation on the Arts and the Humanities Act of 1965, the Museum Services Act, and the Acts and Artifacts Indemnity Act to improve and extend the Acts, and for other purposes; to the Committee on Labor and Human Resources.

By Ms. SNOWE:

S. 857. A bill to amend the Immigration and Nationality Act to provide waiver authority for the requirement to provide a written justification for the exact grounds for the denial of a visa, except in cases of intent to immigrate; to the Committee on the Judiciary.

By Ms. SNOWE:

S. 858. A bill to restrict intelligence sharing with the United Nations; to the Committee on Foreign Relations.

By Ms. SNOWE:

S. 859. A bill to establish terrorist lookout committees in each United States embassy; to the Committee on Foreign Relations.

By Ms. SNOWE:

S. 860. A bill to require a General Accounting Office study of activities of the North/South Center in support of the North American Free Trade Agreement; to the Committee on Governmental Affairs.

By Ms. SNOWE:

S. 861. A bill to require a General Accounting Office study of duplication among certain international affairs grantees; to the Committee on Foreign Relations.

By Mr. HATFIELD:

S. 862. A bill to authorize the Administrator of the Small Business Administration to make urban university business initiative grants, and for other purposes; to the Committee on Small Business.

By Mr. GRASSLEY (for himself and Mr. CONRAD):

S. 863. A bill to amend title XVIII of the Social Security Act to provide for increased medicare reimbursement for physician assistants, to increase the delivery of health services in health professional shortage areas, and for other purposes; to the Committee on Finance.

By Mr. GRASSLEY (for himself and Mr. CONRAD):

S. 864. A bill to amend title XVIII of the Social Security Act to provide for increased medicare reimbursement for nurse practitioners and clinical nurse specialists to increase the delivery of health services in health professional shortage areas, and for other purposes; to the Committee on Finance.

By Mr. BENNETT:

S. 865. A bill entitled the "Securities Act Amendment of 1995"; to the Committee on Banking, Housing, and Urban Affairs.

By Mr. DOLE (for himself, Mr. KYL, and Mr. HATCH):

S. 866. A bill to reform prison litigation, and for other purposes; to the Committee on the Judiciary.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. AKAKA (for himself, Mr. INOUYE, Mr. DASCHLE, Mr. KENNEDY, Mr. SIMON, and Mr. MURKOWSKI):

S. Res. 125. A bill honoring the contributions of Father Joseph Damien de Veuster

for his service to humanity, and for other purposes; considered and agreed to.

By Mr. McCONNELL:

S. Res. 126. A resolution to amend the Senate gift rule; to the Committee on Rules and Administration.

By Ms. SNOWE:

S. Res. 127. A resolution to express the sense of the Senate on border crossing fees; to the Committee on the Judiciary.

By Ms. SNOWE:

S. Con. Res. 15. A concurrent resolution expressing the sense of Congress regarding the escalating costs of international peacekeeping activities; to the Committee on Foreign Relations.

By Ms. SNOWE:

S. Con. Res. 16. A concurrent resolution expressing the sense of Congress that the Russian Federation should be strongly condemned for its plan to provide nuclear technology to Iran, and that such nuclear transfer would make Russia ineligible under terms of the Freedom Support Act; to the Committee on Foreign Relations.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. JOHNSTON (for himself, Mr. FAIRCLOTH, Mr. BREAUX, Mr. PRESSLER, Mr. DORGAN, Mr. LOTT, Mr. DOLE, Mr. MURKOWSKI, and Mr. HEFLIN)

S. 851. A bill to amend the Federal Water Pollution Control Act to reform the wetlands regulatory program, and for other purposes; to the Committee on Environment and Public Works.

THE WETLANDS REGULATORY REFORM ACT OF 1995

Mr. JOHNSTON. Mr. President, I am pleased today to introduce, along with several of my colleagues, the Wetlands Regulatory Reform Act of 1995. I am particularly pleased to have as the lead cosponsor Senator FAIRCLOTH, the chairman of the subcommittee of the Environment and Public Works Committee that has jurisdiction over wetlands. Our bill will reform the section 404 "wetlands" permitting program under the Clean Water Act by introducing balance, common sense, and reason to a Federal program that is causing unnecessary problems for my constituents—and I believe for many of our citizens around the Nation.

In the closing days of the last Congress, I introduced a wetlands bill, S. 2506, so that my colleagues and other interested persons could review the legislation and recommend improvements prior to reintroduction in the 104th Congress. I appreciate the efforts of those who took the time over the last few months to provide suggestions, many of which are reflected in the current bill.

Mr. President, the current section 404 regulatory program has been designed less by the elected representatives of the people than by officials of the Corps of Engineers and the Environmental Protection Agency and by Federal judges. In 1972, the Congress enacted the Federal Water Pollution Control Act. Section 404 of that Act prohibited "discharges of dredged or fill material" into "waters of the United States;" without a permit from the Secretary of the Army. At the time of passage, "waters of the United States" was thought to be limited to the navigable waters of the Nation.

From this narrow beginning has come a rigid regulatory program that is devaluing property and preventing the construction of housing, the extension of airport runways, the construction of roads—often on lands that rarely, if ever, have water on the surface but which, nevertheless, are viewed as "wetlands" within the definition of "waters of the United States". And I might add, Mr. President, that 75 percent of the land that is being regulated through the Section 404 program as "wetlands" or "waters of the United States" is privately-owned property.

I do not believe that we, in Congress, intended for the Section 404 program to become a rigid, broad Federal land use program that affects primarily privately-owned property. Yet, the evidence is clear to me that the Section 404 program has become just that. Therefore, Mr. President, I believe that the time has come for the Congress to reform this program to focus Federal regulatory authority on those wetlands that are truly important functioning wetlands, to ensure that our citizens can obtain permits through a reasonable process within a reasonable period of time, and to ensure that this program is not denying people the use of their property unless there is an overriding reason to do so.

Mr. President, the Wetlands Regulatory Reform Act of 1995 proposes several key changes to the current 404 program:

First, the bill provides a statutory definition of a jurisdictional wetland. This is, of course, the crucial threshold question: what wetlands are subject to Federal regulation? And yet, one can read the entire Clean Water Act without finding the answer to this question. Instead, the answer currently lies only in a manual prepared by the Corps of Engineers in 1987. I think it is high time that Congress make an explicit judgment on this matter and set forth a definition in the statute itself.

The definition in our bill is essentially this: there must be water on or above the surface of the ground for at least 21 consecutive days during the growing season. This is virtually the same as the definition in H.R. 961, which passed the House last week.

During the debate in the House, it was claimed by opponent of the bill that this definition excludes a huge portion of the wetlands that are currently regulated. However, the claims varied widely, and did not appear to be based on solid evidence. Although I think that these claims are exaggerated I want to make sure that our definition does not exclude wetlands that are truly important. Therefore, I intend to write to the Clinton administration to ask them to provide the best evidence available regarding the effect of our definition on the amount and nature of wetland regulated, both nationwide and in Louisiana.

Second, this legislation will require that Federal jurisdictional wetlands be classified into three categories: high, medium, and low valued wetlands, based on the relative wetlands functions present. Today, the Section 404 program regulates all wetlands equally rigidly, whether the wetland is a pristine, high-value wetland, a wet spot in a field, or a "wetland" in the middle of an industrial area. This treatment of wetlands defies logic and common sense.

My legislation will require the Corps of Engineers to classify wetlands based on their functions, and then regulate them accordingly. Class A, high-value, wetlands will be regulated under the current "sequencing" methodology, which first seeks to avoid adverse effects on wetlands, then attempts to minimize those adverse effects that cannot be avoided, and finally calls for mitigation of any adverse effects that cannot be avoided or minimized. Class B, medium-value, wetlands will be regulated under a balancing test, which does not require the avoidance step. Finally, Class C, low-value, wetlands will not be regulated by the Federal Government, but may be regulated by the State if they so choose.

Third, this legislation removes the dual agency implementation of this program, an aspect of the program that is particularly confusing and troublesome to our constituents. Today, the Army Corps of Engineers issues Section 404 permits, but the Environmental Protection Agency may veto the decision of the Corps to issue the permit. Although EPA actually exercises its veto power infrequently, I understand that veto is threatened often, causing undue delays and repeated multi-agency consultations. My legislation removes the EPA veto, and instead simply requires the Corps to consult with EPA before acting.

Similarly, current law allows the EPA to veto permit decisions made by State that have assumed responsibility for the section 404 program. Our bill makes two changes to this regime. First, the Corps, instead of the EPA, becomes responsible for overseeing States that have assumed responsibility for the program. This is done in order to consolidate responsibility in a single Federal agency. Second, the bill deletes the veto authority as an unnecessary interference with State administration of the program. If the Corps determines that the State is not implementing the program appropriately, the Corps has the authority, which my bill does not change, to withdraw approval of the State program and return

the program to Federal hands. But as long as the State is in charge, its individual permit decisions should not be subject to veto from Washington.

Fourth, mitigation banking is authorized and encouraged by the bill as a sound means to return wetlands functions to the environment. There are a number of mitigation banking projects now around the Nation. The experience with these projects is proving that mitigation banking holds great promise as a means of restoring, enhancing, reclaiming, and even creating wetlands to offset the wetlands disturbances that are permitted under the section 404 program. Mitigation banking is the type of market driven mechanism that I believe we must incorporate in our national environmental laws if we are to achieve our national environmental goals.

Finally, this legislation will require that steps be taken to provide notice to our citizens regarding the location of Federal jurisdictional wetlands. Remarkably, Mr. President, the Federal Government is regulating over 100 million acres of land, over 75 million acres of which is privately owned, yet there are no maps posted to inform citizens about the location of these lands. Perhaps this would not be a problem if Federal jurisdictional wetlands were only swamps, marshes, bogs, and other such areas that are wet at the surface for a significant portion of the year, and therefore relatively easy for our citizens to identify. But land that is dry at the surface all year long can also be a Federal jurisdictional wetland.

Without maps and other notices, only the most highly trained technicians among our citizens can identify the subtle differences between lands that are not subject to the section 404 program and those that are. Thus, many people have bought land for home sites, only to find out later that they have bought a Federal jurisdictional wetland and cannot obtain a permit to build their house. We owe our citizens better than that.

My legislation will require the Corps of Engineers to immediately post notices about the section 404 program near the property records in the courthouses around the Nation, and to post maps of Federal jurisdictional wetlands as those maps become available, including the National Wetlands Inventory maps that are being developed by the National Biological Survey.

Mr. President, there are many other improvements of the current program in my legislation, including time limits on the issuance of section 404 permits, an administrative appeal process, and the designation of the Secretary of Agriculture to delineate wetlands on agricultural lands.

As I mentioned, our bill has virtually the same definition of wetland as the House-passed clean water bill, H.R. 961. Although there are several other comparable provisions in the two bills, our legislation varies from the House-passed bill in at least one important respect. Our legislation does not provide a mechanism for obtaining compensation from the Federal Government when private property is taken through the operation of the 404 program. I believe that the impact of the section 404 program on private property rights is a very important issue. However, I also believe that compensation is an extraordinarily complex and controversial issue that overarches all environmental regulations, not just those relating to wetlands. Thus, rather than attempting to resolve the compensation issue in this bill, we have chosen to include provisions in the legislation that will help ensure that the Section 404 Program does not result in takings of private property in the first place. Therefore, in addition to the many provisions of the bill that will make the wetlands program more balanced and rational, it also directs Federal officials to implement the program in a manner that minimizes the adverse effects on the use and value of privately-owned property.

I would be remiss if I did not comment on the recently-issued study of wetlands by the National Academy of Sciences. The report reaches several conclusions that are reflected in this legislation. Specifically, it recommends the consolidation of all wetlands regulatory functions into a single Federal agency, a change that is central to our legislation. It also recommends that regional variations in wetlands be taken into account, which our bill does.

Some have suggested that the NAS study recommends against a classification scheme such as is included in our bill, but I do not read it that way. The report states that:

> Some groups have suggested the creation of a national scheme that would designate wetlands of high, medium, or low value based on some general guidelines involving size, location, or some other factor *that does not require field evaluation*. It is not possible, however, to relate such categories in a reliable way to objective measures of wetlands functions, in part *because the relationships between categories and functions are variable* and in part because we still have insufficient knowledge of wetlands functions. (Emphasis added.)

I read the report to warn against nationwide classification schemes that do not take into account site-specific considerations, a point on which I heartily agree. That is why our classification process is initiated only in connection with the consideration of a permit application or upon a request for classification of a specific piece of property. The particular piece of property is classified after considering site-specific factors, such as the significance of the wetland "to the long-term conservation of the aquatic system of which the wetland is a part," and the "scarcity of functioning wetlands within the watershed or aquatic system." Thus, I do not see an inconsistency between the NAS report and our bill with respect to classification.

Even if the NAS study could be interpreted as expressing concern about any classification scheme for wetlands, I would suggest that those concerns should not be dispositive. Scientists and lawmakers necessarily approach matters differently. Scientists are in the business of achieving a more perfect state of knowledge, while lawmakers are in the business of drawing regulatory lines and allocating societal resources based on the information available. While a scientist might prefer to wait for more information before distinguishing among wetlands, Congress cannot wait because the present regulatory scheme, which makes no distinctions among wetlands, is so clearly ineffective at balancing wetlands protection against other policy considerations.

Mr. President, reforming the wetlands regulatory program will be one of my highest priorities in this Congress. I look forward to working with my colleagues and others in an effort to make the program work both for the environment and for our constituents.

Mr. BREAUX. Mr. President, I join with my colleague from Louisiana, Senator J. BENNETT JOHNSTON, in introducing legislation today which makes major reforms in Sec. 404 of the Federal Water Pollution Control Act, also known a the Clean Water Act.

We all know Sec. 404 to be the wetlands regulatory program which has caused so much controversy and so many problems. I have heard countless complaints that the program has been implemented in an excessive and restrictive manner for years, imposing unfair hardship on landowners, businesses and local governments.

It is long overdue that the Sec. 404 program be reformed. It is long overdue that the program be balanced, reasonable and fair. This bill attempts to achieve those objectives.

One of the major features of the bill is its wetlands classification system. I wholeheartedly endorse classifying and regulating wetlands by the their value and function.

All wetlands are not equal in value and function, yet for years they have been regulated that way. That way is wrong and we intend to change it.

We do not have a wetlands classification system in current law. To be fair and to strike balance and reason in wetlands regulation we must identify and regulate according to the very real differences in wetlands value and function.

For the first time, wetlands would be divided into three classes of critical significance, Class A, significant, Class B, and marginal value, Class C. Each

class is defined to distinguish the different values and functions found in wetlands.

Classes A and B wetlands would be regulated because they provide the most valuable functions. A public interest test would have to be met when regulating these two classes. Class C wetlands would not be regulated because they are of marginal value.

Other major provisions of the bill include a definition of jurisdictional wetlands, expansion of wetlands regulatory exemptions and an expansion of regulated activities. Single agency program jurisdiction and administration by the Corps of Engineers is established.

Also included in the bill are exclusion of prior converted cropland from Sec. 404 regulation, USDA delineation of wetlands on agricultural land, and authorization of State permitting programs, and administrative appeals program and a mitigation banking program. Public information is required to be published about wetlands and their regulation at the Federal and local levels.

The bill's policies attempt to strike a very simple and sound premise in regulatory policy, that is, balance, reason and, most importantly, fairness shall prevail.

These policies attempt to balance respect for the environment with respect for property owners, in whose possession lies an estimated 75 percent of our wetlands in the lower 48 states.

In all that we do with regard to wetlands policy, we must always be mindful and respectful of the fact that most of our wetlands in the lower 48 States are privately owned.

Thank you, Mr. President, for this time to announce my support for and sponsorship of the Wetlands Regulatory Reform Act of 1995.

I hope the Senate can begin hearings on the legislation and hear solid testimony so that a final bill can be crafted.

Mr. PRESSLER. Mr. President, today I join Senator FAIRCLOTH and Senator JOHNSTON and others, in introducing legislation that addresses a major concern of landowners, farmers, businesses, and average citizens throughout the United States. The concern is wetlands.

Just last week, during consideration of the Clean Water Act, the House of Representatives passed major revisions to our Federal wetlands laws. It is now the Senate's turn to address this major issue. As Chairman of the Senate Subcommittee on Wetlands, Senator FAIRCLOTH will direct Senate efforts to bring much needed common sense to our Federal wetlands laws. Very few Federal issues are more critical to South Dakota property owners. Therefore, I look forward to working with Senator FAIRCLOTH in making sure reforms are adopted during this Congress.

Mr. President, current wetlands law is too broad. It is causing too many problems throughout the country. Congress has never passed a comprehensive law defining wetlands. Without such a definition, Federal agencies have been recklessly pursuing control over private property in the name of saving wetlands. The time to act has come.

Earlier this year, I introduced S. 352, The Comprehensive Wetlands Conservation and Management Act of 1995. A number of the provisions in my legislation already have been adopted by the House, as part of its reforms on wetlands. Also, I am pleased that most of S. 352 is incorporated in the bipartisan bill we are introducing today.

By introducing a bipartisan bill, one message is made clear: Meaningful wetlands reform must be adopted this year.

One issue I reserve the right to address during future Senate debate on wetlands reform is adequate compensation for private property owners. Whenever the Federal Government takes land away from private property owners, or significantly reduces the use of private property, compensation is in order. There is no compensation provision in the bill being introduced today. However, I intend to raise this issue during floor debate on this subject. Compensation to private property owners should be included in meaningful wetlands reform.

The primary purpose of today's legislation is to clearly define wetlands in law and regulation. What the Federal Government should, or should not be doing in this area needs to be clearly defined.

In addition, efforts must be made to ensure that any fine or penalty is in line with violations. Many violations are incidental and can be quickly repaired. Penalties should fit the crime. The bill we are introducing today would set that kind of standard.

The bill would require certain criteria to be met and verified before an area can be regulated as a wetland. Such an approach would be more reliable in identifying true wetlands. It would prevent field inspectors from mistakenly classifying as wetland dry, upland areas that drain effectively. It also would eliminate a major source of confusion and abuse caused by current regulations.

This bill also would give States and local governments the authority to tailor the wetlands regulatory program to their own special circumstances. This is greatly needed.

The bill also would clarify current agricultural exemptions and provide that the Secretary of Agriculture shall identify agricultural lands that are wetlands.

Mr. President, the time has come for the Senate to adopt wetlands reform. Only through the kind of commonsense and balanced approach proposed in this bill can the Nation's agricultural, business, environmental, and individual interests be properly addressed.

Mr. President, thousands of South Dakotans have written, called, or visited with me about the lack of definition of wetlands and the haphazard rules and regulatory overkill taken by the Federal Government. They rightly are concerned about the impact of the current system on their ability to run their farms and businesses. South Dakotans are law-abiding citizens who stand for fairness and balance in the enforcement of the law. South Dakotans are conscientious stewards of the land they have cared for and cultivated for generations. They believe the time has come for a fair, balanced approach that protests the environment as well as private property. I believe the bill we are introducing today responds to this call for fairness from South Dakota and across America.

Action on this issue is essential. I urge my colleagues to take a close look at this bill and join in supporting it.

By Mr. DOMENICI (for himself, Mr. CRAIG, Mr. BROWN, Mr. CAMPBELL, Mr. HATCH, Mr. BENNETT, Mr. BURNS, Mr. SIMPSON, Mr. THOMAS, Mr. KYL, Mr. PRESSLER, Mr. KEMPTHORNE, Mr. CONRAD, Mr. DORGAN, Mr. DOLE, and Mr. GRAMM):

S. 852. A bill to provide for uniform management of livestock grazing on Federal land, and for other purposes; to the Committee on Energy and Natural Resources.

THE LIVESTOCK GRAZING ACT OF 1995

Mr. DOMENICI. Mr. President, over the past several years, a series of legislative and administrative actions have haunted the Federal lands ranchers. A cloud has been hanging over their livelihoods. Today, with the introduction of the Livestock Grazing Act of 1995 [LGA], we intend to roll back that cloud.

In the wings, however, there awaits an onerous proposal that will jeopardize the very fabric of the Federal lands rancher's livelihood. On August 21, 1995, Secretary Babbitt's Rangeland Reform '94 proposal becomes final. Earlier this year, the Secretary agreed to provide a 6-month window of opportunity for Congress to deliberate over the concerns raised during the 2-year debate on the proposed rule. LGA is the product of that temporary stay; it is a product that will provide stability for ranchers across the West.

Many issues have been addressed in our bill. For example, issues such as public input into the management of our Federal lands; standards and guidelines that will reflect the diversity of the western rangelands; and incentive for permitees to contribute private dollars to betterment of our Federal

lands; a fair method in gaining ownership and control of water rights; a subleasing provision that will help the elderly and family ranchers; and, a grazing fee formula that will generate more revenue for the American taxpayers.

There are many more aspects of this legislation, nevertheless, I am going to focus on the new grazing fee and the formula that will generate an increase in revenue to the Treasury.

Although the grazing fee does not affect the condition of our rangelands, I did make a commitment to increase the grazing fee during the October debate on Rangeland Reform '94. Today, through this legislation that pledge has been honored. LGA includes a grazing formula that will provide for a fair return for the utilization of our Federal lands.

In the past, the Federal lands grazing fee was based on a formula that was too complex and subject to many interpretations. A simpler and more understandable fee formula will help ensure a greater amount of stability to the Federal lands ranchers.

The LGA fee establishes a fee formula that is based on the gross value of production for cattle. Although this formula is based solely on the value of production for cattle, an adjustment has been made to take into consideration the differential in the production value between a cow and animals that are not as large. This adjustment will not increase the numbers of sheep and goats on the Federal lands, but will merely take into account the considerable differences between the cattle prices and the other two commodities.

This Gross Return Fee formula is based on the premise that the western Federal lands rancher should pay a fair percentage of gross production value that is gained by use of the Federal lands. Two key features of this formula are that the fee approximates the value of the forage from the gain in production value, and that it provides a fair return to the Federal Government for that forage.

Mr. President, this formula is simple. As I explained earlier, the current fee is convoluted. Establishing the grazing fee as a percentage of return will assure that livestock ranchers are assessed on the same basis of many other public lands users.se

As you may know, forage has no readily identifiable market value until it is converted into beef, wool, mutton, or some other salable animal product. Federal lands ranchers will—and have—willingly pay for the opportunity to utilize this forage on Federal lands to attain a gross value of livestock grazing on those lands. The Gross Return Fee recognizes the value of the end product by establishing the grazing fee as a percentage of this value.

The Gross Return Fee is critical to the continued viability of the western livestock industry. Ranchers are the family farmers of the West. The establishment of a fair and equitable grazing fee formula is critical to their survival.

Additionally, the rancher is key to the rural western economy. Every dollar a rancher spends yields an estimated $5 in economic activity throughout the West. This economic activity is critical to social fabric west, old or new.

In closing, Mr. President, the fee is only one component of this legislation. The other aspects of this bill will be addressed by the cosponsors of this legislation. Furthermore, a companion measure is currently ready for introduction in the House of Representatives. This will allow the Livestock Grazing Act of 1995 to be examined in full by both bodies of Congress. I look forward to moving this legislation through both Houses of Congress and removing the cloud that has been hanging over the Federal lands rancher.

Mr. CRAIG. Mr. President, I along with 14 of my colleagues am introducing the Livestock Grazing Act. This bill is intended to establish the policy guidelines for grazing of livestock on Federal lands in the Western States.

This bill is needed to resolve the ongoing debate over rangeland reform and the establishment of fees. I strongly believe the Congress must address this issue and resolve the ongoing debate over western rangeland management. We must assure that the extensive Federal lands in the West have a grazing policy that allows the families who depend on these lands to continue to use these lands to make their livelihoods.

We have crafted a bill that addresses the numerous issues that have arisen on grazing on the public lands. This bill is a product of extensive discussions with members of the grazing and academic community. It addresses both rangeland reform and the fee issue.

It is my intention to hold hearings in the Senate Energy and Natural Resources Subcommittee that I chair in the early summer and then to promptly move a bill. I am pleased that the other body has a similar schedule.

It is my intention to resolve this long-standing issue in a way that strengthens the economic base of the rural ranching West. I will work with my colleagues to assure that such a bill is passed into law.

Mr. BURNS. Mr. President, I rise today to support the introduction of the livestock grazing bill offered by Senator DOMENICI, myself, and others. This is a bill that will allow us to set the stage for the future grazing and land use access of the livestock industry. This is extremely important in the West, and in particular my State of Montana. This is a bill that will provide security and stability to the livestock producers—those people who live, and work 365 days a year, on or near the public lands.

For years there has been debate on the purpose and scope of the intent of the language that a grazing bill would offer. Many people have attempted to make this a single issue bill. This attempt may be the case, to those who, do nothing more than depend upon the farmer and rancher for the food and fiber they enjoy in their daily lives. But to the rancher, or anybody or any group this is the first step to creating some sense of stability for them on public lands. For the rancher, this is the first step they have seen, that will provide them with the security they need to operate their grazing permits with the sense of purpose and a future. The purpose of this bill is to provide a future for those hard-working men and women that provide the best and least expensive food supply to this Nation and the world.

Too many times the ability of these people to use the public lands has been threatened by forces who neither care about the vitality and well-being of the communities. People who have no idea of what the issue is. This is an issue of allowing producers and permit holders to use the land. For it is in this use that the land is made healthy, that our country thrives, and the public is provided an opportunity to put back something into the land.

In the recent past in my State of Montana this land use has been threatened by special interests. Interest groups with no understanding of what grazing and the livestock industry are all about. In a little known area, called the Bitterroot Forest, history was made by the stand that the permit holders made in defending their rights to use and graze public lands. However, this action cost the Federal Government thousands of dollars and strained the relations between the land use groups and the Government. All this action was brought on, due to the requirements of the land managers to complete certain environmental requirements. Requirements set forth under the provisions in the National Environmental Policy Act of 1969.

This case was developed as a result of the failure of the Federal Government of complete NEPA compliance on permit holders allotments. As a result, it threatened the ability of this particular group of ranchers to work, to graze cattle, and provide for their families. The permit holders, in this example and many more like it, were held hostage to the whims and of the special interest groups and the Federal courts. Held hostage by the very laws that were designed to protect them and their way of living. I find it ironic that those permit holders suffered financial loss and mental anguish. They were the only ones who did. All other interests including the Forest Service personnel who were charged to do the required work, did not lose a pay check.

Under the language in this bill we have provided for the security of the permit holders, and the health and future of the land. In this bill we continue to use the land management plans as a way to protect the land, and at the same time give the permit holders an opportunity to have access to the land for their use.

Mr. President, this bill is the first step to developing working arrangements between the Government and the people on the land. It is an opportunity to have all parties working together to set the standards for what is

best for the land and the people of this country.

Mr. SIMPSON. Mr. President, I rise to express my support for the Livestock Grazing Act introduced by my colleague and good friend, Senator DOMENICI. He and his staff—especially Marron Lee—have done an outstanding job leading the charge for responsible grazing fee reform. I commend them for working so doggedly to produce the best bill possible.

Mr. President, I say "best bill possible" because there cannot be a perfect bill. With the number of diverse interests represented throughout our great American West, no legislation in this area will satisfy everyone. But truly, the widespread support for this bill has been impressive.

Of course, I have heard some rumblings of discontent from those wishing to modify specific portions of this legislation. I ask those individuals to work with us, to let us know your thoughts as this bill moves through the committee process. We will do our best to attend to your concerns. There are, however, certain things we must all bear in mind. First, this bill is by far better than the alternative of having no bill, and second, we must not turn this bill into a "Christmas wish list." Doing so could spell defeat for this legislation and, in turn, subject our western livestock industry to an uncertain future.

I am most pleased by a number of provisions contained in this legislation that will benefit the Wyoming ranching industry. I would like to quickly address a few of these.

First, the bill will allow ranchers to own, in proportion to their investment in the overall cost, title to improvements located on Federal lands. This is far more fair than the administration's regulations requiring ranchers to pay for the improvement, while ceding ownership with the Government. Mr. President, that alternative is wrongly conceived. It amounts simply to a form of tax on our ranchers, taking their scarce assets and transferring them to the Federal Government.

We also address the critical issue of water rights. The Western States are not blessed with the almost unlimited supply of water that our Eastern neighbors enjoy. Western water law was created to manage this precious resource. Much of this law predates the birth of many of our Western States and works very well without the help of the Federal Government, thank you. This legislation directs Federal agencies to respect established State water law.

This legislation, unlike the administration's regulations, will leave certain aspects of rangeland management in the hands of those who have been responsible stewards of the public lands for over 100 years—the permittees, lessees, and landowners. Additionally, the new resource and grazing advisory council structure will allow other interests representing recreation and the environment to be adequately represented in the management process.

Finally, this legislation addresses the ever-contentious fee issue. Recall that not too long ago, many in this distinguished body were concerned that the ranching community was not paying a fair price for the opportunity to graze livestock on the public lands. This legislation will fairly increase that fee but keep it short of levels that would quickly bankrupt many hard-working families.

Mr. President, our American ranching industry has been a unique way of life for well over 100 years. Through the enactment of responsible legislation we can ensure that this industry, while still facing a number of significant challenges, will at least have a chance to remain viable well into the next century.

Mr. DASCHLE. Mr. President, Americans rely on Federal lands for a wide variety of purposes. Among them is rangeland for livestock grazing. As we look to the future use of these lands, it is incumbent upon us to implement commonsense policies that allow ranchers to graze livestock on these public rangelands while managing them in a manner that is consistent with long-term, sustainable use.

During the last 2 years, debate has raged over the appropriate regulation of Federal grazing lands. Environmentalists and those ranchers who graze on private land have argued for a more realistic fee system, one that links the grazing fee to the private land lease rate. Some have advocated stronger stewardship requirements. Meanwhile, as grazing policy remains unresolved, we have seen cattle prices drop and too many ranchers teetering on the edge of financial viability.

There needs to be some fair and reasonable ground upon which agreement can be reached that ensures public confidence in the management and use of the Federal lands, while allowing ranchers the certainty that, by working hard and playing by the rules, the Federal lands will provide an opportunity to earn a decent living. In short, the time has come to conclude this long debate and establish realistic grazing standards once and for all.

Secretary Babbit's Rangeland Reform proposals have called attention to this important issue and, at the same time, generated considerable controversy. While an open discussion of grazing reform is needed, a rising tide of misunderstanding and distrust has hampered the development of a broadly supportable solution.

Today, Senator DOMENICI is introducing the Livestock Grazing Act, which is intended to provide much needed closure to this debate as well as certainty for the many ranchers who rely on the Federal lands for grazing. I commend Senator DOMENICI for investing the hard work and energy in meeting with the ranching community and fashioning a bill that enjoys their support. His bill represents an essential step in moving grazing reform to closure.

I support much of the Domenici bill. It provides a valuable framework for addressing the critical issues of the fee, range management, and oversight, and, ultimately, I expect it to provide the foundation for the development of a balanced and reasonable approach to stewardship that addresses legitimate concerns of all interested groups.

For example, I call attention to the provision in the bill that establishes separate management of the national grasslands under the Department of Agriculture. This initiative will help ensure that management of those lands is as sensitive as possible to the unique needs of ranchers.

Currently, grasslands are subjected to rules and procedures that make sense for large expanses of national forests but not necessarily for grazing. In South Dakota, most ranchers who graze cattle on Federal lands do so on Forest Service lands. Ranchers in my home State feel a separate management unit for grasslands will allow them to ranch better. This legislation will accomplish that important objective.

Congress' challenge is to strike a balance between the recognition of regional environmental differences and the need to ensure a basic level of environmental protection. It is to reform the grazing fee, without putting an untenable financial squeeze on hard-working ranchers. And it is to strike a balance between the desire to provide an opportunity for input into range management decisions from the general public and the recognition that these decision have special ramifications for the economic security of those using the land.

We have not yet achieved that balance. But I am optimistic that we can, and I will devote my energies to working with Senator DOMENICI and others toward that goal.

This is one of the reasons I have invited Secretary of Agriculture Dan Glickman to visit with South Dakota ranchers next week in Rapid City. I want Secretary Glickman to hear first hand how those whose livelihoods are affected by Federal land management policies feel about the grazing issue. Their experience must be part of the solution sought in this debate.

Senator DOMENICI has expressed a desire to move grazing reform legislation with bipartisan support. While some initial concern has been raised that the Livestock Grazing Act, as currently drafted, may not yet achieve the balance needed to ensure consideration of all legitimate interests in the management of the range, he has given Congress a solid place to start. I hope that, in the weeks to come, any contentious issues can be worked out to the mutual satisfaction of all interested parties, and that we can move to enact legislation with broad-based support.

My goal is to pass Federal grazing reform. I am confident this Congress can achieve that goal.

Mr. THOMAS. Mr. President, I rise today in strong support of the legislation introduced by Senator DOMENICI, the Livestock Grazing Act. This bill is a reasonable proposal that will allow livestock producers in the West to continue to operate on public lands and will protect the public range for multiple-use purposes.

Today, western livestock producers are encountering many challenges. In addition to struggling because of low market prices for many products and fighting losses from predators, livestock producers in the West are now faced with regulations proposed by Interior Secretary Bruce Babbitt that will put them out of business. Secretary Babbitt's so-called "Rangeland Reform '94" proposal to reform public land grazing practices is nothing but a thinly veiled attempt to end livestock grazing on these areas.

The people of Wyoming and the West rely on having access to public lands for their livelihood. Over the last 100 years, this process has worked well. Westerners were able to use these lands for multiple uses such as grazing, oil and gas exploration, and recreation and in turn provided the rest of the Nation with high quality food products and other commodities. Unfortunately, the Department of the Interior has now taken a number of actions that will destroy the concept of multiple use of public lands and will cost jobs and harm local economies across Wyoming and the West.

The Livestock Grazing Act is designed to reverse this disturbing trend. This legislation will provide western livestock producers with a lifeline to survive the Clinton administration's efforts to destroy their way of life. The measure is a reasonable attempt to solve the long-standing dispute over grazing fees on public lands and many other issues which have caused great discontent in Congress and across the country.

Let me focus on a few provisions in the bill which are particularly important to the people of my State. First, the legislation establishes a grazing fee formula that will be tied to market values. This is a fair and equitable approach to resolving the fee formula dispute and will end the unfair comparison between private and public fee rates on Federal lands.

Second, the legislation will provide permittees with the assurance that they will be allowed to graze a certain number of livestock on their allotment. For over 50 years, BLM grazing permittees have known they had a priority position for a specific number of Federal animal unit months [AUM's] on their allotments. These so-called preference levels are attached to the private lands of the lessee and influence the value of the privately owned base property. Preference levels are particularly important to folks in my State where there is a large amount of checkerboard land, which is commingled Federal and private property.

Unfortunately, Secretary Babbitt's "Rangeland Reform '94" proposal attempts to radically revised the concept of grazing preference by giving Federal agents the authority to determine the appropriate number of AUM's attached to a lease. The Secretary wants to set AUM's for permittees on an arbitrary basis at the whim of the local Federal officials. This would cause instability throughout western livestock communities and threaten the economic value of western family ranches. The Livestock Grazing Act would stop the Secretary's misguided efforts by codifying the concept of grazing preference and giving western ranchers the surety they need to continue operating on Federal lands.

Mr. President, these are just two examples of the important actions taken by Senator DOMENICI in this bill that support western livestock producers. The time has come for Congress to assert itself regarding the issue of grazing on public lands in the West and stop Secretary Babbitt's unending assault on western communities and our western way of life. Although the Clinton administration and Secretary Babbitt would like folks to believe ranchers in the West are simply welfare cowboys, nothing could be further from the truth. These people are not taking advantage of the Government, but simply trying to make a reasonable living and raise their families.

I strongly support the Livestock Grazing Act and hope that we can take quick action on this measure in order to allow western livestock producers to continue their important work.

Mr. DORGAN. Mr. President, the sponsor of this bill, the Senator from New Mexico, has made a sincere attempt to draft a good management plan for our western public lands, and I have agreed to cosponsor it.

Although I want to see changes in several areas of this bill, overall it is a good plan for responsible management of our huge public trust in the West, imposing reasonable rules for the grazing of livestock and rangeland improvement while safeguarding the natural environment.

Senator DOMENICI has indicated his intent to work with Senators of both parties toward a consensus on this legislation. I appreciate his flexibility, but I particularly appreciate the Senator's addition to his bill of title II, provisions I and others from the Northern Plains have submitted dealing specifically with the national grasslands.

In fact, the Grasslands provisions are the primary reason that I am cosponsoring this bill.

Let me explain. Except for the grasslands provisions, this bill deals exclusively with lands supervised by the Department of the Interior. In North Dakota, however, land managed by Interior amounts to about two townships out of a State of 46 million acres. On the other land, North Dakota is host to 1.2 million acres of the national grasslands, which are managed by the U.S. Forest Service of USDA.

The main purpose of the grasslands provisions is to give the Secretary of Agriculture more flexibility in shaping the administration of the Grasslands.

I have worked with the ranchers in North Dakota and with the Forest Service in recent years, searching for ways the Secretary of Agriculture and the Forest Service could reorder the bureaucratic framework under which the Grasslands are managed. The Forest Service has been cooperative in that search, but I finally had to conclude that the Forest Service and USDA are legally prevented from the kind of change I believe is needed.

In the 1970's the grasslands were joined by statute to the entire National Forest System, managed by the Forest Service. That means the grasslands are enmeshed in the mounds and reams of paper that prescribe the layers of procedure, planning, management, and so forth, for the national forests.

Let me note here that land ownership in the grasslands areas of my state is much different than what you find among most of the great expanses of Federal lands in the West.

Most of the grasslands were owned earlier in this century by private farmers and ranchers, but were abandoned or lost to debt, and taken over by the Federal Government. Today this is not a region of big ranches. It is an area of small, and mid-sized ranchers where land ownership is extensively interspersed among individual families, the Forest Service, the State of North Dakota, and the Bureau of Land Management.

The proper approach in management of such rangeland, it seems to me, must be a cooperative venture between the ranchers and the Forest Service, drawing upon the best expertise of range scientists, wildlife specialists, and others who can help maintain and improve conditions in the grasslands.

The main focus of such a cooperative venture must be how to best manage and nurture the grasslands so they remain healthy and productive for the benefit of future generations of people and wildlife.

Somehow, that focus is lost in the reams of Forest System rules and regulations and planning documents that are supposed to address the grasslands. In reading those documents you would hardly know that there are cows on the grasslands when, in fact, ranching is the main human activity there by a long shot.

So, the grasslands provisions of this bill give the Secretary important latitude in changing the administrative structure under which the grasslands are managed. The provisions essentially restate the intent of the 1937 Federal act that set aside the grasslands: A call for conscientious range management that would build and preserve a healthy grassland resource.

And, where soil conservation and general range health are considered, title II also tries to return grasslands management to a more cooperative venture between the Forest Service and our State-chartered grazing associations.

The grasslands provisions do not dictate a specific administrative structure the Secretary must adopt for the grasslands. So, to a large extent, those provisions of the bill speak mostly to what can happen for the grasslands under a new design of Forest Service management, and do not say specifically what must happen.

The grasslands provisions will, I believe, help harvest the expertise and enthusiasm of grasslands area residents, including ranchers, for better local input into managing this critical natural area in my State.

The provisions are certainly not a step back from responsible management and protection of the natural resources. All Federal environmental laws, including the National Environmental Protection Act, Endangered Species Act, Clean Water Act, still apply. If anything, the grasslands provisions will encourage better attention to the spirit of our environmental laws because more people who live in the grasslands region, particularly those with expertise in areas of conservation and grassland agriculture, will be participating in how the lands are managed.

This is the kind of approach to public lands management that the people of North Dakota want. I should note that the 1995 North Dakota Legislature unanimously recommended the change we have proposed in the grasslands law.

Finally, I ask unanimous consent to print the proposed grassland provisions here in the RECORD as a means of distributing them for comment and discussion.

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

TITLE II—GRASSLANDS

SEC. 201 REMOVAL OF GRASSLANDS FROM NATIONAL FOREST SYSTEM

(a) FINDINGS.—Congress finds that the inclusion of the national grasslands (and land utilization projects administered under Title III of the Bankhead Jones Farm Tenant Act) within the Forest System contrains the Secretary in managing the national grasslands as intended under the Bankhead-Jones Farm Tenant Act.

(b) AMENDMENT OF THE FOREST AND RANGELAND RENEWABLE RESOURCES PLANNING ACT OF 1974.—Section 11(a) of the Forest and Rangeland Renewable Resources Planning Act of 1974 (16 U.S.C. 1609(a)) is amended in the second sentence by striking "the national grasslands and land utilization projects administered under Title III of the Bankhead-Jones Farm Tenant Act (50 Stat. 525, 7 U.S.C. 1010–1012)".

(c) AMENDMENT OF THE BANKHEAD-JONES FARM TENANT ACT.—Section 31 of the Bankhead-Jones Farm Tenant Act (7 U.S.C. 1010) is amended by designating current §31 as subsection (a) to read as follows:

§1010. Land conservation and land utilization

To accomplish the purposes stated in the preamble of this act, the Secretary is authorized and directed to develop a program of land conservation and utilization as a basis for grassland agriculture, to promote secure occupancy and economic stability of farms, and thus assist in controlling soil erosion, preserving natural resources, protecting fish and wildlife, developing and protecting recreational facilities, mitigating flood damages, preventing impairment of dams and reservoirs, developing energy resources, protecting the watersheds of navigable streams, conserving surface and subsurface moisture, and protecting the public lands, health, safety, and welfare, but is not authorized to build industrial parks or establish private industrial or commercial enterprises. The Secretary, in cooperation and partnership with grazing associations, is authorized and directed to issue renewable livestock grazing leases to achieve the land conservation and utilization goals of this section.

And adding a new subsection (b) as follows:

NATIONAL GRASSLANDS FEE ADJUSTMENTS FOR CONSERVATION PRACTICES TO BE RETAINED AS IMPLEMENTED BY THE SECRETARY.—A reduction in grazing fees for national grasslands will be allowed for conservation practices and administrative duties performed by grazing associations.

By Mr. GORTON (for himself, Mr. BURNS, Mr. MURKOWSKI, Mr. STEVENS, Mr. KEMPTHORNE, Mr. CRAIG, Mr. BAUCUS, Mr. PACKWOOD, and Mr. HATFIELD):

S. 853. A bill to amend title 28, United States Code, to divide the ninth judicial circuit of the United States into two circuits, and for other purposes; to the Committee on the Judiciary.

THE NINTH CIRCUIT COURT OF APPEALS REORGANIZATION ACT OF 1995

Mr. GORTON. Mr. President, my purpose today is to introduce the Ninth Circuit Court of Appeals Reorganization Act of 1995, which is similar to measures I introduced in 1983, 1989, and 1991. This measure has the cosponsorship of Senators BURNS, MURKOWSKI, STEVENS, KEMPTHORNE, CRAIG, BAUCUS, PACKWOOD, and HATFIELD, who represent all the States forming the new proposed circuit. This proposal will divide the ninth circuit, the largest circuit in the country, into two separate circuits of more manageable size and responsibility. This division would leave the ninth circuit composed of Arizona, California, Hawaii, Nevada, Guam, and the Northern Mariana Islands, and would create a new twelfth circuit composed of Alaska, Idaho, Montana, Oregon, and Washington. Personally, I believe that the ninth circuit should be divided into three new circuits, but the composition for the two southern circuits should be determined by the elected representatives of those States, to whose judgment I will defer.

Today the ninth circuit is by far the largest of the thirteen judicial circuits, measured both by number of judges and by caseload. It has 28 active judges, 11 more than any other. Last year it had an astounding 8,092 new filings, almost 2,000 more than the next busiest circuit. It serves over 45 million people, almost 60 percent more than are served by the next largest circuit. Moreover, the population in the States and territories that comprise the ninth circuit is the fastest-growing in the Nation.

Mr. President, the deplorable consequence of the massive size of this circuit is a marked decrease in the consistency of justice provided by ninth circuit courts. Judges are unable to keep abreast of legal developments even within their own jurisdiction—to say nothing of lay citizens' inability to keep abreast. The large number of judges scattered over a large area inevitably results in difficulty in reaching consistent circuit decisions. These judges have nearly unmanageable caseloads with little time to review the voluminous case law within the jurisdiction or to consult with their fellow circuit colleagues. As a result, legal opinions tend to be very narrow with little precedential value, merely exacerbating the problem. As a former attorney general for the State of Washington, I personally have experienced the unique frustrations and difficulties of practicing before the ninth circuit.

Compounding the problem for the Northwest is that 55 percent of the case filings in the ninth circuit are from California alone. Consequently, the remaining States in the ninth circuit, including my State of Washington and our Northwest neighbors, are dominated by California judges and California judicial philosophy. That trend cannot help but persist as the number of cases filed by California's litigious and exploding population continues to rise. The Northwestern States confront issues that are fundamentally unique to that region, issues that are central to the lives of citizens in the Northwest, but which are little more than one of many newspaper articles in California. In sum, the interests of the Northwest cannot be fully appreciated or addressed from a California perspective.

This initiative, Mr. President, is long overdue. As early as 1973, the Congressional Commission on the Revision of the Federal Court Appellate System recommended that the ninth circuit be divided. In addition, the U.S. Judicial Conference found that increasing the number of judges in any circuit court beyond 15 would create an unworkable

situation. The American Bar Association also adopted a resolution expressing the desirability of dividing the ninth circuit to help realign the U.S. appellate courts. Earlier bills on the ninth circuit reorganization that I introduced during the 101st and 102d Congresses—and which were virtually identical to this bill—earned the support of practitioners and judges in the ninth circuit, attorneys general of the western States, the Department of Justice, and the former Chief Justice of the U.S. Supreme Court, Warren E. Burger.

The leadership of the ninth circuit has not donned blinders to the difficulties inherent in a circuit court of this size and workload. It has responded, however, by adopting a number of innovative but ultimately ineffectual approaches to these problems. For example the ninth circuit has divided itself into three administrative divisions: the northern unit consists of the five Northwestern States that would comprise the proposed twelfth circuit, and the combined middle and southern units is identical to the restructured ninth circuit. This method, however, does little more than recognize the problem without solving it.

Another innovation of the ninth circuit is the limited en banc court, for which a panel of 11 of the 28 judges will be chosen by lot to hear an individual case. Such panels, however, further contribute to the inherent unpredictability of a jurisdiction as large as the ninth circuit. Lawyers often must tell their clients that they cannot begin to predict the likely outcome of an appeal until the panel has been identified. Mr. President, justice should not be determined by lot. Moreover, I have serious reservations about any method which would permit a small minority—as few as six of the sitting judges—to dictate the outcome of a case contrary to the judgment of a large majority, solely depending on the luck of the draw.

Despite these attempts to solve the problem, the performance of the ninth circuit has gotten worse, not better. Its judges are falling further and further behind. Despite only a moderate increase in new filings for appeal, the number of pending cases swelled by almost 20 percent in the last year. The ninth circuit now is the slowest of 12 regional circuits in hearing and deciding appeals, on average taking a full 16 months. Mr. President, justice delayed is justice denied.

The 45 million residents within the ninth circuit continue to pay the high costs of an unpredictable body of case law and an overburdened court system. They wait years before cases are heard and decided, prompting many to forego their rights to judicial redress. Residents in the Northwest, in particular, are concerned about the growing inability of the ninth circuit to handle the boom in criminal cases stemming from stepped-up enforcement of our drug laws.

The swift and sure administration of justice is a right that should no longer be compromised in the ninth circuit. I urge my colleagues to support this important legislation. Mr. President, I ask unanimous consent that the complete text of my bill be printed in the RECORD.

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

S. 853

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 "Ninth Circuit Court of Appeals Reorganization Act of 1995".

SEC. 2. NUMBER AND COMPOSITION OF CIRCUITS.

Section 41 of title 28, United States Code, is amended—

(1) in the matter before the table, by striking out "thirteen" and inserting in lieu thereof "fourteen";

(2) in the table, by striking out the item relating to the ninth circuit and inserting in lieu thereof the following new item:

"Ninth ..... Arizona, California, Hawaii, Nevada, Guam, Northern Mariana Islands.";

and

(3) between the last 2 items of the table, by inserting the following new item:

"Twelfth ..... Alaska, Idaho, Montana, Oregon, Washington.".

SEC. 3. NUMBER OF CIRCUIT JUDGES.

The table in section 44(a) of title 28, United States Code, is amended—

(1) by striking out the item relating to the ninth circuit and inserting in lieu thereof the following new item:

"Ninth ..... 19";

and

(2) by inserting between the last 2 items at the end thereof the following new item:

"Twelfth ..... 7".

SEC. 4. PLACES OF CIRCUIT COURT.

The table in section 48 of title 28, United States Code, is amended—

(1) by striking out the item relating to the ninth circuit and inserting in lieu thereof the following new item:

"Ninth ..... San Francisco, Los Angeles.";

and

(2) by inserting between the last 2 items at the end thereof the following new item:

"Twelfth ..... Portland, Seattle.".

SEC. 5. ASSIGNMENT OF CIRCUIT JUDGES.

Each circuit judge in regular active service of the former ninth circuit whose official station on the day before the effective date of this Act—

(1) is in Arizona, California, Hawaii, Nevada, Guam, or the Northern Mariana Islands is assigned as a circuit judge of the new ninth circuit; and

(2) is in Alaska, Idaho, Montana, Oregon, or Washington is assigned as a circuit judge of the twelfth circuit.

SEC. 6. ELECTION OF ASSIGNMENT BY SENIOR JUDGES.

Each judge who is a senior judge of the former ninth circuit on the day before the effective date of this Act may elect to be assigned to the new ninth circuit or to the twelfth circuit and shall notify the Director of the Administrative Office of the United States Courts of such election.

SEC. 7. SENIORITY OF JUDGES.

The seniority of each judge—

(1) who is assigned under section 5 of this Act; or

(2) who elects to be assigned under section 6 of this Act;

shall run from the date of commission of such judge as a judge of the former ninth circuit.

SEC. 8. APPLICATION TO CASES.

The provisions of the following paragraphs of this section apply to any case in which, on the day before the effective date of this Act, an appeal or other proceeding has been filed with the former ninth circuit:

(1) If the matter has been submitted for decision, further proceedings in respect of the matter shall be had in the same manner and with the same effect as if this Act had not been enacted.

(2) If the matter has not been submitted for decision, the appeal or proceeding, together with the original papers, printed records, and record entries duly certified, shall, by appropriate orders, be transferred to the court to which it would have gone had this Act been in full force and effect at the time such appeal was taken or other proceeding commenced, and further proceedings in respect of the case shall be had in the same manner and with the same effect as if the appeal or other proceeding had been filed in such court.

(3) A petition for rehearing or a petition for rehearing en banc in a matter decided before the effective date of this Act, or submitted before the effective date of this Act and decided on or after the effective date as provided in paragraph (1) of this section, shall be treated in the same manner and with the same effect as though this Act had not been enacted. If a petition for rehearing en banc is granted, the matter shall be reheard by a court comprised as though this Act had not been enacted.

SEC. 9. DEFINITIONS.

For purposes of this Act, the term—

(1) "former ninth circuit" means the ninth judicial circuit of the United States as in existence on the day before the effective date of this Act;

(2) "new ninth circuit" means the ninth judicial circuit of the United States established by the amendment made by section 2(2) of this Act; and

(3) "twelfth circuit" means the twelfth judicial circuit of the United States established by the amendment made by section 2(3) of this Act.

SEC. 10. ADMINISTRATION.

The court of appeals for the ninth circuit as constituted on the day before the effective date of this Act may take such administrative action as may be required to carry out this Act. Such court shall cease to exist for administrative purposes on July 1, 1997.

SEC. 11. EFFECTIVE DATE.

This Act and the amendments made by this Act shall become effective on October 1, 1995.

Mr. BURNS. Mr. President, I am pleased to join the Senator from Washington, Senator GORTON, as an original cosponsor of the legislation to split the 9th Circuit Court of Appeals and create a new 12th Circuit. This legislation is long overdue in my opinion. It is my hope that we can act to create a new 12th circuit court this Congress.

The ninth circuit court is by far the largest of all the circuit courts, both in

terms of the number of judges and caseload. In fact, the Judicial Conference of the United States stated in 1971 that "to increase the number of judges in a circuit beyond 15 would create an unworkable situation."

The ninth circuit court currently has 28 judges. That is nearly twice the maximum workable number in the opinion of the Judicial Conference, 12 more than the next largest circuit court and 16 more than the average circuit court.

In terms of caseload, the 9th circuit had 7,597 appeals pending at the end of fiscal year 1993. In 1988 when I was first elected to the U.S. Senate, there were 6,342 appeals pending. That is an increase of nearly 20 percent in just 5 years.

No other circuit court carries a heavier caseload. In fact, no other circuit even comes close. Each year, the ninth circuit has approximately twice as many appeals pending as the next largest circuit. It only makes sense that a Federal appeals court with a caseload that heavy should be split up.

The prospect for relief is not promising, either. In fact, the Committee on Long Range Planning for the Judicial Conference of the United States has projected that by the year 2000, over 15,000 petitions and appeals will be filed annually. and by the year 2020, over 60,000 will be filed annually.

What does all this mean in terms of our judicial process? It means that a case is pending in the ninth circuit for an average of 14½ months. That means some cases may be there 29 months while others whiz through in 7 or 8 months. The costs to those in Montana or Washington who are victims of this backlog continues to accrue. Not only are they continuing to pay their legal counsel during that time, but in the case of suits against economic activities such as timbering, mining, and water developments, employment is jeopardized, seriously threatening local economic stability.

It is also disturbing to me to see convicted murderers bringing lawsuits against the State claiming cruel and unusual punishment because they've been sitting on death row for a number of years. What is cruel and usual punishment is that families of victims have to wait such a long time to see justice finally carried out.

One such Montana family is State Senator Ethel Harding of Polson. Senator Harding's daughter, Lana, was brutally murdered by Duncan McKenzie over 20 years ago. It was not until 2 weeks ago that McKenzie was finally put to death and the Harding family could finally put this horrendous chapter of their lives behind them.

McKenzie's appeals ended up at the 9th Circuit 3 times over this 20 year period. Certainly part of the delay of justice may be attributed to the heavy caseload of the circuit and the inefficient system that the burdensome caseload has created.

Senator Harding has written a very moving letter to me and I would ask that it be submitted into the record in its entirety immediately following my remarks. "Justice delayed is justice denied," writes Senator Harding, and I could not agree more.

As a result of her own ordeal, Senator Harding has been a strong advocate of splitting the Ninth Circuit. During the 1995 Montana State Legislature, she introduced Senate Joint Resolution No. 10, calling upon Congress to divide the Ninth Circuit court. The resolution passed overwhelmingly and is an accurate reflection on the wishes of Montanans.

Perhaps the most compelling argument for splitting the Ninth Circuit is precedent. The division of the 8th Circuit creating the 10th Circuit took place in 1929. In addition, the Fifth Circuit was also divided in 1981, creating the 11th Circuit. In fact, a commission which studied the revision of the Federal appellate court system recommended in 1973 that both the Fifth Circuit and the Ninth Circuit courts be split.

Those involved with the Fifth Circuit had the sense to make the division. Unfortunately, the division of the Ninth Circuit has been held up to be political maneuvering. So now we have to be here arguing for something that should have been done 14 years ago.

Granted, the division of the Ninth Circuit is more complicated since one State, California, generates a majority of the cases in that circuit. However, I think it is in the best interest of California, Montana, and the other States under the court's jurisdiction to make the split. The caseload for the Ninth Circuit will remain high no matter what, due to the population dynamics in a State like California. Thus, the split will bring much needed caseload relief to the Ninth Circuit while providing overall relief to States like my own Montana.

I just do not think it is fair, or in the best interest of the judicial process, that Montana businesses and individual citizens suffer because California continues to experience an economic and population boom. I find myself arguing this case everyday—the case of middle America battling to hold its own against the population centers on both coasts. There is a bias in the legislative branch, the executive branch, and now in the judicial branch.

I am here to see that States like Montana, Idaho, Washington, Oregon, and Alaska get a fair shake. I think that splitting the Ninth Circuit is a good place to start and I intend to see that it happens. Until it does, it is my intention to prevent any future nominations to the Ninth Circuit court of Appeals from going through the Senate for it makes no sense to continue to perpetuate a system that is not working.

I hope that my colleagues from all nine States currently under the jurisdiction of the Ninth Circuit court will join us in our efforts to quickly pass this legislation so that we can put justice back into our judicial system.

Mr. President, I ask unanimous consent that additional material be printed in the RECORD.

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

THE BIG SKY COUNTRY,
May 17, 1995.

Hon. CONRAD BURNS,
U.S. Senate, Washington, DC.

DEAR SENATOR BURNS: I am enclosing a copy of Senate Joint Resolution No. 10 which passed in the 1995 session in Montana. I am also enclosing a copy of the 9th judicial circuit map and workload for your perusal.

The 9th Circuit covers nine states and two territories, totaling approximately 14 million square miles; serves a population of almost 44 million people 15 million more than the next largest circuit court and about 20 million more than all other courts of appeals; has 28 judges, 12 more than the next largest circuit court and 16 more than the average circuit court; and has a caseload of more than 6,000 appeals, 2,000 larger than the next largest court of appeals and nearly one-sixth of the total appeals in all the 12 regional courts of appeals; and projections are, that at the current rate of growth, the 9th Circuit's 1980 docket of cases will double before the year 2000.

The enclosed statistics on U.S. Court of Appeals—Judicial work load profile shows Montana is last or 12th in numerical standing from filing Notice of Appeal to Disposition. That is top long. Montana deserves better than that. We should not have to wait until California or any other state is served in in the judicial process but at least we should not have to be considered last. If the Circuit is divided and we were last it could at least cut the time in half.

I am also enclosing a copy of the History of Appeals in the McKenzie case which has haunted me personally for 20 years because he killed my daughter on January 21, 1974. It is for this reason I sponsored SJR 10 and why I am urging you to work in behalf of Montana having a quicker response and turn around on these criminal appeals. The families of victims should not have to suffer 20 years while the system works. "JUSTICE DELAYED IS JUSTICE DENIED".

I am enclosing an excerpt from "Rationing Justice on Appeal" by Thomas E. Baker, Justice Research Institute which clearly presents the problem and urges Congress to do something about it besides study. I also urge Congress to act now and to prevent the misuse of the judicial system as my family has personally experienced for twenty years.

Thank you, Senator Burns, for your help in this most important matter of dividing the 9th Circuit to a better advantage for Montana and the other smaller populated states and territories in the 9th circuit.

I will be anxiously watching for a good report.

Sincerely,

ETHEL M. HARDING,
State Senator, District 37.

SENATE JOINT RESOLUTION NO. 10

Whereas, under Article III, section 1, of the United States Constitution, the Congress of

the United States has plenary power to ordain and establish the federal courts below the Supreme Court level; and

Whereas, in 1988, the 100th Congress created the Federal Courts Study Committee as an ad hoc committee within the Judicial Conference of the United States to examine the problems facing the federal courts and to develop a long-term plan for the Judiciary; and

Whereas, the Study Committee found that the federal appellate courts are faced with a crisis of volume that will continue into the future and that the structure of these courts will require some fundamental changes; and

Whereas, the Study Committee did not endorse any one solution but served only to draw attention to the serious problems of the courts of appeals; and

Whereas, the Study Committee recommended that fundamental structural alternatives deserve the careful attention of Congress and of the courts, bar associations, and scholars over the next 5 years; and

Whereas, the problems of the circuit court system and the alternatives for revising the system represent a policy choice that requires Congress to weigh costs and benefits and to seek the solution that best serves the judicial needs of the nation; and

Whereas, there are 13 judicial circuits of the United States courts of appeals; and

Whereas, Montana is in the Ninth Circuit, which consists of Alaska, Arizona, California, Hawaii, Idaho, Montana, Nevada, Oregon, Washington, Guam, and the Northern Mariana Islands; and

Whereas, in 1990, it was estimated that the Ninth Circuit: covers nine states and two territories, totaling approximately 14 million square miles; serves a population of almost 44 million people, 15 million more than the next largest circuit court and about 20 million more than all other courts of appeals; has 28 judges, 12 more than the next largest circuit court and 16 more than the average circuit court; and has a caseload of more than 6,000 appeals, 2,000 larger than the next largest court of appeals and nearly one-sixth of the total appeals in all the 12 regional courts of appeals; and

Whereas, projections are that at the current rate of growth, the Ninth Circuit's 1980 docket of cases will double before the year 2000; and

Whereas, statistics reveal that, because of the number of judges in the Ninth Circuit, there are numerous opportunities for conflicting holdings—one legal scholar has estimated that on a 28-judge court there are over 3,000 combinations of panels that may decide an issue, without counting senior judges, district judges, and judges sitting by designation; and

Whereas, legal scholars have suggested that because the United States Supreme Court reviews less than 1% of appellate decisions, the concept of regional state decisis, or adherence to decided cases, results, in effect, in each court of appeals becoming a junior supreme court with final decision power over all issues of federal law in each circuit (unless and until reviewed by the Supreme Court); and

Whereas, the Ninth Circuit has been described as an experiment in judicial administration and a laboratory in which to test whether the values of a large circuit can be preserved; and

Whereas, some legal scholars have opposed its division on the grounds that to divide the Ninth Circuit would be to lose the benefit of an experiment in judicial administration that has not yet run its course; and

Whereas, the problems of the Ninth Circuit are immediate and growing and maintaining the court in its present state is a disservice to the citizens of Montana and other Ninth Circuit states and territories; and

Whereas, it is generally understood that an essential element of a federal appellate system must include guaranteeing regionalized and decentralized review when regional concerns are strongest; and

Whereas, because of the problems of the Ninth Circuit related to its dimensions of geography, population, judgeships, docket, and costs, it is desirable for the Northwest states to be placed in a separate circuit, consisting mainly of contiguous states which common interests; and

Whereas, the existing circuit boundary lines have been called arbitrary products of history; and

Whereas, Congress at least twice divided circuits: in 1929, to separate the new Tenth Circuit from the Eighth Circuit, and in 1981, to separate the new Eleventh Circuit from the Fifth Circuit; and

Whereas, Congress, in 1989, considered and is expected, in 1995, to again consider a bill to divide the Ninth Judicial Circuit of the United States Court of Appeals into two circuits—a new Ninth Circuit, composed of Arizona, California, and Nevada, and a new Twelfth Circuit, composed of Alaska, Hawaii, Idaho, Montana, Oregon, Washington, Guam, and the Northern Mariana Islands; and

Whereas, it is the proper function of Congress to determine circuit boundaries and it is desirable that Montana be included in a regional circuit that will allow relief for its citizens from the problems occasioned by its inclusion in the present Ninth Circuit: Now, therefore, be it

Resolved by the Senate and the House of Representatives of the State of Montana:

That the Legislature of the State of Montana urge Congress to turn its thoughtful attention to the passage of legislation that will split the existing Ninth Judicial Circuit of the United States Court of Appeals into two circuits and that will include Montana in a circuit composed in large part of other Northwest states with similar regional interests.

Be it further resolved, that *the President of the United States* be urged to place a Montana judge on the *Federal Circuit* court *for Montana.*

Be it further resolved, that Congress grant this relief and pass this legislation immediately, regardless of considerations of long-term changes to the appellate system in general.

Be it further resolved, that the Secretary of State send copies of this resolution to the Secretary of the United States Senate, the Clerk of the United States House of Representatives, *the President of the United States,* and the members of Montana's Congressional Delegation.

By Mr. LUGAR (for himself and Mr. LEAHY):

S. 854. A bill to amend the Food Security Act of 1985 to improve the agricultural resources conservation program, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

THE AGRICULTURAL RESOURCES CONSERVATION ACT OF 1995

Mr. LUGAR. Mr. President, I am proud to introduce today the Agricultural Resources Conservation Act of 1995. In this bill, Senator LEAHY and I have developed the boldest concepts for protecting our agricultural resource base and the environment since the 1985 farm bill.

This legislation is based on simple but pivotal principles:

First, we need to preserve stable funding to help farmers and ranchers meet environmental challenges.

Second, the initiatives must be voluntary for producers and simple for them to participate in.

Third, we must maximize the environmental benefits produced by each federal dollar expended.

Fourth, conservation programs must be consistent with a more market-oriented farm economy. Specifically, we prefer land management options over land retirement. And within our land retirement initiative, the Conservation Reserve Program, we want to stress more tactical partial-field enrollments.

Fifth, we need to address the breadth of contemporary environmental challenges—such as water quality—in addition to soil erosion.

Our bill advances each of these principles. It will be the foundation of the conservation title of the 1995 farm bill.

Let me address some specifics, beginning with the question of funding. Our bill calls for substantial, stable funding for conservation programs into the next century. We take the current funding levels for the Conservation Reserve Program, the Wetlands Reserve Program and the various conservation incentive and cost-share initiatives—about $2.1 billion—and extend it annually through 2005. We also would make these programs mandatory in a budget sense and fund them through the Commodity Credit Corporation with strict annual caps. To ensure budget neutrality, we make offsetting reductions in discretionary accounts.

Maintaining the conservation fund throughout the next 10 years will require a shift in budget priorities. My preference is to preserve conservation assistance while reducing costs of crop subsidy programs in order to meet our deficit reduction requirement.

The Conservation Reserve Program has been successful and this bill would continue and improve it over the next 10 years. We allocate the entire Congressional Budget Office baseline, which declines from the current level of $1.8 to $1.2 billion in 2000, for the CRP.

Successful as it is, the CRP has several shortcomings. Too much land that can be farmed without harming the environment is currently idled. Annual payments too often exceed local rental rates. And the CRP can be utilized much more fully to improve water quality. Our bill corrects these weaknesses.

We direct the Secretary of Agriculture to enroll at least 4 million acres of land—primarily buffer strips

along permanent water bodies and intermittent streams—for water quality purposes. We target only the most highly erodible land that cannot be farmed profitably using necessary management practices and is not eligible for incentive or cost-share assistance. And we impose new discipline on rental rates.

Much has been made of the significant wildlife benefits of the CRP. While the CBO baseline and our stricter enrollment standards points to a small CRP in the future, I believe our bill will result in a program that, acre for acre, is actually more beneficial for wildlife. Among equivalent eligible offers to enroll land under the soil erosion and water quality criteria, preference will be given to offers that give greater wildlife benefits. And all CRP contract holders will receive guidance on management methods to promote beneficial stands of cover.

I mentioned earlier that our conservation strategies must stress land management as opposed to land retirement. This legislation takes the best of our existing cost-share and incentive programs and combines them into a new, strengthened effort: The Environmental Quality Incentives Program, or EQIP. This will streamline the process for farmers and ranchers to apply for assistance. It will eliminate overlaps between our current hodgepodge of assistance programs. And by making EQIP a mandatory budget initiative, it will end the year-to-year uncertainty that producers must face under the current discretionary funding process.

The EQIP Program will also offer new incentives to livestock producers. Currently, less than a quarter of our conservation spending goes for livestock, even though there is a high correlation between agriculturally sourced water quality impairments and livestock operations. A 1993 report of the Environmental Protection Agency's Feedlot Workgroup indicates that feedlots are a more significant source of river impairments than storm sewers or industrial sources. Under EQIP, assistance for both crop and livestock producers would increase significantly and livestock would be eligible for half of the total funding. This is sound environmental policy that benefits all of agriculture.

Let me list a few things we do not do in this bill. First, we create no new environmental mandates for farmers. It is very important that, as crop support levels decline, we not add any more compliance provisions to the commodity programs. In fact, farmers and ranchers need not participate in the programs to be eligible for our conservation programs.

In addition, we do not permit any new economic use of Conservation Reserve Program lands. We can enroll all the land that truly deserves to be in the CRP with the budget baseline we have. As a result, we can avoid adverse effects to the cattle and forage industries that might result from expanded haying and grazing of CRP acres.

Finally, this initial proposal does not make changes to our current wetland compliance provisions. Although Senator LEAHY and I were able to agree on an overwhelming majority of conservation issues, we were unable to reach consensus on this front. I am fully aware of the controversy surrounding the swampbuster program and I recognize the need to improve it. I am committed to working with members of the Agriculture Committee to make wetlands regulation less burdensome. We must make swampbuster a fair and flexible program that can be described the same way as conservation compliance: A program that works and is supported by farmers.

Mr. President, I am proud to introduce this bill today. It makes winners of both agriculture and the environment. I hope all Senators will agree that it builds on the substantial conservation gains made by farmers and ranchers in the last decade and helps them answer the environmental challenges of the new millennium.

Mr. President, I ask unanimous consent that the text of the bill and a section-by-section summary be printed in the RECORD.

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

S. 854

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 "Agricultural Resources Conservation Act of 1995".

SEC. 2. ENVIRONMENTAL CONSERVATION ACREAGE RESERVE PROGRAM.

Section 1230 of the Food Security Act of 1985 (16 U.S.C. 3830) is amended to read as follows:

"SEC. 1230. ENVIRONMENTAL CONSERVATION ACREAGE RESERVE PROGRAM.

"(a) ESTABLISHMENT.—

"(1) IN GENERAL.—During the 1996 through 2005 calendar years, the Secretary shall establish an environmental conservation acreage reserve program to be implemented through contracts and the acquisition of easements to assist owners and operators of farms and ranches to conserve and enhance soil, water, and related natural resources, including grazing lands, wetlands, and wildlife habitat.

"(2) MEANS.—The Secretary shall carry out the environmental conservation acreage reserve program by—

"(A) providing for the long-term protection of environmentally sensitive lands; and

"(B) providing technical and financial assistance to farmers and ranchers to—

"(i) improve the management of the operations of the farmers and ranchers; and

"(ii) reconcile productivity and profitability with protection and enhancement of the environment.

"(3) PROGRAMS.—The environmental conservation acreage reserve program shall consist of—

"(A) the conservation reserve program established under subchapter B;

"(B) the wetlands reserve program established under subchapter C; and

"(C) the environmental quality incentives program established under chapter 2.

"(b) ADMINISTRATION.—

"(1) IN GENERAL.—In carrying out the environmental conservation acreage reserve program, the Secretary shall enter into contracts with owners and operators and acquire interests in lands through easements from owners, as provided in this chapter and chapter 2.

"(2) PRIOR ENROLLMENTS.—Acreage enrolled in the conservation reserve program or wetlands reserve program prior to the effective date of this paragraph shall be considered to be placed in the environmental conservation acreage reserve program.

"(c) CONSERVATION PRIORITY AREAS.—

"(1) DESIGNATION.—

"(A) IN GENERAL.—The Secretary shall designate watersheds or regions of special environmental sensitivity, including the Chesapeake Bay region (located in Pennsylvania, Maryland, and Virginia), the Great Lakes region, and the Long Island Sound region, as conservation priority areas that are eligible for enhanced assistance through the programs established under this chapter and chapter 2. A designation shall be made under this subparagraph if an application is made by a State agency and agricultural practices within the watershed or region pose a significant threat to soil, water, and related natural resources, as determined by the Secretary.

"(B) ASSISTANCE.—To the extent practicable, the Secretary shall designate a watershed or region of special environmental sensitivity as a conservation priority area to assist agricultural producers within the watershed or region to comply with nonpoint source pollution requirements established under the Federal Water Pollution Control Act (33 U.S.C. 1251 et seq.) and other Federal and State environmental laws.

"(2) APPLICABILITY.—The Secretary shall, to the maximum extent practicable, designate a watershed or region as a conservation priority area that conforms to the functions and purposes of the conservation reserve program established under subchapter B, the wetlands reserve program established under subchapter C, or the environmental quality incentives program established under chapter 2, as applicable, if participation in the program is likely to result in the resolution or amelioration of significant soil, water, and related natural resource problems related to agricultural production activities within the watershed or region.

"(3) EXPIRATION.—A conservation priority area designation shall expire on the date that is 5 years after the date of the designation, except that the Secretary may—

"(A) redesignate the area as a conservation priority area; or

"(B) withdraw the designation of a watershed or region as a conservation priority area if the Secretary finds that the area is no longer affected by significant soil, water, and related natural resource problems related to agricultural production activities.".

SEC. 3. CONSERVATION RESERVE.

Subchapter B of chapter 1 of subtitle D of title XII of the Food Security Act of 1985 (16 U.S.C. 3831 et seq.) is amended to read as follows:

"Subchapter B—Conservation Reserve

"SEC. 1231. CONSERVATION RESERVE.

"(a) IN GENERAL.—During the 1996 through 2005 calendar years, the Secretary shall carry out the enrollment of lands in a conservation reserve program through the use of

contracts to assist owners and operators of lands specified in subsection (b) to conserve and improve soil, water, and related natural resources, by taking environmentally sensitive lands out of production.

"(b) ELIGIBLE LANDS.—The Secretary may include in the program established under this subchapter—

"(1) highly erodible cropland that—

"(A) if permitted to remain untreated could substantially impair soil, water, or related natural resources; and

"(B) cannot be farmed in accordance with a conservation plan implemented under section 1212;

"(2) marginal pasture land converted to a wetland or established as wildlife habitat;

"(3) marginal pasture land in or near riparian areas that could enhance water quality;

"(4) cropland or pasture land to be devoted to the production of hardwood trees, windbreaks, shelterbelts, or wildlife corridors; and

"(5) cropland that is otherwise not eligible for inclusion in the program—

"(A) if the Secretary determines that—

"(i) the land contributes to the degradation of water quality or soil erosion, or would cause on-site or off-site environmental degradation if permitted to remain in agricultural production; and

"(ii) water quality, soil erosion, or environmental objectives with respect to the land cannot be achieved under the environmental quality incentives program established under chapter 2;

"(B) if the cropland is newly created, permanent grass sod waterways, or are contour grass sod strips established and maintained as part of an approved conservation plan under this subchapter;

"(C) if the cropland will be devoted to newly established living snow fences, permanent wildlife habitat, windbreaks, or shelterbelts;

"(D) if the land will be devoted to filterstrips that are contiguous to permanent bodies of water or intermittent streams;

"(E) if the Secretary determines that the land poses an off-farm environmental threat, or pose a threat of continued degradation of productivity due to soil salinity, if permitted to remain in production; or

"(F) if the land is highly erodible cropland that will be used to restore wetlands and—

"(i) the land is prior converted wetland;

"(ii) the owners or operators of the land agree to provide the Secretary with a long-term or permanent easement under subchapter C;

"(iii) there is a high probability that the prior converted wetland can be successfully restored to wetland status; and

"(iv) the restoration of the areas otherwise meets the requirements of subchapter C.

"(c) CERTAIN LAND AFFECTED BY SECRETARIAL ACTION.—For the purpose of determining the eligibility of land to be placed in the conservation reserve established under this subchapter, land shall be considered planted to an agricultural commodity during a crop year if an action of the Secretary prevented the land from being planted to the commodity during the crop year.

"(d) ENROLLMENT.—

"(1) LIMITATION.—Not more than 36,400,000 acres (including acreage subject to contracts extended by the Secretary pursuant to section 1437 of the Food, Agriculture, Conservation, and Trade Act of 1990 (Public Law 101–624; 16 U.S.C. 3831 note)) may be enrolled in the conservation reserve in any of the 1996 through 2005 calendar years.

"(2) PRIORITIES.—The Secretary shall, to the maximum extent practicable, with each periodic enrollment of acreage (including acreage subject to contracts extended by the Secretary pursuant to section 1437 of the Food, Agriculture, Conservation, and Trade Act of 1990 (Public Law 101–624; 16 U.S.C. 3831 note)), enroll acreage in the conservation reserve that meets the priority criteria for water quality, soil erosion, and wildlife habitat provided in subsection (e), and, to the maximum extent practicable, maximize multiple environmental benefits.

"(e) PRIORITY FUNCTIONS.—

"(1) IN GENERAL.—During all periodic enrollments of acreage (including acreage subject to contracts extended by the Secretary pursuant to section 1437 of the Food, Agriculture, Conservation, and Trade Act of 1990 (Public Law 101–624; 16 U.S.C. 3831 note)), the Secretary shall evaluate all offers to enter into contracts under this subchapter in light of the priority criteria stated in paragraphs (2), (3), and (4), and accept only the offers that meet the criteria stated in paragraph (2) or (3), maximize the benefits stated in paragraph (4), and maximize environmental benefits per dollar expended. If an offer meets the criteria stated in paragraph (4) and paragraph (2) or (3), the offer shall receive higher priority, as determined by the Secretary.

"(2) WATER QUALITY.—

"(A) TARGETED LANDS.—Not later than December 31, 2000, the Secretary shall enroll in the conservation reserve narrow strips of cropland or pasture, as filterstrips that are contiguous to—

"(i) permanent bodies of water;

"(ii) tributaries or smaller streams; or

"(iii) intermittent streams that the Secretary determines significantly contribute to downstream water quality degradation.

"(B) PURPOSES.—The lands may be enrolled by the Secretary in the conservation reserve to establish—

"(i) contour grass strips;

"(ii) grassed waterways; and

"(iii) other equivalent conservation measures that have a high potential to ameliorate pollution from crop and livestock production.

"(C) REQUIRED ENROLLMENT.—Not later than December 31, 2000, the Secretary shall enroll in the conservation reserve at least 4,000,000 acres under this paragraph.

"(D) PARTIAL AND WHOLE FIELDS.—Enrollments under this paragraph may include partial and whole fields, except that the Secretary shall accord a higher priority to partial field enrollments.

"(3) SOIL EROSION.—

"(A) IN GENERAL.—The Secretary shall accept offers to enroll highly erodible land only on fields that cannot be farmed by using the best economically attainable conservation system without high potential for degradation of soil or water quality, and such potential degradation cannot be alleviated through other Federal or State conservation assistance programs.

"(B) BEST ECONOMICALLY ATTAINABLE CONSERVATION SYSTEM.—In this paragraph, the term 'best economically attainable conservation system' means a practice or practices designed to significantly reduce soil erosion on highly erodible fields in a cost-effective manner, as specified by the Secretary.

"(C) PARTIAL FIELD ENROLLMENTS.—A portion of a highly erodible field is eligible for enrollment if the partial field segment would provide a significant reduction in soil erosion.

"(4) WILDLIFE HABITAT BENEFITS.—

"(A) IN GENERAL.—The Secretary shall, to the maximum extent practicable, ensure that offers to enroll acreage under paragraphs (2) and (3) are accepted so as to maximize wildlife habitat benefits.

"(B) MAXIMIZING BENEFITS.—An offer that satisfies paragraph (2) or (3) shall be accepted by the Secretary if the offer also maximizes wildlife habitat benefits, as determined by the Secretary. For purposes of this paragraph, the Secretary shall, to the maximum extent practicable, maximize wildlife habitat benefits through—

"(i) consultation with State technical committees established under section 1261(a) as to the relative habitat benefits of each offer, and accepting the offers that maximize benefits; and

"(ii) providing higher priority to offers that would be contiguous to—

"(I) other enrolled acreage;

"(II) a designated wildlife habitat; or

"(III) a wetland.

"(C) COVER CROP INFORMATION.—The Secretary shall provide information to owners or operators about cover crops that are best suited for area wildlife.

"(f) DURATION OF CONTRACT.—For the purpose of carrying out this subchapter, the Secretary shall enter into contracts of not less than 10, nor more than 15, years.

"(g) MULTIYEAR GRASSES AND LEGUMES.—For the purpose of this subchapter, alfalfa and other multiyear grasses and legumes planted in a rotation practice approved by the Secretary, shall be considered agricultural commodities.

"SEC. 1232. DUTIES OF OWNERS AND OPERATORS.

"(a) IN GENERAL.—If required by the Secretary as a term of a contract under this chapter, an owner or operator of a farm or ranch shall agree—

"(1) to implement a conservation plan approved by the local conservation district (or in an area not located within a conservation district, a conservation plan approved by the Secretary) for converting eligible lands normally devoted to the production of an agricultural commodity on the farm or ranch to a less intensive use (as defined by the Secretary), such as pasture, permanent grass, legumes, forbs, shrubs, or trees, substantially in accordance with a schedule outlined in the conservation plan;

"(2) to place highly erodible cropland subject to the contract in the conservation reserve established under this subchapter;

"(3) not to use the land for agricultural purposes, except as permitted by the Secretary;

"(4) to establish approved vegetative cover, or water cover for the enhancement of wildlife, on the land, except that the water cover shall not include ponds for the purpose of watering livestock, irrigating crops, or raising fish for commercial purposes;

"(5) in addition to the remedies provided under section 1236(d), on the violation of a term or condition of the contract at any time the owner or operator has control of the land—

"(A) to forfeit all rights to receive rental payments and cost-sharing payments under the contract and to refund to the Secretary any rental payments and cost-sharing payments received by the owner or operator under the contract, together with interest on the payments as determined by the Secretary, if the Secretary determines that the violation is sufficient to warrant termination of the contract; or

"(B) to refund to the Secretary, or accept adjustments to, the rental payments and cost-sharing payments provided to the owner or operator, as the Secretary considers appropriate, if the Secretary determines that the violation does not warrant termination of the contract;

"(6) on the transfer of the right and interest of the owner or operator in land subject to the contract—

"(A) to forfeit all rights to rental payments and cost-sharing payments under the contract; and

"(B) to refund to the United States all rental payments and cost-sharing payments received by the owner or operator, or accept such payment adjustments or make such refunds as the Secretary considers appropriate and consistent with the objectives of this subchapter, unless—

"(i) the transferee of the land agrees with the Secretary to assume all obligations of the contract; or

"(ii) the land is purchased by or for the United States Fish and Wildlife Service, or the transferee and the Secretary agree to modifications to the contract, if the modifications are consistent with the objectives of this subchapter as determined by the Secretary;

"(7) not to conduct any harvesting or grazing, nor otherwise make commercial use of the forage, on land that is subject to the contract, nor adopt any similar practice specified in the contract by the Secretary as a practice that would tend to defeat the purposes of the contract, except that the Secretary may permit—

"(A) harvesting or grazing or other commercial use of the forage on land that is subject to the contract in response to a drought or other similar emergency; and

"(B) limited grazing on the land if the grazing is incidental to the gleaning of crop residues on the fields in which the land is located and occurs—

"(i) during the 7-month period during which grazing of conserving use acreage is allowed in a State under the Agricultural Act of 1949 (7 U.S.C. 1421 et seq.); or

"(ii) after the producer harvests the grain crop of the surrounding field for a reduction in rental payment commensurate with the limited economic value of the incidental grazing;

"(8) not to harvest or make commercial use of trees on land that is subject to the contract unless expressly permitted in the contract, except that no contract shall prohibit activities consistent with customary forestry practice, such as pruning, thinning, or stand improvement of trees, on land converted to forestry use;

"(9) not to adopt any practice that would tend to defeat the objectives of this subchapter;

"(10) with respect to any contract entered into after the effective date of section 3 of the Agricultural Resources Conservation Act of 1995, concerning highly erodible land in a county that has not reached the limitation established by section 1242(c)—

"(A) not to produce an agricultural commodity for the duration of the contract on any other highly erodible land that the owner or operator has purchased after the effective date of section 3 of the Agricultural Resources Conservation Act of 1995, and that does not have a history of being used to produce an agricultural commodity other than forage crops; and

"(B) on the violation of subparagraph (A), to be subject to the sanctions described in paragraph (5); and

"(11) to comply with such additional provisions as the Secretary determines are necessary.

"(b) CONSERVATION PLAN.—The conservation plan required under subsection (a)(1)—

"(1) shall set forth—

"(A) the conservation measures and practices to be carried out by the owner or operator during the term of the contract; and

"(B) the commercial use, if any, to be permitted on the land during the term; and

"(2) may provide for the permanent retirement of any cropland base and allotment history for the land.

"(c) ENVIRONMENTAL USE.—To the maximum extent practicable, not less than ⅛ of land that is placed in the conservation reserve shall be devoted to hardwood trees.

"(d) FORECLOSURE.—

"(1) IN GENERAL.—Notwithstanding any other law, an owner or operator of land who is a party to a contract entered into under this subchapter may not be required to make repayments to the Secretary of amounts received under the contract if the land that is subject to the contract has been foreclosed on and the Secretary determines that forgiving the repayments is appropriate to provide fair and equitable treatment.

"(2) RESUMPTION OF CONTROL.—This subsection shall not void the responsibilities of the owner or operator under the contract if the owner or operator resumes control over the land that is subject to the contract within the term of the contract. On the resumption of the control over the land by the owner or operator, the provisions of the contract in effect on the date of the foreclosure shall apply.

"SEC. 1233. DUTIES OF THE SECRETARY.

"In return for a contract entered into by an owner or operator under section 1232, the Secretary shall—

"(1) share the cost of carrying out the conservation measures and practices set forth in the contract for which the Secretary determines that cost sharing is appropriate and in the public interest;

"(2) for a period of years not in excess of the term of the contract, pay an annual rental payment in an amount necessary to compensate for—

"(A) the conversion of cropland normally devoted to the production of an agricultural commodity on a farm or ranch to a less intensive use, consistent with section 1231(e); and

"(B) the retirement of any cropland base and allotment history that the owner or operator agrees to retire permanently; and

"(3) provide conservation technical assistance, as determined necessary by the Secretary, to assist the owner or operator in carrying out the contract.

"SEC. 1234. PAYMENTS.

"(a) TIME OF COST-SHARING AND ANNUAL RENTAL PAYMENTS.—The Secretary shall provide payment for obligations incurred by the Secretary under a contract entered into under this subchapter—

"(1) with respect to any cost-sharing payment obligation incurred by the Secretary, as soon as practicable after the obligation is incurred; and

"(2) with respect to any annual rental payment obligation incurred by the Secretary—

"(A) as soon as practicable after October 1 of each calendar year; or

"(B) at the discretion of the Secretary, at any time prior to October 1 during the year that the obligation is incurred.

"(b) FEDERAL PERCENTAGE OF COST-SHARING PAYMENTS.—

"(1) IN GENERAL.—In making cost-sharing payments to an owner or operator under a contract entered into under this subchapter, the Secretary shall pay 50 percent of the cost of establishing water quality and conservation measures and practices required under the contracts for which the Secretary determines that cost sharing is appropriate and in the public interest.

"(2) LIMITATION.—The Secretary shall not make any payment to an owner or operator under this subchapter to the extent that the total amount of cost-sharing payments provided to the owner or operator from all sources would exceed 100 percent of the total actual costs.

"(3) HARDWOOD TREES.—The Secretary may permit an owner or operator who contracts to devote at least 10 acres of land to the production of hardwood trees under this subchapter to extend the planting of the trees over a 3-year period if at least ⅓ of the trees are planted in each of the first 2 years.

"(4) OTHER FEDERAL COST-SHARING ASSISTANCE.—An owner or operator shall not be eligible to receive or retain cost-sharing assistance under this subchapter if the owner or operator receives any other Federal cost-sharing assistance with respect to the land under any other law.

"(c) ANNUAL RENTAL PAYMENTS.—

"(1) ENCOURAGING PARTICIPATION.—In determining the amount of annual rental payments to be paid to owners and operators for converting eligible cropland normally devoted to the production of an agricultural commodity to a less intensive use, the Secretary may consider, among other factors, the amount necessary to encourage owners or operators of eligible cropland to participate in the program established by this subchapter.

"(2) AMOUNT.—

"(A) IN GENERAL.—The amounts payable to owners or operators as rental payments under contracts entered into under this subchapter shall be determined by the Secretary through—

"(i) the submission of offers for the contracts by owners and operators in such manner as the Secretary may prescribe; and

"(ii) determination of the rental value of the land through a productivity adjustment formula determined by the Secretary.

"(B) LIMITATION.—Rental payments shall not exceed local rental rates, except that rental payments for partial field enrollments may be made in an amount that does not exceed 150 percent of local rental rates, adjusted for the productivity of the land, as determined by the Secretary.

"(3) HARDWOOD TREES.—In the case of acreage enrolled in the conservation reserve that is to be devoted to hardwood trees, the Secretary may consider offers for contracts under this subsection on a continuous basis.

"(d) CASH OR IN-KIND PAYMENTS.—

"(1) IN GENERAL.—Except as otherwise provided in this section, payments under this subchapter—

"(A) shall be made in cash or in commodities in such amount and on such time schedule as are agreed on and specified in the contract; and

"(B) may be made in advance of the determination of performance.

"(2) IN-KIND PAYMENTS.—If the payment is made in in-kind commodities, the payment shall be made by the Commodity Credit Corporation—

"(A) by delivery of the commodity involved to the owner or operator at a warehouse or other similar facility located in the county in which the highly erodible cropland is located or at such other location as is agreed to by the Secretary and the owner or operator;

"(B) by the transfer of negotiable warehouse receipts; or

"(C) by such other method, including the sale of the commodity in commercial markets, as is determined by the Secretary to be

appropriate to enable the owner or operator to receive efficient and expeditious possession of the commodity.

"(3) INSUFFICIENT STOCKS.—If stocks of a commodity acquired by the Commodity Credit Corporation are not readily available to make full payment in kind to an owner or operator, the Secretary may substitute full or partial payment in cash for payment in kind.

"(4) SPECIAL CONSERVATION RESERVE ENHANCEMENT PROGRAM.—Payments to a producer under a special conservation reserve enhancement program described in subsection (f)(4) shall be in the form of cash only.

"(e) PAYMENT ON DEATH, DISABILITY, OR SUCCESSION.—If an owner or operator who is entitled to a payment under a contract entered into under this subchapter dies, becomes incompetent, is otherwise unable to receive the payment, or is succeeded by another person who renders or completes the required performance, the Secretary shall make the payment, in accordance with regulations prescribed by the Secretary and without regard to any other provision of law, in such manner as the Secretary determines is fair and reasonable in light of all of the circumstances.

"(f) PAYMENT LIMITATION.—

"(1) IN GENERAL.—The total amount of rental payments, including the value of any rental payments in in-kind commodities, made to a person under this subchapter for any fiscal year may not exceed $50,000.

"(2) REGULATIONS.—The Secretary shall issue regulations that are consistent with section 1001 for the purpose of—

"(A) defining the term 'person' as used in paragraph (1); and

"(B) prescribing such rules as the Secretary determines are necessary to ensure a fair and reasonable application of the limitation contained in paragraph (1).

"(3) RECEIPT OF OTHER PAYMENTS NOT AFFECTED.—Rental payments received by an owner or operator shall be in addition to, and not affect, the total amount of payments that the owner or operator is otherwise eligible to receive under this Act, the Food, Agriculture, Conservation, and Trade Act of 1990 (Public Law 101–624), or the Agricultural Act of 1949 (7 U.S.C. 1421 et seq.).

"(4) SPECIAL CONSERVATION RESERVE ENHANCEMENT PROGRAM.—The provisions of this subsection that limit payments to any person, and section 1305(f) of the Agricultural Reconciliation Act of 1987 (Public Law 100–203; 7 U.S.C. 1308 note), shall not be applicable to payments received by a State or political subdivision, or an agency of a State or political subdivision, in connection with an agreement entered into under a special conservation reserve enhancement program carried out by the State, political subdivision, or agency that has been approved by the Secretary. The Secretary may enter into an agreement for payments to a State or political subdivision, or agency of a State or political subdivision, that the Secretary determines will advance the objectives of this subchapter.

"(g) CONTRACTS UNAFFECTED BY CERTAIN PRESIDENTIAL ORDERS.—Notwithstanding any other law, no order issued for any fiscal year under section 252 of the Balanced Budget and Emergency Deficit Control Act of 1985 (2 U.S.C. 902) shall affect any payment under any contract entered into at any time that is subject to this subchapter, including contracts entered into prior to the effective date of section 3 of the Agricultural Resources Conservation Act of 1995.

"(h) COST-SHARING PAYMENTS.—In addition to any payment under this subchapter, an owner or operator may receive cost-sharing payments, rental payments, or tax benefits from a State or political subdivision of a State for enrolling lands in the conservation reserve program.

"SEC. 1235. CONTRACTS.

"(a) OWNERSHIP OR OPERATION REQUIREMENT.—

"(1) IN GENERAL.—Subject to paragraph (2), no contract shall be entered into under this subchapter concerning land with respect to which the ownership has changed during the 3-year period preceding the date the contract is entered into unless—

"(A) the new ownership was acquired by will or succession as a result of the death of the previous owner;

"(B) the Secretary determines that the land was acquired under circumstances that give adequate assurance that the land was not acquired for the purpose of placing the land in the program established by this subchapter; or

"(C) the ownership change occurred due to foreclosure on the land and the owner of the land immediately before the foreclosure exercised a right of redemption from the mortgage holder in accordance with a State law.

"(2) APPLICABILITY.—Paragraph (1) shall not—

"(A) prohibit the continuation of a contract by a new owner after a contract has been entered into under this subchapter; or

"(B) require a person to own the land as a condition of eligibility for entering into the contract if the person—

"(i) has operated the land to be covered by a contract under this subchapter for at least 3 years preceding the date of entering into the contract; and

"(ii) controls the land during the contract period.

"(b) SALES OR TRANSFERS.—If, during the term of a contract entered into under this subchapter, an owner or operator of land subject to the contract sells or otherwise transfers the ownership or right of occupancy of the land, the new owner or operator of the land may—

"(1) continue the contract under the same terms and conditions of the contract;

"(2) enter into a new contract in accordance with this subchapter; or

"(3) elect not to participate in the program established under this subchapter.

"(c) MODIFICATIONS AND WAIVERS.—

"(1) IN GENERAL.—The Secretary may modify a contract entered into by an owner or operator under this subchapter if—

"(A) the owner or operator agrees to the modification; and

"(B) the Secretary determines that the modification is desirable—

"(i) to carry out this subchapter;

"(ii) to facilitate the practical administration of this subchapter; or

"(iii) to achieve such other goals as the Secretary determines are appropriate, consistent with this subchapter.

"(2) PRODUCTION OF AGRICULTURAL COMMODITIES.—The Secretary may modify or waive a term or condition of a contract entered into under this subchapter to permit all or part of the land subject to the contract to be devoted to the production of an agricultural commodity during a crop year, subject to such conditions as the Secretary determines are appropriate.

"(d) TERMINATION.—The Secretary may terminate a contract entered into with an owner or operator under this subchapter if—

"(1) the owner or operator agrees to the termination; and

"(2) the Secretary determines that the termination is in the public interest.

"SEC. 1236. BASE HISTORY.

"(a) REDUCTIONS.—A reduction, based on a ratio between the total cropland acreage on the farm and the acreage placed in the conservation reserve, as determined by the Secretary, shall be made during the period of a contract entered into under this subchapter, in the aggregate, in crop bases, quotas, and allotments on the farm with respect to crops for which there is a production adjustment program.

"(b) BASE HISTORY AS BASIS FOR PARTICIPATION IN OTHER FEDERAL PROGRAMS.—Notwithstanding sections 1211 and 1221, the Secretary, by appropriate regulation, may provide for preservation of cropland base and allotment history applicable to acreage converted from the production of agricultural commodities under this subchapter, for the purpose of any Federal program under which the history is used as a basis for participation in the program or for an allotment or other limitation of the program, unless the owner and operator of the farm or ranch agree under the contract to retire permanently that cropland base and allotment history.

"(c) EXTENSION OF PRESERVATION OF CROPLAND BASE AND ALLOTMENT HISTORY.—The Secretary shall offer the owner or operator of a farm or ranch an opportunity to extend the preservation of cropland base and allotment history pursuant to subsection (b) for such time as the Secretary determines to be appropriate after the expiration date of a contract under this subchapter at the request of the owner or operator. In return for the extension, the owner or operator shall agree to continue to abide by the terms and conditions of the original contract, except that—

"(1) the owner or operator shall receive no additional cost-sharing, annual rental, or bonus payment; and

"(2) the Secretary may permit, subject to such terms and conditions as the Secretary may impose, haying and grazing of acreage subject to the agreement, except that—

"(A) haying and grazing shall not be permitted during any consecutive 5-month period that is established by the State committee established under section 8(b) of the Soil Conservation and Domestic Allotment Act (16 U.S.C. 590h(b)) during the period beginning April 1 and ending October 31 of a year; and

"(B) in the case of a natural disaster, the Secretary may permit unlimited haying and grazing on the acreage.

"(d) ADDITIONAL REMEDIES FOR VIOLATIONS.—In addition to any other remedy prescribed by law, the Secretary may reduce or terminate the quantity of cropland base and allotment history preserved pursuant to subsection (c) for acreage with respect to which a violation of a term or condition of a contract occurs.".

SEC. 4. ENVIRONMENTAL QUALITY INCENTIVES PROGRAM.

Chapter 2 of subtitle D of title XII of the Food Security Act of 1985 (16 U.S.C. 3838 et seq.) is amended to read as follows:

"CHAPTER 2—ENVIRONMENTAL QUALITY INCENTIVES PROGRAM

"SEC. 1238. FINDINGS AND PURPOSES.

"(a) FINDINGS.—Congress finds that—

"(1) farmers and ranchers cumulatively manage more than ½ of the private lands in the continental United States;

"(2) because of the predominance of agriculture, the soil, water, and related natural

resources of the United States cannot be protected without cooperative relationships between the Federal Government and farmers and ranchers;

"(3) farmers and ranchers have made tremendous progress in protecting the environment and the agricultural resource base of the United States over the past decade because of not only Federal Government programs but also their spirit of stewardship and the adoption of effective technologies;

"(4) it is in the interest of the entire United States that farmers and ranchers continue to strive to preserve soil resources and make more efforts to protect water quality and wildlife habitat, and address other broad environmental concerns;

"(5) environmental strategies that stress the prudent management of resources, as opposed to idling land, will permit the maximum economic opportunities for farmers and ranchers in the future;

"(6) unnecessary bureaucratic and paperwork barriers associated with existing agricultural conservation assistance programs decrease the potential effectiveness of the programs; and

"(7) the recent trend of Federal spending on agricultural conservation programs suggests that assistance to farmers and ranchers in future years will, absent changes in policy, dwindle to perilously low levels.

"(b) PURPOSES.—The purposes of the environmental quality incentives program established by this chapter are to—

"(1) combine into a single program the functions of—

"(A) the agricultural conservation program authorized by sections 7 and 8 of the Soil Conservation and Domestic Allotment Act (16 U.S.C. 590g and 590h) (as in effect before the amendments made by section 6(a)(1) of the Agricultural Resources Conservation Act of 1995);

"(B) the Great Plains conservation program established under section 16(b) of the Soil Conservation and Domestic Allotment Act (16 U.S.C. 590p(b)) (as in effect before the amendment made by section 6(b)(1) of the Agricultural Resources Conservation Act of 1995);

"(C) the water quality incentives program established under this chapter (as in effect before the amendment made by section 4 of the Agricultural Resources Conservation Act of 1995); and

"(D) the Colorado River Basin salinity control program established under section 202(c) of the Colorado River Basin Salinity Control Act (43 U.S.C. 1592(c)) (as in effect before the amendment made by section 6(c)(1) of the Agricultural Resources Conservation Act of 1995); and

"(2) carry out the single program in a manner that maximizes environmental benefits per dollar expended, and that provides—

"(A) flexible technical and financial assistance to farmers and ranchers that face the most serious threats to soil, water, and related natural resources, including grazing lands, wetlands, and wildlife habitat;

"(B) assistance to farmers and ranchers in complying with this title and Federal and State environmental laws, and to encourage environmental enhancement;

"(C) assistance to farmers and ranchers in making beneficial, cost-effective changes to cropping systems, grazing management, manure, nutrient, pest, or irrigation management, land uses, or other measures needed to conserve and improve soil, water, and related natural resources; and

"(D) for the consolidation and simplification of the conservation planning process to reduce administrative burdens on the owners and operators of farms and ranches.

"SEC. 1238A. DEFINITIONS.

"In this chapter:

"(1) LAND MANAGEMENT PRACTICE.—The term 'land management practice' means nutrient or manure management, integrated pest management, irrigation management, tillage or residue management, grazing management, or another land management practice the Secretary determines is needed to protect soil, water, or related resources in the most cost effective manner.

"(2) LARGE CONFINED LIVESTOCK OPERATION.—The term 'large confined livestock operation' means a farm or ranch that—

"(A) is a confined animal feeding operation; and

"(B) has more than—

"(i) 700 mature dairy cattle;

"(ii) 1,000 beef cattle;

"(iii) 30,000 laying hens or broilers (if the facility has continuous overflow watering);

"(iv) 100,000 laying hens or broilers (if the facility has a liquid manure system);

"(v) 55,000 turkeys;

"(vi) 2,500 swine; or

"(vii) 10,000 sheep or lambs.

"(3) LIVESTOCK.—The term 'livestock' means mature dairy cows, beef cattle, laying hens, broilers, turkeys, swine, sheep, or lambs.

"(4) OPERATOR.—The term 'operator' means a person who is engaged in crop or livestock production (as defined by the Secretary).

"(5) STRUCTURAL PRACTICE.—The term 'structural practice' means the establishment of an animal waste management facility, terrace, grassed waterway, contour grass strip, filterstrip, permanent wildlife habitat, or another structural practice that the Secretary determines is needed to protect soil, water, or related resources in the most cost effective manner.

"SEC. 1238B. ESTABLISHMENT AND ADMINISTRATION OF ENVIRONMENTAL QUALITY INCENTIVES PROGRAM.

"(a) ESTABLISHMENT.—

"(1) IN GENERAL.—During the 1996 through 2005 fiscal years, the Secretary shall provide technical assistance, cost-sharing payments, and incentive payments to operators, who enter into contracts with the Secretary, through an environmental quality incentives program in accordance with this chapter.

"(2) ELIGIBLE PRACTICES.—

"(A) STRUCTURAL PRACTICES.—An operator who implements a structural practice shall be eligible for technical assistance or cost-sharing payments, or both.

"(B) LAND MANAGEMENT PRACTICES.—An operator who performs a land management practice shall be eligible for technical assistance or incentive payments, or both.

"(b) APPLICATION AND TERM.—A contract between an operator and the Secretary under this chapter may—

"(1) apply to 1 or more structural practices or 1 or more land management practices, or both; and

"(2) have a term of not less than 5, nor more than 10, years, as determined appropriate by the Secretary, depending on the practice or practices that are the basis of the contract.

"(c) STRUCTURAL PRACTICES.—

"(1) COMPETITIVE OFFER.—The Secretary shall administer a competitive offer system for operators proposing to receive cost-sharing payments in exchange for the implementation of 1 or more structural practices by the operator. The competitive offer system shall consist of—

"(A) the submission of a competitive offer by the operator in such manner as the Secretary may prescribe; and

"(B) evaluation of the offer in light of the priorities established in section 1238C and the projected cost of the proposal, as determined by the Secretary.

"(2) CONCURRENCE OF OWNER.—If the operator making an offer to implement a structural practice is a tenant of the land involved in agricultural production, for the offer to be acceptable, the operator shall obtain the concurrence of the owner of the land with respect to the offer.

"(d) LAND MANAGEMENT PRACTICES.—The Secretary shall establish an application and evaluation process for awarding technical assistance or incentive payments, or both, to an operator in exchange for the performance of 1 or more land management practices by the operator.

"(e) COST-SHARING AND INCENTIVE PAYMENTS.—

"(1) COST-SHARING PAYMENTS.—

"(A) IN GENERAL.—The Federal share of cost-sharing payments to an operator proposing to implement 1 or more structural practices shall not be less than 75 percent of the projected cost of the practice, as determined by the Secretary, taking into consideration any payment received by the operator from a State or local government.

"(B) LIMITATION.—An operator of a large confined livestock operation shall not be eligible for cost-sharing payments to construct an animal waste management facility.

"(C) OTHER PAYMENTS.—An operator shall not be eligible for cost-sharing payments for structural practices on eligible land under this chapter if the operator receives cost-sharing payments or other benefits for the same land under chapter 1 or 3.

"(2) INCENTIVE PAYMENTS.—The Secretary shall make incentive payments in an amount and at a rate determined by the Secretary to be necessary to encourage an operator to perform 1 or more land management practices.

"(f) TECHNICAL ASSISTANCE.—

"(1) FUNDING.—The Secretary shall allocate funding under this chapter for the provision of technical assistance according to the purpose and projected cost for which the technical assistance is provided in a fiscal year. The allocated amount may vary according to the type of expertise required, quantity of time involved, and other factors as determined appropriate by the Secretary. Funding shall not exceed the projected cost to the Secretary of the technical assistance provided in a fiscal year.

"(2) OTHER AUTHORITIES.—The receipt of technical assistance under this chapter shall not affect the eligibility of the operator to receive technical assistance under other authorities of law available to the Secretary.

"(g) MODIFICATION OR TERMINATION OF CONTRACTS.—

"(1) VOLUNTARY MODIFICATION OR TERMINATION.—The Secretary may modify or terminate a contract entered into with an operator under this chapter if—

"(A) the operator agrees to the modification or termination; and

"(B) the Secretary determines that the modification or termination is in the public interest.

"(2) INVOLUNTARY TERMINATION.—The Secretary may terminate a contract under this chapter if the Secretary determines that the operator violated the contract.

"(h) NON-FEDERAL ASSISTANCE.—

"(1) IN GENERAL.—The Secretary may request the services of a State water quality

agency, State fish and wildlife agency, State forestry agency, or any other governmental or private resource considered appropriate to assist in providing the technical assistance necessary for the development and implementation of a structural practice or land management practice.

"(2) LIMITATION ON LIABILITY.—No person shall be permitted to bring or pursue any claim or action against any official or entity based on or resulting from any technical assistance provided to an operator under this chapter to assist in complying with a Federal or State environmental law.

"SEC. 1238C. EVALUATION OF OFFERS AND PAYMENTS.

"(a) REGIONAL PRIORITIES.—The Secretary shall provide technical assistance, cost-sharing payments, and incentive payments to operators in a region, watershed, or conservation priority area under this chapter based on the significance of the soil, water, and related natural resource problems in the region, watershed, or area, and the structural practices or land management practices that best address the problems, as determined by the Secretary.

"(b) MAXIMIZATION OF ENVIRONMENTAL BENEFITS.—

"(1) IN GENERAL.—In providing technical assistance, cost-sharing payments, and incentive payments to operators in regions, watersheds, or conservation priority areas under this chapter, the Secretary shall accord a higher priority to assistance and payments that maximize environmental benefits per dollar expended.

"(2) NATIONAL AND REGIONAL PRIORITY.—The prioritization shall be done nationally as well as within the conservation priority area, region, or watershed in which an agricultural operation is located.

"(3) CRITERIA.—To carry out this subsection, the Secretary shall establish criteria for implementing structural practices and land management practices that best achieve conservation goals for a region, watershed, or conservation priority area, as determined by the Secretary.

"(c) STATE OR LOCAL CONTRIBUTIONS.—The Secretary shall accord a higher priority to operators whose agricultural operations are located within watersheds, regions, or conservation priority areas in which State or local governments have provided, or will provide, financial or technical assistance to the operators for the same conservation or environmental purposes.

"(d) PRIORITY LANDS.—The Secretary shall accord a higher priority to structural practices or land management practices on lands on which agricultural production has been determined to contribute to, or create, the potential for failure to meet applicable water quality standards or other environmental objectives of a Federal or State law.

"SEC. 1238D. DUTIES OF OPERATORS.

"To receive technical assistance, cost-sharing payments, or incentives payments under this chapter, an operator shall agree—

"(1) to implement an environmental quality incentives program plan that describes conservation and environmental goals to be achieved through a structural practice or land management practice, or both, that is approved by the Secretary;

"(2) not to conduct any practices on the farm or ranch that would tend to defeat the purposes of this chapter;

"(3) on the violation of a term or condition of the contract at any time the operator has control of the land, to refund any cost-sharing or incentive payment received with interest, and forfeit any future payments under this chapter, as determined by the Secretary;

"(4) on the transfer of the right and interest of the operator in land subject to the contract, unless the transferee of the right and interest agrees with the Secretary to assume all obligations of the contract, to refund all cost-sharing payments and incentive payments received under this chapter, as determined by the Secretary;

"(5) to supply information as required by the Secretary to determine compliance with the environmental quality incentives program plan and requirements of the program; and

"(6) to comply with such additional provisions as the Secretary determines are necessary to carry out the environmental quality incentives program plan.

"SEC. 1238E. ENVIRONMENTAL QUALITY INCENTIVES PROGRAM PLAN.

"An environmental quality incentives program plan shall include (as determined by the Secretary)—

"(1) a description of the prevailing farm or ranch enterprises, cropping patterns, grazing management, cultural practices, or other information that may be relevant to conserving and enhancing soil, water, and related natural resources;

"(2) a description of relevant farm or ranch resources, including soil characteristics, rangeland types and condition, proximity to water bodies, wildlife habitat, or other relevant characteristics of the farm or ranch related to the conservation and environmental objectives set forth in the plan;

"(3) a description of specific conservation and environmental objectives to be achieved;

"(4) to the extent practicable, specific, quantitative goals for achieving the conservation and environmental objectives;

"(5) a description of 1 or more structural practices or 1 or more land management practices, or both, to be implemented to achieve the conservation and environmental objectives;

"(6) a description of the timing and sequence for implementing the structural practices or land management practices, or both, that will assist the operator in complying with Federal and State environmental laws; and

"(7) information that will enable evaluation of the effectiveness of the plan in achieving the conservation and environmental objectives, and that will enable evaluation of the degree to which the plan has been implemented.

"SEC. 1238F. DUTIES OF THE SECRETARY.

"To the extent appropriate, the Secretary shall assist an operator in achieving the conservation and environmental goals of an environmental quality incentives program plan by—

"(1) providing an eligibility assessment of the farming or ranching operation of the operator as a basis for developing the plan;

"(2) providing technical assistance in developing and implementing the plan;

"(3) providing technical assistance, cost-sharing payments, or incentive payments for developing and implementing 1 or more structural practices or 1 or more land management practices, as appropriate;

"(4) providing the operator with information, education, and training to aid in implementation of the plan; and

"(5) encouraging the operator to obtain technical assistance, cost-sharing payments, or grants from other Federal, State, local, or private sources.

"SEC. 1238G. ELIGIBLE LANDS.

"Agricultural land on which a structural practice or land management practice, or both, shall be eligible for technical assistance, cost-sharing payments, or incentive payments under this chapter include—

"(1) agricultural land (including cropland, rangeland, pasture, and other land on which crops or livestock are produced) that the Secretary determines poses a serious threat to soil, water, or related resources by reason of the soil types, terrain, climatic, soil, topographic, flood, or saline characteristics, or other factors or natural hazards;

"(2) an area that is considered to be critical agricultural land on which either crop or livestock production is carried out, as identified in a plan submitted by the State under section 319 of the Federal Water Pollution Control Act (33 U.S.C. 1329) as having priority problems that result from an agricultural nonpoint source of pollution;

"(3) an area recommended by a State lead agency for protection of soil, water, and related resources, as designated by a Governor of a State; and

"(4) land that is not located within a designated or approved area, but that if permitted to continue to be operated under existing management practices, would defeat the purpose of the environmental quality incentives program, as determined by the Secretary.

"SEC. 1238H. LIMITATIONS ON PAYMENTS.

"(a) PAYMENTS.—The total amount of cost-sharing and incentive payments paid to a person under this chapter may not exceed—

"(1) $10,000 for any fiscal year; or

"(2) $50,000 for any multiyear contract.

"(b) REGULATIONS.—The Secretary shall issue regulations that are consistent with section 1001 for the purpose of—

"(1) defining the term 'person' as used in subsection (a); and

"(2) prescribing such rules as the Secretary determines necessary to ensure a fair and reasonable application of the limitations contained in subsection (a).

"SEC. 1238I. TEMPORARY ADMINISTRATION OF ENVIRONMENTAL QUALITY INCENTIVES PROGRAM.

"(a) INTERIM ADMINISTRATION.—

"(1) IN GENERAL.—During the period beginning on the date of enactment of this section and ending on the later of the dates specified in paragraph (2), to ensure that technical assistance, cost-sharing payments, and incentive payments continue to be administered in an orderly manner until such time as assistance can be provided through final regulations issued to implement the environmental quality incentives program established under this chapter, the Secretary shall continue to provide technical assistance, cost-sharing payments, and incentive payments under the terms and conditions of the agricultural conservation program, the Great Plains conservation program, the water quality incentives program, and the Colorado River Basin salinity control program, to the extent the terms and conditions of the programs are consistent with the environmental quality incentives program.

"(2) EXPIRATION OF AUTHORITY.—The authority of the Secretary to carry out paragraph (1) shall terminate on the later of—

"(A) the date that is 180 days after the date of enactment of this section; or

"(B) March 31, 1996.

"(b) PERMANENT ADMINISTRATION.—Effective beginning on the later of the dates specified in subsection (a)(2), the Secretary shall provide technical assistance, cost-sharing

payments, and incentive payments for structural practices and land management practices related to crop and livestock production in accordance with final regulations issued to carry out the environmental quality incentives program.".

SEC. 5. ADMINISTRATION.

Subtitle E of title XII of the Food Security Act of 1985 (16 U.S.C. 3841 et seq.) is amended to read as follows:

"Subtitle E—Administration

"SEC. 1241. FUNDING.

"(a) MANDATORY EXPENSES.—Subject to subsection (f), the Secretary shall use the funds of the Commodity Credit Corporation for each of fiscal years 1996 through 2005 to carry out the programs authorized by—

"(1) subchapter B of chapter 1 of subtitle D (including contracts extended by the Secretary pursuant to section 1437 of the Food, Agriculture, Conservation, and Trade Act of 1990 (Public Law 101-624; 16 U.S.C. 3831 note));

"(2) subchapter C of chapter 1 of subtitle D; and

"(3) chapter 2 of subtitle D.

"(b) ADVANCE APPROPRIATIONS TO CCC.—The Secretary may use the funds of the Commodity Credit Corporation to carry out chapter 3 of subtitle D, except that the Secretary may not use the funds of the Corporation unless the Corporation has received funds to cover the expenditures from appropriations made to carry out chapter 3 of subtitle D.

"(c) ENVIRONMENTAL QUALITY INCENTIVES PROGRAM.—

"(1) CROP PRODUCTION.—Subject to subsection (f), funds of the Commodity Credit Corporation for technical assistance, cost-sharing payments, and incentive payments targeted at practices relating to crop production under the environmental quality incentives program—

"(A) in the case of each of fiscal years 1996 and 1997, shall be allocated in the same proportion that existed between practices relating to crop production and livestock production in fiscal year 1995; and

"(B) in the case of each of fiscal years 1998 through 2005, shall not be less than the total funding level for the payments for fiscal year 1995.

"(2) LIVESTOCK PRODUCTION.—Subject to subsection (f) and paragraph (3), for each of fiscal years 2000 through 2005, 50 percent of the funding available for technical assistance, cost-sharing payments, and incentive payments under the environmental quality incentives program shall be targeted at practices relating to livestock production.

"(3) LIMITATION.—The Secretary is authorized to allocate less than 50 percent of the total program funding level for a fiscal year for practices relating to crop or livestock production under paragraphs (1) and (2), if the Secretary determines that the funding level is not justified by need or demand.

"(d) CONSERVATION RESERVE PROGRAM.—Subject to subsection (f), funding for the conservation reserve program (including contracts extended by the Secretary pursuant to section 1437 of the Food, Agriculture, Conservation, and Trade Act of 1990 (Public Law 101-624; 16 U.S.C. 3831 note)) shall be—

"(1) $1,805,000,000 for fiscal year 1996;

"(2) $1,804,000,000 for fiscal year 1997;

"(3) $1,485,000,000 for fiscal year 1998;

"(4) $1,345,000,000 for fiscal year 1999; and

"(5) $1,221,000,000 for each of fiscal years 2000 through 2005.

"(e) WETLANDS RESERVE PROGRAM.—Subject to subsection (f), funding to carry out the wetlands reserve program under subchapter C of chapter 1 of subtitle D shall be $150,000,000 for each of fiscal years 1996 through 2005.

"(f) LIMITATION ON USE OF CCC FUNDS.—Subject to subsection (c)(3) and notwithstanding any other law, the Secretary shall allocate $2,060,000,000, of funds of the Commodity Credit Corporation for each of fiscal years 1996 through 2005 to carry out the programs authorized by chapters 1 and 2 of subtitle D.

"(g) PRORATION OF PAYMENTS.—If for any fiscal year the Secretary has incurred total contractual obligations to make payments under all programs authorized under subtitle D (other than chapter 3 of subtitle D) that would exceed an amount of $2,060,000,000, the Secretary shall prorate all payments owed under subtitle D (other than chapter 3 of subtitle D) for the fiscal year to ensure that actual payments for the fiscal year do not exceed that amount.

"SEC. 1242. ADMINISTRATION.

"(a) PLANS.—The Secretary shall, to the extent practicable, avoid duplication in—

"(1) the conservation plans required for—

"(A) highly erodible land conservation under subtitle B;

"(B) the conservation reserve program established under subchapter B of chapter 1 of subtitle D; and

"(C) the wetlands reserve program established under subchapter C of chapter 1 of subtitle D; and

"(2) the environmental quality incentives program plan required under chapter 2 of subtitle D.

"(b) TENANTS AND SHARECROPPERS.—In carrying out the programs established under subtitle D, the Secretary shall provide adequate safeguards to protect the interests of tenants and sharecroppers, including provision for sharing, on a fair and equitable basis, in payments under a program established by subtitle D.

"(c) ACREAGE LIMITATION.—

"(1) IN GENERAL.—The Secretary shall not enroll more than 25 percent of the cropland in any county in the programs administered under the conservation reserve and wetlands reserve programs established under subchapters B and C, respectively, of chapter 1 of subtitle D. Not more than 10 percent of the cropland in a county may be subject to an easement acquired under the subchapters.

"(2) EXCEPTION.—The Secretary may exceed the limitations in paragraph (1) if the Secretary determines that—

"(A) the action would not adversely affect the local economy of a county; and

"(B) operators in the county are having difficulties complying with conservation plans implemented under section 1212.

"(3) SHELTERBELTS AND WINDBREAKS.—The limitations established under this subsection shall not apply to cropland that is subject to an easement under chapter 1 or 3 of subtitle D that is used for the establishment of shelterbelts and windbreaks.

"(d) REGULATIONS.—

"(1) CONSERVATION RESERVE AND WETLANDS RESERVE PROGRAMS.—Not later than 90 days after the effective date of this section, the Secretary shall issue regulations to implement the conservation reserve and wetlands reserve programs established under chapter 1 of subtitle D.

"(2) ENVIRONMENTAL QUALITY INCENTIVES PROGRAM.—Not later than 180 days after the effective date of this section, the Secretary shall issue regulations to implement the environmental quality incentives program under chapter 2 of subtitle D.

"SEC. 1243. CONSERVATION OPERATIONS.

"It is the sense of Congress that—

"(1) the functions performed by the Secretary pursuant to the authority for Conservation Operations are valuable conservation activities that should continue to be carried out by the Secretary; and

"(2) the amount of funds made available to carry out the functions of Conservation Operations for each fiscal year should not be less than the amount of funds made available to carry out those functions during fiscal year 1995.

"SEC. 1244. INFORMATION MANAGEMENT.

"It is the sense of Congress that the Secretary should develop information management techniques that are necessary to create—

"(1) individual farm or ranch natural resource databases that would streamline the process by which owners or operators apply to participate in a conservation program administered by the Secretary; and

"(2) to the extent practicable, develop a common application process for all conservation programs.".

SEC. 6. CONFORMING AMENDMENTS.

(a) AGRICULTURAL CONSERVATION PROGRAM.—

(1) ELIMINATION.—

(A) Section 8 of the Soil Conservation and Domestic Allotment Act (16 U.S.C. 590h) is amended—

(i) in subsection (b)—

(I) by striking paragraphs (1) through (4) and inserting the following:

"(1) ENVIRONMENTAL QUALITY INCENTIVES PROGRAM.—The Secretary shall provide technical assistance, cost share payments, and incentive payments to operators through the environmental quality incentives program in accordance with chapter 2 of subtitle D of the Food Security Act of 1985 (16 U.S.C. 3838 et seq.).."; and

(II) by striking paragraphs (6) through (8); and

(ii) by striking subsections (d), (e), and (f).

(B) The first sentence of section 11 of the Soil Conservation and Domestic Allotment Act (16 U.S.C. 590k) is amended by striking "performance: *Provided further*," and all that follows through "or other law" and inserting "performance".

(C) Section 14 of the Act (16 U.S.C. 590n) is amended—

(i) in the first sentence, by striking "or 8"; and

(ii) by striking the second sentence.

(D) Section 15 of the Act (16 U.S.C. 590o) is amended—

(i) in the first undesignated paragraph—

(I) in the first sentence, by striking "sections 7 and 8" and inserting "section 7"; and

(II) by striking the third sentence; and

(ii) by striking the second undesignated paragraph.

(2) CONFORMING AMENDMENTS.—

(A) Paragraph (1) of the last proviso of the matter under the heading "CONSERVATION RESERVE PROGRAM" under the heading "SOIL BANK PROGRAMS" of title I of the Department of Agriculture and Farm Credit Administration Appropriation Act, 1959 (72 Stat. 195; 7 U.S.C. 1831a) is amended by striking "Agricultural Conservation Program" and inserting "environmental quality incentives program established under chapter 2 of subtitle D of the Food Security Act of 1985 (16 U.S.C. 3838 et seq.)".

(B) Section 4 of the Cooperative Forestry Assistance Act of 1978 (16 U.S.C. 2103) is amended by striking "as added by the Agriculture and Consumer Protection Act of 1973" each place it appears in subsections (d) and (i) and inserting "as in effect before the amendment made by section 6(a)(1)(F) of the

Agricultural Resources Conservation Act of 1995".

(C) Section 226(b)(4) of the Department of Agriculture Reorganization Act of 1994 (7 U.S.C. 6932(b)(4)) is amended by striking "and the agricultural conservation program under the Soil Conservation and Domestic Allotment Act (16 U.S.C. 590g et seq.)".

(D) Section 246(b)(8) of the Department of Agriculture Reorganization Act of 1994 (7 U.S.C. 6962(b)(8)) is amended by striking "and the agricultural conservation program under the Soil Conservation and Domestic Allotment Act (16 U.S.C. 590g et seq.)".

(E) Section 1271(c)(3)(C) of the Food, Agriculture, Conservation, and Trade Act of 1990 (16 U.S.C. 2106a(c)(3)(C)) is amended by striking "Agricultural Conservation Program established under section 16(b) of the Soil Conservation and Domestic Allotment Act (16 U.S.C. 590h, 590l, or 590p)" and inserting "environmental quality incentives program established under chapter 2 of subtitle D of the Food Security Act of 1985 (16 U.S.C. 3838 et seq.)".

(F) Section 126(a)(5) of the Internal Revenue Code of 1986 is amended to read as follows:

"(5) The environmental quality incentives program established under chapter 2 of subtitle D of the Food Security Act of 1985 (16 U.S.C. 3838 et seq.).".

(G) Section 304(a) of the Lake Champlain Special Designation Act of 1990 (Public Law 101-596; 33 U.S.C. 1270 note) is amended—

(i) in the subsection heading, by striking "SPECIAL PROJECT AREA UNDER THE AGRICULTURAL CONSERVATION PROGRAM" and inserting "A PRIORITY AREA UNDER THE ENVIRONMENTAL QUALITY INCENTIVES PROGRAM"; and

(ii) in paragraph (1), by striking "special project area under the Agricultural Conservation Program established under section 8(b) of the Soil Conservation and Domestic Allotment Act (16 U.S.C. 590h(b))" and inserting "priority area under the environmental quality incentives program established under chapter 2 of subtitle D of the Food Security Act of 1985 (16 U.S.C. 3838 et seq.)".

(H) Section 6 of the Department of Agriculture Organic Act of 1956 (70 Stat. 1033) is amended by striking subsection (b).

(b) GREAT PLAINS CONSERVATION PROGRAM.—

(1) ELIMINATION.—Section 16 of the Soil Conservation and Domestic Allotment Act (16 U.S.C. 590p) is repealed.

(2) CONFORMING AMENDMENTS.—

(A) The Agricultural Adjustment Act of 1938 is amended by striking "Great Plains program" each place it appears in sections 344(f)(8) and 377 (7 U.S.C. 1344(f)(8) and 1377) and inserting "environmental quality incentives program established under chapter 2 of subtitle D of the Food Security Act of 1985 (16 U.S.C. 3838 et seq.)".

(B) Section 246(b) of the Department of Agriculture Reorganization Act of 1994 (7 U.S.C. 6962(b)) is amended by striking paragraph (2).

(C) Section 126(a) of the Internal Revenue Code of 1986 is amended—

(i) by striking paragraph (6); and

(ii) by redesignating paragraphs (7) through (10) as paragraphs (6) through (9), respectively.

(c) COLORADO RIVER BASIN SALINITY CONTROL PROGRAM.—

(1) ELIMINATION.—Section 202 of the Colorado River Basin Salinity Control Act (43 U.S.C. 1592) is amended by striking subsection (c).

(2) CONFORMING AMENDMENT.—Section 246(b) of the Department of Agriculture Reorganization Act of 1994 (7 U.S.C. 6962(b)) is amended by striking paragraph (6).

(d) RURAL ENVIRONMENTAL CONSERVATION PROGRAM.—

(1) ELIMINATION.—Title X of the Agricultural Act of 1970 (16 U.S.C. 1501 et seq.) is repealed.

(2) CONFORMING AMENDMENTS.—Section 246(b) of the Department of Agriculture Reorganization Act of 1994 (7 U.S.C. 6962(b)) (as amended by subsections (a)(2)(D), (b)(2)(B), and (c)(2)) is further amended—

(A) by striking paragraph (1); and

(B) by redesignating paragraphs (3), (4), (5), (7), and (8) as paragraphs (1), (2), (3), (4), and (5), respectively.

(e) HIGHLY ERODIBLE LAND CONSERVATION.—Section 1212(e) of the Food Security Act of 1985 (16 U.S.C. 3812(e)) is amended by inserting after the first sentence the following:

"Ineligibility under section 1211 of a tenant or sharecropper for benefits under section 1211 shall not cause a landlord to be ineligible for the benefits for which the landlord would otherwise be eligible with respect to a commodity produced on lands other than the land operated by the tenant or sharecropper.".

(f) OTHER CONSERVATION PROVISIONS.—Subtitle F of title XII of the Food Security Act of 1985 (16 U.S.C. 2005a and 2101 note) is repealed.

(g) COMMODITY CREDIT CORPORATION CHARTER ACT.—

(1) The first sentence of section 4(g) of the Commodity Credit Corporation Charter Act (15 U.S.C. 714b(g)) is amended by inserting before the period at the end the following: ", except that the total contractual obligations incurred under the functions and programs established under subtitle D of title XII of the Food Security Act of 1985 (16 U.S.C. 3830 et seq.) shall not exceed $2,060,000,000 for any fiscal year".

(2) Section 5(g) of the Commodity Credit Corporation Charter Act (15 U.S.C. 714c(g)) is amended to read as follows:

"(g) Carry out the functions and programs established under subtitle D of title XII of the Food Security Act of 1985 (16 U.S.C. 3830 et seq.) at a funding level, notwithstanding any other provision of law, that does not exceed a total of $2,060,000,000 in any fiscal year for all functions and programs combined.".

(h) RESOURCE CONSERVATION.—

(1) ELIMINATION.—Subtitles A, B, D, E, F, G, and J of title XV of the Agriculture and Food Act of 1981 (95 Stat. 1328; 16 U.S.C. 3401 et seq.) are repealed.

(2) CONFORMING AMENDMENT.—Section 739 of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 1982 (7 U.S.C. 2272a) is repealed.

(i) WETLANDS RESERVE PROGRAM.—Section 1237(c) of the Food Security Act of 1985 (16 U.S.C. 3837(c)) is amended by striking "1991 through 2000" and inserting "1996 through 2005".

(j) ENVIRONMENTAL EASEMENT PROGRAM.—Section 1239(a) of the Food Security Act of 1985 (16 U.S.C. 3839(a)) is amended by striking "1991 through 1995" and inserting "1996 through 2005".

SEC. 7. EFFECTIVE DATES.

(a) IN GENERAL.—Except as provided in subsection (b), this Act and the amendments made by this Act shall become effective on the later of—

(1) the date of enactment of this Act; or

(2) October 1, 1995.

(b) TRANSITION PROVISIONS.—

(1) IN GENERAL.—Section 1238I and 1242(d) of the Food Security Act of 1985 (as added by sections 4 and 5, respectively, of this Act) shall become effective on the date of enactment of this Act.

(2) 1991 THROUGH 1995 CALENDAR YEARS.—Notwithstanding any other provision of law, this Act and the amendments made by this Act shall not affect the authority of the Secretary of Agriculture to carry out a program for any of the 1991 through 1995 calendar years under a provision of law in effect immediately before the effective dates prescribed by this section.

SECTION-BY-SECTION ANALYSIS

Subtitles D and E of title XII of the Food Security Act of 1985 are amended accordingly:

Sec. 1. Subtitle D—Agricultural Resources Conservation Program, is amended to read:

Sec. 1230. Environmental Conservation Acreage Reserve Program.

During the 1996 through 2005 calendar years, the Secretary shall establish an Environmental Conservation Acreage Reserve Program to assist owners and operators of farms and ranches to conserve and enhance soil, water, and related natural resources including grazing lands, wetlands, and wildlife habitat. The Secretary shall carry out these purposes through the Conservation Reserve, Wetlands Reserve, and Environmental Quality Incentive Programs authorized in this Act.

Sec. 2. Subchapter B-Conservation Reserve, is amended to read:

Sec. 1231. Conservation Reserve.

(a) In General. The Secretary is authorized to re-enroll lands currently in the Conservation Reserve Program (CRP) by extending current contracts and to enroll new lands into the CRP during the 1996-2005 calendar years. The purposes of the CRP are to improve water quality, soil erosion, and related natural resources, by taking environmentally sensitive lands out of production that, if permitted to remain untreated, could substantially impair water quality or reduce soil productivity or related natural resources.

(b) Eligible Lands. Emphasis will be place on enrolling and re-enrolling lands that are (1) highly erodible croplands that cannot be farmed in accordance with a conservation compliance plan or are next to lakes, rivers, or streams, (2) marginal pasture lands established as wildlife habitat, and (3) cropland or pasture land to be devote to the production of hardwood trees, windbreaks, shelterbelts.

(c) Certain Lands Affected by Secretarial Action. Lands enrolled into the CRP shall be considered to be planted to an agricultural commodity during a crop year if an action of the Secretary prevented land from being planted to the commodity during the crop year.

(d) Enrollment. Not more than 36.4 million acres may be enrolled and re-enrolled into the CRP in any year between the 1996-2005 calendar years. The Secretary shall enroll acreage into the CRP that meets specified water quality and soil erosion criteria, and that also maximizes wildlife habitat benefits, to the maximum extent practicable.

(e) Priority Functions. All lands enrolled or re-enrolled into the CRP between 1996—2000 must satisfy the priority functions of water quality, soil erosion, and wildlife benefits.

Water Quality. The Secretary shall enroll by the year 2000 filterstrips that are contiguous to permanent bodies of water, tributaries and smaller streams, or intermittent streams. Contour grass strips and grassed waterways shall also be enrolled. Priority

shall be given to partial field enrollments. Four million acres shall be enrolled by the end of the year 2000.

Soil Erosion. The Secretary shall accept offers to enroll highly erodible lands that cannot be farmed through practices designed to significantly reduce soil erosion on highly erodible fields in a cost-effective manner without high potential for degradation of soil or water quality.

Wildlife. The Secretary shall, to the maximum extent practicable, ensure that offers to enroll acreage under the water quality and soil erosion priorities also maximize wildlife habitat benefits. This shall be accomplished by enrolling lands that are contiguous to other CRP acreage, designated wildlife habitats, or wetlands.

(f) Duration of Contract. CRP Contracts shall be for 10 to 15 years.

(g) Multi-Year Grasses and Legumes. Alfalfa and other multi-year grasses and legumes used in a rotation practice shall be considered agricultural commodities.

Sec. 1232. Duties of Owners and Operators.

(a)&(b) Conservation Plans. An owner or operator of a farm or ranch must agree to implement a conservation plan approved by the Secretary for converting eligible lands normally devoted to the production of an agricultural commodity on the farm or ranch to a less intensive use, and to establish a vegetative or water cover on the land. An owner or operator must also agree not to use such land for agricultural purposes, or to conduct any harvesting or grazing on CRP land except as allowed by the Secretary. The conservation plan shall contain conservation measures and practices to be carried out during the term of the contract.

(c) Environmental Use.—To the extent practicable, not less than one-eighth of the land that is placed into CRP shall be devoted to hardwood trees.

(d) Foreclosure. If land enrolled into the CRP is foreclosed upon, the Secretary may waive repayment by the owner or operator of amounts received under the contract.

Sec. 1233. Duties of the Secretary. The Secretary shall provide cost share and technical assistance for carrying out conservation measures and practices, and pay an annual rental payment.

Sec. 1234. Payments.

The Secretary shall provide payments for cost share amounting to 50 percent of the cost of establishing water quality and conservation practices. Rental payments shall be paid as soon as practicable after October 1 of each calendar year, and shall be determined by the Secretary through the submission of offers for contracts by owners and operators and establishment of the rental value of the land through a productivity adjustment formula. Rental payments may not exceed local rental rates, except that rental payments for partial field enrollments may be up to 150% of local rental rates, adjusted for the productivity of the land. The total amount of rental payments may not exceed $50,000.

Sec. 1235. Contracts.

If the ownership of the land has changed within the previous 3 years, the land cannot be enrolled into the CRP unless the new ownership was acquired by will or succession as a result of the death of the previous owner, or the Secretary determines that the land was acquired under circumstances that give adequate assurance that such land was not acquired for the purpose of placing it in the CRP. CRP contracts can be modified upon the agreement of the owner or operator and the Secretary.

Sec. 1236. Base History.

The acreage base, quota or allotment for the farm (as applicable) shall be reduced in proportion to the ratio between the total cropland acreage on the farm and the acreage placed into the CRP.

Sec. 3. Environmental Quality Incentives Program. Chapter 2 is amended to read:

Chapter 2—Environmental Quality Incentives Program.

Sec. 1238. Findings and Purposes.

This section articulates the needs and purposes of a comprehensive conservation program that provides flexible and cost effective technical assistance, cost share, and incentive payments to farmers and ranchers engaged in crop and livestock production for various conservation practices, instead of retiring land from production. This program is intended to assist farmers and ranchers in complying with the conservation compliance and swampbuster requirements of Title XII of the Food Security Act of 1985, and other State and Federal environmental laws. The Environmental Quality Incentives Program (EQIP) combines the functions of the Agricultural Conservation Program, the Great Plains Conservation Program, the Water Quality Incentives Program and the Colorado River Salinity Control Program into a single program. Conservation assistance for livestock production is significantly increased.

Sec. 1238A. Definitions.

(a) Livestock. The term "livestock" means mature dairy cows, beef cattle, laying hens, broilers, turkeys, swine, and sheep or lambs.

(b) Large Confined Livestock Operation. The term "large confined livestock operation" means a farm or ranch that—

(1) is a confined animal feeding operation; and

(2) has more than—

(A) 700 mature dairy cattle;

(B) 1000 beef cattle;

(C) 30,000 laying hens or broilers (if the facility has continuous overflow watering);

(D) 100,000 laying hens or broilers (if the facility has a liquid manure system)

(E) 55,000 turkeys;

(F) 2,500 swine; or

(G) 10,000 sheep or lambs.

(c) Structural Practices. The term "structural practices" as used in this chapter means animal waste management facilities, terraces, grassed waterways, contour grass strips, filterstrips, permanent wildlife habitat, and other structural practices the Secretary determines are needed to protect soil, water, and related resources in the most cost effective manner.

(d) Land Management Practices. The term "land management practices" as used in this chapter means nutrient and manure management, integrated pest management, irrigation management, tillage and residue management, grazing management, and other land management practices the Secretary determines are needed to protect soil, water, and related resources in the most cost effective manner.

(e) Operator. The term "operator" means a person who is engaged in agricultural production as defined by the Secretary.

(f) Secretary. The term "Secretary" means the Secretary of Agriculture.

Sec. 1238B. Establishment and Administration of Environmental Quality Incentives Program.

(a) Establishment. The Secretary shall, for the 1996–2005 fiscal years, provide technical assistance, cost share, and incentive payments through EQIP to operators engaged in crop or livestock production. Operators who implement structural practices shall be eligible for technical assistance and/or cost share. Operators who perform land management practices shall be eligible for technical assistance and/or incentive payments.

(b) Duration of Assistance. Contracts between operators and the Secretary may be for 5–10 years.

(c) Structural Practices. The Secretary shall administer a competitive offer (bid) system for cost share and/or technical assistance for the implementation of structural practices.

(d) Land Management Practices. The Secretary shall establish an application and evaluation process for awarding an incentive payment and/or technical assistance for the performance of land management practices.

(e) Cost Share and Incentive Payments.

Cost share payments for structural practices shall be not greater than 75% of the projected cost of the structural practice, as determined by the Secretary. Operators of large confined livestock operations are not eligible for cost share for animal waste management facilities. Incentive payments shall be in an amount and at a rate determined by the Secretary to be necessary to attract operators to perform land management practices. The receipt of incentive payments under EQIP shall not affect the eligibility of the operator to receive incentive payments under other conservation programs.

(f) Technical Assistance. The Secretary shall allocate funding for technical assistance under EQIP according to the purpose and projected cost for which the technical assistance is provided in a fiscal year. The receipt of technical assistance under EQIP shall not affect the eligibility of the operator to receive technical assistance under other conservation programs.

(g) Modification or Termination of Contracts.

The Secretary may modify a contract with an operator under this chapter if the operator and Secretary agree.

Sec. 1238C. Evaluation of Offers and Payments.

(a) Regional Priorities. The Secretary shall provide cost share, technical assistance, and incentive payments depending on the significance of the soil, water and related natural resource problems in the region, watershed, or conservation priority area, and the structural or land management practices that best address these problems.

(b) Maximize Environmental Benefits. EQIP shall be administered so as to maximize environmental benefits per dollar expended.

(c) Local or State Contributions. Priority is given to operators whose agricultural operations are located within watersheds, regions, or conservation priority areas in which watersheds, regions, or conservation priority areas in which local or state governments will, or already have already provided financial or technical assistance to the operator for a practice on the same land.

(d) Priority Lands. Priority is given to structural or land management practices on lands on which agricultural production has the potential to cause the failure to meet water quality standards or other environmental objectives of Federal or State laws.

Sec. 1238D. Duties of the Operator. An operator must agree to implement an EQIP plan that contains conservation and environmental goals to be achieved through land management or structural practices.

Sec. 1238E. Environmental Quality Incentives Program Plan.

EQIP plans may include a description of specific conservation and environmental objectives to be achieved, the practices necessary to achieve those objectives, or other

information relevant to conserving and enhancing soil, water and related natural resources.

Sec. 1238F. Duties of the Secretary.

The Secretary shall assist the operator in achieving the conservation and environmental goals of the EQIP plan by providing technical assistance, cost share, or incentives payments.

Sec. 1238G. Eligible Lands.

Agricultural lands upon which land management and/or structural practices can be performed include cropland, rangeland, and pasture that the Secretary determines pose a serious threat to soil, water, and related resources. Agricultural lands identified as problems due to agricultural non-point sources of pollution under section 319 of the clean Water Act are also priority lands under this program.

Sec. 1238H. Limitation on Payments.

The total amount of cost share and incentive payments paid may not exceed $10,000 in any one year, and may not exceed a total of $50,000 for multi-year contracts.

Sec. 1238I. Temporary Administration of the Environmental Quality Incentives Program.

(a) Interim Administration. To assure that cost share, technical assistance, and incentive payments continue to be administered in an orderly manner until such time as assistance can be provided through final regulations of EQIP, the Secretary shall, by 180 days after the effective date, continue to provide cost share, technical assistance, and incentive payments under the terms and conditions of the current Agricultural Conservation Program, Water Quality Incentives Program, Colorado River Basin Salinity Control Program, and Great Plains Conservation Program, to the extent the terms and conditions of these programs are consistent with the provisions of EQIP.

(b) Expiration of Authority. The authority of the Secretary to administer EQIP under the interim authority in subsection (a) shall terminate at the later of—

(A) 180 days from the date of enactment; or

(B) March 31, 1996.

Sec. 4. Administration. Subtitle E is amended to read: Subtitle E—Administration

Sec. 1241. Funding.

(a) Mandatory Expenses.

The CRP, WRP, and EQIP programs shall be funded through the Commodity Credit Corporation between 1996–2005.

(b) Environmental Easements Program. Funding for the Environmental Easements program is subject to prior appropriations.

(c) Environmental Quality Incentives Program. CCC funding for EQIP targeted at practices relating to crop production for the 1996–1997 fiscal years shall be allocated in the same proportion that exists for funding between practices relating to crop production and livestock production in 1995. For the 1998–2005 fiscal years, funding for practices relating to crop production shall not be less than the total 1995 funding level. By 2000, 50% of the EQIP funding shall be targeted at practices relating to livestock production. The Secretary is authorized to allocate less than 50% of the total program funding level for practices relating to crop or livestock production, if such a funding level is not justified by need or demand.

(d) CONSERVATION RESERVE PROGRAM. Funding for the CRP shall be—

(1) $1.805 billion in FY 1996;

(2) $1.804 billion in FY 1997;

(3) $1.485 billion in FY 1998;

(4) $1.345 billion in FY 1999;

(5) $1.221 billion in FY 2000–2005.

(e) WETLANDS RESERVE PROGRAM. Funding for the Wetlands Reserve Program shall be $150 million in each of fiscal years 1996–2005.

(f) LIMITATION ON USE OF CCC FUNDS. The Secretary shall allocate $2.06 billion of funds of the Commodity Credit Corporation in each of fiscal years 1996–2005 to fund the CRP, WRP and EQIP.

(g) PRORATION OF PAYMENTS. If in any fiscal year the Secretary has incurred total contractual obligations to make payments under the CRP, WRP and EQIP that would exceed $2.06 billion, the Secretary shall prorate all payments owed under these programs.

Sec. 1242. Administration.

(a) PLANS. The Secretary shall, to the extent practicable, avoid duplication in the conservation plans required for conservation compliance, CRP, WRP, and EQIP.

(b) TENANTS AND SHARECROPPERS. In carrying out the programs under subtitle D, the Secretary shall provide adequate safeguards to protect the interests of tenants and sharecroppers, including provision for sharing, on a fair and equitable basis, in payments under either the CRP, WRP, or EQIP.

(c) ACREAGE LIMITATION. The Secretary shall not enroll more than 25 percent of the cropland in any county into the CRP, WRP, and Environmental Easements Program. Not more than 10 percent of such cropland in a county may be subject to an easement acquired under those programs.

Sec. 1243. Conforming Amendments.

(1) The following conservation cost share programs are terminated, and their functions transferred to EQIP.

1. Agricultural Conservation Program;

2. Agricultural Water Quality Incentives Program;

3. Colorado River Basin Salinity Control Program; and

4. Great Plains Conservation program.

(2) The Commodity Credit Corporation Charter Act is amended to provide for, and limit, funding by the Commodity Credit Corporation for the CRP, WRP, and EQIP.

(3) The WRP is amended to allow land to be enrolled between 1996–2005.

(h) The Environmental Easements Program is amended to allow land to be enrolled between 1996–2005.

Sec. 1244. Conservation Operations. It is the Sense of the Senate that the functions performed by the Secretary pursuant to the authority for Conservation Operations are valuable conservation activities that should continue to be carried out by the Secretary and receive annual appropriations by Congress at least at 1995 funding levels.

Sec. 1245. Information Management. It is the Sense of the Senate that the Secretary should develop information management techniques that are necessary to create individual farm or ranch natural resource data bases that would streamline the process by which owners or operators apply to participate in a conservation program administered by USDA and, to the extent practicable, develop a common application process for all conservation programs.

Mr. LEAHY. Mr. President, I am pleased and proud to introduce today, with Senator LUGAR, the Agricultural Resources Conservation Act of 1995.

When President Bush signed the 1990 farm bill, he called it one of the most important environmental bills in that Congress.

Today will build on that legacy.

We build on the legacy of Vermont's—and America's values.

Being good neighbors. That is the value we live by in Vermont. When a cow gets out of her pasture, our neighbors make sure she gets back safely. When phosphorus gets out of our barnyards and threatens Lake Champlain, we come together to find a solution.

We build on the legacy of our Vermont experience.

In Vermont we have proved over the past 15 years that if we build good conservation policy, our farmers will come and participate. This bill takes the Vermont model and makes it a nationwide program.

We build on a legacy of bipartisan cooperation.

The conservation policies we enacted in 1985 and 1990 have produced more progress in the last 10 years than we have seen in the last 50 years of soil conservation.

That is a summary of the values and policies behind this bill.

What does it mean on the ground in Vermont?

First, it means farmers will not have to choose between being good neighbors—controlling their polluted runoff—and staying in business.

Our neighbors, Vermonters and Americans nationwide, will help share the costs.

Second, our working together means cleaner rivers and streams. We can take the successes we have had in local areas, and make them work statewide.

Third, it means new opportunities for all Vermont's farmers. Dairy and sheep, apple farmers and vegetable farmers—all can be better farmers and neighbors.

I believe the bill we are introducing today embodies in legislation the agricultural community's commitment to conservation and the environment. In the Agricultural Resources Conservation Act of 1995 we extend that legacy to the broader environmental challenges farmers and ranchers will face in the next 10 years.

The legislation I am introducing today is built on four key ideas.

We are neighbors;

Let's build on proven success;

We need solutions, not complex programs;

Look ahead, or we will fall behind.

We are neighbors: The Good Neighbor Act of 1995.

The Agricultural Resources Conservation Act of 1995 is more than a set of proposals for policies and programs. It is, at its heart, a statement of the values we share as Americans.

The guiding principle of this bill is the golden rule.

Farmers and ranchers manage nearly half of the land mass of the contiguous United States. Cropland alone makes up one-fifth of our land. The 36 million acres in the Conservation Reserve Program is 2.5 times the size of the Wildlife Refuge System in the lower 48 states. These figures show that some of

our most critical environmental concerns, from water quality to wildlife habitat, can be solved only with the active, cooperative support of the agricultural sector. The bill I am introducing today provides the means to engage farmers and ranchers in actively and cooperatively meeting their responsibilities as neighbors.

I firmly believe that most farmers and ranchers are good neighbors. The facts speak for themselves. Since 1985, farmers and ranchers have reduced soil erosion on highly erodible land by two-thirds. We are about to turn the corner on wetland losses in agriculture—restoring more acres than we are converting. A recent poll of 10,000 farmers in 15 leading farm States found that 58 percent of the farmers said conservation compliance should be continued. A majority of the farmers polled, 43 percent agreed that the Government should insist they plant filter strips along stream banks to protect water quality—40 percent disagreed.

Farmers, it seems to me, are way ahead of some of their leaders when it comes to working constructively to solve our real and legitimate environmental problems. This bill builds on farmers and ranchers clear commitment to conservation and their neighbors.

BUILD ON PROVEN SUCCESS: IF WE BUILD IT, THEY WILL COME.

This bill tries to make what has worked so well in Vermont work for farmers and ranchers in the rest of the country.

In Vermont we have a problem with Lake Champlain. Runoff from dairy farms causes a real problem when it carries phosphorus into Lake Champlain. Beginning in 1980, farmers and their urban neighbors came together to work out solutions. We identified the sources of runoff—we identified the management practices that would reduce that runoff—and we set ourselves some goals by which to measure our progress. We targeted the Federal assistance to get results.

And it's working. In the Lake Champlain basin alone 436 farmers have contributed $5.8 million over their own money to match $13.4 million in Federal funding in the last 15 years. Other farmers are taking advantage of technical assistance and incentive payments provided through the Water Quality Incentives Program to set up innovative rotational grazing systems that increase profits and protect water quality. Our experience proves that if we provide farmers and ranchers with the technical and financial assistance they need, they will step up to the plate and do their share to protect the environment.

That is what the Agricultural Resources Conservation Act of 1995 does—put the tools into the hands of farmers that will allow them to reconcile profitability, productivity, and the environment. Specifically we:

Reauthorize the Conservation Reserve Program through 2005 and make sure the program works to protect soil, water quality, and wildlife habitat;

Authorize a new program, called the Environmental Quality Incentives Program, which insures farmers will have the technical and financial assistance to produce crops and livestock in ways that protect the environment; and

Reauthorize the Wetland Reserve Program through 2005 to make sure wetland restoration and protection works for flood prevention, water quality, and wildlife habitat.

These three programs will enable farmers to make the changes they need to make to protect the environment while protecting their bottom line at the same time.

We need solutions, not complex programs.

Farmers and ranchers want to do the right thing, but sometimes our rules and regulations get in the way.

This bill gets bureaucratic redtape out of the way of farmers that want to conserve and protect the environment.

Our proposed Environmental Quality Incentives Program combines the functions of the Great Plains Conservation Program, Water Quality Incentives Program, Agricultural Conservation Program, and the Colorado River Salinity Control Program into one, voluntary and flexible conservation program. Farmers and ranchers will have one-step shopping for conservation planning. They will no longer have to have a file drawer full of plans for every conservation program or cost-share agreement they need. They will be able to use one plan to address all their conservation objectives and that makes them eligible for financial assistance.

Last year, we took the first steps toward eliminating bureaucratic redtape when we passed legislation that reorganized the Department. There is no reason to reinvent the wheel and create a new bureaucratic structure to implement the Environmental Quality Incentives Program. The structure is already in the field to do the job—county committees, conservation districts, the Natural Resources Conservation Service and the Consolidated Farm Services Agency just need to work together to get the job done. That's how it works in Vermont, and that's how it should work in every State. The implementation of the Department reorganization is proving that it can and will work for everyone.

We have to think ahead or we will be left behind.

This bill provides a public commitment to help farmers meet what they tell me is a growing concern: meeting increasingly complex environmental challenges while sustaining profitable and productive farms and ranches.

This bill charts a course for farm policy in the 21st century. It is a course that provides for environmental income stability in the same way our current farm policy provides for market income stability.

Agricultural programs were established in the 1930's to stabilize farm income in the face of large swings in commodity prices. Farmers now believe that conservation and environmental rules threaten the stability of farm income. Often these threats are overblown by groups more interested in being divisive than being constructive. Polls consistently show that the American public holds both farming and environmental protection in very high esteem. Both farmers and environmentalists have much to lose from a divisive relationship.

As I said earlier, farmers and ranchers manage half of the land mass in the contiguous United States. This means how we farm and how we ranch must affect our neighbors, whether those neighbors are across the fence, or 1,000 miles downstream. The farm policy of the future must meet the unique needs of farmers and ranchers as the Nation's landowners and land managers.

This bill proposes to put conservation funding on an equal footing with commodity programs. Why?

The purpose of the CCC borrowing authority is to provide farm income stability.

Conservation programs address the effect of changing environmental rules on farm income, just as commodity programs address farm income instability from changing markets.

That is why this legislation authorizes the Commodity Credit Corporation to use its borrowing authority to fund the Conservation Reserve Progam, the Environmental Quality Incentives Program, and the Wetland Reserve Program.

Early last year several groups of experts from all sectors of agriculture came together under the auspices of the National Center for Food and Agricultural Policy to help us plan for the 1995 farm bill.

Let me quote from the overview prepared at the end of this process:

> Supporters of the program had some difficulty, however, in rationalizing as to why an industrial policy for the food and fiber sector requires continuing large-scale transfers of income to a portion of the farm production sector. . . . The working group looking at land use, conservation and environment issue had no such problems in identifying the public interest in and the public benefits that can be derived from programs. . . . This group argued that the primary beneficiary of the conservation and the environment programs is the public—which values the benefits of additional wildlife, cleaner water, and less soil erosion.

This report is right. The direction is clear. I firmly believe that conservation should and will play an increasingly important role in the agricultural policy of the next century. The public has proved they are willing to

pay for conservation. We need to take the first steps this year to build on that willingness to guarantee farmers and ranchers will have the technical and financial assistance they will need in the future.

Budget pressures will sorely test our commitment to conservation this year. We will be forced to make painful choices. We will be forced to rethink the basis and justification of our farm policy. This bill makes a firm commitment to conservation as a fundamental purpose of future farm programs.

Mr. President, I am proud to introduce this bill today. This bill builds on what we know works in my State and in the Nation. It is part of a blueprint for a farm policy that will meet the needs of farmers, ranchers, and their neighbors as we approach the next century.

By Mr. MURKOWSKI (for himself and Mr. STEVENS):

S. 855. A bill to amend title 10, United States Code, to revise the authorization for long-term leasing of military family housing to be constructed; to the Committee on Armed Services.

THE BUILD-TO-LEASE MILITARY FAMILY HOUSING ACT OF 1995

• Mr. MURKOWSKI. Mr. President, today I am introducing on behalf of myself and Senator STEVENS legislation to address a serious national need—the condition and availability of military family housing for the Armed Forces of the United States, including the Coast Guard.

The condition of the family housing for our military personnel has deteriorated to the point where it is a serious disincentive to reenlistment and a threat to long-term military readiness. According to a March 7, 1995 article in the Washington Post:

"Defense Secretary William J. Perry cites the poor condition of military housing as the number one complaint he hears from soldiers on visits to bases."

". . . 60% of the 375,000 on base family housing units are inadequate . . ."

"Many barracks and family apartments, built soon after World War II, are cramped and suffer from peeling lead-based paint, hazardous asbestos, cracked foundations, corroding pipes or faulty heating and cooling systems."

Mr. President, this is clearly a shameful situation that we can and should address. The Washington Post article I cited goes on to point out the need for a system to attract private investment to help rebuild or replace America's military housing. That is the approach of the legislation I am introducing today.

Mr. President, in Alaska we have successfully used private developers to build 1,216 units of critically needed military family housing, including 666 units of Air Force housing at Eielson Air Force Base, and 550 units of Army housing at Fort Wainwright. This was accomplished under the authority of section 801 of Public Law 98–115, a provision I authored in 1983 along with Senator Tower and Representative CHARLIE STENHOLM of Texas. Today I am urging that we revise and extend that law to encourage its use for today's housing needs in the Army, Navy, Air Force, Marines, and Coast Guard.

While there is still build-lease authority in 10 U.S.C. 2828, it is my understanding that little or no new housing has actually been constructed under the provisions of the statute as currently written due to the manner in which proposed projects are scored for budgetary purposes by the Congressional Budget Office [CBO]. There are also other constraints in the current statutory language, such as the requirement that the housing be off-base, that work to the detriment of successful projects.

Mr. President, in Ketchikan, AK the Coast Guard tells me that there is a serious need for new housing. However, they do not believe that they can provide this for their personnel due to budgetary constraints. By providing the authority to lease or construct on or near a military installation I believe we will reduce the cost of providing housing as many of the needed infrastructure support systems, that is, water, sewer, electricity, will already be in place.

The approach I advocate, and the approach in the legislation I am introducing today, is simple and cost effective. The military services would invite the private sector to build housing to military specifications on land already belonging to the Federal Government, preferably on base or on Government property. Under my approach, the military service can also contract for maintenance, providing the developer with an added incentive to construct easy-to-maintain housing.

The private developer builds the housing, leases it back to the military for the contract lease price including any inflation factors specified in the contract, for a lease term not to exceed 20 years. At the end of the 20 years, the United States has the right of first refusal to purchase the housing for its own purposes. As a practical matter, I'd expect the purchase to occur at little additional cost. Since the land the housing is on belongs to the Government, and since access to the housing and the base can be stipulated, any on-base housing would only be of value to the Federal Government.

My approach also codifies the requirement that the housing projects be competitively bid, and that the committees of jurisdiction in the House and Senate have an opportunity to review the economic justifications for the projects prior to final award.

Finally, Mr. President, my legislation directs that the total amount of budget authority and outlays required by the build-lease contract shall be scored on a pro rata basis over the term of the contract for purposes of CBO scoring. While some may dislike this provision, experience has demonstrated its necessity.

Mr. President, I ask that the article from the Washington Post and the text of the bill be printed in the RECORD.

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

S. 855

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

SECTION 1. REVISION OF AUTHORIZATION FOR LONG TERM LEASING OF MILITARY FAMILY HOUSING.

(a) REVISION.—The text of section 2835 of title 10, United States Code, is amended to read as follows:

"(a) BUILD AND LEASE AUTHORIZED.—The Secretary of a military department, or the Secretary of Transportation with respect to the Coast Guard, may enter into a contract for the lease of family housing units to be constructed or rehabilitated to military use on or near a military installation within the United States under the Secretary's jurisdiction at which there is a shortage of family housing. Housing units leased under this section shall be assigned, without rental charge, as family housing to members of the armed forces who are eligible for assignment to military family housing.

"(b) COMPETITIVE PROCESS.—Each contract under subsection (a) shall be awarded through the use of publicly advertised, competitively bid, or competitively negotiated, contracting procedures as provided in chapter 137 of this title. Such a contract may provide for the contractor of the housing facilities to operate and maintain such housing facilities during the term of the lease.

"(c) CONDITIONS ON OBLIGATION OF FUNDS.—A lease contract entered into for a military housing project under subsection (a) shall include the following provisions:

"(1) A statement that the obligation of the United States to make payments under the contract in any fiscal year is subject to the availability of appropriations for that purpose.

"(2) A requirement that housing units constructed pursuant to the contract be constructed to Department of Defense specifications.

"(d) LEASE TERM.—A contract under this section may be for any period not in excess of 20 years (excluding the period required for construction of the housing facilities).

"(e) RIGHT OF FIRST REFUSAL TO ACQUIRE.—A contract under this section shall provide that, upon the termination of the lease period, the United States shall have the right of first refusal to acquire all right, title, and interest to the housing facilities constructed and leased under the contract.

"(f) NOTICE AND WAIT REQUIREMENTS.—A contract may not be entered into for the lease of housing facilities under this section until—.

"(1) the Secretary of Defense submits to the appropriate committees of Congress, in writing, an economic analysis (based upon accepted life cycle 15 costing procedures) which demonstrates that the proposed contract is cost-effective when compared with alternative means of furnishing the same housing facilities; and

"(2) a period of 21 calendar days has expired following the date on which the economic analysis is received by those committees.".

(b) BUDGET SCORING.—For purposes of scoring the budgetary impact of any contract entered into under section 2835 of title 10, United States Code (as amended by subsection (a)), the total amount of budget authority required by the contract, and the total outlays, shall be scored on a pro rata basis over the term of the contract.

[From the Washington Post, Tuesday, Mar. 7, 1995]

THE NEW MILITARY READINESS WORRY: OLD HOUSING

(By Bradley Graham)

FORT BRAGG, NC—After decades of neglect, U.S. military housing has so deteriorated that Pentagon leaders say it is discouraging soldiers from reenlisting and thereby handicapping the nation's military readiness.

Many barracks and family apartments, built soon after World War II, are cramped and suffer from peeling lead-based paint, hazardous asbestos, cracked foundations, corroded pipes or faulty heating and cooling systems.

More than half the family housing is rated inadequate, and Defense Secretary William J. Perry cites the poor condition of military housing as the number one complaint he hears from soldiers on visits to bases.

"If you ever drove up with your kids to a college with that kind of housing, you'd never leave your kid," John Hamre, the Pentagon's comptroller, has been telling congressional and news media audiences around Washington. "It's pathetic."

But at a time of shrinking budgets, Pentagon officials have come up with only some token extra millions of dollars to throw at a problem requiring billions to fix. So Perry is casting about for creative off-budget schemes. His main notion, still largely untested, is to establish a system for attracting private investment to help rebuild or replace America's military housing.

So passionate has Perry become about the subject that the former aerospace entrepreneur—remembered as an undersecretary in the Carter administration for such high-tech innovations as stealth technology and the cruise missile—is now determined to leave his mark by cleaning up the more mundane housing mess.

"When I leave here, I want to look back at a handful of legacies—things that I've done that I'm proud of, that will be sustained and carried on—and this is going to be one of them," Perry said in an interview.

Asked about the apparent irony of appealing for new, improved housing even as another round of base closings is underway, Pentagon authorities say the shutdowns have exacerbated the overall housing shortage. Moreover, with much of the closure process now behind them, Defense Department officials say the way is open for enlisting private developers who had been spooked by the uncertainty of the closings.

On Capitol Hill, where strong bipartisan support exists for better military housing, Perry has run into one complication. His emphasis on the U.S. problem is undermining his parallel effort to continue building new homes for former Soviet military officers, part of a U.S. program to finance elimination of nuclear missile bases in Moscow's onetime empire.

Much American military housing remains in decent shape. Some quite handsome buildings, with remodeled interiors and attractive surroundings, are home to senior officers. And many bases feature well-kept smaller housing units.

But the norm is something else.

While no definitive Pentagon standard for adequate housing exists, the Defense Department reports that about 60 percent of the 375,000 on-base family housing units are inadequate—and there are long waiting lists at most bases even for those homes. About one-fourth of the military's 510,000 "barracks spaces" are rated substandard, with World War II-vintage gang latrines still common.

Even some top-tier combat forces, like the Army's 82nd Airborne Division based here at Fort Bragg, live in overcrowded rooms with pock-marked walls, rickety lockers, swaying bunks and dim lighting.

"We'd like to give our soldiers something better than tiles falling on their heads and air conditioning that doesn't work," said Lt. Col. Charles Jacoby, a battalion commander in the 82nd.

Pentagon officials cite several factors to explain how housing became a crisis. One involves the shift over the past two decades from a conscript force to an all-volunteer military, which led to a jump from 40 percent to 60 percent in the proportion of married service members.

But the availability of family housing has increased little since the 1970s. Most of the Reagan administration's surge in defense spending went into new weapon systems rather than bricks and mortar. Some military housing was upgraded in Europe, then central to Cold War defenses, but those facilities now are being closed.

"Even during the 1980s, when we had a defense budget buildup, there was little or no attention paid to this housing problem," Perry said. "I think it just didn't strike them that it was an important problem."

The relocation in the United States of U.S. troops formerly based abroad has exacerbated the shortage, as has the closing of numerous domestic bases that offered at least some decent housing.

Styles, too, have changed. Today's soldiers, like other Americans, expect more privacy and space than their counterparts several decades ago. One bath for three or four bedrooms might have been satisfactory in the 1950s; now, military families want not only more bathrooms, but more living and storage space, various appliances, parking for at least two cars and other amenities.

Despite numerous, limited renovations efforts, military officials say maintenance has tended to be more reactive than preventive. Besides, only so much can be done for some eroding structures.

"This place is like an old car, it's continually breaking down," said Sgt. Maj. Sam Chapman of the 16th Military Brigade, quartered at Fort Bragg in a 1920s-era barracks with broken plumbing, unreliable heating and never enough hot water. "We're constantly putting in work orders, but the only way to fix things is to tear the place down and build a new barracks."

Defense Department policy is to provide on-base housing when the neighboring private market cannot meet the need. Each military service houses about the same proportion of its family population on base—between 30 percent and 40 percent. Some commanders would prefer to get out of the housing business altogether, but on-base units remain very popular among service members for reasons of adding security, family support networks, financial advantages, proximity to jobs and access to child care and medical services.

Living off-base is often not a manageable alternative, because military pay and housing allowances have not kept up with civilian pay on average. In a recent survey of 29 home ports, the Navy found that sailors ranked petty officer third class and below could afford a one-bedroom apartment in only five of the localities and an efficiency in only 17.

Perry makes the point that "quality of life" concerns, of which housing ranks highest, are key to persuading the best military people to reenlist.

"What I want to do is equate dealing with the housing problem with [military] readiness," he said. "I see a single, iron logic that drives me from one to the other."

Under an initiative announced last fall, the Pentagon plans to spend $450 million a year for the next six years to improve on-base housing, raise allowances for off base living and provide more child care and other family support services. But even with these extra funds—on top of increased spending on housing by the services—Pentagon officials expect to modernize only 14 percent of the family housing stock over the next six years and only one in three substandard barracks.

"The real hope is that we can attract large amounts of private investment into this housing problem," said Perry.

Perry now has both an internal team of officials and an outside task force headed by former Army Secretary John O. Marsh looking for alternatives.

One promising plan is being tried by the Navy, which received congressional authority last year to enter into equity partnerships with private developers. Also under consideration are sales of excess property or land swaps to raise capital for housing projects, discounted leases on government land to lower costs for developers and mortgage insurance for new or renovated military housing.

Perry would like to proceed with several pilot programs this year, then select one or two for expansion next year.

"The problems have been a long time in coming, and will take a long time to fix," said Col. James R. Hougnon, Fort Bragg's public works director.●

By Mr. JEFFORDS (for himself, Mrs. KASSEBAUM, Mr. KENNEDY, Mr. PELL, Mr. SIMPSON, and Mr. DODD):

S. 856. A bill to amend the National Foundation on the Arts and the Humanities Act of 1965, the Museum Services Act, and the Arts and Artifacts Indemnity Act to improve and extend the acts, and for other purposes; to the Committee on Labor and Human Resources.

THE REAUTHORIZATION OF THE NATIONAL FOUNDATION ON THE ARTS AND HUMANITIES ACT OF 1995

Mr. JEFFORDS. Mr. President, with Senators KASSEBAUM, KENNEDY, PELL, SIMPSON, and DODD, I am introducing today the Reauthorization of the National Foundation on the Arts and Humanities Act of 1965. This bill provides authorization for the National Endowment for the Arts, the National Endowment for the Humanities, the newly consolidated Institute for Museum and Library Services, and the Arts and Artifacts Indemnity Act, through the year 2000.

Mr. President, this has been a controversial bill I know, and we have done our utmost in the committee, and

will continue to do so through the markup, to restore the kind of confidence that this act in these various endowments deserve.

The subject of government sponsorship of the arts and humanities evokes great disagreement and spirited debate from thoughtful people. My colleagues here in the Senate are certainly no strangers to the controversies and discussions associated with the National Endowment for the Arts. I must say that throughout the process of drafting the bill this consideration has been on my mind. I worked in consultation with my Republican and Democratic colleagues on the Labor Committee in hopes of addressing concerns and incorporating constructive suggestions as to how to improve each of the agencies.

At each subcommittee hearing, we had opportunities to discuss fundamental issues related to the NEA, NEH, and IMS with a host of individuals each with very different perspectives. Some spoke of the merits of the Endowments, others proposed significant change, still others advocated total elimination of the Endowments as we now know them. We had the opportunity to see the work of the IMS first hand. The hearing on the Institute for Museum Services was held at the Alexandria Black History Resource Center—a center that serves the community, is home to a wonderful collection of photographs and objects, supports education and lifelong learning initiatives, and is there for the enjoyment of all of the people of Alexandria, and others who visit.

The exchanges at each of the hearings were enlightening, lively, and I believe in the end, very productive. We were able to discuss ideas and concepts which challenged the way we have thought of these agencies. I believe we successfully broadened this discussion from that of simply all or nothing—elimination versus no change—and created an opportunity to improve upon these agencies.

We have sought to do something very different with this bill. We have made changes that will lead to substantial improvement in terms of how these agencies work and made it even more clear in the legislation as to the priority of who they serve. I learned a great deal from the hearings and feel certain that we have incorporated some of the valuable and thoughtful ideas that were shared during these discussions. There was room for improvement at the NEA and NEH. In addition, there is a clear and direct connection to learning between the IMS and libraries.

We have worked very hard on this bill, for very simple reasons, in my opinion. The National Endowment for the Arts, the National Endowment for the Humanities, libraries and museums make enormous contributions to vibrancy and greatness of our society. They enrich the fabric of this Nation, they bring us together, enable us to better express ourselves and better understand each other and many times, through the arts and humanities we reach those who have been written off.

Simply, the arts and humanities are an integral improvement in terms of how these agencies work and make even more clear that legislation is needed as to the priority of those who they serve.

I learned a great deal from the hearings and feel certain that we will have incorporated some of the most valuable and thoughtful ideas that were shared during these discussions. There was room for improvement in the NEA and the NEH.

In addition, it is clear that direct connection to learning between the NEH, the NEA, and the libraries is enlightening. We have worked very hard on this bill for very simple reasons, in my opinion. The National Endowment for the Arts and the National Endowment for the Humanities and the institute for Museum and Library Services make enormous contributions. Encouraging curiosity, thought, learning, dialog, and understanding are endeavors that the Federal Government should have a role in supporting.

In fact, I believe the Federal Government should have a leadership role in fostering and preserving the unique cultural heritage of the Nation. And to give credit where credit is due, the National Endowment for the Arts, the National Endowment for the Humanities, the Institute for Museum Services and libraries have made the arts and humanities more accessible to all people of our Nation and have created innovative and exciting ways of learning to the lives of many, old and young.

My support of these agencies is based on what I have witnessed and learned over the years—facts about what they really do and who they really serve. I have seen the many ways the Endowments' and the IMS' programs have touched people's lives. Their programs have reached children who, prior to their involvement with the arts or humanities had little interest in learning and less hope. Each of these agencies have enabled individuals to gain a better understanding of their neighbors and their communities through participation in community festivals and other outreach activities. They have brought the beauty and the magic of the Nation's rich culture to even the smallest corners of the Nation.

My own State of Vermont, while unique in so many ways, is part of a common phenomenon—when the arts, humanities, museums, and libraries are introduced to a community—that community comes alive, its people come alive. There are examples of excellence in the arts and humanities in Vermont which deserve mention. Book Discussion for General Audiences, which began from a small grant from the Vermont Council for the Humanities at the suggestion of a local librarian in my home town of Rutland, VT, has become a integral component of the agenda in many of the State humanities councils. The Shelburne Museum has received grants from the NEA, NEH, and IMS. It is a showcase and a leading institution of American folk art and decorative arts and artifacts—visited by Vermonters and other visitors from across the country and around the world. It has worked in partnership with local libraries, local schools, and with adult education projects. These are but two examples of thousands which have enhanced the experiences of people in a State.

It has been my intention to preserve what the agencies do well, yet provide them with greater guidance and direction as to the purpose of their work. Today we are putting forward a proposal that consolidates programs, streamlines functions, restructures and provides clear guidelines for the agencies. It recognizes that there are initiatives that are best done best locally and other initiatives that are clearly national in scope and benefit a broad audience. This bill makes the agencies more accountable and more responsive to the American public while enabling them to continue to do what they do best—provide and enhance access to the best of the arts and humanities to all the people of this Nation.

It comes to a very fundamental question, should this Nation care and support those who want to nurture its heart and soul, to provide the opportunity for those who would not otherwise have it, and to best demonstrate the beauty and greatness of our fabulous country.

I think it is important to go into some detail as to the extent of the changes we have proposed. They are far reaching and go to the basis of the operation of these agencies. It is our hope that these changes will provide clear guidance as to how the Endowment funds are spent and sets a clear priority which meet the standard of artistic excellence and artistic merit, benefit and reach the widest possible audience.

First, we have cleaned up much of the clutter and confusion regarding grant programs, primarily as this relates to the National Endowment for the Arts. We have imposed a new structure by establishing three grant programs at the Arts Endowment: partnership grants, national significance grants, and direct grants. At the Humanities Endowment, we have adopted this same structure. We have consolidated the Institute for Museum Services with the Library Services Act and changed the focus of the latter to technology and access and literacy programs for undeserved communities.

Forty percent of NEA's program funds must now be spent on partnership grants. Local initiatives make up

the partnerships block. Projects funded under this block include the basic State grant at an increased level as well as competitive grants to State agencies and local and regional groups to establish local acts activities with particular emphasis on arts education and projects that reach rural and urban undeserved areas. Funds will be matched on a 1:1 ratio.

Forty percent of all program funds must be used for national significance grants. These are grants to organizations of demonstrated and substantial artistic and cultural importance for projects that will increase access of the American people to the best of their arts and culture. Within this block, priority will be given to those projects that will have a national, regional, or otherwise substantial artistic and cultural impact. Matching requirements are increased within the block to 3:1 or 5:1 dependent on the size of the institution's annual budget.

Finally, 20 percent of funds for grants must be spent on direct grants to groups or individuals that are broadly representative of the cultural heritage of the United States and broadly geographically representative for projects of the highest artistic excellence and artist merit. Again, within this block, priority is given to those projects that will have a national, regional, or otherwise substantial artistic and cultural impact and the match is 1:1.

Some administrative changes apply to both Endowments. We have merged many of the administrative functions of the Endowments with the intent of eliminating duplication and saving money. In addition, we have placed a cap on what can be spent on administration for both Endowments at 12 percent. We have decreased the number of members that make up the national councils to streamline and cut bureaucracy. We have instituted a provision which enables both the NEA and NEH to recapture funds if a grant supported by the Endowment becomes commercially successful. We have prohibited any funds from either Endowment to be used for lobbying. Some administrative changes apply specifically to the NEA. We have incorporated administrative provisions that make the chairperson more accountable and given her greater decisionmaking responsibilities. It limits the number of grants an individual can receive in a lifetime and the number of grants an institution can receive in a year. We have eliminated seasonal support and eliminated subgranting—areas of great problem and concern in the past—making an exception only for States and regional groups. We have increased turnover in the panel system and increased lay person participation to ensure greater community involvement. In addition, panels will be prohibited from recommending specific amounts for grants and required to recommend more grants than funding available.

We have made substantial structural changes as well as the Humanities Endowment. We have mandated that 25 percent of program funds be used for Federal/State partnership. Included in this block is the basic State grant to State humanities councils which represents an increase in their funding. NEH funds must be matched dollar for dollar.

We have mandated that 37.5 percent of all program funds at the NEH be used for national grants to support groups and individuals for programs in education and the public humanities that have a national audience and are of national significance. Projects within the block used for endowment building or capital projects must be matched 3:1 by private funds.

Finally, research and scholarship grants will constitute the final 37.5 percent of program funds at the Humanities Endowment. These funds will be awarded to groups and individuals to encourage the development and dissemination of significant scholarship in the humanities and will be matched 1:1.

The consolidation of the Institute of Museum Services and the Library Services Act reflects efforts to unite programs that have a direct connection to one another. More than simply a connection is the potential for invaluable collaboration and partnership especially in the areas of technology and access.

Last but, in my opinion one of the most important changes to this bill is the broadening of the Arts and Artifact Indemnity Act. This change will enable domestic exhibitions to be eligible for insurance and allow for more Americans to have access to the great treasures of this Nation.

I have laid out a great deal in this statement. It is my hope it provides a general sense of the direction we have moved the agencies and the efforts we have made in consolidating programs to better serve the American people. We have focused on what is done best at each level and made each responsible for projects to serve the large constituency—the citizens of this Nation. Access to the name of the game in my opinion and we have a responsibility to provide direction and guidance to ensure that the Endowments and the Institute of Museum Library Service reach every corner of the country.

By Ms. SNOWE:

S. 857. A bill to amend the Immigration and Nationality Act to provide waiver authority for the requirement to provide a written justification for the exact grounds for the denial of a visa, except in cases of intent to immigrate; to the Committee on the Judiciary.

THE LAW ENFORCEMENT AND INTELLIGENCE SOURCES PROTECTION ACT OF 1995

• Ms. SNOWE. Mr. President, today I am introducing the Law Enforcement and Intelligence Sources Protection Act of 1995. This legislation would significantly increase the ability of law enforcement and intelligence agencies to share information with the State Department for the purpose of denying visas to known terrorists, drug traffickers, and individuals involved in international crime.

This provision would permit denials of U.S. visas to be made without a detailed written explanation for individuals who are excludable for law enforcement reasons, which current law requires. These denials could be made citing U.S. law generically, without further clarification or amplification. Individuals denied visas due to the suspicion that they are intending to immigrate would still have to be informed that this is the basis, to allow such an individual to compile additional information that may change that determination.

Under a provision of the INA, a precise written justification, citing the specific provision of law, is required for every alien denied a U.S. visa. This requirement was inserted into the INA out of the belief that every non-American denied a U.S. visa for any reason had the right to know the precise grounds under which the visa was denied, even if it was for terrorist activity, narcotics trafficking, or other illegal activity. This has impeded the willingness of law enforcement and intelligence agencies to share with the State Department the names of excludable aliens. These agencies are logically concerned about impeding an investigation or revealing sources and methods if they submit a name of a person they know to be a terrorist or criminal—but who we do not want to know that we know about their activities—who then goes on the lookout list, is denied a visa, and then is informed in writing that he or she was denied a visa because of known drug trafficking activity. That drug trafficker then will know that the DEA knows about his or her illegal activity and may be developing a criminal case. This information is something the United States would want to protect, until the case against is completed and, hopefully, some law enforcement action is taken. At the same time, however, for the protection of the American people we should also make this information available to the Department of State to keep the individual out of our country.

The key issue is that travel to the U.S. by noncitizens is a privilege, not a constitutional right. There is no fundamental right for extensive due process in visa decisions by our consular officers overseas. While I believe that our country should do what we can to be fair in our treatment of would-be visitors to the United States, in cases where providing information to an alien would harm our own national security, complicate potential criminal

cases, or potentially reveal sources and methods of intelligence gathering, we should err on the side of protecting Americans, not the convenience of foreign nationals.●

By Mr. HATFIELD:

S. 862. A bill to authorize the Administrator of the Small Business Administration to make urban university business initiative grants, and for other purposes; to the Committee on Small Business.

SMALL BUSINESS ENHANCEMENT ACT

Mr. HATFIELD. Mr. President, today, I am introducing a bill to help our vital small and emerging businesses grow successfully. This bill would utilize existing research facilities, especially in our urban universities, to help enable businesses to discover what currently hinders their development. This proposal previously passed the Senate as an amendment to S. 4, the National Competitiveness Act. While this act did not become law last year, it is my hope that this measure will see quick action in this Congress.

This proposal will not create a new bureaucracy. In fact, it may help to point out where local and Federal bureaucracies impede business development. It is designed to promote business research assistance by those uniquely qualified to take on these tasks: namely, our Nation's business schools in conjunction with private or nonprofit organizations.

The focus of this legislation is the overall health of businesses in lower income urban communities. However, this bill does not preclude this assistance from being applied in rural areas. In fact, if a State does not contain an urban area as defined in the legislation, the SBA Administrator may designate one area in that State for this purpose.

We know some of the most basic problems that businesses face, such as intrusive government regulations. Additionally, small and emerging businesses in low-income urban areas find development difficult because of the lack of access to investment capital and technical assistance. However, why do some of these businesses thrive and compete internationally while others fail?

Last year's committee report on the National Competitiveness Act noted that only 6 out of 10 of our smaller manufacturers employ advanced technology, compared to 9 out of 10 for plants with more than 500 employees. Reports offer little information on exactly why businesses fail or cease to expand in certain areas. When I tried to find research on the specific problems that businesses face in Oregon, the only current source of information was a survey done by the National Federation of Independent Businesses. Surveys and government statistics cannot take the place of primary research conducted by our Nation's business schools.

Business schools play an important role in sustaining business development. They currently perform vital research and train our Nation's future business leaders. However, this role could be greatly enhanced by providing them with additional Federal resources to expand their much needed research and apply their findings to businesses in their communities through assistance programs.

This proposal would allow the Small Business Administration to make grants to urban universities for research on, or for implementation of, technical assistance, technology transfer, or delivery of services in business creation, expansion, and human resource management. As noted above, where there is not an urban university in a State, the SBA Administrator may designate another eligible area in the State.

The authorization for these demonstration grants is limited to $10 million. The grants would be dispersed geographically, and not exceed $400,000 per institution or consortium. This procedure makes use of existing talent and facilities to create the information and assistance that developing businesses need.

For example, a comprehensive data base on business births, deaths, expansions, or contractions is no longer maintained. A potential benefit of this proposal could be the creation of such a data base in conjunction with assistance efforts based upon the resulting information. In this case, we would see nonprofit entities taking over functions that were previously under the direction of the SBA in order to enhance American competitiveness.

Other programs such as the Small Business Development Centers [SBDC's] do an admirable job of specializing in assisting small entrepreneurial enterprises. However, the Small Business Enhancement Act is designed to offer applied research and in-depth technical assistance to small and emerging businesses that SBDCs do not have the facilities to undertake.

I urge my colleagues to join me by cosponsoring this important business initiative. I ask unanimous consent that supporting letters from the American Association of State Colleges and Universities, the National Association of State Universities and Land-Grant Colleges, the American Electronics Association of Oregon, and Portland State University be placed into the RECORD following my remarks.

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

MAY 25, 1995.

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

DEAR SENATOR HATFIELD: On behalf of the American Association of State Colleges and Universities and Land Grant Colleges (NASULGC), we commend your efforts to match the resources of our urban colleges and universities to the needs of the urban business community through the proposed Urban University Business Initiative legislation.

The community resource and economic development mission of our urban colleges and universities inextricably links our institutions to the communities in which they reside. Moreover, the business community's need for technical assistance and solutions to problems, especially those in lower income urban areas, and the urban university's ability and interest in applying their energies and talents to human and community concerns, creates a climate for urban universities and urban businesses to collaborate.

As we approach the 21st century, the technological challenges threatening America's economy and international competitiveness will have to be addressed by the American people. Too often the potential of our colleges and universities, as participants in the problem solving process, is overlooked. Your legislation helps create the link between urban institutions of higher education and the communities in which they reside.

Once again, we appreciate your foresight and leadership on this issue and your outstanding and longstanding advocacy on behalf of urban and metropolitan colleges and universities.

Sincerely,

JAMES B. APPLEBERRY,
President, American Association of State Colleges and Universities.

C. PETER MAGRATH,
President, National Association of State Universities and Land-Grant Colleges.

PORTLAND STATE UNIVERSITY,
Portland, OR, May 22, 1995.

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

DEAR SENATOR HATFIELD: I'm writing to let you know I enthusiastically endorse your proposed legislation related to urban universities and technical assistance for small and emerging businesses. This legislation will make a difference not only to businesses in Oregon, but throughout the nation. Establishing direct linkages between urban universities and business assistance will help enhance the success rate of small and emerging businesses.

At a time when our nation's economic base is changing dramatically from industrial to small and mid-size businesses, legislative solutions like the Urban University Business Initiative Grants are especially crucial to long-term sustainability. In addition to providing technical assistance, your legislation specifically establishes a priority for a research agenda. Clearly, too little is now known about what works to support business development, strategies for promoting business expansion, and successful efforts to maintain profitability and sustainability.

The urban university is well positioned to provide business assistance. It is the mission of the urban university to work with the community to address community problems. A key problem for urban areas, especially lower-income neighborhoods, is business competitiveness. Jobs, particularly family-wage jobs, are essential to self-sufficiency, family stability, and community development. Your legislation creates a mechanism for urban university business schools to be an integral part of the solution.

Senator Hatfield, your leadership on this issue is greatly appreciated. I especially

want to recognize the good work and commitment of your staff in making this legislative concept a reality. It is obvious that your passion for the urban university mission is shared by the people you employ.

Thank you again for embracing this important issue. Please call upon me if I can provide you with any information or assistance.

Best regards,

JUDITH A. RAMALEY,
President.

AMERICAN ELECTRONICS ASSOCIATION,
Salem, OR, May 25, 1995.

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

DEAR SENATOR HATFIELD: I am writing to express support for your proposed small business initiative grant program.

As you know, Oregon is a hotbed of small businesses, many of which are faced with the daunting task of trying to compete in a global marketplace. Although such programs as the SBDCs attempt to help small enterprises get started, your proposal addresses a different need: the applied research and long-term technical assistance that could be provided by our urban universities.

Your proposal addresses another gap in our current system—a much needed data base to track small business development and chart the reasons for success and failure.

A recent discussion we had with economic development leaders in the Portland area highlighted for us the urgent need for business development strategies designed specifically for lower income urban communities. We hope that your proposal, if successful, will help address those needs.

As always, we applaud your leadership in these issues. Good luck.

Sincerely,

JIM CRAVEN,
Government Affairs Manager.

By Mr. GRASSLEY (for himself and Mr. CONRAD):

S. 863. A bill to amend title XVIII of the Social Security Act to provide for increased Medicare reimbursement for physician assistants, to increase the delivery of health services in health professional shortage areas, and for other purposes; to the Committee on Finance.

S. 864. A bill to amend title XVIII of the Social Security Act to provide for increased Medicare reimbursement for nurse practitioners and clinical nurse specialists to increase the delivery of health services in health professional shortage areas, and for other purposes; to the Committee on Finance.

MEDICARE LEGISLATION

Mr. GRASSLEY. Mr. President, today, on behalf of myself and Senator CONRAD, I am introducing two bills. If enacted, these bills would increase access to primary care for Medicare beneficiaries in rural and inner city communities. The Primary Care Health Practitioner Incentive Act of 1995 would reform Medicare reimbursement to nurse practitioners [NP's] and clinical nurse specialists [CNS's]. The Physician Assistant Incentive Act of 1995 would reform Medicare reimbursement for physician assistants.

We introduced these bills in the last Congress. We are reintroducing them today in the conviction that access to primary care services for Medicare beneficiaries would be improved if we reformed Medicare policies that restrict the circumstances under which the services of these providers can be reimbursed.

THE PROBLEM

The Medicare program currently covers the services of these practitioners. However, payment levels vary depending on treatment settings and geographic area. In most cases, reimbursement may not be made directly to the nonphysician provider. Rather, it must be made to the employer of the provider, often a physician. The legislation authorizing these different reimbursement arrangements was passed in an incremental fashion over the years.

The Medicare law which authorizes reimbursement of these providers is also inconsistent with State law in many cases. For instance, in Iowa, State law requires nonphysicians to practice with either a supervising physician or a collaborating physician. But under Iowa law, the supervising physician need not be physically present in the same facility as the nonphysician practitioner and, in many instances, can be located in a site physically distant from that of the nonphysician practitioner he or she is supervising.

Unfortunately, Medicare policy will not recognize such relationships and instead requires that the physician be present in the same building as the nonphysician practitioner in order for the services of these nonphysician providers to be reimbursed. This is known as the incident to provision, referring to services that are provided incident to a physician's services.

This has created a problem in Iowa, Mr. President. In many parts of my State, clinics have been established using nonphysician practitioners, particularly physician assistants, in order to provide primary health care services in communities that are unable to recruit a physician. The presence of these practitioners insures that primary health care services will be available to the community.

Iowa's Medicare carrier has strictly interpreted the incident to requirement of Medicare law as requiring the physician presence of a supervising physician in places where physician assistants practice. This has caused many of the clinics using physician assistants to close, and thus has deprived the community of primary health care services.

Mr. President, recently the Iowa Hospital Association suggested a number of ways access and cost effectiveness could be improved in the Medicare Program. One of their suggestions was that this incident to restriction be relaxed. They said:

In rural Iowa, most physicians are organized in solo or small group practices. Physician assistants are used to augment these practices. With emergency room coverage requirements, absences due to vacation, continuing education or illness and office hours in satellite clinics, there are instances on a monthly basis where the physician assistant is providing care to patients without a physician in the clinic. Medicare patients in the physician clinic where the physician assistant is located have to either wait for the physician to return from the emergency room or care is provided without charge. The patient and the providers are clearly harmed by this provision.

THIS LEGISLATION

If enacted, this legislation would establish a more uniform payment policy for these providers. It would authorize reimbursement of their services as long as they were practicing within State law and their professional scope of practice. It calls for reimbursement of these provider groups at 85 percent of the physician fee schedule for services they provide in all treatment settings and in all geographic areas. Where it is permitted under State law, reimbursement would be authorized even if these nonphysician providers are not under the direct, physical supervision of a physician. Currently, the services of these nonphysician practitioners are paid at 100 percent of the physician's rate when provided incident to a physician's services. If enacted, this legislation would discontinue this incident to policy. The reimbursement would be provided directly to the nurse practitioners and clinical nurse specialists. It would be provided to the employer of the physician assistant.

These bills also call for a 10-percent bonus payment for those of these practitioners who work in health professional shortage areas [HPSA's]. We hope that this provision will encourage nonphysician practitioner to relocate in areas in need of health care services.

Mr. President, legislation closely paralleling the legislation we are introducing today was twice accepted by the Committee on Finance, and once by the Senate. Comparable legislation was included in the Senate's version of H.R. 11 in 1992. Also included in that legislation were certified nurse midwives. Comparable legislation was also accepted by the committee in its health care reform legislation last year. That legislation included only the services of nurse practitioners and physician assistants.

Mr. CONRAD. Mr. President, Senator GRASSLEY and I are again introducing legislation to improve Medicare reimbursement policy related to nurse practitioners, clinical nurse specialists, and physician's assistants. The bills we are introducing today—the Primary Care Health Practitioner Incentive Act and the Physician Assistant Incentive Act—are slightly modified versions of S. 833 and S. 834, which we introduced during the last Congress.

Our legislation helps maximize the effective utilization of these primary health care providers, who play a vital

role in our health care delivery infrastructure, particularly in rural areas.

Each of the specialties affected by our legislation has its own training requirements. For example, nurse practitioners are registered nurses who have advanced education and clinical training in a health care specialty area that is either age- or setting-specific. A few examples include pediatrics, adult health, geriatrics, women's health, school health, and occupational health. Nurse practitioners generally perform services like assessment and diagnosis, and provide basic primary care treatment.

Almost half of the 25,000 nurse practitioners across the Nation have master's degrees. Clinical nurse specialists, on the other hand, are required to have master's degrees and are found more frequently in tertiary care settings in specialties like cardiac care. However, many also practice in primary care settings.

Physician assistants on average receive 2 years of physician-supervised clinical training and classroom instruction. Unlike nurse practitioners, they are educated using the medical model of care, rather than the nursing process. Physician assistants work in all settings providing diagnostic, therapeutic, and preventive care services.

Members of each of these provider groups work with physicians to varying degrees. They generally work in consultation with physicians, and are being relied upon more and more. In States like North Dakota, nurse practitioners or physician assistants often staff clinics where no physician is present or available. Without their presence, many communities would have no ready access to the health care system.

Within their areas of competence, nurse practitioners, clinical nurse specialists, and physician's assistants furnish care of exceptional quality. Numerous studies have demonstrated that they do a particularly effective job of providing preventive care, supportive care, and health promotion services. They also emphasize communication with patients and provide effective followup with patients. These qualities will continue to grow in importance as primary care receives increasing emphasis throughout our health care system.

Medicare currently provides for reimbursement of nurse practitioners, physicians' assistants, and clinical nurse specialists working with physicians. But the ad hoc fashion in which the various payment mechanisms have been established results in wide reimbursement variations in different settings and among different providers.

Our national budget situation requires that we approach Medicare reimbursement policies in a sensible way. This legislation is one example of how Medicare can and should promote the use of cost-effective providers to a much higher degree, without compromising the quality of care that older Americans receive.

Today's Medicare requirements can hinder the ability of practices to set up satellite clinics that are staffed by providers other than physicians. For example, although the State of North Dakota allows for broad use of such providers, the reimbursement levels provided by Medicare can create difficulty both for the providers and the practices themselves.

In rural North Dakota, and in rural communities throughout the Nation, one or two doctors might rotate between a series of clinics. The clinics might also be staffed by physician's assistants, nurse practitioners, or other providers. If a Medicare patient requires care when a doctor is conducting business away from the clinic, and the only provider present is a physician assistant, the clinic can not be reimbursed by Medicare for care he or she provides to that individual—the same care that would be reimbursed if the physician were in the next room. The State of North Dakota allows that same physician's assistant to provide the care without a physician present, but Medicare provides no reimbursement.

The Office of Technology Assessment, the Physician Payment Review Commission and these providers themselves have all expressed the need for consistency, and for a reimbursement scheme that acknowledges reality of today's medial marketplace.

Greater use of nurse practitioners, physician assistants, and clinical nurse specialists can improve our ability to provide health care services in areas where access to providers can be difficult. These providers have historically been willing to move to both rural and inner-city areas that are underserved by health care providers. In fact, they are located in about 50 communities throughout North Dakota.

Many communities that cannot support a physician can support a full-time nurse practitioner or physician assistant. As I have already discussed, some towns already utilize these providers to some extent. North Dakotans and residents of many other States recognize the value of each of these health care professionals, and appreciate the access to quality care they provide.

Although North Dakota maximizes access to health care for our rural residents by allowing for relatively broad utilization of these providers, our efforts are impeded by an irrational Federal reimbursement scheme. But no matter what the State of North Dakota does, unless changes are made in Federal reimbursement, we will never encourage use of this group of health care professionals to the extent that rural Americans need.

The bills Senator GRASSLEY and I are introducing would help eliminate the existing barriers to using these important primary care providers. The bills provide each of these provider groups with reimbursement at 85 percent of the physician fee schedule for the services they provide. The 85 percent level represents a compromise relative to the legislation we introduced in the 103d Congress. It is consistent with a provision that was included in all of the major health reform legislation before the Senate last year—the Mainstream coalition proposal as well as the health reform proposals made by Senators Mitchell and DOLE.

Our proposals also allow for a bonus payment to these providers if they elect the practice in Health Professional Shortage Areas [HPSAs]. All but six counties in North Dakota are completely or partially designated as HPSAs. The health care access problems residents of those counties experience could be substantially alleviated by the presence of this special class of primary care providers. Finally, our legislation ensure that a nurse practitioner from a rural area who follows a patient into an inpatient setting will get paid for doing so.

The improvements that Senator GRASSLEY and I advocate will pay dividends in improved access to health care for Americans living in rural and urban areas alike. They were items about which Democrats and Republicans had a great deal of agreement during health care reform last year. I urge my colleagues to support this bipartisan effort to improve health care access for rural Americans.

By Mr. DOLE (for himself, Mr. KYL, and Mr. HATCH):

S. 866. A bill to reform prison litigation, and for other purposes; to the Committee on the Judiciary.

PRISON LITIGATION REFORM ACT

Mr. DOLE. Mr. President, I am pleased to join today with my distinguished colleague from Arizona, Senator KYL, in introducing the Prison Litigation Reform Act of 1995.

Over the past two decades, we have witnessed an alarming explosion in the number of lawsuits filed by State and Federal prisoners. According to enterprise institute scholar Walter Berns, the number of "due-process and cruel and unusual punishment" complaints filed by prisoners has grown astronomically—from 6,600 in 1975 to more than 39,000 in 1994. As Chief Justice William Rehnquist has pointed out, prisoners will now "litigate at the drop of a hat," simply because they have little to lose and everything to gain. Prisoners have filed lawsuits claiming such grievances as insufficient storage locker space, being prohibited from attending a wedding anniversary party, and yes, being served creamy peanut butter instead of the chunky variety they had ordered.

Unfortunately, prisoner litigation does not operate in a vacuum. Frivolous lawsuits filed by prisoners tie up the courts, waste valuable judicial and legal resources, and affect the quality of justice enjoyed by the law-abiding population.

According to Arizona Attorney General Grant Woods, 45 percent of the civil cases filed in Arizona's Federal courts last year were filed by State prisoners. That means that 20,000 prisoners in Arizona filed almost as many cases as Arizona's 3.5 million law-abiding citizens. The time and money spent defending most of these cases are clearly time and money that could be better spent prosecuting criminals, fighting illegal drugs, or cracking down on consumer fraud.

GARNISHMENT

The bottom line is that prisons should be prisons, not law firms. That's why the Prison Litigation Reform Act would require prisoners who file lawsuits to pay the full amount of their court fees and other costs.

Many prisoners filing lawsuits today in Federal court claim indigent status. As indigents, prisoners are generally not required to pay the fees that normally accompany the filing of a lawsuit. In other words, there is no economic disincentive to going to court.

The Prison Litigation Reform Act would change this by establishing a garnishment procedure: If a prisoner is unable to fully pay court fees and other costs at the time of filing a lawsuit, 20 percent of the funds in his account would be garnished for this purpose. Every month thereafter, an additional 20 percent of the income credited to the prisoner's account would be garnished, until the full amount of the court fees and costs are paid-off.

When average law-abiding citizens file a lawsuit, they recognize that there could be an economic downside to going to court. Convicted criminals shouldn't get preferential treatment: If a law-abiding citizen has to pay the costs associated with a lawsuit, so too should a convicted criminal.

In addition, when prisoners know that they will have to pay these costs—perhaps not at the time of filing, but eventually—they will be less inclined to file a lawsuit in the first place.

JUDICIAL SCREENING

Another provision of the Prison Litigation Reform Act would require judicial screening, before docketing, of any civil complaint filed by a prisoner seeking relief from the Government under section 1983 of title 42, a reconstruction-era statute that permits actions against State officials who deprive "any citizen of the United States * * * of the rights, privileges, or immunities guaranteed by the constitution." This provision would allow a Federal judge to immediately dismiss a complaint under section 1983 if either of two conditions is met: First, the complaint does not state a claim upon which relief may be granted, or second, the defendant is immune from suit.

OTHER REFORMS

The Prison Litigation Reform Act would also punish Federal prisoners who file frivolous lawsuits by requiring them to forfeit any good-time credits they may have accumulated. Why should we provide "good-time" credits to Federal prisoners who waste taxpayer dollars and valuable judicial resources with unnecessary lawsuits?

The act also requires State prisoners to exhaust all administrative remedies before filing a lawsuit in Federal court.

In addition, the act amends both the Civil Rights of Institutionalized Persons Act and the Federal Tort Claims Act to prohibit prisoners from suing for mental or emotional injury while in custody, absent a showing of physical injury.

If enacted, all of these provisions would go a long way to curtail frivolous prisoner litigation.

CONCLUSION

Finally, Mr. President, I want to express my thanks to Arizona Attorney General Grant Woods. In many respects, the Prison Litigation Reform Act is modeled after the attorney general's own State initiative in Arizona. Without the invaluable input of Attorney General Woods and his staff, Senator Kyl and I would not be here today introducing this important piece of legislation.

Mr. President, I ask unanimous consent that the full text of the Prison Litigation Reform Act be reprinted in the RECORD.

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

S. 866

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 "Prison Litigation Reform Act of 1995".

SEC. 2. PROCEEDINGS IN FORMA PAUPERIS.

(a) FILING FEES.—Section 1915 of title 28, United States Code, is amended—

(1) in subsection (a)—

(A) by striking "(a) Any" and inserting "(a)(1) Subject to subsection (b), any";

(B) by striking "fees and";

(C) by striking "makes affidavit" and inserting "submits an affidavit";

(D) by striking "such costs" and inserting "such fees";

(E) by striking "he" each place it appears and inserting "the person";

(F) by adding immediately after paragraph (1), the following new paragraph:

"(2) A prisoner of a Federal, State, or local institution seeking to bring a civil action or appeal a judgment in a civil action or proceeding, without prepayment of fees or security therefor, in addition to filing the affidavit filed under paragraph (1), shall submit a certified copy of the trust fund account statement (or institutional equivalent) for the prisoner for the 6-month period immediately preceding the filing of the complaint or notice of appeal, obtained from the appropriate official of each institution at which the prisoner is or was confined."; and

(E) by striking "An appeal" and inserting "(3) An appeal";

(2) by redesignating subsections (b), (c), (d), and (e) as subsections (c), (d), (e), and (f), respectively;

(3) by inserting after subsection (a) the following new subsection:

"(b)(1) Notwithstanding subsection (a), if a prisoner brings a civil action or files an appeal in forma pauperis, the prisoner shall be required to pay the full amount of a filing fee. The court shall assess, and when funds exist, collect, as a partial payment of any court fees required by law, an initial partial filing fee of 20 percent of the greater of—

"(A) the average monthly deposits to the prisoner's account; or

"(B) the average monthly balance in the prisoner's account for the 6-month period immediately preceding the filing of the complaint or notice of appeal.

"(2) After payment of the initial partial filing fee, the prisoner shall be required to make monthly payments of 20 percent of the preceding month's income credited to the prisoner's account. The agency having custody of the prisoner shall forward payments from the prisoner's account to the clerk of the court each time the amount in the account exceeds $10 until the filing fees are paid.

"(3) In no event shall the filing fee collected exceed the amount of fees permitted by statute for the commencement of a civil action or a appeal of a civil action or criminal judgment.

"(4) In no event shall a prisoner be prohibited from bringing a civil action or appealing a civil or criminal judgment for the reason that the prisoner is unable to pay the initial partial filing fee.";

(4) in subsection (c), as redesignated by paragraph (2), by striking "subsection (a) of this section" and inserting "subsections (a) and (b) and the prepayment of any partial filing fee as may be required under subsection (b)"; and

(5) by amending subsection (e), as redesignated by paragraph (2), to read as follows:

"(e) The court may request an attorney to represent any person unable to employ counsel, and shall dismiss the case at any time if the allegation of poverty is untrue, or if the court determines that the action or appeal is frivolous or malicious, or fails to state a claim on which relief may be granted.".

(b) COSTS.—Section 1915(e) of title 28, United States Code (as redesignated by subsection (a)(2)), is amended)—

(1) by striking "(f) Judgment" and inserting "(f)(1) Judgment";

(2) by striking "such cases" and inserting "proceedings under this section";

(3) by striking "cases" and inserting "proceedings"; and

(4) by adding at the end the following new paragraph:

"(2)(A) If the judgment against a prisoner includes the payment of costs under this subsection, the prisoner shall be required to pay the full amount of the costs ordered.

"(B) The prisoner shall be required to make payments for costs under this subsection in the same manner as is provided for filing fees under subsection (a)(2).

"(C) In no event shall the costs collected exceed the amount of the costs ordered by the court.".

SEC. 3. JUDICIAL SCREENING.

(a) IN GENERAL.—Chapter 123 of title 28, United States Code, is amended by inserting after section 1915 the following new section:

"§ 1915A. Screening

"(a) SCREENING.—The court shall review, before docketing if feasible or, in any event, as soon as practicable after docketing, a complaint in a civil action in which a prisoner seeks redress from a governmental entity or officer or employee of a governmental entity.

"(b) GROUNDS FOR DISMISSAL.—On review, the court shall dismiss the complaint, or any portion of the complaint, if the complaint—

"(1) fails to state a claim upon which relief may be granted; or

"(2) seeks monetary relief from a defendant that is immune from such relief.

"(c) DEFINITION.—As used in this section, the term 'prisoner' means a person that is serving a sentence following conviction of a crime or is being held in custody pending trial or sentencing.".

(b) TECHNICAL AMENDMENT.—The analysis for chapter 123 of title 28, United States Code, is amended by inserting after the item relating to section 1915 the following new item:

"1915A. Screening.".

SEC. 4. FEDERAL TORT CLAIMS.

Section 1346(b) of title 28, United States Code, is amended—

(1) by striking "(b)" and inserting "(b)(1)"; and

(2) by adding at the end the following:

"(2) No person convicted of a felony who is incarcerated while awaiting sentencing or while serving a sentence may bring a civil action against the United States or an agency, officer, or employee of the Government, for mental or emotional injury suffered while in custody without a prior showing of physical injury.".

SEC. 5. CIVIL RIGHTS CLAIMS.

The Civil Rights of Institutionalized Persons Act (42 U.S.C. 1997 et seq.) is amended by inserting after section 7 the following new section:

"SEC. 7A. LIMITATION ON RECOVERY.

"No civil action may be brought against the United States by an adult convicted of a crime confined in a jail, prison, or other correctional facility, for mental or emotional injury suffered while in custody without a prior showing of physical injury.".

SEC. 6. EARNED RELEASE CREDIT OR GOOD TIME CREDIT REVOCATION.

(a) IN GENERAL.—Chapter 123 of title 28, United States Code, is amended by adding at the end the following new section:

"§ 1932. Revocation of earned release credit

"In a civil action brought by an adult convicted of a crime and confined in a Federal correctional facility, the court may order the revocation of earned good time credit (or the institutional equivalent) if—

"(1) the court finds that—

"(A) the claim was filed for a malicious purpose;

"(B) the claim was filed solely to harass the party against which it was filed; or

"(C) the claimant testifies falsely or otherwise knowingly presents false evidence or information to the court; or

"(2) if the Attorney General determines that subparagraph (A), (B), or (C) of paragraph (1) has been met and recommends revocation of earned good time credit to the court.".

(b) CLERICAL AMENDMENT.—The analysis for chapter 123 of title 28, United States Code, is amended by inserting after the item relating to section 1931 the following:

"1931. Revocation of earned release credit.".

SEC. 7. EXHAUSTION REQUIREMENT.

Section 7(a)(1) of the Civil Rights of Institutionalized Persons Act (42 U.S.C. 1997e(a)(1)) is amended—

(1) by striking "in any action brought" and inserting "no action shall be brought";

(2) by striking "the court shall" and all that follows through "require exhaustion of" and insert "until"; and

(3) by inserting "and exhausted" after "available".

Mr. KYL. Mr. President, I join Senator DOLE in introducing the Prison Litigation Reform Act of 1995. This bill will deter frivolous inmate lawsuits. Statistics complied by the Administrative Office of the U.S. Courts show that inmate suits are clogging the courts and draining precious judicial resources. Nationally, in 1994, a total of 238,590 civil cases were brought in U.S. district court. More than one-fourth of these cases—60,086—were brought by prisoners.

Most inmate lawsuits are meritless. Courts have complained about the abundance of such cases. Filing frivolous civil rights lawsuits has become a recreational activity for long-term residents of our prisons. *James* v. *Quinlan*, 886 F.2d 37, 40 n. 5 (3rd Cir. 1989) quoting *Gabel* v. *Lynaugh*, 835 F.2d 124, 125 n. 1 (5th Cir. 1988) (per curiam). Indeed, in Gabel, the fifth circuit expressed frustration with the glut of "frivolous or malicious appeals by disgruntled state prisoners." *Gabel* v. *Lynaugh*, 835 F.2d 124, 125 (per curiam). The court wrote:

> About one appeal in every six which came to our docket (17.3%) the last four months was a state prisoner's pro se civil rights case. A high percentage of these are meritless, and many are transparently frivolous. So far in the current year (July 1–October 31, 1987), for example, the percentage of such appeals in which reversal occurred was 5.08. Partial reversal occurred in another 2.54%, for a total of 7.62% in which any relief was granted. . . . Over 92% were either dismissed or affirmed in full.
>
> For the same period section 1983 prisoner appeals prosecuted without counsel were our largest single category of cases which survived long enough to be briefed and enter our screening process so as to require full panel consideration. The number of these stands at almost 22%, with the next largest category—diversity cases—coming in at 16%, federal question appeals at 14.5%, and both general civil rights cases and criminal appeals coming in at something over 11% each. Such figures suggest that pro se civil rights litigation has become a recreational activity for state prisoners in our Circuit . . . *Id.*

As Walter Berns recently wrote in the Wall Street Journal, "Nowhere is [the] problem [of frivolous lawsuits] more pressing than in our prison system." (April 24, 1995) Legislation is needed because of the large and growing number of prisoner civil rights complaints, the burden that disposing of meritless complaints imposes on efficient judicial administration, and the need to discourage prisoners from filing frivolous complaints as a means of gaining a "short sabbatical in the nearest Federal courthouse." *Cruz* v. *Beto*, 405 U.S. 319, 327 (1972) (Rehnquist, J., dissenting).

The Dole-Kyl "Prisoner Litigation Reform Act" will:

Remove the ability of prisoners to file free lawsuits, instead making them pay full filing fees and court costs.

Require judges to dismiss frivolous cases before they bog down the court system.

Prohibit inmate lawsuits for mental and emotional distress.

Retract good-time credit earned by inmates if they file lawsuits deemed frivolous.

Require the exhaustion of administrative remedies.

The Dole-Kyl bill is based on similar provisions that were enacted in Arizona. Arizona's recent reforms have already reduced State prisoner cases by 50 percent. Now is the time to reproduce these commonsense reforms in Federal law. If we achieve a 50-percent reduction in bogus Federal prisoner claims, we will free up judicial resources for claims with merit by both prisoners and nonprisoners.

Section 2 of the bill covers proceedings in forma pauperis. It adds a new subsection to 28 U.S.C. section 1915. The subsection provides that whenever a Federal, State, or local prisoner seeks to commence an action or proceeding in Federal court as a poor person, the prisoner must pay a partial filing fee of 20 percent of the larger of the average monthly balance in, or the average monthly deposits to, his inmate account. The fee may not exceed the full statutory fee. If the inmate can show that circumstances render him unable to make payment of even the partial fee, the court has the power to waive the entire filing fee.

Section 2 will require prisoners to pay a very small share of the large burden they place on the Federal judicial system by paying a small filing fee upon commencement of lawsuits. In doing so, the provision will deter frivolous inmate lawsuits. The modest monetary outlay will force prisoners to think twice about the case and not just file reflexively. *Lumbert* v. *Illinois Department of Correction*, 837 F.2d 257, 259 (7th Cir. 1987) (Posner, J.). Prisoners will have to make the same decision that law-abiding Americans must make: Is the lawsuit worth the price? Criminals should not be given a special privilege that other Americans do not have. The only thing different about a criminal is that he has raped, robbed, or killed. A criminal should not be rewarded for these actions.

The volume of prisoner litigation represents a large burden on the judicial system, which is already overburdened by increases in nonprisoner litigation. Yet prisoners have very little incentive not to file nonmeritorious lawsuits. Unlike other prospective litigants who seek poor person status, prisoners have all the necessities of life supplied, including the materials required to bring their lawsuits. For a prisoner who qualifies for poor person status, there is no cost to bring a suit

and, therefore, no incentive to limit suits to cases that have some chance of success.

The filing fee is small enough not to deter a prisoner with a meritorious claim, yet large enough to deter frivolous claims and multiple filings. As noted above, the bill contains a provision to waive even the partial filing fee. This provision assures that prisoners with meritorious claims will not be shut out from court for lack of sufficient money to pay even the partial fee.

Finally, section 2 of the Dole-Kyl bill also imposes the same payment system for court costs as it does for filing fees. This provision, like the filing fee provision, will ensure that inmates evaluate the merits of their claims.

Section 3 of this bill creates a new statute that requires judicial screening of a complaint, or any portion of the complaint, in a civil action in which a prisoner seeks redress from a governmental entity or officer or employee of a governmental entity. The bill establishes two standards a prisoner must meet. Under the first standard, the court must dismiss the complaint if satisfied that the complaint fails to state a claim on which relief may be granted. Under the second standard, the court must dismiss claims for monetary relief from a defendant who is immune from such relief.

Sections 4 and 5 of the bill will bar inmate lawsuits for mental or emotional injury suffered while in custody unless they can show physical injury. Of the 60,086 prisoner petitions in 1994 about two-thirds were prisoner civil rights petitions, according to the Administrative Office of the U.S. courts. Prisoner civil rights petitions are brought under 42 U.S.C. 1983. Section 1983 petitions are claims brought in Federal court by State inmates seeking redress for a violation of their civil rights. "The volume of section 1983 litigation is substantial by any standard," according to the Justice Department's report on section 1983 litigation, "Challenging the Conditions of Prisons and Jails." Indeed, the Administrative Office [AO] of the U.S. courts counted only 218 cases in 1966, the first year that State prisoners' rights cases were recorded as a specific category of litigation. The number climbed to 26,824 by 1992. When compared to the total number of all civil cases filed in the Nation's U.S. district courts, more than 1 in every 10 civil filings is now a section 1983 lawsuit, according to the AO.

Section 6 of the bill will deter frivolous suits by adding to the U.S.C. a sanction to revoke good-time credits when a frivolous suit is filed. Specifically, the bill would require that in a civil action brought by an adult convicted of a crime and confined in a Federal correctional facility, the court may order the revocation of earned good-time credit if the court finds that: First, the claim was filed for a malicious purpose, second, the claim was filed solely to harass the party against which it was filed, or third, the claimant testifies falsely or otherwise knowingly presents false evidence or information to the court. Additionally, if the Attorney General determines that any of these criteria have been met, the Attorney General may recommend the revocation of earned good-time credit to the court.

Section 7 will make the exhaustion of administrative remedies mandatory. Many prisoner cases seek relief for matters that are relatively minor and for which the prison grievance system would provide an adequate remedy. Section 7 of this bill would require an inmate, prior to filing a complaint under 42 U.S.C. section 1983, to exhaust all available administrative remedies certified as adequate by the U.S. attorney general. An exhaustion requirement is appropriate for prisoners given the burden that their cases place on the Federal court system, the availability of administrative remedies, and the lack of merit of many of the claims filed under 42 U.S.C. section 1983.

Mr. President, in a dissenting opinion in *Cleavinger* v. *Saxner*, 474 U.S. 193, 211 (1985), then-Justice Rehnquist wrote, "With less to profitably occupy their time than potential litigants on the outside, and with a justified feeling that they have much to gain and virtually nothing to lose, prisoners appear to be far more prolific litigants than other groups in the population." The Dole-Kyl bill will stem the tide of meritless prisoner cases.

Mr. President, I ask unanimous consent that additional material be printed in the RECORD.

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

[From the Wall Street Journal, Apr. 24, 1995]

SUE THE WARDEN, SUE THE CHEF, SUE THE GARDENER . . .

(By Walter Berns)

The Senate's debate this week on tort reform will focus the public spotlight on frivolous lawsuits. Nowhere is this problem more pressing than in our prison system. As one federal appeals court judge said recently, filing civil rights suits has become a "recreational activity" for long-term inmates. Among his examples of "excessive filings": more than 100 by Harry Franklin (who, in one of them, sued a prison official for "overwatering the lawn"), 184 in three years by John Robert Demos, and—so far the winning score—more than 700 by the "Reverend" Clovis Carl Green Jr.

Disenting in a case that reached the Supreme Court in 1985, Chief Justice William Rehnquist noted that prisoners are not subject to many of the constraints that deter litigiousness among the population at large. Most prisoners qualify for in forma pauperis status, which entitles them to commence an action "without prepayment of fees and costs or security therefor," and all of them are entitled to free access to law books or some other legal assistance. As the chief justice said, with time on their hands, and with much to gain and virtually nothing to lose, prisoners "litigate at the drop of a hat."

Chief Justice Rehnquist was not referring to appeals by defendants protesting their innocence, but to the suits initiated by people claiming a deprivation of their rights while in prison. Since almost any disciplinary or administrative action taken by prison officials now can give rise to a due process or cruel-and-unusual-punishment complaint, the number of these suits is growing at a rate that goes far to explain the "litigation explosion": from 6,606 in 1975 to 39,065 in 1994 (of which "only" 1,100 reached the Supreme Court).

Of the 1994 total, 37,925 were filed by state prisoners under a section of the so-called Ku Klux Klan Act of 1871, which permits actions for damages against state officials who deprive "any citizen of the United States or other person under the jurisdiction thereof, [of] any rights, privileges, or immunities secured by the Constitution and laws." This statute came into its own in 1961 when the Supreme Court permitted a damage action filed by members of a black family who (with good reason) claimed that Chicago police officers had deprived them of the Fourth Amendment right "to be secure in their persons, houses, papers and effects, against unreasonable searches and seizures." Today, the statute is used mostly by prisoners who, invoking one or another constitutional right, complain of just about anything and everything.

They invoke the cruel-and-unusual-punishment provision of the Eighth Amendment not only when beaten or raped by prison guards, but when shot during a prison riot, or when required to share a cell with a heavy smoker, or when given insufficient storage locker space, or when given creamy peanut butter instead of the chunky variety they ordered.

They involve the First Amendment when forbidden to enter into marriage, or to correspond with inmates in other state prisons. John Robert Demos sued one prison official for not addressing him by his Islamic name.

And there is probably not a prison regulation whose enforcement does not, or at least may not, give rise to a 14th Amendment (or, in the case of federal prisoners, a Fifth amendment) due process complaint. Requiring elaborate trials or evidentiary proceedings, these especially, are the cases that try the patience of the judges. Still, reviewing these complaints imposes a particular burden on administrative officials who, unlike the judges, can be sued for damages.

Consider a recent due process case involving a New York state inmate.

In five separate hearings, prison officers found inmate Jerry Young guilty of violating various prison rules and sentenced him to punitive segregation and deprived him of inmate privileges. Appeals from the disciplinary decisions in the 66 state prisons are directed to Donald Selsky, a Department of Correctional Services official who, in a typical year, hears more than 5,000 such appeals. Young sued the prison hearing officers, claiming that they had denied his request to call 31 inmates and two staff officers as witnesses, and that they failed to provide him with adequate legal assistance; he also sued Mr. Selsky, claiming he had violated his due process rights by affirming the decisions made by the hearing officers. From Mr. Selsky he demanded $200 in punitive damages, $200, in compensatory damages, and $200 in exemplary damages for each day of his segregated confinement.

Mr. Selsky is currently the defendant in 156 such suits, but the state provides him with legal representation, and, if he is found liable, will indemnity him unless the damages "resulted from [his] intentional wrongdoing." Since he bears the burden of providing that it was "objectively reasonable to conclude that the prisoners' constitutional rights were not violated." he may or may not find this reassuring.

The Republican crime bill passed by the House in the first 100 days aims to reduce the number of such suits—first, by prohibiting the filing of an action in Federal court by adult state prisoners until they have exhausted all the remedies available to them in the states, and, second, by permitting federal judges to dismiss an in forma pauperis case "if the allegation of poverty is untrue, or if satisfied that the action fails to state a claim upon which relief may be granted or is frivolous or malicious, even if the partial filing fees have been imposed by the court."

These provisions seem reasonable, but it remains to be seen whether the Senate and the president will find them so. And only time will tell whether they are adequate.

[From the Tucson Citizen, Feb. 2, 1995]

COST OF INMATES' FRIVOLOUS SUITS IS HIGH

Almost 400 times last year, inmates in Arizona prison sued the state. Some of their claims:

An inmate wasn't allowed to go to his parents' wedding anniversary party; another said he was subject to cruel and unusual punishment because he wasn't allowed to attend his father's funeral.

An inmate claimed that he lost his Reebok tennis shoes because of gross negligence by the state. Another said the state lost his sunglasses.

A woman inmate said the jeans she was issued didn't fit properly.

An inmate sued because he wasn't allowed to hang a tapestry in his cell.

When the state decided that inmates would not be allowed to see movies with exposed breasts and genitals, an inmate claimed that violated his Constitutional rights.

Inmates claimed the state stole money from their prison accounts. But another inmate claimed the state illegally deposited money in his account, disqualifying him as an indigent.

An inmate claimed he was wrongly disciplined for refusing to change the television from a Spanish-language channel.

An inmate said he was not provided the proper books for a black studies class he was taking.

Several inmates said they weren't allowed to go to the bathroom while using the law library.

One inmate was denied access to the law library after he kicked and tampered with a security device in the library.

An inmate said he wasn't allowed to get married.

An inmate said he was forced to work and not paid minimum wage.

Lawsuits filed by inmates are expensive for Arizona taxpayers. The Attorney General's Office budgets $1.5 million per year to fight the suits, not including court costs. Other state departments also pay some costs.

To cut down on the number of frivolous suits filed, the state Legislature last year passed a law that requires inmates to pay part or all of the filing costs from money earned in prison jobs. In addition, inmates who filed unsubstantiated or harassing lawsuits can be forced to forfeit five days of good-behavior credit.

The new law didn't slow down Mitchell H. Jackson, a convicted drug dealer incarcerated at the state prison in Tucson. Jackson has filed 22 suits against the state in recent years. He got off to a good start in 1995, filing two in the first week.

In one of his suits, he targets the new law requiring inmates to pay filing fees. He claims that has caused him "mental anguish and emotional distress." He wants $10 million from each of the 90 legislators—a total of almost $1 billion.

ADDITIONAL COSPONSORS

S. 240

At the request of Mr. DOMENICI, the name of the Senator from New York [Mr. D'AMATO] was added as a cosponsor of S. 240, a bill to amend the Securities Exchange Act of 1934 to establish a filing deadline and to provide certain safeguards to ensure that the interests of investors are well protected under the implied private action provisions of the act.

S. 245

At the request of Mr. COHEN, the name of the Senator from Georgia [Mr. NUNN] was added as a cosponsor of S. 245, a bill to provide for enhanced penalties for health care fraud, and for other purposes.

S. 256

At the request of Mr. DOLE, the name of the Senator from Maine [Ms. SNOWE] was added as a cosponsor of S. 256, a bill to amend title 10, United States Code, to establish procedures for determining the status of certain missing members of the Armed Forces and certain civilians, and for other purposes.

S. 327

At the request of Mr. HATCH, the name of the Senator from Pennsylvania [Mr. SANTORUM] was added as a cosponsor of S. 327, a bill to amend the Internal Revenue Code of 1986 to provide clarification for the deductibility of expenses incurred by a taxpayer in connection with the business use of the home.

S. 490

At the request of Mr. GRASSLEY, the name of the Senator from Montana [Mr. BURNS] was added as a cosponsor of S. 490, a bill to amend the Clean Air Act to exempt agriculture-related facilities from certain permitting requirements, and for other purposes.

S. 515

At the request of Mr. BRADLEY, the name of the Senator from Massachusetts [Mr. KERRY] was added as a cosponsor of S. 515, a bill to amend the Federal Meat Inspection Act and the Poultry Products Inspection Act to provide for improved public health and food safety through the reduction of harmful substances in meat and poultry that present a threat to public health, and for other purposes.

S. 714

At the request of Mr. LEAHY, the name of the Senator from Illinois [Ms. MOSELEY-BRAUN] was added as a cosponsor of S. 714, a bill to require the Attorney General to study and report to Congress on means of controlling the flow of violent, sexually explicit, harassing, offensive, or otherwise unwanted material in interactive telecommunications systems.

S. 758

At the request of Mr. HATCH, the name of the Senator from Maine [Ms. SNOWE] was added as a cosponsor of S. 758, a bill to amend the Internal Revenue Code of 1986 to provide for S corporation reform, and for other purposes.

S. 770

At the request of Mr. DOLE, the name of the Senator from Oregon [Mr. PACKWOOD] was added as a cosponsor of S. 770, a bill to provide for the relocation of the United States Embassy in Israel to Jerusalem, and for other purposes.

S. 816

At the request of Mr. DEWINE, the name of the Senator from Pennsylvania [Mr. SANTORUM] was added as a cosponsor of S. 816, a bill to provide equal protection for victims of crime, to facilitate the exchange of information between Federal and State law enforcement and investigation entities, to reform criminal procedure, and for other purposes.

SENATE CONCURRENT RESOLUTION 3

At the request of Mr. SIMON, the name of the Senator from Washington [Mr. GORTON] was added as a cosponsor of Senate Concurrent Resolution 3, a concurrent resolution relative to Taiwan and the United Nations.

SENATE CONCURRENT RESOLUTION 15—RELATIVE TO THE COSTS OF INTERNATIONAL PEACEKEEPING ACTIVITIES

Ms. SNOWE submitted the following concurrent resolution; which was referred to the Committee on the Judiciary:

S. CON. RES. 15

Whereas in fiscal year 1989 the United States provided $29,000,000 to the United Nations for assessed United States contributions for international peacekeeping activities, compared to $485,000,000 paid for combined assessed contributions for all other international organizations, including the United Nations, all United Nations specialized agencies and the Organization for American States and all other Pan American international organizations;

Whereas in fiscal year 1994 United States assessed contributions to the United Nations for international peacekeeping activities had grown to $1,072,000,000, compared to $860,000,000 for combined assessed contributions for all other international organizations;

Whereas for fiscal year 1995 the President requested a $672,000,000 United Nations peacekeeping supplemental appropriation which, if approved, would have been a direct increase in the Federal budget deficit and would have brought fiscal year 1995 total appropriations for assessed contributions for

United Nations peacekeeping activities to $1,025,000,000;

Whereas for fiscal year 1995 the President also requested supplemental appropriations of $1,900,000,000 to cover the Department of Defense's unbudgeted costs for humanitarian and peacekeeping missions in Haiti, Kuwait and Bosnia, which are in addition to regular United States assessed contributions to the United Nations for peacekeeping activities; and

Whereas for fiscal year 1996 the President requested $445,000,000 for assessed contributions to the United Nations for international peacekeeping activities, a funding level most observers believe to be a significant understatement of actual peacekeeping obligations the Administration has committed the United States to support and which, if accurate, would lead to the third year in a row in which the Administration requests supplemental appropriations for assessed contributions to international peacekeeping in excess of $600 million outside of the regular budget process: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That the Executive Branch should cease obligating the United States to pay for international peacekeeping operations in excess of funds specifically authorized and appropriated for this purpose.

SENATE CONCURRENT RESOLUTION 16—RELATIVE TO THE RUSSIAN FEDERATION

Ms. SNOWE submitted the following concurrent resolution; which was referred to the Committee on Foreign Relations:

S. CON. RES. 16

(a) FINDINGS.—The Congress finds that—

(1) Iran is aggressively pursuing a program to acquire and/or develop nuclear weapons;

(2) the Director of Central Intelligence, in September of 1994, confirmed that Iran is manufacturing and stockpiling chemical weapons;

(3) Iran has opposed the Middle East peace process and continues to support the terrorist group Hezballah in Lebanon and radical Palestinian groups;

(4) Iran has asserted control over the Persian Gulf island of Abu Musa, which it had been previously sharing with the United Arab Emirates;

(5) during the last few years Iran has reportedly acquired several hundred improved Scud missiles from North Korea;

(6) Iran has moved modern air defense missile systems, tanks, additional troops, artillery, and surface-to-surface missiles onto islands in the Persian Gulf, some of which are disputed between Iran and the United Arab Emirates;

(7) Iran has already taken delivery of as many as 30 modern MiG–29 fighter aircraft from the Russian Federation;

(8) the Russian Federation has sold modern conventionally powered submarines to Iran, which increases Iran's capability to blockade the Straits of Hormuz and the Persian Gulf; and

(9) the Russian Federation has continued to pursue a commercial agreement intended to provide Iran with nuclear technology despite being provided with a detailed description by the President of the United States of Iran's nuclear weapons program.

(b) SENSE OF CONGRESS.—It is the sense of Congress that the Russian Federation should be strongly condemned if it continues with a commercial agreement to provide Iran with nuclear technology which would assist that country in its development of nuclear weapons, and, if such transfer occurs, that Russian would be ineligible for assistance under the terms of the Freedom Support Act.

Ms. SNOWE. Mr. President, today I am submitting a resolution expressing the sense of Congress that the Russian Federation should be strongly condemned for continuing with a commercial agreement to provide Iran with nuclear technology which would assist that country in its development of nuclear weapons, and that such an agreement would make Russia ineligible for United States assistance under the terms of the Freedom Support Act.

This past January, Russia signed a billion-dollar deal to sell nuclear power reactors to Iran. In the United States, this news was greeted with very strong concern that this Russian nuclear technology would be used to support Iran's nuclear weapons development program.

At the recent summit in Moscow, Russian President Yeltsin was asked by President Clinton to cancel the reactor sale to Iran. Yeltsin would not. Instead, he offered us a fig leaf when he cancelled the Russian sale of a gas centrifuge to Iran and halted the training of 10 to 20 Iran scientists a year in Moscow.

Iran is aggressively pursuing a nuclear-weapons acquisition program. The CIA said last September that Iran probably could, with some foreign help, acquire a nuclear weapons capability within 8 to 10 years. And Iran is receiving that foreign help, and it is not just from the Russians. China is helping Iran build a nuclear research reactor, and in April it concluded a deal to sell Iran two light-water reactors. Pakistan, a country with its own significant nuclear weapons program, has reportedly provided key technical assistance to Iran.

Iran's nuclear weapons program is not the only cause for concern. The Defense Department is increasingly concerned about—and is closely watching—the Iranian military buildup in the Persian Gulf.

Let me just review some of the disturbing facts about this Iranian buildup. Iran has acquired as many as 30 Mig–29's out of a reported deal with Russia for 50 of these modern combat jets, and Russia has also sold Iran sophisticated air-to-air missiles to arm these aircraft. Iran has received numerous surface-to-air missile systems from both Russia and China. Iran's submarine force consists of two modern Russian-made Kilo-class submarines, and a third is expected to be delivered. Russia also provided Iran with sophisticated torpedoes for these subs.

In addition, despite U.S. pressure, Poland is going ahead with the planned sale to Iran of over 100 T–72 tanks, and Iran has also taken delivery of several hundred other T–72's from Russia. And over the last few years Iran has reportedly acquired several hundred improved Scud missiles from North Korea.

Iran has asserted control over the Persian Gulf island of Abu Musa, which it had been previously sharing with the United Arab Emirates. And Iran has moved air defense missile systems, tanks, additional troops, artillery, and surface-to-surface missiles onto islands in the Persian Gulf, some of which are disputed between Iran and the United Arab Emirates.

Mr. President, Iran's military buildup in the Persian Gulf and its aggressive nuclear program should be of serious concern to us all. Iran has opposed the Middle East peace process and continues to support the terrorist group Hezballah in Lebanon and radical Palestinian groups. And whether Russia realizes it or not, Iran also poses a long-term threat to them as well. A nuclear-armed Iran poses just as great a threat to Russia as it does to United States interests in the Persian Gulf and the Middle East. President Clinton tried to reason with the Russians earlier this month, but they refused to listen. Russia's misguided commercial agreement to sell nuclear technology to Iran should be condemned.

SENATE RESOLUTION 125—HONORING THE CONTRIBUTIONS OF FATHER JOSEPH DAMIEN DE VEUSTER

Mr. AKAKA (for himself, Mr. INOUYE, Mr. DASCHLE, Mr. KENNEDY, Mr. SIMON, MR. LEAHY, and Mr. MURKOWSKI) submitted the following resolution; which was considered and agreed to:

S. RES. 125

Whereas Father Joseph Damien de Veuster was born in Tremeloo, Belgium, on January 3, 1840;

Whereas Father Damien entered the Sacred Hearts Order at Louvain, Belgium, as a postulant in January 1859 and took his final vows in Paris on October 7, 1860;

Whereas, after arriving in Honolulu on March 19, 1864, to join the Sacred Hearts Mission in Hawaii, Father Damien was ordained to the priesthood in the Cathedral of Our Lady of Peace on May 21, 1864;

Whereas Father Damien was sent to the Puna, Kohala, and Hamakua districts on the island of Hawaii, where Father Damien served people in isolated communities for 9 years;

Whereas the alarming spread of Hansen's disease, also known as leprosy, for which there was no known cure, prompted the Hawaiian Legislature to pass an Act to Prevent the Spread of Leprosy in 1865;

Whereas the Act required segregating those afflicted with leprosy to the isolated peninsula of Kalaupapa, Molokai, where those afflicted by leprosy were virtually imprisoned by steep cliffs and open seas;

Whereas those afflicted by leprosy were forced to separate from their families, had meager medical care and supplies, and had poor living and social conditions;

Whereas in July 1872, Father Damien wrote to the Father General that many of his parishioners had been sent to the settlement

on Molokai and lamented that he should join them;

Whereas on May 12, 1873, Father Damien petitioned Bishop Maigret, having received a request earlier for a resident priest at Kalaupapa, to allow Father Damien to stay on Molokai and devote his life to leprosy patients;

Whereas for 16 years, from 1873 to 1889, Father Damien labored to bring material and spiritual comfort to the leprosy patients of Kalaupapa, building chapels, water cisterns, and boys and girls homes;

Whereas on April 15, 1889, at the age of 49, Father Damien died of leprosy contracted a few years earlier;

Whereas the Roman Catholic Church began the consideration of beatification of Father Damien in February 1955, and Father Damien will be beatified on June 4, 1995, by Pope John Paul II in Brussels, Belgium;

Whereas Father Damien was selected by the State of Hawaii in 1965 as 1 of the distinguished citizens of the State whose statue would be installed in Statuary Hall in the United States Capitol;

Whereas the life of Father Damien continues to be a profound example of selfless devotion to others and remains an inspiration for all mankind;

Whereas common use of sulfone drugs in the 1940's removed the dreaded sentence of disfigurement and death imposed by leprosy, and the 1969 repeal of the isolation law allowed greater mobility for former Hansen's disease patients;

Whereas in the mid-1970's, the community of former leprosy patients at Molokai recommended the establishment of a United States National Park at Kalaupapa, out of a strong sense of stewardship of the legacy left by Father Damien and the rich history of Kalaupapa;

Whereas the Kalaupapa National Historical Park was established in 1980 with a provision that former Hansen's disease patients may remain in the park as long as they wish; and

Whereas the remaining patients at Kalaupapa, many of whom were exiled as children or young adults and who have endured immeasurable hardships and untold sorrows, are a special legacy for America, exemplifying the dignity and strength of the human spirit: Now, therefore, be it

Resolved, That the Senate of the United States recognizes Father Damien for his service to humanity and takes this occasion to—

(1) celebrate achievements of modern medicine in combating the once-dreaded leprosy disease;

(2) remember that victims of leprosy still suffer social banishment in many parts of the world; and

(3) honor the people of Kalaupapa as a living American legacy of human spirit and dignity.

SENATE RESOLUTION 126—TO AMEND THE SENATE GIFT RULE

Mr. McCONNELL submitted the following resolution; which was referred to the Committee on Rules and Administration:

S. RES. 126

SECTION 1. SHORT TITLE.

This resolution may be cited as the "Senate Gift Rule Reform Resolution".

SEC. 2. AMENDMENT TO THE SENATE GIFT RULE.

Rule XXXV of the Standing Rules of the Senate is amended to read as follows:

"RULE XXXV

"GIFTS

"1. (a) No Member, officer, or employee of the Senate, or the spouse or dependent thereof, shall knowingly accept, directly or indirectly, any gift in any calendar year of more than the minimal value as established by section 7342(a)(5) of title 5, United States Code, or $100, whichever is less from any person, organization, or corporation unless, in limited and appropriate circumstances, a waiver is granted by the Select Committee on Ethics.

"(b) The prohibitions of subparagraph (a) do not apply to gifts—

"(1) from relatives; or

"(2) of personal hospitality of an individual.

"2. For purposes of this rule—

"(a) The term 'gift' means a payment, subscription, advance, forbearance, rendering, or deposit of money, services, or anything of value, including food, lodging, mementos, transportation, or entertainment, and reimbursement for expenses, unless consideration of equal or greater value is received, but does not include (1) a political contribution otherwise reported as required by law, (2) a loan made in a commercially reasonable manner (including requirements that the loan be repaid and that a reasonable rate of interest be paid), (3) a bequest, inheritance, or other transfer at death, (4) a bona fide award presented in recognition of public service and available to the general public, (5) anything of value given to a spouse or dependent of a reporting individual by the employer of such spouse or dependent in recognition of the service provided by such spouse or dependent, (6) free attendance at a widely attended event (as such term is defined by the Select Committee on Ethics) connected with the official duties of the Member, officer, or employee, (7) permissible travel, lodging, and meals at an event connected with the official duties of the Member, officer, or employee, or (8) permissible travel, lodging, and meals at an event to raise funds for a bona fide charity, subject to a determination by the Select Committee on Ethics that participation in the charity event is in the interest of the Senate and the United States.

"(b) The term 'relative' has the same meaning given to such term in section 107(2) of title I of the Ethics in Government Act of 1978 (Public Law 95–521).

"(c) The term 'permissible travel' means reasonable expenses for transportation which are incurred by a Member, officer, or employee of the Senate in connection with services provided to or participation in an event sponsored by the organization which provided reimbursement for such expenses or which provides transportation directly, however expenses do not include the provision of transportation, or the payment for such expenses, for a continuous period in excess of 3 days exclusive of travel time within the United States of 7 days exclusive of travel time outside of the United States unless such travel is approved by the Select Committee on Ethics as necessary for participation in the event.

"(d) The terms 'lodging' and 'meals' do not include expenditures for recreational activities or entertainment, other than that provided to all attendees as an integral part of the event.

"3. (a) For purposes of the exceptions provided by paragraphs 2(a)(6), 2(a)(7), and 2(a)(8), a sponsor's unsolicited offer of free attendance at an event for an accompanying spouse shall not be considered to be a gift if others in attendance will generally be accompanied by spouses or if such attendance is appropriate to assist in the representation of the Senate.

"(b) The Select Committee on Ethics shall publish notice in the Congressional Record of the attendance by a Member, officer, or employee at an event permitted by paragraphs 2(a)(7) and 2(a)(8) not later than 30 days after such attendance. Attendance by an employee at an event permitted by paragraphs 2(a)(7) and 2(a)(8) shall be subject to approval of the employee's supervisor.

"4. If a Member, officer, or employee, after exercising reasonable diligence to obtain the information necessary to comply with this rule, unknowingly accepts a gift described in paragraph 1, such Member, officer, or employee shall, upon learning of the nature of the gift and its source, return the gift or, if it is not possible to return the gift, reimburse the donor for the value of the gift.

"5. (a) Notwithstanding the provisions of this rule, a Member, officer, or employee of the Senate may participate in a program, the principal objective of which is educational, sponsored by a foreign government or a foreign educational or charitable organization involving travel to a foreign country paid for by that foreign government or organization if such participation is not in violation of any law and if the Select Committee on Ethics has determined that participation in such program by Members, officers, or employees of the Senate is in the interests of the Senate and the United States.

"(b) Any Member who accepts an invitation to participate in any such program shall notify the Select Committee in writing of his acceptance. A Member shall also notify the Select Committee in writing whenever he has permitted any officer or employee whom he supervises (within the meaning of paragraph 11 of rule XXXVII) to participate in any such program. The chairman of the Select Committee shall place in the Congressional Record a list of all individuals participating; the supervisors of such individuals, where applicable; and the nature and itinerary of such program.

"(c) No Member, officer, or employee may accept funds in connection with participation in a program permitted under subparagraph (a) if such funds are not used for necessary food, lodging, transportation, and related expenses of the Member, officer, or employee.".

SEC. 3. EFFECTIVE DATE.

The amendment made by section 2 shall take effect on October 1, 1995.

SENATE RESOLUTION 127—RELATIVE TO BORDER CROSSING FEES

Ms. SNOWE submitted the following resolution; which was referred to the Committee on the Judiciary:

S. RES. 127

Whereas in the budget of the United States for fiscal year 1996 that was submitted to Congress, the President proposed to impose and collect a boarder crossing fee for individuals and vehicles entering the United States;

Whereas both the Canadian and Mexican governments have expressed opposition to the imposition and collection of such a fee and have raised the possibility of imposing retaliatory border crossing fees of their own;

Whereas the imposition and collection of such a fee would have adverse effects on tourism and commerce that depend on travel across the borders of the United States;

Whereas the imposition and collection of such a fee would have such effects without addressing illegal immigration in a meaningful way;

Whereas on February 22, 1995, the President modified his proposal making the imposition of the new fees voluntary on United States border States (but tied the availability of Federal funds to improve border crossing infrastructure on their willingness to impose such fees); and

Whereas on May 4, 1995, the President further modified the border crossing fee proposal in immigration control legislation he submitted to Congress setting a $1.50 per car and $.75 per pedestrian fee structure: Now, therefore, be it

Resolved, That it is the sense of the Senate that the United States Government should not impose or collect a border crossing fee along its borders with Canada and Mexico.

AMENDMENTS SUBMITTED

THE CONGRESSIONAL BUDGET CONCURRENT RESOLUTION

LAUTENBERG AMENDMENT NO. 1168

Mr. EXON (for Mr. LAUTENBERG) proposed an amendment to the concurrent resolution (S. Con. Res. 13) setting forth the congressional budget for the U.S. Government for the fiscal years 1996, 1997, 1998, 1999, 2000, 2001, and 2002; as follows:

On page 68, add at the end of line 12 the following: "In addition, paragraph (1)(B) of this section shall not apply to legislation that proposes to eliminate up to $1,000,000,000 from wasteful bureaucratic overhead and wasteful procurement in the military budget, and to apply the resulting savings for use in strengthening enforcement of immigration laws.".

LAUTENBERG (AND WELLSTONE) AMENDMENT NO. 1169

Mr. EXON (for Mr. LAUTENBERG for himself and Mr. WELLSTONE) proposed an amendment to the concurrent resolution, Senate Concurrent Resolution 13, supra; as follows:

On page 68, add at the end of line 12 the following: "In addition, paragraph (1)(B) of this section shall not apply to legislation that proposes to eliminate up to $2,000,000,000 from wasteful bureaucratic overhead and wasteful procurement in the military budget, and to apply the resulting savings for use in addressing the problem of domestic violence.".

LEAHY (AND OTHERS) AMENDMENT NO. 1170

Mr. EXON (for Mr. LEAHY, for himself, Mr. BAUCUS, Mr. WELLSTONE, and Mr. HARKIN) proposed an amendment to the concurrent resolution, Senate Concurrent Resolution 13, supra; as follows:

At the end of title III, add the following:

SEC. . SENSE OF THE SENATE REGARDING THE NUTRITIONAL HEALTH OF CHILDREN.

(a) FINDINGS.—Congress finds that—

(1) Federal nutrition programs, such as the school lunch program, the school breakfast program, the special supplemental nutrition program for women, infants, and children (referred to in this section as "WIC"), the child and adult care food program, and others, are important to the health and well-being of children;

(2) participation in Federal nutrition programs is voluntary on the part of States, and the programs are administered and operated by every State;

(3) a major factor that led to the creation of the school lunch program was that a number of the recruits for the United States armed forces in World War II failed physical examinations due to problems related to inadequate nutrition;

(4)(A) WIC has proven to be extremely valuable in promoting the health of newborn babies and children; and

(B) each dollar invested in the prenatal component of WIC has been shown to save up to $3.50 in medicaid costs related to medical problems that arise in the first 90 days after the birth of an infant;

(5) the requirement that infant formula be purchased under a competitive bidding system under section 17 of the Child Nutrition Act of 1966 (42 U.S.C. 1786) saved $1,000,000,000 in fiscal year 1994 and enabled States to allow 1,600,000 women, infants, and children to participate in WIC at no additional cost to taxpayers; and

(6) a balanced Federal budget will provide economic benefits to children alive today and to future generations of Americans.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that the assumptions underlying the functional totals in this resolution include the assumptions that—

(1) schools should continue to serve lunches that meet minimum nutritional requirements based on tested nutritional research;

(2) the content of WIC food packages for infants, children, and pregnant and postpartum women should continue to be based on scientific evidence;

(3) the competitive bidding system for infant formula under section 17 of the Child Nutrition Act of 1966 (42 U.S.C. 1786) should be maintained;

(4) foods of minimum nutritional value should not be sold in competition with school lunches in the school cafeterias during lunch hours;

(5) some reductions in nutrition program spending can be made without compromising the nutritional well-being of program recipients;

(6) in complying with the reconciliation instructions in section 6 of this resolution, the Committee on Agriculture, Nutrition, and Forestry of the Senate should take this section into account; and

(7) Congress should continue to move toward fully funding the WIC program.

LEAHY AMENDMENT NO. 1171

Mr. EXON (for Mr. LEAHY) proposed an amendment to the concurrent resolution, Senate Concurrent Resolution 13, supra; as follows:

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

SEC. . SENSE OF THE SENATE ON MAINTAINING FEDERAL FUNDING FOR LAW ENFORCEMENT.

(a) FINDINGS.—The Senate finds that—

(1) Federal, State, and local law enforcement officers provide essential services that preserve and protect our freedoms and security;

(2) law enforcement officers deserve our appreciation and support;

(3) law enforcement officers and agencies are under increasing attacks, both to their physical safety and to their reputations;

(4) on April 7, 1995, the Senate passed S.J. Res. 32 in which the Senate recognizes the debt of gratitude the Nation owes to the men and women who daily serve the American people as law enforcement officers and the integrity, honesty, dedication, and sacrifice of our Federal, State, and local law enforcement officers;

(5) the Nation's sense of domestic tranquility has been shaken by explosions at the World Trade Center in New York and the Murrah Federal Building in Oklahoma City and by the fear of violent crime in our cities, towns, and rural areas across the nation;

(6) Federal, State, and local law enforcement efforts need increased financial commitment from the Federal Government and not the reduction of such commitment to law enforcement if law enforcement officers are to carry out their efforts to combat violent crime; and

(7) on April 5, 1995, and May 18, 1995, the House of Representatives has nonetheless voted to reduce $5,000,000,000 from the Violent Crime Reduction Trust Fund in order to provide for tax cuts in both H.R. 1215 and H. Con. Res. 67.

(b) SENSE OF THE SENATE—It is the sense of the Senate that the assumptions underlying the functional totals in this resolution assume that the Federal Government's commitment to fund Federal law enforcement programs and programs to assist State and local efforts should be maintained and funding for the Violent Crime Reduction Trust Fund should not be reduced by $5,000,000,000 as the bill and resolution passed by the House of Representatives would require.

HARKIN (AND GRAHAM) AMENDMENT NO. 1172

Mr. EXON (for Mr. HARKIN, for himself and Mr. GRAHAM) proposed an amendment to the concurrent resolution, Senate Concurrent Resolution 13, supra; as follows:

On page 77, between lines 3 and 4, insert the following:

SEC. . MEDICARE SAFEGUARDS COMPLIANCE INITIATIVE.

(a) ADJUSTMENTS.—

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

(A) 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 out-year;

(B) the allocations to the Committees on Appropriations of the Senate and House of Representatives under sections 302(a) and 602(a) of that Act;

(C) the levels for the major functional categories that are appropriate and the appropriate budgetary aggregates in the most recently agreed to concurrent resolution on the budget; and

(D) the maximum deficit amount under section 601(a)(1) of that Act (and that amount as cumulatively adjusted) for the current fiscal year,

shall be adjusted to reflect the amount of additional new budget authority or additional outlays (as defined in paragraph (2)) reported by the Committees on Appropriations of the Senate and the House of Representatives in

appropriation Acts (or by the committee of conference on such legislation) for the Health Care Financing Administration medicare payment safeguards programs (as compared to the base level of $396,300,000 for new budget authority) that the Congressional Budget Office has determined will result in a return on investment to the Government of at least 4 dollars for each dollar invested.

(2) ADDITIONAL AMOUNTS.—As used in this section, the term "additional new budget authority" or "additional outlays" (as the case may be) means, for any fiscal year, budget authority in excess of $396,300,000 for payment safeguards, but shall not exceed—

(A) for fiscal year 1996, $50,000,000 in new budget authority and $50,000,000 in outlays;

(B) for fiscal year 1997, $55,000,000 in new budget authority and $55,000,000 in outlays;

(C) for fiscal year 1998, $60,000,000 in new budget authority and $60,000,000 in outlays;

(D) for fiscal year 1999, $65,000,000 in new budget authority and $65,000,000 in outlays;

(E) for fiscal year 2000, $70,000,000 in new budget authority and $70,000,000 in outlays;

(F) for fiscal year 2001, $75,000,000 in new budget authority and $75,000,000 in outlays; and

(G) for fiscal year 2002, $75,000,000 in new budget authority and $75,000,000 in outlays.

(b) REVISED LIMITS, ALLOCATIONS, LEVELS, AND AGGREGATES.—Upon reporting of legislation pursuant to paragraph (1), and again upon the submission of the conference report on such legislation in either House (if a conference report is submitted), the chairman of the Committees on the Budget of the Senate and the House of Representatives shall file with their respective Houses appropriately revised—

(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 out-year;

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

(3) the levels for the appropriate major functional categories that are appropriate 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) APPLICATION OF SECTION.—This section shall not apply to any additional budget authority or additional outlays unless—

(1) in the Senate, the chairman of the Budget Committee certifies, based on the information from the Congressional Budget Office, the General Accounting Office, the Health Care Financing Administration (as well as any other sources deemed relevant), that such budget authority or outlays will not increase the total of the Federal budget deficits over the next 5 years; and

(2) any funds made available pursuant to such budget authority or outlays are available only for the purpose of carrying out Health Care Financing Administration payment safeguards.

FEINGOLD (AND OTHERS) AMENDMENT NO. 1173

Mr. EXON (for Mr. FEINGOLD, for himself, Mr. GRAHAM, Mr. WELLSTONE, and Mr. SIMON) proposed an amendment to the concurrent resolution, Senate Concurrent Resolution 13, supra; as follows:

At the end of the resolution, insert the following new section:

SEC. . NEED TO ENACT LONG TERM HEALTH CARE REFORM.

It is the Sense of the Senate that the 104th Congress should enact fundamental long-term health care reform that emphasizes cost-effective, consumer oriented, and consumer-directed home and community-based care that builds upon existing family supports and achieves deficit reduction by helping elderly and disabled individuals remain in their own homes and communities.

HARKIN (AND LAUTENBERG) AMENDMENT NO. 1174

Mr. EXON (for Mr. HARKIN, for himself and Mr. LAUTENBERG) proposed an amendment to the concurrent resolution, Senate Concurrent Resolution, 13, supra; as follows:

At the appropriate place, insert the following new section:

SEC. . SENSE OF THE SENATE REGARDING LOSSES CAUSED BY USE OF TOBACCO PRODUCTS.

(a) FINDINGS.—The Senate finds that—

(1) the Centers for Disease Control and Prevention estimates that tobacco products impose a $20,000,000,000 cost per year on Federal health programs like medicare and medicaid through tobacco-related illnesses;

(2) tobacco products are unlike any other product legally offered for sale because even when used as intended they cause death and disease; and

(3) States such as Florida, Mississippi, Minnesota, and West Virginia are currently taking action to recover State costs associated with tobacco-related illnesses.

(b) SENSE OF THE SENATE—It is the sense of the Senate that any proposal by the Committee on Finance of the Senate to reduce Federal spending on medicare and medicaid as required by Senate Concurrent Resolution 13 should include a proposal to recover from tobacco companies a portion of the costs their products impose on American taxpayers and Federal health programs including medicare and medicaid.

JOHNSTON (AND OTHERS) AMENDMENT NO. 1175

Mr. EXON (for Mr. JOHNSTON, for himself, Mr. BIDEN, Mr. REID, Mr. SARBANES, Ms. MIKULSKI, and Mr. BREAUX) proposed an amendment to the concurrent resolution, Senate Concurrent Resolution 13, supra; as follows:

On page 74, delete lines 12 through 24 and insert the following: "budget, the appropriate budgetary allocations, aggregates, and levels shall be revised to reflect the additional deficit reduction achieved as calculated under subsection (c) for legislation that reduces revenues and/or increases funding for the Medicare trust fund not to exceed the following amounts:

"(1) with respect to fiscal year 1996, $12,000,000,000 in outlays;

"(2) with respect to fiscal year 1997, $22,000,000,000 in outlays;

"(3) with respect to fiscal year 1998, $24,000,000,000 in outlays;

"(4) with respect to fiscal year 1999, $28,000,000,000 in outlays;

"(5) with respect to fiscal year 2000, $28,000,000,000 in outlays;

"(6) with respect to fiscal year 2001, $28,000,000,000 in outlays;

"(7) with respect to fiscal year 2002, $28,000,000,000 in outlays provided that, if CBO scores this surplus differently, then the numbers provided above shall be increased or decreased proportionally.

"(b) REVISED ALLOCATION AND AGGREGATES.—Upon the reporting of legislation pursuant to subsection (a), and again upon the submission of a conference report on such legislation (if a conference report is submitted), the Chair of the Committee on the Budget of the Senate appropriately revised allocations under sections 302(a) and 602(a) of the Congressional Budget Act of 1974; budgetary aggregates; and levels under this resolution, revised by an amount that does not exceed the additional deficit reduction specified under subsection (d)."

REID AMENDMENT NO. 1176

Mr. EXON (for Mr. REID) proposed an amendment to the concurrent resolution, Senate Concurrent Resolution 13, supra; as follows:

On page 74, strike lines 12 through 24 and insert the following: "budget, the appropriate budgetary allocations, aggregates, and levels shall be revised to reflect $1,000,000,000 in budget authority and outlays of the additional deficit reduction achieved as calculated under subsection (c) for legislation that reduces the adverse effects on discretionary spending on our national parks system by restoring funding for rehabilitation, restoration, and park maintenance.

"(b) REVISED ALLOCATIONS AND AGGREGATES.—Upon the reporting of legislation pursuant to subsection (a), and again upon the submission of a conference report on such legislation (if a conference report is submitted), the Chair of the Committee on the Budget of the Senate may submit to the Senate appropriately revised allocations under section 302(a) and 602(a) of the Congressional Budget Act of 1974, budgetary aggregates, and levels under this resolution, revised by an amount that does not exceed the additional deficit reduction specified under subsection (a).".

SARBANES (AND OTHERS) AMENDMENT NO. 1177

Mr. EXON (for Mr. SARBANES, for himself, Mr. LIEBERMAN, Ms. MIKULSKI, and Mr. KERRY) proposed an amendment to the concurrent resolution Senate Concurrent Resolution 13, supra; as follows:

On page 74, strike lines 12 through 24 and insert the following: "budget, the revenue and spending aggregates may be revised and other appropriate budgetary allocations, aggregates, and levels may be revised to reflect the additional deficit reduction achieved as calculated under subsection (c) for legislation that reduces revenues, and legislation that will provide $10,805,000,000 to the Environmental Protection Agency to administer federal grants for water infrastructure programs in the following manner:

"(1) with respect to fiscal year 1996, $962,000,000 in budget authority and 42,000,000 in outlays;

"(2) with respect to fiscal year 1997, $1,962,000,000 in budget authority and $346,000,000 in outlays;

"(3) with respect to fiscal year 1998, $2,462,000,000 in budget authority and $920,000,000 in outlays;

"(4) with respect to fiscal year 1999, $2,962,000,000 in budget authority and $1,679,000,000 in outlays;

"(5) with respect to fiscal year 2000, $2,962,000,000 in budget authority and $2,291,000,000 in outlays;

"(6) with respect to fiscal year 2001, $2,962,000,000 in budget authority and $2,679,000,000 in outlays; and

"(7) with respect to fiscal year 2002, $2,962,000,000 in budget authority and $2,798,000,000 in outlays.

"(b) REVISED ALLOCATIONS AND AGGREGATES.—Upon the reporting of legislation pursuant to subsection (a), and again upon the submission of a conference report on such legislation (if a conference report is submitted), the Chair of the Committee on the Budget of the Senate may submit to the Senate appropriately revised allocations under sections 302(a) and 602(a) of the Congressional Budget Act of 1974; discretionary spending under section 201(a) of this resolution; and budgetary aggregates and levels under this resolution, revised by an amount that does not exceed the additional deficit reduction calculated under subsection (d).".

BAUCUS (AND OTHERS) AMENDMENT NO. 1178

Mr. EXON (for Mr. BAUCUS, for himself, Mr. DORGAN, Mr. PRESSLER, Mr. ROBB, Mr. WARNER, Mr. FORD, Mr. HARKIN, Mr. HEFLIN, Mr. HOLLINGS, Mr. WELLSTONE, and Ms. MOSELEY-BRAUN) proposed an amendment to the concurrent resolution, Senate Concurrent Resolution 13, supra; as follows:

At the end of title III, add the following:

SEC. . SENSE OF THE SENATE REGARDING MANDATORY MAJOR ASSUMPTIONS UNDER FUNCTION 270: ENERGY.

It is the sense of the Senate that within the mandatory major assumptions under budget function 270, none of the power marketing administrations within the 48 contiguous States will be sold, and any savings that were assumed would be realized from the sale of those power marketing administrations will be realized through cost reductions in other programs within the Department of Energy.

At the appropriate place, insert the following new section:

SEC. . DEFENSE OVERHEAD.

(a) FINDINGS.—The Senate finds that—

(1) the major discretionary assumptions in this concurrent budget resolution include 15 percent reduction in overhead for programs of nondefense agencies that remain funded in the budget and whose funding is not interconnected with receipts dedicated to a program;

(2) the Committee Report (104-82) on this concurrent budget resolution states that "this assumption would not reduce funding for the programmatic activities of agencies."

(b) SENSE OF THE SENATE.—It is the sense of the Senate that the Committees on Armed Services and Appropriations should make a reduction of at least three percent in overhead for fiscal year 1996 programs of defense agencies, and should do so in a manner so as not to reduce funding for the programmatic activities of these agencies.

LEVIN (AND OTHERS) AMENDMENT NO. 1179

Mr. EXON (for Mr. LEVIN, for himself, Mr. SIMON, and Mr. STEVENS) proposed an amendment to the concurrent resolution Senate Concurrent Resolution 13, supra; as follows:

BAUCUS (AND OTHERS) AMENDMENT NO. 1180

Mr. EXON (for Mr. BAUCUS, for himself, Mr. INOUYE, Mr. BRYAN, Mr. SIMON, Mr. ROCKEFELLER, Mr. BUMPERS, Mr. STEVENS, and Mr. EXON) proposed an amendment to the concurrent resolution, Senate Concurrent Resolution 13, supra; as follows:

At the appropriate place, insert the following:

SEC. . SENSE OF THE SENATE REGARDING FUNDING FOR NATIONAL RAILROAD PASSENGER CORPORATION.

It is the sense of the Senate that the assumptions underlying the functional totals in this resolution include the following: that Congress should redirect revenues resulting from the ½ cent of the excise tax rate directed by the amendments made by the Omnibus Budget Reconciliation Act of 1993 for fiscal years 1996 through 1999 to the account under subsection (e) of section 9503 of the Internal Revenue Code of 1986 to a new account under such section for grants to the National Railroad Passenger Corporation for operating expenses and capital improvements incurred by the Corporation.

BAUCUS AMENDMENT NO. 1181

Mr. EXON (for Mr. BAUCUS) proposed an amendment to the concurrent resolution, Senate Concurrent Resolution 13, supra; as follows:

At the end of title III, add the following.

SEC. . SENSE OF THE SENATE REGARDING THE ESSENTIAL AIR SERVICE PROGRAM OF THE DEPARTMENT OF TRANSPORTATION.

(a) FINDINGS.—The Senate finds that—

(1) the essential air service program of the Department of Transportation under subchapter II of chapter 417 of title 49, United States Code—

(A) provides essential airline access to isolated rural communities across the United States;

(B) is necessary for the economic growth and development of rural communities;

(C) connects small rural communities to the national air transportation system of the United States;

(D) is a critical component of the national transportation system of the United States; and

(E) provides air service to 108 communities in 30 States; and

(2) the National Commission to Ensure a Strong Competitive Airline Industry established under section 204 of the Airport and Airway Safety, Capacity, Noise Improvement, and Intermodal Transportation Act of 1992 recommended maintaining the essential air service program with a sufficient level of funding to continue to provide air service to small communities.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that the essential air service program of the Department of Transportation under subchapter II of chapter 417 of title 49, United States Code, should receive to the maximum extent possible a sufficient level of funding to continue to provide air service to small rural communities that qualify for assistance under the program.

GRAMS (AND OTHERS) AMENDMENT NO. 1182

Mr. DOMENICI (for Mr. GRAMS, for himself, Mr. GRAHAM, Mr. LIEBERMAN, and Mr. ABRAHAM) proposed an amendment to the concurrent resolution, Senate Concurrent Resolution 13, supra; as follows:

On page 73, line 2, strike "may be reduced" and insert "shall be reduced".

On page 73, line 2, strike "may be revised" and insert "shall be revised".

On page 74, line 12, strike "may" and insert "shall".

On page 74, line 13, strike "may" and insert "shall".

On page 74, line 21, strike "may" and insert "shall".

On page 74, line 16, insert the following before the period, "by providing family tax relief and incentives to stimulate savings, investment, job creation, and economic growth.".

CONRAD (AND OTHERS) AMENDMENT NO. 1183

Mr. EXON (for Mr. CONRAD, for himself, Mr. REID, Mr. GRAHAM, Mr. SIMON, Mr. DORGAN, Mr. KOHL, Mr. FEINGOLD, Mr. BRYAN, Mr. BINGAMAN, Mr. ROBB, and Mr. BYRD) proposed an amendment to the concurrent resolution, Senate Concurrent Resolution 13, supra; as follows:

Strike all after the resolving clause and insert the following:

SECTION 1. CONCURRENT RESOLUTION ON THE BUDGET FOR FISCAL YEAR 1996.

(a) DECLARATION.—The Congress determines and declares that this resolution is the concurrent resolution on the budget for fiscal year 1996, including the appropriate budgetary levels for fiscal years 1997, 1998, 1999, 2000, 2001, and 2002, 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 1996.

TITLE I—LEVELS AND AMOUNTS

Sec. 2. Recommended levels and amounts.
Sec. 3. Debt increase.
Sec. 4. Social Security.
Sec. 5. Major functional categories.
Sec. 6. Reconciliation.

TITLE II—BUDGETARY RESTRAINTS AND RULEMAKING

Sec. 201. Discretionary spending limits.
Sec. 202. Extension of pay-as-you-go point of order.
Sec. 203. Budget surplus allowance.
Sec. 204. Scoring of emergency legislation.
Sec. 205. Sale of Government assets.
Sec. 206. Extension of Budget Act 60-vote enforcement through 2002.
Sec. 207. Exercise of rulemaking powers.

TITLE III—SENSE OF THE CONGRESS AND THE SENATE

Sec. 301. Restructuring Government and program terminations.
Sec. 302. Sense of the Senate regarding returning programs to the States.

Sec. 303. Commercialization of Federal activities.
Sec. 304. Nonpartisan Advisory Commission on the CPI.
Sec. 305. Sense of the Congress on a uniform accounting system in the Federal Government.
Sec. 306. Sense of the Congress that 90 percent of the benefits of any tax cuts must go to the middle class.
Sec. 307. Bipartisan Commission on the Solvency of Medicare.
Sec. 308. Sense of the Senate on the distribution of agriculture savings.
Sec. 309. Sense of the Congress regarding protection of children's health.
Sec. 310. Sense of the Senate that lobbying expenses should remain nondeductible.
Sec. 311. Expatriate taxes.

TITLE I—LEVELS AND AMOUNTS

SEC. 2. RECOMMENDED LEVELS AND AMOUNTS.

The following budgetary levels are appropriate for the fiscal years 1996, 1997, 1998, 1999, 2000, 2001, and 2002:

(1) FEDERAL REVENUES.—(A) For purposes of the enforcement of this resolution—

(i) The recommended levels of Federal revenues are as follows:

Fiscal year 1996: $1,049,900,000,000.
Fiscal year 1997: $1,098,800,000,000.
Fiscal year 1998: $1,156,000,000,000.
Fiscal year 1999: $1,218,800,000,000.
Fiscal year 2000: $1,287,400,000,000.
Fiscal year 2001: $1,364,700,000,000.
Fiscal year 2002: $1,446,800,000,000.

(ii) The amounts by which the aggregate levels of Federal revenues should be increased are as follows:

Fiscal year 1996: $6,900,000,000.
Fiscal year 1997: $15,300,000,000.
Fiscal year 1998: $21,000,000,000.
Fiscal year 1999: $31,300,000,000.
Fiscal year 2000: $41,200,000,000.
Fiscal year 2001: $50,500,000,000.
Fiscal year 2002: $61,800,000,000.

(iii) The amounts for Federal Insurance Contributions Act revenues for hospital insurance within the recommended levels of Federal revenues are as follows:

Fiscal year 1996: $103,800,000,000.
Fiscal year 1997: $109,000,000,000.
Fiscal year 1998: $114,900,000,000.
Fiscal year 1999: $120,700,000,000.
Fiscal year 2000: $126,900,000,000.
Fiscal year 2001: $133,600,000,000.
Fiscal year 2002: $140,400,000,000.

(B) For purposes of section 710 of the Social Security Act (excluding the receipts and disbursements of the Hospital Insurance Trust Fund)—

(i) The recommended levels of Federal revenues are as follows:

Fiscal year 1996: $946,100,000,000.
Fiscal year 1997: $989,800,000,000.
Fiscal year 1998: $1,041,100,000,000.
Fiscal year 1999: $1,098,100,000,000.
Fiscal year 2000: $1,160,500,000,000.
Fiscal year 2001: $1,231,100,000,000.
Fiscal year 2002: $1,306,400,000,000.

(ii) The amounts by which the aggregate levels of Federal revenues should be increased are as follows:

Fiscal year 1996: $6,905,000,000.
Fiscal year 1997: $15,299,000,000.
Fiscal year 1998: $21,007,000,000.
Fiscal year 1999: $31,302,000,000.
Fiscal year 2000: $41,201,000,000.
Fiscal year 2001: $50,511,000,000.
Fiscal year 2002: $61,794,000,000.

(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 1996: $1,291,600,000,000.
Fiscal year 1997: $1,330,500,000,000.
Fiscal year 1998: $1,384,700,000,000.
Fiscal year 1999: $1,432,000,000,000.
Fiscal year 2000: $1,493,900,000,000.
Fiscal year 2001: $1,524,300,000,000.
Fiscal year 2002: $1,572,700,000,000.

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

Fiscal year 1996: $1,194,300,000,000.
Fiscal year 1997: $1,230,000,000,000.
Fiscal year 1998: $1,278,300,000,000.
Fiscal year 1999: $1,318,600,000,000.
Fiscal year 2000: $1,373,500,000,000.
Fiscal year 2001: $1,394,700,000,000.
Fiscal year 2002: $1,432,500,000,000.

(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 1996: $1,287,000,000,000.
Fiscal year 1997: $1,323,300,000,000.
Fiscal year 1998: $1,359,100,000,000.
Fiscal year 1999: $1,413,000,000,000.
Fiscal year 2000: $1,472,500,000,000.
Fiscal year 2001: $1,504,500,000,000.
Fiscal year 2002: $1,554,500,000,000.

(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 1996: $1,191,400,000,000.
Fiscal year 1997: $1,223,800,000,000.
Fiscal year 1998: $1,253,700,000,000.
Fiscal year 1999: $1,301,400,000,000.
Fiscal year 2000: $1,353,100,000,000.
Fiscal year 2001: $1,376,000,000,000.
Fiscal year 2002: $1,415,500,000,000.

(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 1996: $237,100,000,000.
Fiscal year 1997: $224,500,000,000.
Fiscal year 1998: $203,100,000,000.
Fiscal year 1999: $194,200,000,000.
Fiscal year 2000: $185,100,000,000.
Fiscal year 2001: $139,800,000,000.
Fiscal year 2002: $107,700,000,000.

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

Fiscal year 1996: $245,300,000,000.
Fiscal year 1997: $234,000,000,000.
Fiscal year 1998: $212,600,000,000.
Fiscal year 1999: $203,300,000,000.
Fiscal year 2000: $192,600,000,000.
Fiscal year 2001: $144,900,000,000.
Fiscal year 2002: $109,100,000,000.

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

Fiscal year 1996: $5,206,328,000,000.
Fiscal year 1997: $5,500,272,000,000.
Fiscal year 1998: $5,771,718,000,000.
Fiscal year 1999: $6,032,491,000,000.
Fiscal year 2000: $6,281,682,000,000.
Fiscal year 2001: $6,487,560,000,000.
Fiscal year 2002: $6,659,567,000,000.

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

Fiscal year 1996: $37,600,000,000.
Fiscal year 1997: $40,200,000,000.
Fiscal year 1998: $42,300,000,000.
Fiscal year 1999: $45,700,000,000.
Fiscal year 2000: $45,800,000,000.
Fiscal year 2001: $45,800,000,000.
Fiscal year 2002: $46,100,000,000.

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

Fiscal year 1996: $193,400,000,000.
Fiscal year 1997: $187,900,000,000.
Fiscal year 1998: $185,300,000,000.
Fiscal year 1999: $183,300,000,000.
Fiscal year 2000: $184,700,000,000.
Fiscal year 2001: $186,100,000,000.
Fiscal year 2002: $187,600,000,000.

SEC. 3. DEBT INCREASE.

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

Fiscal year 1996: $303,328,000,000.
Fiscal year 1997: $293,943,000,000.
Fiscal year 1998: $271,446,000,000.
Fiscal year 1999: $260,774,000,000.
Fiscal year 2000: $249,191,000,000.
Fiscal year 2001: $205,878,000,000.
Fiscal year 2002: $172,007,000,000.

SEC. 4. 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 1996: $347,700,000,000.
Fiscal year 1997: $392,000,000,000.
Fiscal year 1998: $411,400,000,000.
Fiscal year 1999: $430,900,000,000.
Fiscal year 2000: $452,000,000,000.
Fiscal year 2001: $475,200,000,000.
Fiscal year 2002: $498,600,000,000.

(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 1996: $299,400,000,000.
Fiscal year 1997: $310,900,000,000.
Fiscal year 1998: $342,600,000,000.
Fiscal year 1999: $338,500,000,000.
Fiscal year 2000: $353,100,000,000.
Fiscal year 2001: $368,100,000,000.
Fiscal year 2002: $383,800,000,000.

SEC. 5. 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 1996 through 2000 for each major functional category are:

(1) National Defense (050):

Fiscal year 1996:

(A) New budget authority, $257,700,000,000.
(B) Outlays, $261,100,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $1,700,000,000.

Fiscal year 1997:

(A) New budget authority, $253,400,000,000.
(B) Outlays, $257,000,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $1,700,000,000.

Fiscal year 1998:

(A) New budget authority, $259,600,000,000.
(B) Outlays, $154,500,000,000.
(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $1,700,000,000.
Fiscal year 1999:
(A) New budget authority, $266,200,000,000.
(B) Outlays, $259,600,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $1,700,000,000.
Fiscal year 2000:
(A) New budget authority, $276,000,000,000.
(B) Outlays, $267,800,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $1,700,000,000.
Fiscal year 2001:
(A) New budget authority, $275,900,000,000.
(B) Outlays, $267,700,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $1,700,000,000.
Fiscal year 2002:
(A) New budget authority, $275,900,000,000.
(B) Outlays, $269,200,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $1,700,000,000.
(2) International Affairs (150):
Fiscal year 1996:
(A) New budget authority, $15,400,000,000.
(B) Outlays, $16,900,000,000.
(C) New direct loan obligations, $5,700,000,000.
(D) New primary loan guarantee commitments, $18,300,000,000.
Fiscal year 1997:
(A) New budget authority, $14,300,000,000.
(B) Outlays, $15,100,000,000.
(C) New direct loan obligations, $5,700,000,000.
(D) New primary loan guarantee commitments, $18,300,000,000.
Fiscal year 1998:
(A) New budget authority, $13,800,000,000.
(B) Outlays, $14,300,000,000.
(C) New direct loan obligations, $5,700,000,000.
(D) New primary loan guarantee commitments, $18,300,000,000.
Fiscal year 1999:
(A) New budget authority, $12,600,000,000.
(B) Outlays, $13,500,000,000.
(C) New direct loan obligations, $5,700,000,000.
(D) New primary loan guarantee commitments, $18,300,000,000.
Fiscal year 2000:
(A) New budget authority, $14,100,000,000.
(B) Outlays, $13,100,000,000.
(C) New direct loan obligations, $5,700,000,000.
(D) New primary loan guarantee commitments, $18,300,000,000.
Fiscal year 2001:
(A) New budget authority, $14,300,000,000.
(B) Outlays, $13,400,000,000.
(C) New direct loan obligations, $5,700,000,000.
(D) New primary loan guarantee commitments, $18,300,000,000.
Fiscal year 2002:
(A) New budget authority, $14,200,000,000.
(B) Outlays, $13,300,000,000.
(C) New direct loan obligations, $5,700,000,000.
(D) New primary loan guarantee commitments, $18,300,000,000.
(3) General Science, Space, and Technology (250):
Fiscal year 1996:
(A) New budget authority, $17,200,000,000.
(B) Outlays, $16,900,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, $17,100,000,000.
(B) Outlays, $17,100,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, $17,100,000,000.
(B) Outlays, $17,200,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1999:
(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.
Fiscal year 2000:
(A) New budget authority, $17,100,000,000.
(B) Outlays, $17,100,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 2001:
(A) New budget authority, $17,100,000,000.
(B) Outlays, $17,100,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 2002:
(A) New budget authority, $17,100,000,000.
(B) Outlays, $17,100,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(4) Energy (270):
Fiscal year 1996:
(A) New budget authority, $2,900,000,000.
(B) Outlays, $2,700,000,000.
(C) New direct loan obligations, $1,200,000,000.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, $1,700,000,000.
(B) Outlays, $1,000,000,000.
(C) New direct loan obligations, $1,200,000,000.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, $3,300,000,000.
(B) Outlays, $2,600,000,000.
(C) New direct loan obligations, $1,200,000,000.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1999:
(A) New budget authority, $4,200,000,000.
(B) Outlays, $3,100,000,000.
(C) New direct loan obligations, $1,200,000,000.
(D) New primary loan guarantee commitments, $0.
Fiscal year 2000:
(A) New budget authority, $4,100,000,000.
(B) Outlays, $2,800,000,000.
(C) New direct loan obligations, $1,200,000,000.
(D) New primary loan guarantee commitments, $0.
Fiscal year 2001:
(A) New budget authority, $4,000,000.
(B) Outlays, $2,900,000,000.
(C) New direct loan obligations, $1,200,000,000.
(D) New primary loan guarantee commitments, $0.
Fiscal year 2002:
(A) New budget authority, $4,000,000,000.
(B) Outlays, $2,900,000,000.
(C) New direct loan obligations, $1,200,000,000.
(D) New primary loan guarantee commitments, $0.
(5) Natural Resources and Environment (300):
Fiscal year 1996:
(A) New budget authority, $22,000,000,000.
(B) Outlays, $21,400,000,000.
(C) New direct loan obligations, $100,000,000.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, $21,900,000,000.
(B) Outlays, $21,900,000,000.
(C) New direct loan obligations, $100,000,000.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, $20,100,000,000.
(B) Outlays, $20,400,000,000.
(C) New direct loan obligations, $100,000,000.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1999:
(A) New budget authority, $21,400,000,000.
(B) Outlays, $21,700,000,000.
(C) New direct loan obligations, $100,000,000.
(D) New primary loan guarantee commitments, $0.
Fiscal year 2000:
(A) New budget authority, $21,100,000,000.
(B) Outlays, $21,400,000,000.
(C) New direct loan obligations, $100,000,000.
(D) New primary loan guarantee commitments, $0.
Fiscal year 2001:
(A) New budget authority, $19,700,000,000.
(B) Outlays, $19,900,000,000.
(C) New direct loan obligations, $100,000,000.
(D) New primary loan guarantee commitments, $0.
Fiscal year 2002:
(A) New budget authority, $20,500,000,000.
(B) Outlays, $20,600,000,000.
(C) New direct loan obligations, $100,000,000.
(D) New primary loan guarantee commitments, $0.
(6) Agriculture (350):
Fiscal year 1996:
(A) New budget authority, $14,000,000,000.
(B) Outlays, $12,600,000,000.
(C) New direct loan obligations, $11,500,000,000.
(D) New primary loan guarantee commitments, $5,700,000,000.
Fiscal year 1997:
(A) New budget authority, $13,800,000,000.
(B) Outlays, $12,400,000,000.
(C) New direct loan obligations, $11,500,000,000.
(D) New primary loan guarantee commitments, $5,700,000,000.
Fiscal year 1998:
(A) New budget authority, $13,600,000,000.
(B) Outlays, $12,300,000,000.
(C) New direct loan obligations, $10,900,000,000.
(D) New primary loan guarantee commitments, $5,700,000,000.
Fiscal year 1999:
(A) New budget authority, $13,500,000,000.
(B) Outlays, $12,100,000,000.
(C) New direct loan obligations, $11,600,000,000.
(D) New primary loan guarantee commitments, $5,700,000,000.
Fiscal year 2000:
(A) New budget authority, $13,100,000,000.

(B) Outlays, $11,900,000,000.
(C) New direct loan obligations, $11,400,000,000.
(D) New primary loan guarantee commitments, $5,700,000,000.
Fiscal year 2001:
(A) New budget authority, $11,900,000,000.
(B) Outlays, $10,700,000,000.
(C) New direct loan obligations, $11,100,000,000.
(D) New primary loan guarantee commitments, $5,700,000,000.
Fiscal year 2002:
(A) New budget authority, $12,000,000,000.
(B) Outlays, $10,900,000,000.
(C) New direct loan obligations, $10,900,000,000.
(D) New primary loan guarantee commitments, $5,700,000,000.
(7) Commerce and Housing Credit (370):
Fiscal year 1996:
(A) New budget authority, $3,800,000,000.
(B) Outlays, $−6,200,000,000.
(C) New direct loan obligations, $1,400,000,000.
(D) New primary loan guarantee commitments, $123,100,000,000.
Fiscal year 1997:
(A) New budget authority, $3,300,000,000.
(B) Outlays, $−3,800,000,000.
(C) New direct loan obligations, $1,400,000,000.
(D) New primary loan guarantee commitments, $123,100,000,000.
Fiscal year 1998:
(A) New budget authority, $2,900,000,000.
(B) Outlays, $−4,800,000,000.
(C) New direct loan obligations, $1,400,000,000.
(D) New primary loan guarantee commitments, $123,100,000,000.
Fiscal year 1999:
(A) New budget authority, $2,700,000,000.
(B) Outlays, $−2,600,000,000.
(C) New direct loan obligations, $1,400,000,000.
(D) New primary loan guarantee commitments, $123,100,000,000.
Fiscal year 2000:
(A) New budget authority, $2,600,000,000.
(B) Outlays, $−1,600,000,000.
(C) New direct loan obligations, $1,400,000,000.
(D) New primary loan guarantee commitments, $123,100,000,000.
Fiscal year 2001:
(A) New budget authority, $2,800,000,000.
(B) Outlays, $−1,100,000,000.
(C) New direct loan obligations, $1,400,000,000.
(D) New primary loan guarantee commitments, $123,100,000,000.
Fiscal year 2002:
(A) New budget authority, $2,800,000,000.
(B) Outlays, $−800,000,000.
(C) New direct loan obligations, $1,400,000,000.
(D) New primary loan guarantee commitments, $123,100,000,000.
(8) Transportation (400):
Fiscal year 1996:
(A) New budget authority, $37,800,000,000.
(B) Outlays, $39,200,000,000.
(C) New direct loan obligations, $200,000,000.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, $44,400,000,000.
(B) Outlays, $39,500,000,000.
(C) New direct loan obligations, $200,000,000.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, $45,300,000,000.
(B) Outlays, $39,800,000,000.
(C) New direct loan obligations, $200,000,000.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1999:
(A) New budget authority, $46,600,000,000.
(B) Outlays, $40,200,000,000.
(C) New direct loan obligations, $200,000,000.
(D) New primary loan guarantee commitments, $0.
Fiscal year 2000:
(A) New budget authority, $47,800,000,000.
(B) Outlays, $40,700,000,000.
(C) New direct loan obligations, $200,000,000.
(D) New primary loan guarantee commitments, $0.
Fiscal year 2001:
(A) New budget authority, $47,700,000,000.
(B) Outlays, $41,100,000,000.
(C) New direct loan obligations, $200,000,000.
(D) New primary loan guarantee commitments, $0.
Fiscal year 2002:
(A) New budget authority, $47,700,000,000.
(B) Outlays, $41,500,000,000.
(C) New direct loan obligations, $200,000,000.
(D) New primary loan guarantee commitments, $0.
(9) Community and Regional Development (450):
Fiscal year 1996:
(A) New budget authority, $8,700,000,000.
(B) Outlays, $10,000,000,000.
(C) New direct loan obligations, $2,700,000,000.
(D) New primary loan guarantee commitments, $1,200,000,000.
Fiscal year 1997:
(A) New budget authority, $8,700,000,000.
(B) Outlays, $8,600,000,000.
(C) New direct loan obligations, $2,700,000,000.
(D) New primary loan guarantee commitments, $1,200,000,000.
Fiscal year 1998:
(A) New budget authority, $8,700,000,000.
(B) Outlays, $8,100,000,000.
(C) New direct loan obligations, $2,700,000,000.
(D) New primary loan guarantee commitments, $1,200,000,000.
Fiscal year 1999:
(A) New budget authority, $8,700,000,000.
(B) Outlays, $8,200,000,000.
(C) New direct loan obligations, $2,700,000,000.
(D) New primary loan guarantee commitments, $1,200,000,000.
Fiscal year 2000:
(A) New budget authority, $8,600,000,000.
(B) Outlays, $8,500,000,000.
(C) New direct loan obligations, $2,700,000,000.
(D) New primary loan guarantee commitments, $1,200,000,000.
Fiscal year 2001:
(A) New budget authority, $8,100,000,000.
(B) Outlays, $8,400,000,000.
(C) New direct loan obligations, $2,700,000,000.
(D) New primary loan guarantee commitments, $1,200,000,000.
Fiscal year 2002:
(A) New budget authority, $8,000,000,000.
(B) Outlays, $8,400,000,000.
(C) New direct loan obligations, $2,700,000,000.
(D) New primary loan guarantee commitments, $1,200,000,000.
(10) Education, Training, Employment, and Social Services (500):
Fiscal year 1996:
(A) New budget authority, $55,100,000,000.
(B) Outlays, $54,800,000,000.
(C) New direct loan obligations, $13,600,000,000.
(D) New primary loan guarantee commitments, $16,300,000,000.
Fiscal year 1997:
(A) New budget authority, $55,500,000,000.
(B) Outlays, $54,900,000,000.
(C) New direct loan obligations, $16,300,000,000.
(D) New primary loan guarantee commitments, $15,900,000,000.
Fiscal year 1998:
(A) New budget authority, $56,500,000,000.
(B) Outlays, $55,400,000,000.
(C) New direct loan obligations, $19,100,000,000.
(D) New primary loan guarantee commitments, $15,200,000,000.
Fiscal year 1999:
(A) New budget authority, $57,600,000,000.
(B) Outlays, $56,400,000,000.
(C) New direct loan obligations, $21,800,000,000.
(D) New primary loan guarantee commitments, $14,300,000,000.
Fiscal year 2000:
(A) New budget authority, $59,000,000,000.
(B) Outlays, $57,800,000,000.
(C) New direct loan obligations, $21,900,000,000.
(D) New primary loan guarantee commitments, $15,000,000,000.
Fiscal year 2001:
(A) New budget authority, $59,100,000,000.
(B) Outlays, $57,800,000,000.
(C) New direct loan obligations, $22,000,000,000.
(D) New primary loan guarantee commitments, $15,800,000,000.
Fiscal year 2002:
(A) New budget authority, $59,900,000,000.
(B) Outlays, $58,500,000,000.
(C) New direct loan obligations, $22,200,000,000.
(D) New primary loan guarantee commitments, $16,600,000,000.
(11) Health (550):
Fiscal year 1996:
(A) New budget authority, $122,900,000,000.
(B) Outlays, $122,400,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $300,000,000.
Fiscal year 1997:
(A) New budget authority, $129,300,000,000.
(B) Outlays, $129,300,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $300,000,000.
Fiscal year 1998:
(A) New budget authority, $135,000,000,000.
(B) Outlays, $135,200,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $300,000,000.
Fiscal year 1999:
(A) New budget authority, $140,000,000,000.
(B) Outlays, $140,200,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $300,000,000.
Fiscal year 2000:
(A) New budget authority, $144,600,000,000.
(B) Outlays, $144,400,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $300,000,000.

Fiscal year 2001:
(A) New budget authority, $149,000,000,000.
(B) Outlays, $148,800,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $300,000,000.
Fiscal year 2002:
(A) New budget authority, $153,700,000,000.
(B) Outlays, $153,400,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $300,000,000.
(12) Medicare (570):
Fiscal year 1996:
(A) New budget authority, $174,000,000,000.
(B) Outlays, $171,600,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, $184,500,000,000.
(B) Outlays, $182,900,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, $198,200,000,000.
(B) Outlays, $196,500,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1999:
(A) New budget authority, $213,500,000,000.
(B) Outlays, $210,900,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 2000:
(A) New budget authority, $228,600,000,000.
(B) Outlays, $226,700,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 2001:
(A) New budget authority, $246,600,000,000.
(B) Outlays, $244,600,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 2002:
(A) New budget authority, $266,800,000,000.
(B) Outlays, $264,600,000,000.
(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 1996:
(A) New budget authority, $63,300,000,000.
(B) Outlays, $62,600,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, $70,500,000,000.
(B) Outlays, $69,900,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, $78,800,000,000.
(B) Outlays, $78,100,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1999:
(A) New budget authority, $88,000,000,000.
(B) Outlays, $87,200,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 2000:
(A) New budget authority, $97,500,000,000.
(B) Outlays, $96,600,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 2001:
(A) New budget authority, $108,100,000,000.
(B) Outlays, $107,200,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 2002:
(A) New budget authority, $120,200,000,000.
(B) Outlays, $119,200,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(14) Income Security (600):
Fiscal year 1996:
(A) New budget authority, $227,300,000,000.
(B) Outlays, $226,900,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $1,000,000,000.
Fiscal year 1997:
(A) New budget authority, $235,700,000,000.
(B) Outlays, $237,600,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $1,000,000,000.
Fiscal year 1998:
(A) New budget authority, $255,000,000,000.
(B) Outlays, $248,100,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $1,000,000,000.
Fiscal year 1999:
(A) New budget authority, $258,000,000,000.
(B) Outlays, $259,900,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $1,000,000,000.
Fiscal year 2000:
(A) New budget authority, $275,600,000,000.
(B) Outlays, $275,600,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $1,000,000,000.
Fiscal year 2001:
(A) New budget authority, $280,500,000,000.
(B) Outlays, $280,400,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $1,000,000,000.
Fiscal year 2002:
(A) New budget authority, $294,900,000,000.
(B) Outlays, $294,700,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $1,000,000,000.
(15) Social Security (650):
Fiscal year 1996:
(A) New budget authority, $5,900,000,000.
(B) Outlays, $8,500,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, $8,100,000,000.
(B) Outlays, $10,500,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, $8,800,000,000.
(B) Outlays, $11,300,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1999:
(A) New budget authority, $9,600,000,000.
(B) Outlays, $12,100,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 2000:
(A) New budget authority, $10,500,000,000.
(B) Outlays, $12,900,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 2001:
(A) New budget authority, $11,100,000,000.
(B) Outlays, $13,500,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 2002:
(A) New budget authority, $11,700,000,000.
(B) Outlays, $14,100,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(16) Veterans Benefits and Services (700):
Fiscal year 1996:
(A) New budget authority, $38,000,000,000.
(B) Outlays, $37,100,000,000.
(C) New direct loan obligations, $1,200,000,000.
(D) New primary loan guarantee commitments, $26,700,000,000.
Fiscal year 1997:
(A) New budget authority, $38,300,000,000.
(B) Outlays, $38,300,000,000.
(C) New direct loan obligations, $1,100,000,000.
(D) New primary loan guarantee commitments, $21,600,000,000.
Fiscal year 1998:
(A) New budget authority, $38,800,000,000.
(B) Outlays, $39,100,000,000.
(C) New direct loan obligations, $1,000,000,000.
(D) New primary loan guarantee commitments, $19,700,000,000.
Fiscal year 1999:
(A) New budget authority, $39,600,000,000.
(B) Outlays, $39,800,000,000.
(C) New direct loan obligations, $1,000,000,000.
(D) New primary loan guarantee commitments, $18,600,000,000.
Fiscal year 2000:
(A) New budget authority, $40,100,000,000.
(B) Outlays, $41,500,000,000.
(C) New direct loan obligations, $1,200,000,000.
(D) New primary loan guarantee commitments, $19,300,000,000.
Fiscal year 2001:
(A) New budget authority, $40,400,000,000.
(B) Outlays, $42,100,000,000.
(C) New direct loan obligations, $1,400,000,000.
(D) New primary loan guarantee commitments, $19,900,000,000.
Fiscal year 2002:
(A) New budget authority, $41,000,000,000.
(B) Outlays, $42,600,000,000.
(C) New direct loan obligations, $1,700,000,000.
(D) New primary loan guarantee commitments, $26,600,000,000.
(17) Administration of Justice (750):
Fiscal year 1996:
(A) New budget authority, $20,000,000,000.
(B) Outlays, $19,600,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, $20,700,000,000.
(B) Outlays, $21,200,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, $21,400,000,000.
(B) Outlays, $22,400,000,000.

(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1999:
(A) New budget authority, $22,300,000,000.
(B) Outlays, $23,100,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 2000:
(A) New budget authority, $22,300,000,000.
(B) Outlays, $23,700,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 2001:
(A) New budget authority, $21,900,000,000.
(B) Outlays, $23,300,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 2002:
(A) New budget authority, $21,800,000,000.
(B) Outlays, $23,200,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(18) General Government (800):
Fiscal year 1996:
(A) New budget authority, $12,500,000,000.
(B) Outlays, $13,000,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, $12,400,000,000.
(B) Outlays, $12,400,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, $12,200,000,000.
(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, $12,100,000,000.
(B) Outlays, $12,000,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 2000:
(A) New budget authority, $12,000,000,000.
(B) Outlays, $11,900,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 2001:
(A) New budget authority, $11,600,000,000.
(B) Outlays, $11,700,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 2002:
(A) New budget authority, $11,600,000,000.
(B) Outlays, $11,600,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(19) Net Interest (900):
Fiscal year 1996:
(A) New budget authority, $298,100,000,000.
(B) Outlays, $298,100,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, $309,700,000,000.
(B) Outlays, $309,700,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, $318,300,000,000.
(B) Outlays, $318,300,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1999:
(A) New budget authority, $330,500,000,000.
(B) Outlays, $330,500,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 2000:
(A) New budget authority, $342,100,000,000.
(B) Outlays, $342,100,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 2001:
(A) New budget authority, $349,400,000,000.
(B) Outlays, $349,400,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 2002:
(A) New budget authority, $357,100,000,000.
(B) Outlays, $357,100,000,000.
(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 1996:
(A) New budget authority, $309,000,000,000.
(B) Outlays, $309,000,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, $320,600,000,000.
(B) Outlays, $320,600,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, $328,600,000,000.
(B) Outlays, $328,600,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1999:
(A) New budget authority, $339,800,000,000.
(B) Outlays, $339,800,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 2000:
(A) New budget authority, $349,800,000,000.
(B) Outlays, $349,800,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 2001:
(A) New budget authority, $355,100,000,000.
(B) Outlays, $355,100,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 2002:
(A) New budget authority, $360,200,000,000.
(B) Outlays, $360,200,000,000.
(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 1996: $369,764,000,000.
Fiscal year 1997: $380,949,000,000.
Fiscal year 1998: $389,893,000,000.
Fiscal year 1999: $402,921,000,000.
Fiscal year 2000: $414,948,000,000.
Fiscal year 2001: $425,550,000,000.
Fiscal year 2002: $434,548,00,000.
(22) Allowances (920):
Fiscal year 1996:
(A) New budget authority, $-8,600,000,000.
(B) Outlays, $-6,500,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, $-8,500,000,000.
(B) Outlays, $-8,500,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, $-7,300,000,000.
(B) Outlays, $-7,600,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1999:
(A) New budget authority, $-6,800,000,000.
(B) Outlays, $-7,100,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 2000:
(A) New budget authority, $-5,700,000,000.
(B) Outlays, $-6,100,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 2001:
(A) New budget authority, $-5,700,000,000.
(B) Outlays, $-6,100,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 2002:
(A) New budget authority, $-5,700,000,000.
(B) Outlays, $-6,100,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(23) Undistributed Offsetting Receipts (950):
Fiscal year 1996:
(A) New budget authority, $-33,100,000,000.
(B) Outlays, $-33,100,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, $-33,800,000,000.
(B) Outlays, $-33,800,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, $-36,300,000,000.
(B) Outlays, $-36,300,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1999:
(A) New budget authority, $-37,700,000,000.
(B) Outlays, $-37,700,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 2000:
(A) New budget authority, $-39,700,000,000.
(B) Outlays, $-39,700,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 2001:
(A) New budget authority, $-41,100,000,000.
(B) Outlays, $-41,100,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 2002:
(A) New budget authority, $-42,300,000,000.
(B) Outlays, $-42,300,000,000.
(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 1996:

(A) New budget authority, $-30,600,000,000.

(B) Outlays, $-30,600,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

Fiscal year 1997:

(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 1998:

(A) New budget authority, $-33,600,000,000.

(B) Outlays, $-33,600,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

Fiscal year 1999:

(A) New budget authority, $-34,900,000,000.

(B) Outlays, $-34,900,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

Fiscal year 2000:

(A) New budget authority, $-36,700,000,000.

(B) Outlays, $-36,700,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

Fiscal year 2001:

(A) New budget authority, $-37,900,000,000.

(B) Outlays, $-37,900,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

Fiscal year 2002:

(A) New budget authority, $-39,000,000,000.

(B) Outlays, $-39,000,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

SEC. 6. RECONCILIATION.

(a) SENATE COMMITTEES.—Not later than July 14, 1995, the committees named in this subsection shall submit their recommendations to the Committee on the Budget of the Senate. After receiving those recommendations, the Committee on the Budget shall report to the Senate a reconciliation bill carrying out all such recommendations without any substantive revision.

(1) COMMITTEE ON AGRICULTURE, NUTRITION, AND FORESTRY.—The Senate Committee on Agriculture, Nutrition, and Forestry shall report changes in laws within its jurisdiction that provide direct spending (as defined in section 250(c)(8) of the Balanced Budget and Emergency Deficit Control Act of 1985) to reduce outlays $990,000,000 in fiscal year 1996, $12,473,000,000 for the period of fiscal years 1996 through 2000, and $21,804,000,000 for the period of fiscal years 1996 through 2002.

(2) COMMITTEE ON ARMED SERVICES.—The Senate Committee on Armed Services shall report changes in laws within its jurisdiction that provide direct spending to reduce outlays $21,000,000 in fiscal year 1996, $338,000,000 for the period of fiscal years 1996 through 2000, and $649,000,000 for the period of fiscal years 1996 through 2002.

(3) COMMITTEE ON BANKING, HOUSING, AND URBAN AFFAIRS.—The Senate Committee on Banking, Housing, and Urban Affairs shall report changes in laws within its jurisdiction to reduce the deficit $373,000,000 in fiscal year 1996, $5,742,000,000 for the period of fiscal years 1996 through 2000, and $6,690,000,000 for the period of fiscal years 1996 through 2002.

(4) COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION.—The Senate Committee on Commerce, Science, and Transportation shall report changes in laws within its jurisdiction to reduce the deficit $2,464,000,000 in fiscal year 1996, $21,937,000,000 for the period of fiscal years 1996 through 2000, and $33,685,000,000 for the period of fiscal years 1996 through 2002.

(5) COMMITTEE ON ENERGY AND NATURAL RESOURCES.—The Senate Committee on Energy and Natural Resources shall report changes in laws within its jurisdiction that provide direct spending to reduce outlays $1,771,000,000 in fiscal year 1996, $4,775,000,000 for the period of fiscal years 1996 through 2000, and $5,001,000,000 for the period of fiscal years 1996 through 2002.

(6) COMMITTEE ON ENVIRONMENT AND PUBLIC WORKS.—The Senate Committee on Environment and Public Works shall report changes in laws within its jurisdiction that provide direct spending to reduce outlays $106,000,000 in fiscal year 1996, $1,290,000,000 for the period of fiscal years 1996 through 2000, and $2,236,000,000 for the period of fiscal years 1996 through 2002.

(7) COMMITTEE ON FINANCE.—The Senate Committee on Finance shall report changes in laws within its jurisdiction that provide direct spending to reduce outlays $19,517,000,000 in fiscal year 1996, $254,240,000,000 for the period of fiscal years 1996 through 2000, and $478,842,000,000 for the period of fiscal years 1996 through 2002.

(B) The Senate Committee on Finance shall report changes in laws within its jurisdiction sufficient to increase revenue $7,500,000,000 in fiscal year 1996, $115,700,000,000 for the period of fiscal years 1996 through 2000, and $228,000,000,000 for the period of fiscal years 1996 through 2002.

(8) COMMITTEE ON FOREIGN RELATIONS.—The Senate Committee on Foreign Relations shall report changes in laws within its jurisdiction that provide direct spending to reduce outlays $0 in fiscal year 1996, $0 for the period of fiscal years 1996 through 2000, and $0 for the period of fiscal years 1996 through 2002.

(9) COMMITTEE ON GOVERNMENTAL AFFAIRS.—The Senate Committee on Governmental Affairs shall report changes in laws within its jurisdiction that provide direct spending to reduce outlays $118,000,000 in fiscal year 1996, $3,023,000,000 for the period of fiscal years 1996 through 2000, and $6,871,000,000 for the period of fiscal years 1996 through 2002.

(10) COMMITTEE ON THE JUDICIARY.—The Senate Committee on the Judiciary shall report changes in laws within its jurisdiction that provide direct spending to reduce outlays $119,000,000 in fiscal year 1996, $923,000,000 for the period of fiscal years 1996 through 2000, and $1,483,000,000 for the period of fiscal years 1996 through 2002.

(11) COMMITTEE ON LABOR AND HUMAN RESOURCES.—The Senate Committee on Labor and Human Resources shall report changes in laws within its jurisdiction that provide direct spending to reduce outlays $0 in fiscal year 1996, $0 for the period of fiscal years 1996 through 2000, and $0 for the period of fiscal years 1996 through 2002.

(12) COMMITTEE ON RULES AND ADMINISTRATION.—The Senate Committee on Rules and Administration shall report changes in laws within its jurisdiction that provide direct spending to reduce outlays $2,000,000 in fiscal year 1996, $280,000,000 for the period of fiscal years 1996 through 2000, and $319,000,000 for the period of fiscal years 1996 through 2002.

(13) COMMITTEE ON VETERANS' AFFAIRS.—The Senate Committee on Veterans' Affairs shall report changes in laws within its jurisdiction that provide direct spending to reduce outlays $181,000,000 in fiscal year 1996, $3,050,000,000 for the period of fiscal years 1996 through 2000, and $5,112,000,000 for the period of fiscal years 1996 through 2002.

TITLE II—BUDGETARY RESTRAINTS AND RULEMAKING

SEC. 201. DISCRETIONARY SPENDING LIMITS.

(a) DEFINITION.—As used in this section and for the purposes of allocations made pursuant to section 602(a) of the Congressional Budget Act of 1974, for the discretionary category, the term "discretionary spending limit" means—

(1) with respect to fiscal year 1996, $495,904,000,000 in new budget authority and $534,045,000,000 in outlays;

(2) with respect to fiscal year 1997, $491,483,000,000 in new budget authority and $527,591,000,000 in outlays;

(3) with respect to fiscal year 1998, $508,225,000,000 in new budget authority and $526,688,000,000 in outlays;

(4) with respect to fiscal year 1999, $508,519,000,000 in new budget authority and $533,516,000,000 in outlays;

(5) with respect to fiscal year 2000, $523,237,000,000 in new budget authority and $543,948,000,000 in outlays;

(6) with respect to fiscal year 2001, $529,549,000,000 in new budget authority and $551,939,000,000 in outlays; and

(7) with respect to fiscal year 2002, $530,368,000,000 in new budget authority and $554,469,000,000 in outlays;

as adjusted for changes in concepts and definitions and emergency appropriations.

(b) POINT OF ORDER IN THE SENATE.—

(1) IN GENERAL.—Except as provided in paragraph (2), it shall not be in order in the Senate to consider—

(A) any concurrent resolution on the budget for fiscal year 1996, 1997, 1998, 1999, 2000, 2001, or 2002 (or amendment, motion, or conference report on such a resolution) that provides discretionary spending in excess of the discretionary spending limits for such fiscal year; or

(B) any appropriations bill or resolution (or amendment, motion, or conference report on such appropriations bill or resolution) for fiscal year 1995, 1996, 1997, 1998, 1999, 2000, 2001, or 2002 that would exceed any of the discretionary spending limits in this section or suballocations of those limits made pursuant to section 602(b) of the Congressional Budget Act of 1974.

(2) EXCEPTION.—This section 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.

(c) 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.

(d) 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.

(e) 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.

SEC. 202. EXTENSION OF PAY-AS-YOU-GO POINT OF ORDER.

(a) PURPOSE.—The Senate declares that it is essential to—

(1) ensure continued compliance with the balanced budget plan set forth in this resolution; and

(2) continue the pay-as-you-go enforcement system.

(b) POINT OF ORDER.—

(1) IN GENERAL.—It shall not be in order in the Senate to consider any direct-spending or receipts legislation (as defined in paragraph (3)) that would increase the deficit for any one of the three applicable time periods (as defined in paragraph (2)) as measured pursuant to paragraph (4).

(2) APPLICABLE TIME PERIODS.—For purposes of this subsection, the term "applicable time period" means any one of the three following periods—

(A) the first fiscal year covered by the most recently adopted concurrent resolution on the budget;

(B) the period of the first 5 fiscal years covered by the most recently adopted concurrent resolution on the budget; or

(C) the period of the 5 fiscal years following the first 5 years covered by the most recently adopted concurrent resolution on the budget.

(3) DIRECT-SPENDING OR RECEIPTS LEGISLATION.—For purposes of this subsection, the term "direct-spending or receipts legislation" shall—

(A) except as otherwise provided in this subsection, include all direct-spending legislation as that term is interpreted for purposes of the Balanced Budget and Emergency Deficit Control Act of 1985;

(B) include—

(i) any bill, joint resolution, amendment, motion, or conference report to which this subsection otherwise applies; and

(ii) 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

(C) exclude—

(i) any concurrent resolution on the budget; and

(ii) 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.

(4) BASELINE.—Estimates prepared pursuant to this section shall—

(A) use the baseline used for the most recent concurrent resolution on the budget, and for years beyond those covered by that concurrent resolution; and

(B) abide by the requirements of subsections (a) through (d) of section 257 of the Balanced Budget and Emergency Deficit Control Act of 1985, except that references to "outyears" in that section shall be deemed to apply to any year (other than the budget year) covered by any one of the time periods defined in paragraph (2) of this subsection.

(c) 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.

(d) 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.

(e) 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.

(f) CONFORMING AMENDMENT.—Section 23 of House Concurrent Resolution 218 (103d Congress) is repealed.

(g) SUNSET.—Subsections (a) through (e) of this section shall expire September 30, 2002.

SEC. 203. BUDGET SURPLUS ALLOWANCE.

(a) ADJUSTMENTS.—For the purposes of points of order under the Congressional Budget and Impoundment Control Act of 1974 and this concurrent resolution on the budget, the appropriate allocations and budgetary aggregates and levels shall be revised to reflect the additional deficit reduction achieved as calculated under subsection (c) for legislation that reduces the adverse effects on medicare, medicaid, and welfare reform in the following manner:

(1) $60,000,000,000 shall be used for medicare legislation which will reduce the adverse effects of—

(A) increased premiums;

(B) increased deductibles;

(C) increased copayments;

(D) limits on the freedom to select the doctor of one's choice; and

(E) reduced or eliminated benefits caused by restrictions on eligibility or services. These additional medicare appropriations shall be allocated among the various components of the medicare program in a manner that maintains the solvency of the Federal Hospital Insurance (FHI) Trust Fund for the same time period established through program revisions enacted in the 1995 budget reconciliation bill.

(2) $50,000,000,000 shall be used for legislation that reduces the adverse affects upon the elderly, disabled, and children who have nowhere else to turn but medicaid for health care.

(3) $60,000,000,000 shall be used for legislation that reduces the drastic cuts to welfare programs.

(4) If the Congressional Budget Office scores this surplus differently, than the amounts provided in paragraphs (1) through (3) shall be increased or decreased proportionally.

(b) REVISED ALLOCATIONS AND AGGREGATES.—Upon the reporting of legislation pursuant to subsection (a), and again upon the submission of a conference report on such legislation (if a conference report is submitted), the Chairman of the Committee on Budget of the Senate may submit to the Senate appropriately revised allocations under sections 302(a) and 602(a) of the Congressional Budget Act of 1974 and levels under this resolution, revised by an amount that does not exceed the additional deficit reduction calculated under subsection (d).

(c) CBO REVISED DEFICIT ESTIMATE.—After the enactment of legislation that complies with the reconciliation directives of section 6, the Congressional Budget Office shall provide the Chairman of the Committee on the Budget of the Senate a revised estimate of the deficit for fiscal years 1996 through 2005.

(d) ADDITIONAL DEFICIT REDUCTION.—For purposes of this section, the term "additional deficit reduction" means the amount by which the total deficit levels assumed in this resolution for a fiscal year exceed the revised deficit estimate provided pursuant to subsection (c) for such fiscal year for fiscal years 1996 through 2005.

(e) CBO CERTIFICATION AND CONTINGENCIES.—This section shall not apply unless—

(1) legislation has been enacted complying with the reconciliation directives of section 6;

(2) the Director of the Congressional Budget Office has provided the estimate required by subsection (c); and

(3) the revisions made pursuant to this subsection do not cause a budget deficit for fiscal year 2002, 2003, 2004, or 2005.

SEC. 204. SCORING OF EMERGENCY LEGISLATION.

Notwithstanding section 606(d)(2) of the Congressional Budget Act of 1974 and beginning with fiscal year 1996, the determinations under sections 302, 303, and 311 of such Act shall take into account any new budget authority, new entitlement authority, outlays, receipts, or deficit effects as a consequence of the provisions of section 251(b)(2)(D) and 252(e) of the Balanced Budget and Emergency Deficit Control Act of 1985.

SEC. 205. SALE OF GOVERNMENT ASSETS.

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

(1) the prohibition on scoring asset sales has discouraged the sale of assets that can be better managed by the private sector and generate receipts to reduce the Federal budget deficit;

(2) the President's fiscal year 1996 budget included $8,000,000,000 in receipts from asset sales and proposed a change in the asset sale scoring rule to allow the proceeds from these sales to be scored;

(3) assets should not be sold if such sale would increase the budget deficit over the long run; and

(4) the asset sale scoring prohibition should be repealed and consideration should be given to replacing it with a methodology that takes into account the long-term budgetary impact of asset sales.

(b) BUDGETARY TREATMENT.—For purposes of any concurrent resolution on the budget and the Congressional Budget and Impoundment Control Act of 1974, the amounts realized from sales of assets shall be scored with respect to the level of budget authority, outlays, or revenues.

(c) DEFINITIONS.—For purposes of this section, 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.

(d) TREATMENT OF LOAN ASSETS.—For the purposes of this section, the sale of loan assets or the prepayment of a loan shall be governed by the terms of the Federal Credit Reform Act of 1990.

SEC. 206. EXTENSION OF BUDGET ACT 60-VOTE ENFORCEMENT THROUGH 2002.

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 rules of the Senate through (but no later than) September 30, 2002.

SEC. 207. EXERCISE OF RULEMAKING POWERS.

The Senate adopts the provisions of this title—

(1) as an exercise of the rulemaking power of the Senate, and as such they shall be considered as part of the rules of the Senate,

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 the Senate to change those rules (so far as they relate to the Senate) at any time, in the same manner, and to the same extent as in the case of any other rule of the Senate.

TITLE III—SENSE OF THE CONGRESS AND THE SENATE

SEC. 301. SENSE OF THE CONGRESS ON REVENUE INSTRUCTION TO FINANCE COMMITTEE.

(a) FINDINGS.—The Senate finds that—

(1) to balance the Federal budget in a rational and reasonable manner, there must be a fair and equitable distribution of the deficit reduction burden;

(2) the plan under consideration in the Senate does not ask the wealthy to contribute to deficit reduction;

(3) the deficit reduction package approved by the Senate Budget Committee would disproportionately affect those at lower-income levels;

(4) over the next 7 years, at current growth rates, tax loopholes and preferences will result in a revenue loss to the Federal Government of more than $4,000,000,000,000; and

(5) the House Budget Committee had under consideration, but did not include in its deficit reduction package, a list of $335,000,000,000 in corporate tax loopholes.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that—

(1) the Senate Finance Committee, as part of this year's reconciliation package, should limit or eliminate tax loopholes that disproportionately benefit the wealthiest individuals and the largest corporations in order to more equitably distribute the burden of deficit reduction;

(2) the Senate Finance Committee should give first priority to closing corporate loopholes;

(3) the Senate Finance Committee should also give priority to closing loopholes that disproportionately benefit Americans with incomes of $140,000 or more;

(4) in no event should taxes go up on those making less than $140,000; and

(5) in no event should the Senate Committee on Finance reduce deductions for home mortgage interest, charitable contributions, or State and local taxes; and

(6) in no event should the Senate Finance Committee raise income tax rates for individuals.

SEC. 302. RESTRUCTURING GOVERNMENT AND PROGRAM TERMINATIONS.

(a) FINDINGS.—The Senate finds that to balance the Federal budget in a rational and reasonable manner requires an assessment of national priorities and the appropriate role of the Federal Government in meeting the challenges facing the United States in the 21st century.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that to balance the budget the Congress should—

(1) restructure Federal programs to meet identified national priorities in the most effective and efficient manner so that program dollars get to the intended purpose or recipient;

(2) terminate programs that have largely met their goals, that have outlived their original purpose, or that have been superseded by other programs;

(3) seek to end significant duplication among Federal programs, which results in excessive administrative costs and ill serve the American people; and

(4) eliminate lower priority programs.

SEC. 303. NONPARTISAN ADVISORY COMMISSION ON THE CPI.

(a) FINDINGS.—The Congress finds that—

(1) Congress intended to insulate certain government beneficiaries and taxpayers from the effects of inflation by indexing payments and tax brackets to the Consumer Price Index (CPI);

(2) approximately 30 percent of total Federal outlays and 45 percent of Federal revenues are indexed to reflect changes in the CPI; and

(3) the overwhelming consensus among experts is that the method used to construct the CPI and the current calculation of the CPI both overstate the estimate of the true cost of living.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that—

(1) a temporary advisory commission should be established to make objective and nonpartisan recommendations concerning the appropriateness and accuracy of the methodology and calculations that determine the CPI;

(2) the Commission should be appointed on a nonpartisan basis, and should be composed of experts in the fields of economics, statistics, or other related professions; and

(3) the Commission should report its recommendations to the Bureau of Labor Statistics and to Congress at the earliest possible date.

SEC. 304. SENSE OF THE CONGRESS ON A UNIFORM ACCOUNTING SYSTEM IN THE FEDERAL GOVERNMENT.

(a) FINDINGS.—The Congress finds the following:

(1) Much effort has been devoted to strengthening Federal internal accounting controls in the past. Although progress has been made in recent years, there still exists no uniform Federal accounting system for Federal Government entities and institutions.

(2) As a result, Federal financial management continues to be seriously deficient, and Federal financial management and fiscal practices have failed to identify costs, failed to reflect the total liabilities of congressional actions, and failed to accurately report the financial condition of the Federal Government.

(3) Current Federal accounting practices do not adequately report financial problems of the Federal Government or the full cost of programs and activities. The continued use of these practices undermines the Government's ability to provide credible and reliable financial data, encourages already widespread waste and inefficiency, and will not assist in achieving a balanced budget.

(4) Waste and inefficiency in Federal Government undermine the confidence of the American people in the Government and reduces the Federal Government's ability to address adequately vital public needs.

(5) To rebuild the accountability and credibility of the Federal Government, and restore public confidence in the Federal Government, a uniform Federal accounting system, that fully meets the accounting standards and reporting objectives for the Federal Government, must be immediately established so that all assets and liabilities, revenues and expenditures or expenses, and the full cost of programs and activities of the Federal Government can be consistently and accurately recorded, monitored, and uniformly reported throughout all government entities for control and management evaluation purposes.

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

(1) a uniform Federal accounting system should be established to consistently compile financial data across the Federal Government, and to make full disclosure of Federal financial data, including the full cost of Federal programs and activities, to the citizens, the Congress, the President, and agency management; and

(2) beginning with fiscal year 1997, the President should require the heads of agencies to—

(A) implement and maintain a uniform Federal accounting system; and

(B) provide financial statements;

in accordance with generally accepted accounting principles applied on a consistent basis and established in accordance with proposed Federal accounting standards and interpretations recommended by the Federal Accounting Standards Advisory Board and other applicable law.

SEC. 305. SENSE OF THE CONGRESS THAT 90 PERCENT OF THE BENEFITS OF ANY TAX CUTS MUST GO TO THE MIDDLE CLASS.

(a) FINDINGS.—The Congress finds that—

(1) the incomes of middle-class families have stagnated since the early 1980's, with family incomes growing more slowly between 1979 and 1989 than in any other business cycle since World War II; and

(2) according to the Department of the Treasury, in 1996, approximately 90 percent of American families will have incomes less than $100,000.

(b) SENSE OF CONGRESS.—It is the sense of the Congress that if the 1996 Concurrent Budget Resolution includes any cut in taxes, approximately 90 percent of the benefits of these tax cuts must go to working families with incomes less than $100,000.

SEC. 306. BIPARTISAN COMMISSION ON HEALTH CARE REFORM, MEDICARE AND MEDICAID COSTS, ACCESS AND SOLVENCY.

(a) FINDINGS.—Congress finds that—

(1) the Health Insurance for the Aged Act, which created the medicare program, was enacted on July 30, 1965, and, therefore, the medicare program will celebrate its 30-year anniversary on July 30, 1995;

(2) on April 3, 1995, the Trustees of medicare submitted their 1995 Annual Report on the Status of the medicare program to the Congress;

(3) the Trustees of medicare have concluded that "the medicare program is clearly unsustainable in its present form";

(4) the Trustees of medicare have concluded that "the Hospital Insurance Trust Fund, which pays inpatient hospital expenses, will be able to pay benefits for only about 7 years and is severely out of financial balance in the long range";

(5) the Public Trustees of medicare have concluded that "the Supplementary Medical Insurance Trust Fund shows a rate of growth of costs which is clearly unsustainable";

(6) the Trustees of medicare have recommended "legislation to reestablish the Quadrennial Advisory Council that will help lead to effective solutions to the problems of the program";

(7) the Bipartisan Commission on Entitlement and Tax Reform concluded that, absent long-term changes in medicare, projected medicare outlays will increase from about 4 percent of the payroll tax base today to over 15 percent of the payroll tax base by the year 2030;

(8) the Bipartisan Commission on Entitlement and Tax Reform recommended, by a vote of 30 to 1, that spending and revenues available for medicare must be brought into long-term balance;

(9) the Public Trustees of medicare have concluded that "We had hoped for several years that comprehensive health reform would include meaningful medicare reforms. However, with the results of the last Congress, it is now clear that medicare reform needs to be addressed urgently as a distinct legislative initiative"; and

(10) the Public Trustees of medicare "strongly recommend that the crisis presented by the financial condition of the medicare trust funds be urgently addressed on a comprehensive basis, including a review of the programs's financing methods, benefit provisions, and delivery mechanisms.".

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

(1) a special bipartisan commission should be established immediately to make recommendations concerning the most appropriate response to the current health care crisis, and the recommendations should include ways to address medicare and medicaid costs, access and solvency issues and to reform our current health care system;

(2) the commission should report to Congress its recommendations on the appropriate response to the short-term solvency of medicare by July 10, 1995, in order that the committees of jurisdiction may consider those recommendations in fashioning an appropriate congressional response; and

(3) the commission should report its recommendations to respond to the Public Trustees' call to make medicare's financial condition sustainable over the long term to Congress by February 1, 1996.

SIMON (AND OTHERS) AMENDMENT NO. 1184

Mr. EXON (for Mr. SIMON, for himself, Mr. PELL, and Mr. KENNEDY) proposed an amendment to the concurrent resolution, Senate Concurrent Resolution 13, supra; as follows:

Strike section 207 in its entirety.

HARKIN AMENDMENT NO. 1185

Mr. EXON (for Mr. HARKIN) proposed an amendment to the concurrent resolution, Senate Concurrent Resolution 13, supra; as follows:

On page 5, line 17, decrease the amount by $100.

On page 6, line 3, decrease the amount by $100.

On page 6, line 16, decrease the amount by $100.

On page 7, line 3, decrease the amount by $100.

On page 7, line 15, decrease the amount by $100.

On page 8, line 1, decrease the amount by $100.

On page 8, line 10, decrease the amount by $100.

On page 9, line 14, decrease the amount by $100.

On page 11, line 7, decrease the amount by $100.

On page 11, line 8, decrease the amount by $100.

On page 66, line 10, decrease the amount by $100.

On page 66, line 11, decrease the amount by $100.

CRAIG AMENDMENT NO. 1186

Mr. DOMENICI (for Mr. CRAIG) proposed an amendment to amendment No. 1185, proposed by Mr. HARKIN to the concurrent resolution, Senate Concurrent Resolution 13, supra; as follows:

On page 5, line 17, decrease the amount by $0.

On page 6, line 3, decrease the amount by $0.

On page 6, line 16, decrease the amount by $0.

On page 7, line 3, decrease the amount by $0.

On page 7, line 15, decrease the amount by $0.

On page 8, line 1, decrease the amount by $0.

On page 9, line 14, decrease the amount by $0.

On page 11, line 7, decrease the amount by $0.

On page 11, line 8, decrease the amount by $0.

On page 66, line 10, decrease the amount by $0.

On page 66, line 11, decrease the amount by $0.

It is the sense of the Congress that the functional levels assume that the swine research be reduced by $100.00.

SIMON (AND BUMPERS) AMENDMENT NO. 1187

Mr. EXON (for Mr. SIMON, for himself and Mr. BUMPERS) proposed an amendment to the concurrent resolution, Senate Concurrent Resolution 13, supra; as follows:

On page 65, strike lines 13 through 18 and insert "$477,820,000,000 in new budget authority and $526,943,000,000 in outlays;".

On page 65, strike lines 20 through 25 and insert "$466,192,000,000 in new budget authority and $506,943,000,000 in outlays;".

On page 66, strike lines 2 through 7 and insert "$479,568,000,000 in new budget authority and $499,961,000,000 in outlays;".

On page 66, strike lines 9 through 14 and insert "$477,485,000,000 in new budget authority and $502,571,000,000 in outlays;".

On page 66, strike lines 16 through 21 and insert "$492,177,000,000 in new budget authority and $511,761,000,000 in outlays;".

On page 66, strike beginning with line 23 through line 3, page 67, and insert "$496,098,000,000 in new budget authority and $517,258,000,000 in outlays;".

On page 67, strike lines 5 through 10 and insert "$495,498,000,000 in new budget authority and $518,160,000,000 in outlays;".

On page 67, line 22, strike "sum of the defense and nondefense".

KENNEDY AMENDMENT NO. 1188

Mr. EXON (for Mr. KENNEDY) proposed an amendment to the concurrent resolution, Senate Concurrent Resolution 13, supra; as follows:

At the appropriate place, insert the following new section:

SEC. . SENSE OF THE SENATE REGARDING REDUCTIONS IN MEDICARE SPENDING.

(a) FINDINGS.—Congress finds that—

(1) Medicare protection is as important as Social Security protection in guaranteeing retirement security and is truly a part of Social Security;

(2) senior citizens have contributed throughout their working lives to Medicare in the expectation of health insurance protection when they retire;

(3) because of gaps in Medicare coverage, senior citizens already spend more than one dollar in five of their limited incomes to purchase the health care that they need;

(4) low and moderate-income senior citizens will suffer most from Medicare cuts, since 83 percent of all Medicare spending is for older Americans with annual incomes below $25,000 and two-thirds is for those with annual incomes below $15,000;

(5) at the present time, Medicare only pays 68 percent of what the private sector pays for comparable physicians' services and 69 percent of what the private sector pays for comparable hospital care;

(6) piecemeal, budget-driven cuts in Medicare will only shift costs from the Federal budget to the family budgets of senior citizens and working Americans;

(7) deep cuts in Medicare could damage the quality of American medicine, by endangering hospitals and other health care institutions that depend on Medicare, including rural hospitals, inner-city hospitals, and academic health centers;

(8) deep cuts in Medicare will make essential health care less available to millions of uninsured Americans, by endangering the financial stability of hospitals providing such care; and

(9) cuts in Medicare benefits should not be used to pay for tax cuts for the wealthy.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that the provisions of this concurrent resolution assume that reductions in projected medicare spending included in the reconciliation bill for fiscal year 1996 should not increase medical costs such as premiums, deductibles, and coinsurance or diminish access to health care for senior citizens, and further, that major reductions in projected Medicare spending should not be enacted by the Congress except in the context of a broad, bipartisan health reform plan that will not—

(1) increase costs or reduce access to care for senior citizens;

(2) shift costs to working Americans; or

(3) damage the quality of American medicine.

KENNEDY (AND OTHERS) AMENDMENT NO. 1189

Mr. EXON (for Mr. KENNEDY for himself, Mr. DODD, Mr. SIMON, and Mr. PELL) proposed an amendment to the concurrent resolution, Senate Concurrent Resolution 13, supra; as follows:

On page 3, line 10, increase the amount by $5,100,000,000.

On page 3, line 11, increase the amount by $3,400,000,000.

On page 3, line 12, increase the amount by $3,600,000,000.

On page 3, line 13, increase the amount by $3,800,000,000.

On page 3, line 14, increase the amount by $4,000,000,000.

On page 3, line 15, increase the amount by $4,000,000,000.

On page 3, line 16, increase the amount by $4,100,000,000.

On page 3, line 20, increase the amount by $5,100,000,000.

On page 3, line 21, increase the amount by $3,400,000,000.

On page 3, line 22, increase the amount by $3,600,000,000.

On page 3, line 23, increase the amount by $3,800,000,000.

On page 3, line 24, increase the amount by $4,000,000,000.

On page 3, line 25, increase the amount by $4,000,000,000.

On page 4, line 1, increase the amount by $4,100,000,000.

On page 4, line 18, increase the amount by $5,100,000,000.
On page 4, line 19, increase the amount by $3,400,000,000.
On page 4, line 20, increase the amount by $3,600,000,000.
On page 4, line 21, increase the amount by $3,800,000,000.
On page 4, line 22, increase the amount by $4,000,000,000.
On page 4, line 23, increase the amount by $4,000,000,000.
On page 4, line 24, increase the amount by $4,100,000,000.
On page 5, line 4, increase the amount by $5,100,000,000.
On page 5, line 5, increase the amount by $3,400,000,000.
On page 5, line 6, increase the amount by $3,600,000,000.
On page 5, line 7, increase the amount by $3,800,000,000.
On page 5, line 8, increase the amount by $4,000,000,000.
On page 5, line 9, increase the amount by $4,000,000,000.
On page 5, line 10, increase the amount by $4,100,000,000.
On page 5, line 17, increase the amount by $28,300,000,000.
On page 5, line 18, increase the amount by $3,800,000,000.
On page 5, line 19, increase the amount by $3,600,000,000.
On page 5, line 20, increase the amount by $3,800,000,000.
On page 5, line 21, increase the amount by $4,000,000,000.
On page 5, line 22, increase the amount by $4,000,000,000.
On page 5, line 23, increase the amount by $4,100,000,000.
On page 6, line 16, increase the amount by $5,100,000,000.
On page 6, line 17, increase the amount by $3,400,000,000.
On page 6, line 18, increase the amount by $3,600,000,000.
On page 6, line 19, increase the amount by $3,800,000,000.
On page 6, line 20, increase the amount by $4,000,000,000.
On page 6, line 21, increase the amount by $4,000,000,000.
On page 6, line 22, increase the amount by $4,100,000,000.
On page 31, line 12, increase the amount by $28,300,000,000.
On page 31, line 20, increase the amount by $3,800,000,000.
On page 32, line 3, increase the amount by $3,600,000,000.
On page 32, line 11, increase the amount by $3,800,000,000.
On page 32, line 19, increase the amount by $4,000,000,000.
On page 33, line 2, increase the amount by $4,000,000,000.
On page 33, line 10, increase the amount by $4,100,000,000.
On page 31, line 13, increase the amount by $5,100,000,000.
On page 31, line 21, increase the amount by $3,400,000,000.
On page 32, line 4, increase the amount by $3,600,000,000.
On page 32, line 12, increase the amount by $3,800,000,000.
On page 32, line 20, increase the amount by $4,000,000,000.
On page 33, line 3, increase the amount by $4,000,000,000.
On page 33, line 11, increase the amount by $4,100,000,000.
On page 64, line 9, decrease the amount by $1,100,000,000.
On page 64, line 10, decrease the amount by $4,600,000,000.
On page 64, line 11, decrease the amount by $6,000,000,000.
On page 65, line 17, increase the amount by $26,700,000,000.
On page 65, line 18, increase the amount by $4,00,000,000.
On page 65, line 24, increase the amount by $3,400,000,000.
On page 65, line 25, increase the amount by $3,000,000,000.
On page 66, line 6, increase the amount by $3,000,000,000.
On page 66, line 7, increase the amount by $3,000,000,000.
On page 66, line 13, increase the amount by $3,000,000,000.
On page 66, line 14, increase the amount by $3,000,000,000.
On page 66, line 20, increase the amount by $3,000,000,000.
On page 66, line 21, increase the amount by $3,000,000,000.
On page 67, line 2, increase the amount by $3,000,000,000.
On page 67, line 3, increase the amount by $3,000,000,000.
On page 67, line 9, increase the amount by $3,000,000,000.
On page 67, line 10, increase the amount by $3,000,000,000.

KENNEDY (AND PELL) AMENDMENT NO. 1190

Mr. EXON (for Mr. KENNEDY for himself and Mr. PELL) proposed an amendment to the concurrent resolution, Senate Concurrent Resolution 13, supra; as follows:

On page 3, line 10, increase the amount by $13,049,296.
On page 3, line 11, increase the amount by $137,045,490.
On page 3, line 12, increase the amount by $503,890,941.
On page 3, line 13, increase the amount by $902,889,932.
On page 3, line 14, increase the amount by $1,300,174,427.
On page 3, line 15, increase the amount by $1,729,683,671.
On page 3, line 16, increase the amount by $2,183,925,995.
On page 3, line 20, increase the amount by $13,049,296.
On page 3, line 21, increase the amount by $137,045,490.
On page 3, line 22, increase the amount by $503,890,941.
On page 3, line 23, increase the amount by $902,889,932.
On page 3, line 24, increase the amount by $1,300,174,427.
On page 3, line 25, increase the amount by $1,729,683,671.
On page 4, line 1, increase the amount by $2,183,925,995.
On page 4, line 18, increase the amount by $13,049,296.
On page 4, line 19, increase the amount by $137,045,490.
On page 4, line 20, increase the amount by $503,890,941.
On page 4, line 21, increase the amount by $902,889,932.
On page 4, line 22, increase the amount by $1,300,174,427.
On page 4, line 23, increase the amount by $1,729,683,671.
On page 4, line 24, increase the amount by $2,183,925,995.
On page 5, line 4, increase the amount by $13,049,296.
On page 5, line 5, increase the amount by $137,045,490.
On page 5, line 6, increase the amount by $503,890,941.
On page 5, line 7, increase the amount by $902,889,932.
On page 5, line 8, increase the amount by $1,300,174,427.
On page 5 line 9, increase the amount by $1,729,683,671.
On page 5, line 10, increase the amount by $2,183,925,995.
On page 5, line 17, increase the amount by $65,246,479.
On page 5, line 18, increase the amount by $430,766,179.
On page 5, line 19, increase the amount by $832,941,958.
On page 5, line 20, increase the amount by $1,222,899,409.
On page 5, line 21, increase the amount by $1,648,270,247.
On page 5, line 22, increase the amount by $2,097,874,450.
On page 5, line 23, increase the amount by $2,573,092,594.
On page 6, line 16, increase the amount by $13,049,296.
On page 6, line 17, increase the amount by $137,045,490.
On page 6, line 18, increase the amount by $503,890,941.
On page 6, line 19, increase the amount by $902,889,932.
On page 6, line 20, increase the amount by $1,300,174,427.
On page 6, line 21, increase the amount by $1,729,683,671.
On page 6, line 22, increase the amount by $2,183,925,995.
On page 31, line 12, increase the amount by $65,246,479.
On page 31, line 13, increase the amount by $13,049,296.
On page 31, line 20, increase the amount by $430,766,179.
On page 31, line 21, increase the amount by $137,045,490.
On page 32, line 3, increase the amount by $832,941,958.
On page 32, line 4, increase the amount by $503,890,941.
On page 32, line 11, increase the amount by $1,222,899,409.
On page 32, line 12, increase the amount by $920,889,932.
On page 32, line 19, increase the amount by $1,648,270,247.
On page 32, line 20, increase the amount by $1,300,174,427.
On page 33, line 2, increase the amount by $2,097,874,450.
On page 33, line 3, increase the amount by $1,729,683,671.
On page 33, line 10, increase the amount by $2,573,092,594.
On page 33, line 11, increase the amount by $2,183,925,995.
On page 65, line 17, increase the amount by $65,246,479.
On page 65, line 18, increase the amount by $13,049,296.
On page 65, line 24, increase the amount by $430,766,179.
On page 65, line 25, increase the amount by $137,045,490.
On page 66, line 6, increase the amount by $832,941,958.
On page 66, line 7, increase the amount by $503,890,941.
On page 66, line 13, increase the amount by $1,222,899,409.

On page 66, line 14, increase the amount by $902,889,932.

On page 66, line 20, increase the amount by $1,648,270,247.

On page 66, line 21, increase the amount by $1,300,174,427.

On page 67, line 2, increase the amount by $2,097,874,450.

On page 67, line 3, increase the amount by $1,729,683,671.

On page 67, line 9, increase the amount by $2,573,092,594.

On page 67, line 10, increase the amount by $2,183,925,995.

BINGAMAN (AND OTHERS) AMENDMENT NO. 1191

Mr. EXON (for Mr. BINGAMAN, for himself, Mr. JEFFORDS, Mrs. MURRAY, Mr. HARKIN, and Mr. LEAHY) proposed an amendment to Senate Concurrent Resolution 13, supra; as follows:

At the end of title III, add the following:

SEC. . SENSE OF THE SENATE REGARDING THE PRIORITY THAT SHOULD BE GIVEN TO RENEWABLE ENERGY AND ENERGY EFFICIENCY RESEARCH, DEVELOPMENT, AND DEMONSTRATION ACTIVITIES.

(a) FINDINGS.—Congress finds that—

(1) section 1202 of the Energy Policy Act of 1992 (106 Stat. 2956), which passed the Senate 93 to 3 and was signed into law by President Bush in 1992, amended section 6 of the Renewable Energy and Energy Efficiency Technology Competitiveness Act of 1989 (42 U.S.C. 12005) to direct the Secretary of Energy to conduct a 5-year program to commercialize renewable energy and energy efficiency technologies;

(2) poll after poll shows that the American people overwhelmingly believe that renewable energy and energy efficiency technologies should be the highest priority of Federal research, development, and demonstration activities;

(3) renewable technologies (such as wind, photovoltaic, solar thermal, geothermal, and biomass technology) have made significant progress toward increased reliability and decreased cost;

(4) energy efficient technologies in the building, industrial, transportation, and utility sectors have saved more than 3 trillion dollars for industries, consumers, and the Federal Government over the past 20 years while creating jobs, improving the competitiveness of the economy, making housing more affordable, and reducing the emissions of environmentally damaging pollutants;

(5) the renewable energy and energy efficiency technology programs feature private sector cost shares that are among the highest of Federal energy research and development programs;

(6) according to the Energy Information Administration, the United States currently imports more than 50 percent of its oil, representing $46,000,000,000, or approximately 40 percent, of the $116,000,000,000 total United States merchandise deficit in 1993; and

(7) renewable energy and energy efficiency technologies represent potential inroads for American companies into export markets for energy products and services estimated at least $225,000,000,000 over the next 25 years.

(b) SENSE OF SENATE.—It is the sense of the Senate that the assumptions underlying the functional totals in this resolution include the assumption that renewable energy and energy efficiency technology research, development, and demonstration activities should be given priority among the Federal energy research programs.

BRADLEY (AND DASCHLE) AMENDMENT NO. 1192

Mr. EXON (for Mr. BRADLEY, for himself and Mr. DASCHLE) proposed an amendment to Senate Concurrent Resolution 13, supra; as follows:

On page 79, between lines 3 and 4, insert the following:

SEC. . IDENTIFICATION AND CONTROL OF TAX EXPENDITURES.

(a) POINT OF ORDER.—It shall not be in order in the Senate to consider any concurrent resolution on the budget (or amendment, motion, or conference report on such a resolution) that does not include—

(1) appropriate levels for the budget year and planning levels for each of the 6 fiscal years following the budget year for the total amount, if any, tax expenditures should be increased or decreased by bills and resolutions to be reported by the appropriate committees; and

(2) tax expenditures for each major functional category, based on the allocations of the total levels set forth in the resolution.

(b) CBO.—The Director of the Congressional Budget Office shall include alternatives for allocating tax expenditures in accordance with national priorities as required by section 202(f)(1) of the Congressional Budget Act of 1974.

(c) 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.

(d) 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.

(e) 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.

BRADLEY AMENDMENTS NOS. 1193–1194

Mr. EXON (for Mr. BRADLEY) proposed two amendments to the concurrent resolution, Senate Concurrent Resolution 13, supra; as follows:

AMENDMENT NO. 1193

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

SEC. . SENSE OF THE SENATE REGARDING OFFSETTING NIH AND MEDICARE CUTS WITH TOBACCO TAX REVENUES.

(a) TOBACCO TAX.—It is the sense of the Senate that the Senate Committee on Finance, in meeting the committee's revenue instruction under section 6, will increase the Federal tax on cigarettes by $1.00 a pack, tax smokeless tobacco products at the same rate as cigarettes, and increase the tax on all other tobacco products by a factor of 5.1667 and that the resulting revenues will be allocated as provided in subsection (b).

(b) USE OF REVENUES.—The revenues resulting from the taxes provided in subsection (a) shall be allocated as follows:

(1) 90 percent of the revenues ($75,900,000,000) to offset medicare cuts, reducing the total amounts of cuts by 30 percent.

(2) 9.4 percent of the revenues ($7,900,000,000) to offset the entire reduction to the NIH budget.

(3) 0.6 percent of the revenues, $530,000,000 to assist tobacco farmers and communities in converting to new crops.

On page 63, line 7, strike the period and insert the following: ". The Senate Committee on Finance shall report changes in laws within its jurisdiction to increase revenues $12.5 billion in fiscal year 1996, $61.8 billion for the period of fiscal years 1996 through 2000, and $84.3 billion for the period of fiscal years 1996 through 2002.".

Ocal years 1996 through 2002.".

On page 3, line 10, increase the amount by $12.5 billion.

On page 3, line 11, increase the amount by $12.8 billion.

On page 3, line 12, increase the amount by $12.5 billion.

On page 3, line 13, increase the amount by $12.2 billion.

On page 3, line 14, increase the amount by $11.8 billion.

On page 3, line 15, increase the amount by $11.4 billion.

On page 3, line I21On page 3, line 20, increase the amount by $12.5 billion.

On page 3, line 21, increase the amount by $12.8 billion.

On page 3, line 22, increase the amount by $12.5 billion.

On page 3, line 23, increase the amount by $12.2 billion.

On page 3, line 24, increase the amount by $11.8 billion.

On page 3, line 25, increase the amount by $11.4 billion.

On page 3, line 26, increase the amount by $11.1 billion.

On page 4, line 18, increase the amount by $12.5 billion.

On page 4, line 19, increase the amount by $12.8 billion.

On page 4, line 20, increase the amount by $12.5 billion.

On page 4, line 21, increase the amount by $12.2 billion.

On page 4, line 22, increase the amount by $11.8 billion.

On page 4, line 23, increase the amount by $11.4 billion.

On page 4, line 24, increase the amount by $11.1 billion.

On page 5, line 4, increase the amount by $12.5 billion.

On page 5, line 5, increase the amount by $12.8 billion.

On page 5, line 6, increase the amount by $12.5 billion.

On page 5, line 7, increase the amount by $12.2 billion.

On page 5, line 8, increase the amount by $11.8 billion.

On page 5, line 9, increase the amount by $11.4 billion.

On page 5, line 10, increase the amount by $11.1 billion.

On page 5, line 17, increase the amount by $12.5 billion.

On page 5, line 18, increase the amount by $12.8 billion.

On page 5, line 19, increase the amount by $12.5 billion.

On page 5, line 20, increase the amount by $12.2 billion.

On page 5, line 21, increase the amount by $11.8 billion.

On page 5, line 22, increase the amount by $11.4 billion.

On page 5, line 23, increase the amount by $11.1 billion.

On page 6, line 3, increase the amount by $12.5 billion.
On page 6, line 4, increase the amount by $12.8 billion.
On page 6, line 5, increase the amount by $12.5 billion.
On page 6, line 6, increase the amount by $12.2 billion.
On page 6, line 7, increase the amount by $11.8 billion.
On page 6, line 8, increase the amount by $11.4 billion.
On page 6, line 9, increase the amount by $11.1 billion.
On page 6, line 16, increase the amount by $12.5 billion.
On page 6, line 17, increase the amount by $12.8 billion.
On page 6, line 18, increase the amount by $12.5 billion.
On page 6, line 19, increase the amount by $12.2 billion.
On page 6, line 20, increase the amount by $11.8 billion.
On page 6, line 21, increase the amount by $11.4 billion.
On page 6, line 22, increase the amount by $11.1 billion.
On page 7, line 3, increase the amount by $12.5 billion.
On page 7, line 4, increase the amount by $12.8 billion.
On page 7, line 5, increase the amount by $12.5 billion.
On page 7, line 6, increase the amount by $12.2 billion.
On page 7, line 7, increase the amount by $11.8 billion.
On page 7, line 8, increase the amount by $11.4 billion.
On page 7, line 9, increase the amount by $11.1 billion.
On page 22, line 8, increase the amount by $0.08 billion.
On page 22, line 9, increase the amount by $0.08 billion.
On page 22, line 16, increase the amount by $0.08 billion.
On page 22, line 17, increase the amount by $0.08 billion.
On page 22, line 24, increase the amount by $0.08 billion.
On page 22, line 25, increase the amount by $0.08 billion.
On page 23, line 7, increase the amount by $0.08 billion.
On page 23, line 8, increase the amount by $0.08 billion.
On page 23, line 15, increase the amount by $0.08 billion.
On page 23, line 16, increase the amount by $0.08 billion.
On page 23, line 23, increase the amount by $0.08 billion.
On page 23, line 24, increase the amount by $0.08 billion.
On page 24, line 7, increase the amount by $0.08 billion.
On page 24, line 8, increase the amount by $0.08 billion.
On page 33, line 19, increase the amount by $1.13 billion.
On page 33, line 20, increase the amount by $1.13 billion.
On page 34, line 2, increase the amount by $1.13 billion.
On page 34, line 3, increase the amount by $1.13 billion.
On page 34, line 9, increase the amount by $1.13 billion.
On page 34, line 10, increase the amount by $1.13 billion.
On page 34, line 16, increase the amount by $1.13 billion.
On page 34, line 17, increase the amount by $1.13 billion.
On page 34, line 23, increase the amount by $1.13 billion.
On page 34, line 24, increase the amount by $1.13 billion.
On page 35, line 5, increase the amount by $1.13 billion.
On page 35, line 6, increase the amount by $1.13 billion.
On page 35, line 12, increase the amount by $1.13 billion.
On page 35, line 13, increase the amount by $1.13 billion.
On page 35, line 20, increase the amount by $11.3 billion.
On page 35, line 21, increase the amount by $11.3 billion.
On page 36, line 2, increase the amount by $11.6 billion.
On page 36, line 3, increase the amount by $11.6 billion.
On page 36, line 9, increase the amount by $11.3 billion.
On page 36, line 10, increase the amount by $11.3 billion.
On page 36, line 16, increase the amount by $11.0 billion.
On page 36, line 17, increase the amount by $11.0 billion.
On page 36, line 23, increase the amount by $10.6 billion.
On page 36, line 24, increase the amount by $10.6 billion.
On page 37, line 5, increase the amount by $10.2 billion.
On page 37, line 6, increase the amount by $10.2 billion.
On page 37, line 12, increase the amount by $9.9 billion.
On page 37, line 13, increase the amount by $9.9 billion.
On page 65, line 17, increase the amount by $1.2 billion.
On page 65, line 18, increase the amount by $1.2 billion.
On page 65, line 24, increase the amount by $1.2 billion.
On page 65, line 25, increase the amount by $1.2 billion.
On page 66, line 6, increase the amount by $1.2 billion.
On page 66, line 7, increase the amount by $1.2 billion.
On page 66, line 13, increase the amount by $1.2 billion.
On page 66, line 14, increase the amount by $1.2 billion.
On page 66, line 20, increase the amount by $1.2 billion.
On page 66, line 21, increase the amount by $1.2 billion.
On page 67, line 2, increase the amount by $1.2 billion.
On page 67, line 3, increase the amount by $1.2 billion.
On page 67, line 9, increase the amount by $1.2 billion.
On page 67, line 10, increase the amount by $1.2 billion.

AMENDMENT NO. 1194

At the appropriate place, insert the following:

SEC. . SENSE OF THE SENATE REGARDING TAX RATES AND TAX LOOPHOLES.

(a) FINDINGS.—The Senate finds that—

(1) lower tax rates lead to increased economic activity and increased economic opportunity;

(2) lower tax rates lead to a more efficient economy, with less tax avoidance and investment patterns that rely on competitive market returns and not advantages produced by tax law;

(3) the tax code still retains billions of dollars worth of special tax breaks which are available to only limited groups of taxpayers and investors;

(4) federal policy should encourage the development of fully competitive markets and not create unique advantages for individual investors, companies or industries.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that—

(1) the Congress should, to the maximum extent practible, remove tax loopholes;

(2) the Congress should use the savings from the closing of special interest tax loopholes to reduce tax rates broadly for all classes of taxpayers.

WELLSTONE AMENDMENT NO. 1195

Mr. EXON (for Mr. WELLSTONE) proposed an amendment to the concurrent resolution, Senate Concurrent Resolution 13, supra; as follows:

On page 64, line 24, decrease the amount by $74,000,000.

On page 63, line 7, strike the period and insert the following: ". The Senate Committee on Finance shall report changes in laws within its jurisdiction to increase revenues by $74,000,000 in fiscal year 1996."

At the end of title III, insert the following:

SEC. . SENSE OF THE SENATE REGARDING TAX EXPENDITURES.

It is the sense of the Senate that the Committee on Finance, in meeting its reconciliation instructions for revenue, will limit or eliminate excessive and unnecessary tax expenditures, including those tax expenditures which provide special tax treatment to a single taxpayer or to a group of taxpayers.

SEC. . SENSE OF THE SENATE REGARDING THE DELIVERY OF VETERANS' SERVICES.

It is the sense of the Senate that the assumptions underlying the functional totals in this resolution relating to Veterans' programs include the assumption that the delivery of Veterans' Services will continue to be improved, including further progress in the timely delivery of such services.

BRADLEY (AND BIDEN) AMENDMENT NO. 1196

Mr. EXON (for Mr. BRADLEY for himself and Mr. BIDEN) proposed an amendment to the concurrent resolution, Senate Concurrent Resolution 13, supra; as follows:

Strike all after the resolving clause and insert the following:

SECTION 1. CONCURRENT RESOLUTION ON THE BUDGET FOR FISCAL YEAR 1996.

(a) DECLARATION.—The Congress determines and declares that this resolution is the concurrent resolution on the budget for fiscal year 1996, including the appropriate budgetary levels for fiscal years 1997, 1998, 1999, 2000, 2001, and 2002, 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 1996.

TITLE I—LEVELS AND AMOUNTS

Sec. 2. Recommended levels and amounts.
Sec. 3. Debt increase.
Sec. 4. Social Security.
Sec. 5. Major functional categories.
Sec. 6. Reconciliation.

TITLE II—BUDGETARY RESTRAINTS AND RULEMAKING

Sec. 201. Discretionary spending limits.

Sec. 202. Extension of pay-as-you-go point of order.
Sec. 203. Budget surplus allowance.
Sec. 204. Scoring of emergency legislation.
Sec. 205. Sale of Government assets.
Sec. 206. Extension of Budget Act 60-vote enforcement through 2002.
Sec. 207. Exercise of rulemaking powers.
TITLE III—SENSE OF THE CONGRESS AND THE SENATE
Sec. 301. Restructuring Government and program terminations.
Sec. 302. Sense of the Senate regarding returning programs to the States.
Sec. 303. Commercialization of Federal activities.
Sec. 304. Nonpartisan Advisory Commission on the CPI.
Sec. 305. Sense of the Congress on a uniform accounting system in the Federal Government.
Sec. 306. Sense of the Congress that 90 percent of the benefits of any tax cuts must go to the middle class.
Sec. 307. Bipartisan Commission on the Solvency of Medicare.

TITLE I—LEVELS AND AMOUNTS

SEC. 2. RECOMMENDED LEVELS AND AMOUNTS.

The following budgetary levels are appropriate for the fiscal years 1996, 1997, 1998, 1999, 2000, 2001, and 2002:

(1) FEDERAL REVENUES.—(A) For purposes of the enforcement of this resolution—

(i) The recommended levels of Federal revenues are as follows:

Fiscal year 1996: $1,058,000,000,000.
Fiscal year 1997: $1,107,200,000,000.
Fiscal year 1998: $1,164,100,000,000.
Fiscal year 1999: $1,226,600,000,000.
Fiscal year 2000: $1,294,800,000,000.
Fiscal year 2001: $1,371,600,000,000.
Fiscal year 2002: $1,453,400,000,000.

(ii) The amounts by which the aggregate levels of Federal revenues should be changed are as follows:

Fiscal year 1996: $15,000,000,000.
Fiscal year 1997: $23,700,000,000.
Fiscal year 1998: $29,100,000,000.
Fiscal year 1999: $39,100,000,000.
Fiscal year 2000: $48,600,000,000.
Fiscal year 2001: $57,400,000,000.
Fiscal year 2002: $68,400,000,000.

(iii) The amounts for Federal Insurance Contributions Act revenues for hospital insurance within the recommended levels of Federal revenues are as follows:

Fiscal year 1996: $103,800,000,000.
Fiscal year 1997: $109,000,000,000.
Fiscal year 1998: $114,900,000,000.
Fiscal year 1999: $120,700,000,000.
Fiscal year 2000: $126,900,000,000.
Fiscal year 2001: $133,600,000,000.
Fiscal year 2002: $140,400,000,000.

(B) For purposes of section 710 of the Social Security Act (excluding the receipts and disbursements of the Hospital Insurance Trust Fund)—

(i) The recommended levels of Federal revenues are as follows:

Fiscal year 1996: $961,100,000,000.
Fiscal year 1997: $1,013,500,000,000.
Fiscal year 1998: $1,070,200,000,000.
Fiscal year 1999: $1,137,200,000,000.
Fiscal year 2000: $1,209,100,000,000.
Fiscal year 2001: $1,288,500,000,000.
Fiscal year 2002: $1,374,800,000,000.

(ii) The amounts by which the aggregate levels of Federal revenues should be increased are as follows:

Fiscal year 1996: $15,005,000,000.
Fiscal year 1997: $23,699,000,000.
Fiscal year 1998: $29,107,000,000.
Fiscal year 1999: $39,102,000,000.
Fiscal year 2000: $48,601,000,000.
Fiscal year 2001: $57,411,000,000.
Fiscal year 2002: $68,394,000,000.

(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 1996: $1,287,300,000,000.
Fiscal year 1997: $1,324,400,000,000.
Fiscal year 1998: $1,378,500,000,000.
Fiscal year 1999: $1,425,800,000,000.
Fiscal year 2000: $1,487,000,000,000.
Fiscal year 2001: $1,517,400,000,000.
Fiscal year 2002: $1,565,300,000,000.

(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 1996: $1,190,000,000,000.
Fiscal year 1997: $1,223,900,000,000.
Fiscal year 1998: $1,272,100,000,000.
Fiscal year 1999: $1,312,400,000,000.
Fiscal year 2000: $1,366,600,000,000.
Fiscal year 2001: $1,387,800,000,000.
Fiscal year 2002: $1,425,100,000,000.

(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 1996: $1,282,700,000,000.
Fiscal year 1997: $1,317,200,000,000.
Fiscal year 1998: $1,352,900,000,000.
Fiscal year 1999: $1,406,800,000,000.
Fiscal year 2000: $1,465,600,000,000.
Fiscal year 2001: $1,499,600,000,000.
Fiscal year 2002: $1,547,100,000,000.

(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 1996: $1,187,100,000,000.
Fiscal year 1997: $1,217,700,000,000.
Fiscal year 1998: $1,247,500,000,000.
Fiscal year 1999: $1,295,200,000,000.
Fiscal year 2000: $1,346,200,000,000.
Fiscal year 2001: $1,369,100,000,000.
Fiscal year 2002: $1,408,100,000,000.

(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 1996: $237,100,000,000.
Fiscal year 1997: $224,500,000,000.
Fiscal year 1998: $203,100,000,000.
Fiscal year 1999: $194,200,000,000.
Fiscal year 2000: $185,100,000,000.
Fiscal year 2001: $139,800,000,000.
Fiscal year 2002: $107,700,000,000.

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

Fiscal year 1996: $245,300,000,000.
Fiscal year 1997: $234,000,000,000.
Fiscal year 1998: $212,600,000,000.
Fiscal year 1999: $203,300,000,000.
Fiscal year 2000: $192,600,000,000.
Fiscal year 2001: $144,900,000,000.
Fiscal year 2002: $109,100,000,000.

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

Fiscal year 1996: $5,206,328,000,000.
Fiscal year 1997: $5,500,272,000,000.
Fiscal year 1998: $5,771,718,000,000.
Fiscal year 1999: $6,032,491,000,000.
Fiscal year 2000: $6,281,682,000,000.
Fiscal year 2001: $6,487,560,000,000.
Fiscal year 2002: $6,659,567,000,000.

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

Fiscal year 1996: $37,600,000,000.
Fiscal year 1997: $40,200,000,000.
Fiscal year 1998: $42,300,000,000.
Fiscal year 1999: $45,700,000,000.
Fiscal year 2000: $45,800,000,000.
Fiscal year 2001: $45,800,000,000.
Fiscal year 2002: $46,100,000,000.

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

Fiscal year 1996: $193,400,000,000.
Fiscal year 1997: $187,900,000,000.
Fiscal year 1998: $185,300,000,000.
Fiscal year 1999: $183,300,000,000.
Fiscal year 2000: $184,700,000,000.
Fiscal year 2001: $186,100,000,000.
Fiscal year 2002: $187,600,000,000.

SEC. 3. DEBT INCREASE.

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

Fiscal year 1996: $303,328,000,000.
Fiscal year 1997: $293,943,000,000.
Fiscal year 1998: $271,446,000,000.
Fiscal year 1999: $260,774,000,000.
Fiscal year 2000: $249,191,000,000.
Fiscal year 2001: $205,878,000,000.
Fiscal year 2002: $172,007,000,000.

SEC. 4. 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 1996: $347,700,000,000.
Fiscal year 1997: $392,000,000,000.
Fiscal year 1998: $411,400,000,000.
Fiscal year 1999: $430,900,000,000.
Fiscal year 2000: $452,000,000,000.
Fiscal year 2001: $475,200,000,000.
Fiscal year 2002: $498,600,000,000.

(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 1996: $299,400,000,000.
Fiscal year 1997: $310,900,000,000.
Fiscal year 1998: $324,600,000,000.
Fiscal year 1999: $338,500,000,000.
Fiscal year 2000: $353,100,000,000.
Fiscal year 2001: $368,100,000,000.
Fiscal year 2002: $383,800,000,000.

SEC. 5. 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 1996 through 2000 for each major functional category are:

(1) National Defense (050):

Fiscal year 1996:

(A) New budget authority, $253,500,000,000.
(B) Outlays, $256,900,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $1,700,000,000.

Fiscal year 1997:

(A) New budget authority, $249,100,000,000.
(B) Outlays, $252,700,000,000.
(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $1,700,000,000.
Fiscal year 1998:
(A) New budget authority, $255,300,000,000.
(B) Outlays, $250,200,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $1,700,000,000.
Fiscal year 1999:
(A) New budget authority, $261,900,000,000.
(B) Outlays, $255,300,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $1,700,000,000.
Fiscal year 2000:
(A) New budget authority, $271,700,000,000.
(B) Outlays, $263,500,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $1,700,000,000.
Fiscal year 2001:
(A) New budget authority, $271,600,000,000.
(B) Outlays, $263,400,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $1,700,000,000.
Fiscal year 2002:
(A) New budget authority, $271,600,000,000.
(B) Outlays, $264,900,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $1,700,000,000.
(2) International Affairs (150):
Fiscal year 1996:
(A) New budget authority, $15,400,000,000.
(B) Outlays, $16,900,000,000.
(C) New direct loan obligations, $5,700,000,000.
(D) New primary loan guarantee commitments, $18,300,000,000.
Fiscal year 1997:
(A) New budget authority, $14,300,000,000.
(B) Outlays, $15,100,000,000.
(C) New direct loan obligations, $5,700,000,000.
(D) New primary loan guarantee commitments, $18,300,000,000.
Fiscal year 1998:
(A) New budget authority, $13,500,000,000.
(B) Outlays, $14,300,000,000.
(C) New direct loan obligations, $5,700,000,000.
(D) New primary loan guarantee commitments, $18,300,000,000.
Fiscal year 1999:
(A) New budget authority, $12,600,000,000.
(B) Outlays, $13,500,000,000.
(C) New direct loan obligations, $5,700,000,000.
(D) New primary loan guarantee commitments, $18,300,000,000.
Fiscal year 2000:
(A) New budget authority, $14,100,000,000.
(B) Outlays, $13,100,000,000.
(C) New direct loan obligations, $5,700,000,000.
(D) New primary loan guarantee commitments, $18,300,000,000.
Fiscal year 2001:
(A) New budget authority, $14,300,000,000.
(B) Outlays, $13,400,000,000.
(C) New direct loan obligations, $5,700,000,000.
(D) New primary loan guarantee commitments, $18,300,000,000.
Fiscal year 2002:
(A) New budget authority, $14,200,000,000.
(B) Outlays, $13,300,000,000.
(C) New direct loan obligations, $5,700,000,000.
(D) New primary loan guarantee commitments, $18,300,000,000.
(3) General Science, Space, and Technology (250):
Fiscal year 1996:
(A) New budget authority, $17,000,000,000.
(B) Outlays, $16,700,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, $16,900,000,000.
(B) Outlays, $16,900,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, $16,900,000,000.
(B) Outlays, $17,000,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1999:
(A) New budget authority, $16,900,000,000.
(B) Outlays, $16,900,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 2000:
(A) New budget authority, $16,900,000,000.
(B) Outlays, $16,900,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 2001:
(A) New budget authority, $16,900,000,000.
(B) Outlays, $16,900,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 2002:
(A) New budget authority, $16,900,000,000.
(B) Outlays, $16,900,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(4) Energy (270):
Fiscal year 1996:
(A) New budget authority, $2,900,000,000.
(B) Outlays, $2,700,000,000.
(C) New direct loan obligations, $1,200,000,000.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, $1,700,000,000.
(B) Outlays, $1,000,000,000.
(C) New direct loan obligations, $1,200,000,000.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, $3,300,000,000.
(B) Outlays, $2,600,000,000.
(C) New direct loan obligations, $1,200,000,000.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1999:
(A) New budget authority, $4,200,000,000.
(B) Outlays, $3,100,000,000.
(C) New direct loan obligations, $1,200,000,000.
(D) New primary loan guarantee commitments, $0.
Fiscal year 2000:
(A) New budget authority, $4,100,000,000.
(B) Outlays, $2,800,000,000.
(C) New direct loan obligations, $1,200,000,000.
(D) New primary loan guarantee commitments, $0.
Fiscal year 2001:
(A) New budget authority, $4,000,000,000.
(B) Outlays, $2,900,000,000.
(C) New direct loan obligations, $1,200,000,000.
(D) New primary loan guarantee commitments, $0.
Fiscal year 2002:
(A) New budget authority, $4,000,000,000.
(B) Outlays, $2,900,000,000.
(C) New direct loan obligations, $1,200,000,000.
(D) New primary loan guarantee commitments, $0.
(5) Natural Resources and Environment (300):
Fiscal year 1996:
(A) New budget authority, $22,000,000,000.
(B) Outlays, $21,400,000,000.
(C) New direct loan obligations, $100,000,000.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, $21,900,000,000.
(B) Outlays, $21,900,000,000.
(C) New direct loan obligations, $100,000,000.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, $20,100,000,000.
(B) Outlays, $20,400,000,000.
(C) New direct loan obligations, $100,000,000.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1999:
(A) New budget authority, $21,400,000,000.
(B) Outlays, $21,700,000,000.
(C) New direct loan obligations, $100,000,000.
(D) New primary loan guarantee commitments, $0.
Fiscal year 2000:
(A) New budget authority, $21,100,000,000.
(B) Outlays, $21,400,000,000.
(C) New direct loan obligations, $100,000,000.
(D) New primary loan guarantee commitments, $0.
Fiscal year 2001:
(A) New budget authority, $19,700,000,000.
(B) Outlays, $19,900,000,000.
(C) New direct loan obligations, $100,000,000.
(D) New primary loan guarantee commitments, $0.
Fiscal year 2002:
(A) New budget authority, $20,500,000,000.
(B) Outlays, $20,600,000,000.
(C) New direct loan obligations, $100,000,000.
(D) New primary loan guarantee commitments, $0.
(6) Agriculture (350):
Fiscal year 1996:
(A) New budget authority, $12,100,000,000.
(B) Outlays, $10,900,000,000.
(C) New direct loan obligations, $11,500,000,000.
(D) New primary loan guarantee commitments, $5,700,000,000.
Fiscal year 1997:
(A) New budget authority, $10,200,000,000.
(B) Outlays, $8,900,000,000.
(C) New direct loan obligations, $11,500,000,000.
(D) New primary loan guarantee commitments, $5,700,000,000.
Fiscal year 1998:
(A) New budget authority, $9,800,000,000.
(B) Outlays, $8,600,000,000.
(C) New direct loan obligations, $10,900,000,000.
(D) New primary loan guarantee commitments, $5,700,000,000.
Fiscal year 1999:
(A) New budget authority, $9,700,000,000.
(B) Outlays, $8,400,000,000.
(C) New direct loan obligations, $11,600,000,000.

(D) New primary loan guarantee commitments, $5,700,000,000.
Fiscal year 2000:
(A) New budget authority, $8,700,000,000.
(B) Outlays, $7,600,000,000.
(C) New direct loan obligations, $11,400,000,000.
(D) New primary loan guarantee commitments, $5,700,000,000.
Fiscal year 2001:
(A) New budget authority, $7,500,000,000.
(B) Outlays, $6,400,000,000.
(C) New direct loan obligations, $11,100,000,000.
(D) New primary loan guarantee commitments, $5,700,000,000.
Fiscal year 2002:
(A) New budget authority, $7,100,000,000.
(B) Outlays, $6,100,000,000.
(C) New direct loan obligations, $10,900,000,000.
(D) New primary loan guarantee commitments, $5,700,000,000.
(7) Commerce and Housing Credit (370):
Fiscal year 1996:
(A) New budget authority, $2,900,000,000.
(B) Outlays, $−7,000,000,000.
(C) New direct loan obligations, $1,400,000,000.
(D) New primary loan guarantee commitments, $123,100,000,000.
Fiscal year 1997:
(A) New budget authority, $2,400,000,000.
(B) Outlays, $−4,700,000,000.
(C) New direct loan obligations, $1,400,000,000.
(D) New primary loan guarantee commitments, $123,100,000,000.
Fiscal year 1998:
(A) New budget authority, $2,000,000,000.
(B) Outlays, $−5,700,000,000.
(C) New direct loan obligations, $1,400,000,000.
(D) New primary loan guarantee commitments, $123,100,000,000.
Fiscal year 1999:
(A) New budget authority, $1,800,000,000.
(B) Outlays, $−3,500,000,000.
(C) New direct loan obligations, $1,400,000,000.
(D) New primary loan guarantee commitments, $123,100,000,000.
Fiscal year 2000:
(A) New budget authority, $1,600,000,000.
(B) Outlays, $−2,600,000,000.
(C) New direct loan obligations, $1,400,000,000.
(D) New primary loan guarantee commitments, $123,100,000,000.
Fiscal year 2001:
(A) New budget authority, $1,800,000,000.
(B) Outlays, $−2,100,000,000.
(C) New direct loan obligations, $1,400,000,000.
(D) New primary loan guarantee commitments, $123,100,000,000.
Fiscal year 2002:
(A) New budget authority, $1,800,000,000.
(B) Outlays, $−1,800,000,000.
(C) New direct loan obligations, $1,400,000,000.
(D) New primary loan guarantee commitments, $123,100,000,000.
(8) Transportation (400):
Fiscal year 1996:
(A) New budget authority, $36,800,000,000.
(B) Outlays, $38,200,000,000.
(C) New direct loan obligations, $200,000,000.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, $43,400,000,000.
(B) Outlays, $38,500,000,000.
(C) New direct loan obligations, $200,000,000.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, $44,300,000,000.
(B) Outlays, $38,800,000,000.
(C) New direct loan obligations, $200,000,000.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1999:
(A) New budget authority, $45,600,000,000.
(B) Outlays, $39,200,000,000.
(C) New direct loan obligations, $200,000,000.
(D) New primary loan guarantee commitments, $0.
Fiscal year 2000:
(A) New budget authority, $46,800,000,000.
(B) Outlays, $39,700,000,000.
(C) New direct loan obligations, $200,000,000.
(D) New primary loan guarantee commitments, $0.
Fiscal year 2001:
(A) New budget authority, $46,700,000,000.
(B) Outlays, $40,100,000,000.
(C) New direct loan obligations, $200,000,000.
(D) New primary loan guarantee commitments, $0.
Fiscal year 2002:
(A) New budget authority, $46,700,000,000.
(B) Outlays, $40,500,000,000.
(C) New direct loan obligations, $200,000,000.
(D) New primary loan guarantee commitments, $0.
(9) Community and Regional Development (450):
Fiscal year 1996:
(A) New budget authority, $8,700,000,000.
(B) Outlays, $10,000,000,000.
(C) New direct loan obligations, $2,700,000,000.
(D) New primary loan guarantee commitments, $1,200,000,000.
Fiscal year 1997:
(A) New budget authority, $8,700,000,000.
(B) Outlays, $8,600,000,000.
(C) New direct loan obligations, $2,700,000,000.
(D) New primary loan guarantee commitments, $1,200,000,000.
Fiscal year 1998:
(A) New budget authority, $8,700,000,000.
(B) Outlays, $8,100,000,000.
(C) New direct loan obligations, $2,700,000,000.
(D) New primary loan guarantee commitments, $1,200,000,000.
Fiscal year 1999:
(A) New budget authority, $8,700,000,000.
(B) Outlays, $8,200,000,000.
(C) New direct loan obligations, $2,700,000,000.
(D) New primary loan guarantee commitments, $1,200,000,000.
Fiscal year 2000:
(A) New budget authority, $8,600,000,000.
(B) Outlays, $8,500,000,000.
(C) New direct loan obligations, $2,700,000,000.
(D) New primary loan guarantee commitments, $1,200,000,000.
Fiscal year 2001:
(A) New budget authority, $8,100,000,000.
(B) Outlays, $8,400,000,000.
(C) New direct loan obligations, $2,700,000,000.
(D) New primary loan guarantee commitments, $1,200,000,000.
Fiscal year 2002:
(A) New budget authority, $8,000,000,000.
(B) Outlays, $8,400,000,000.
(C) New direct loan obligations, $2,700,000,000.
(D) New primary loan guarantee commitments, $1,200,000,000.
(10) Education, Training, Employment, and Social Services (500):
Fiscal year 1996:
(A) New budget authority, $55,100,000,000.
(B) Outlays, $54,800,000,000.
(C) New direct loan obligations, $13,600,000,000.
(D) New primary loan guarantee commitments, $16,300,000,000.
Fiscal year 1997:
(A) New budget authority, $55,500,000,000.
(B) Outlays, $54,900,000,000.
(C) New direct loan obligations, $16,300,000,000.
(D) New primary loan guarantee commitments, $15,900,000,000.
Fiscal year 1998:
(A) New budget authority, $56,500,000,000.
(B) Outlays, $55,400,000,000.
(C) New direct loan obligations, $19,100,000,000.
(D) New primary loan guarantee commitments, $15,200,000,000.
Fiscal year 1999:
(A) New budget authority, $57,600,000,000.
(B) Outlays, $56,400,000,000.
(C) New direct loan obligations, $21,800,000,000.
(D) New primary loan guarantee commitments, $14,300,000,000.
Fiscal year 2000:
(A) New budget authority, $59,000,000,000.
(B) Outlays, $57,800,000,000.
(C) New direct loan obligations, $21,900,000,000.
(D) New primary loan guarantee commitments, $15,000,000,000.
Fiscal year 2001:
(A) New budget authority, $59,100,000,000.
(B) Outlays, $57,800,000,000.
(C) New direct loan obligations, $22,000,000,000.
(D) New primary loan guarantee commitments, $15,800,000,000.
Fiscal year 2002:
(A) New budget authority, $59,900,000,000.
(B) Outlays, $58,500,000,000.
(C) New direct loan obligations, $22,200,000,000.
(D) New primary loan guarantee commitments, $16,600,000,000.
(11) Health (550):
Fiscal year 1996:
(A) New budget authority, $123,100,000,000.
(B) Outlays, $122,600,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $300,000,000.
Fiscal year 1997:
(A) New budget authority, $130,100,000,000.
(B) Outlays, $130,100,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $300,000,000.
Fiscal year 1998:
(A) New budget authority, $136,900,000,000.
(B) Outlays, $137,100,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $300,000,000.
Fiscal year 1999:
(A) New budget authority, $143,500,000,000.
(B) Outlays, $143,500,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $300,000,000.
Fiscal year 2000:
(A) New budget authority, $149,500,000,000.

(B) Outlays, $149,300,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $300,000,000.
Fiscal year 2001:
(A) New budget authority, $155,100,000,000.
(B) Outlays, $154,900,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $300,000,000.
Fiscal year 2002:
(A) New budget authority, $161,800,000,000.
(B) Outlays, $161,500,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $300,000,000.
(12) Medicare (570):
Fiscal year 1996:
(A) New budget authority, $177,200,000,000.
(B) Outlays, $174,200,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, $190,500,000,000.
(B) Outlays, $188,900,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, $205,800,000,000.
(B) Outlays, $204,100,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1999:
(A) New budget authority, $222,700,000,000.
(B) Outlays, $220,100,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 2000:
(A) New budget authority, $239,400,000,000.
(B) Outlays, $237,500,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 2001:
(A) New budget authority, $258,200,000,000.
(B) Outlays, $256,200,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 2002:
(A) New budget authority, $278,700,000,000.
(B) Outlays, $276,500,000,000.
(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 1996:
(A) New budget authority, $66,500,000,000.
(B) Outlays, $65,800,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, $76,500,000,000.
(B) Outlays, $75,900,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, $86,400,000,000.
(B) Outlays, $85,700,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1999:
(A) New budget authority, $97,200,000,000.
(B) Outlays, $96,400,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 2000:
(A) New budget authority, $108,300,000,000.
(B) Outlays, $107,400,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 2001:
(A) New budget authority, $119,700,000,000.
(B) Outlays, $118,800,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 2002:
(A) New budget authority, $132,100,000,000.
(B) Outlays, $131,100,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(14) Income Security (600):
Fiscal year 1996:
(A) New budget authority, $229,300,000,000.
(B) Outlays, $228,900,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $1,000,000,000.
Fiscal year 1997:
(A) New budget authority, $239,700,000,000.
(B) Outlays, $241,600,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $1,000,000,000.
Fiscal year 1998:
(A) New budget authority, $260,000,000,000.
(B) Outlays, $253,100,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $1,00,000,000.
Fiscal year 1999:
(A) New budget authority, $264,200,000,000.
(B) Outlays, $266,100,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $1,000,000,000.
Fiscal year 2000:
(A) New budget authority, $282,200,000,000.
(B) Outlays, $282,200,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $1,000,000,000.
Fiscal year 2001:
(A) New budget authority, $287,300,000,000.
(B) Outlays, $287,200,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $1,000,000,000.
Fiscal year 2002:
(A) New budget authority, $302,100,000,000.
(B) Outlays, $301,900,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $1,000,000,000.
(15) Social Security (650):
Fiscal year 1996:
(A) New budget authority, $5,900,000,000.
(B) Outlays, $8,500,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, $8,100,000,000.
(B) Outlays, $10,500,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, $8,800,000,000.
(B) Outlays, $11,300,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1999:
(A) New budget authority, $9,600,000,000.
(B) Outlays, $12,100,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 2000:
(A) New budget authority, $10,500,000,000.
(B) Outlays, $12,900,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 2001:
(A) New budget authority, $11,100,000,000.
(B) Outlays, $13,500,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 2002:
(A) New budget authority, $11,700,000,000.
(B) Outlays, $14,100,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(16) Veterans Benefits and Services (700):
Fiscal year 1996:
(A) New budget authority, $38,000,000,000.
(B) Outlays, $37,100,000,000.
(C) New direct loan obligations, $1,200,000,000.
(D) New primary loan guarantee commitments, $26,700,000,000.
Fiscal year 1997:
(A) New budget authority, $38,300,000,000.
(B) Outlays, $38,300,000,000.
(C) New direct loan obligations, $1,100,000,000.
(D) New primary loan guarantee commitments, $21,600,000,000.
Fiscal year 1998:
(A) New budget authority, $38,800,000,000.
(B) Outlays, $39,100,000,000.
(C) New direct loan obligations, $1,000,000,000.
(D) New primary loan guarantee commitments, $19,700,000,000.
Fiscal year 1999:
(A) New budget authority, $39,600,000,000.
(B) Outlays, $39,800,000,000.
(C) New direct loan obligations, $1,000,000,000.
(D) New primary loan guarantee commitments, $18,600,000,000.
Fiscal year 2000:
(A) New budget authority, $40,100,000,000.
(B) Outlays, $41,500,000,000.
(C) New direct loan obligations, $1,200,000,000.
(D) New primary loan guarantee commitments, $19,300,000,000.
Fiscal year 2001:
(A) New budget authority, $40,400,000,000.
(B) Outlays, $42,100,000,000.
(C) New direct loan obligations, $1,400,000,000.
(D) New primary loan guarantee commitments, $19,900,000,000.
Fiscal year 2002:
(A) New budget authority, $41,000,000,000.
(B) Outlays, $42,600,000,000.
(C) New direct loan obligations, $1,700,000,000.
(D) New primary loan guarantee commitments, $20,600,000,000.
(17) Administration of Justice (750):
Fiscal year 1996:
(A) New budget authority, $20,000,000,000.
(B) Outlays, $19,600,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, $20,700,000,000.
(B) Outlays, $21,200,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.

Fiscal year 1998:
(A) New budget authority, $21,400,000,000.
(B) Outlays, $22,400,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1999:
(A) New budget authority, $22,300,000,000.
(B) Outlays, $23,100,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 2000:
(A) New budget authority, $22,300,000,000.
(B) Outlays, $23,700,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 2001:
(A) New budget authority, $21,900,000,000.
(B) Outlays, $23,300,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 2002:
(A) New budget authority, $21,800,000,000.
(B) Outlays, $23,200,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(18) General Government (800):
Fiscal year 1996:
(A) New budget authority, $12,500,000,000.
(B) Outlays, $13,000,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, $12,400,000,000.
(B) Outlays, $12,400,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, $12,200,000,000.
(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, $12,100,000,000.
(B) Outlays, $12,000,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 2000:
(A) New budget authority, $12,000,000,000.
(B) Outlays, $11,900,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 2001:
(A) New budget authority, $11,600,000,000.
(B) Outlays, $11,700,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 2002:
(A) New budget authority, $11,600,000,000.
(B) Outlays, $11,600,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(19) Net Interest (900):
Fiscal year 1996:
(A) New budget authority, $298,100,000,000.
(B) Outlays, $298,100,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, $309,700,000,000.
(B) Outlays, $309,700,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, $318,300,000,000.
(B) Outlays, $318,300,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1999:
(A) New budget authority, $330,500,000,000.
(B) Outlays, $330,500,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 2000:
(A) New budget authority, $342,100,000,000.
(B) Outlays, $342,100,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 2001:
(A) New budget authority, $349,400,000,000.
(B) Outlays, $349,400,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 2002:
(A) New budget authority, $357,100,000,000.
(B) Outlays, $357,100,000,000.
(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 1996:
(A) New budget authority, $309,000,000,000.
(B) Outlays, $309,000,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, $320,600,000,000.
(B) Outlays, $320,600,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, $328,600,000,000.
(B) Outlays, $328,600,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1999:
(A) New budget authority, $339,800,000,000.
(B) Outlays, $339,800,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 2000:
(A) New budget authority, $349,800,000,000.
(B) Outlays, $349,800,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 2001:
(A) New budget authority, $355,100,000,000.
(B) Outlays, $355,100,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 2002:
(A) New budget authority, $360,200,000,000.
(B) Outlays, $360,200,000,000.
(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 1996: $369,764,000,000.
Fiscal year 1997: $380,949,000,000.
Fiscal year 1998: $389,893,000,000.
Fiscal year 1999: $402,921,000,000.
Fiscal year 2000: $414,948,000,000.
Fiscal year 2001: $425,550,000,000.
Fiscal year 2002: $434,548,000,000.
(22) Allowances (920):
Fiscal year 1996:
(A) New budget authority, −$8,600,000,000.
(B) Outlays, −$6,500,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, −$8,500,000,000.
(B) Outlays, −$8,500,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, −$7,300,000,000.
(B) Outlays, −$7,600,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1999:
(A) New budget authority, −$6,800,000,000.
(B) Outlays, −$7,100,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 2000:
(A) New budget authority, −$5,700,000,000.
(B) Outlays, −$6,100,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 2001:
(A) New budget authority, −$5,700,000,000.
(B) Outlays, −$6,100,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 2002:
(A) New budget authority, −$5,700,000,000.
(B) Outlays, −$6,100,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(23) Undistributed Offsetting Receipts (950):
Fiscal year 1996:
(A) New budget authority, −$33,100,000,000.
(B) Outlays, −$33,100,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1997:
(A) New budget authority, −$33,800,000,000.
(B) Outlays, −$33,800,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1998:
(A) New budget authority, −$36,300,000,000.
(B) Outlays, −$36,300,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 1999:
(A) New budget authority, −$37,700,000,000.
(B) Outlays, −$37,700,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 2000:
(A) New budget authority, −$39,700,000,000.
(B) Outlays, −$39,700,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 2001:
(A) New budget authority, −$41,100,000,000.
(B) Outlays, −$41,100,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
Fiscal year 2002:
(A) New budget authority, −$42,300,000,000.
(B) Outlays, −$42,300,000,000.

(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 1996:

(A) New budget authority, −$30,600,000,000.

(B) Outlays, −$30,600,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

Fiscal year 1997:

(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 1998:

(A) New budget authority, −$33,600,000,000.

(B) Outlays, −$33,600,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

Fiscal year 1999:

(A) New budget authority, −$34,900,000,000.

(B) Outlays, −$34,900,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

Fiscal year 2000:

(A) New budget authority, −$36,700,000,000.

(B) Outlays, −$36,700,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

Fiscal year 2001:

(A) New budget authority, −$37,900,000,000.

(B) Outlays, −$37,900,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

Fiscal year 2002:

(A) New budget authority, −$39,000,000,000.

(B) Outlays, −$39,000,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

SEC. 6. RECONCILIATION.

(a) SENATE COMMITTEES.—Not later than July 14, 1995, the committees named in this subsection shall submit their recommendations to the Committee on the Budget of the Senate. After receiving those recommendations, the Committee on the Budget shall report to the Senate a reconciliation bill carrying out all such recommendations without any substantive revision.

(1) COMMITTEE ON AGRICULTURE, NUTRITION, AND FORESTRY.—The Senate Committee on Agriculture, Nutrition, and Forestry shall report changes in laws within its jurisdiction that provide direct spending (as defined in section 250(c)(8) of the Balanced Budget and Emergency Deficit Control Act of 1985) to reduce outlays $2,490,000,000 in fiscal year 1996, $27,973,000,000 for the period of fiscal years 1996 through 2000, and $45,804,000,000 for the period of fiscal years 1996 through 2002.

(2) COMMITTEE ON ARMED SERVICES.—The Senate Committee on Armed Services shall report changes in laws within its jurisdiction that provide direct spending to reduce outlays $4,221,000,000 in fiscal year 1996, $21,738,000,000 for the period of fiscal years 1996 through 2000, and $30,649,000,000 for the period of fiscal years 1996 through 2002.

(3) COMMITTEE ON BANKING, HOUSING, AND URBAN AFFAIRS.—The Senate Committee on Banking, Housing, and Urban Affairs shall report changes in laws within its jurisdiction to reduce the deficit $373,000,000 in fiscal year 1996, $5,742,000,000 for the period of fiscal years 1996 through 2000, and $6,690,000,000 for the period of fiscal years 1996 through 2002.

(4) COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION.—The Senate Committee on Commerce, Science, and Transportation shall report changes in laws within its jurisdiction to reduce the deficit $2,664,000,000 in fiscal year 1996, $22,937,000,000 for the period of fiscal years 1996 through 2000, and $35,085,000,000 for the period of fiscal years 1996 through 2002.

(5) COMMITTEE ON ENERGY AND NATURAL RESOURCES.—The Senate Committee on Energy and Natural Resources shall report changes in laws within its jurisdiction that provide direct spending to reduce outlays $1,771,000,000 in fiscal year 1996, $4,775,000,000 for the period of fiscal years 1996 through 2000, and $5,001,000,000 for the period of fiscal years 1996 through 2002.

(6) COMMITTEE ON ENVIRONMENT AND PUBLIC WORKS.—The Senate Committee on Environment and Public Works shall report changes in laws within its jurisdiction that provide direct spending to reduce outlays $106,000,000 in fiscal year 1996, $1,290,000,000 for the period of fiscal years 1996 through 2000, and $2,236,000,000 for the period of fiscal years 1996 through 2002.

(7) COMMITTEE ON FINANCE.—The Senate Committee on Finance shall report changes in laws within its jurisdiction that provide direct spending to reduce outlays $16,117,000,000 in fiscal year 1996, $206,340,000,000 for the period of fiscal years 1996 through 2000, and $393,242,000,000 for the period of fiscal years 1996 through 2002.

(B) The Senate Committee on Finance shall report changes in laws within its jurisdiction sufficient to increase revenue $15,000,000,000 in fiscal year 1996, $155,500,000,000 for the period of fiscal years 1996 through 2000, and $282,000,000,000 for the period of fiscal years 1996 through 2002.

(8) COMMITTEE ON FOREIGN RELATIONS.—The Senate Committee on Foreign Relations shall report changes in laws within its jurisdiction that provide direct spending to reduce outlays $0 in fiscal year 1996, $0 for the period of fiscal years 1996 through 2000, and $0 for the period of fiscal years 1996 through 2002.

(9) COMMITTEE ON GOVERNMENTAL AFFAIRS.—The Senate Committee on Governmental Affairs shall report changes in laws within its jurisdiction that provide direct spending to reduce outlays $118,000,000 in fiscal year 1996, $3,023,000,000 for the period of fiscal years 1996 through 2000, and $6,871,000,000 for the period of fiscal years 1996 through 2002.

(10) COMMITTEE ON THE JUDICIARY.—The Senate Committee on the Judiciary shall report changes in laws within its jurisdiction that provide direct spending to reduce outlays $119,000,000 in fiscal year 1996, $923,000,000 for the period of fiscal years 1996 through 2000, and $1,483,000,000 for the period of fiscal years 1996 through 2002.

(11) COMMITTEE ON LABOR AND HUMAN RESOURCES.—The Senate Committee on Labor and Human Resources shall report changes in laws within its jurisdiction that provide direct spending to reduce outlays $0 in fiscal year 1996, $0 for the period of fiscal years 1996 through 2000, and $0 for the period of fiscal years 1996 through 2002.

(12) COMMITTEE ON RULES AND ADMINISTRATION.—The Senate Committee on Rules and Administration shall report changes in laws within its jurisdiction that provide direct spending to reduce outlays $2,000,000 in fiscal year 1996, $280,000,000 for the period of fiscal years 1996 through 2000, and $319,000,000 for the period of fiscal years 1996 through 2002.

(13) COMMITTEE ON VETERANS' AFFAIRS.—The Senate Committee on Veterans' Affairs shall report changes in laws within its jurisdiction that provide direct spending to reduce outlays $181,000,000 in fiscal year 1996, $3,050,000,000 for the period of fiscal years 1996 through 2000, and $5,112,000,000 for the period of fiscal years 1996 through 2002.

TITLE II—BUDGETARY RESTRAINTS AND RULEMAKING

SEC. 201. DISCRETIONARY SPENDING LIMITS.

(a) DEFINITION.—As used in this section and for the purposes of allocations made pursuant to section 602(a) of the Congressional Budget Act of 1974, for the discretionary category, the term "discretionary spending limit" means—

(1) with respect to fiscal year 1996, $489,604,000,000 in new budget authority and $527,745,000,000 in outlays;

(2) with respect to fiscal year 1997, $485,083,000,000 in new budget authority and $521,191,000,000 in outlays;

(3) with respect to fiscal year 1998, $501,825,000,000 in new budget authority and $520,288,000,000 in outlays;

(4) with respect to fiscal year 1999, $502,119,000,000 in new budget authority and $527,116,000,000 in outlays;

(5) with respect to fiscal year 2000, $516,737,000,000 in new budget authority and $537,448,000,000 in outlays;

(6) with respect to fiscal year 2001, $523,049,000,000 in new budget authority and $545,439,000,000 in outlays; and

(7) with respect to fiscal year 2002, $523,868,000,000 in new budget authority and $547,969,000,000 in outlays;

as adjusted for changes in concepts and definitions and emergency appropriations.

(b) POINT OF ORDER IN THE SENATE.—

(1) IN GENERAL.—Except as provided in paragraph (2), it shall not be in order in the Senate to consider—

(A) any concurrent resolution on the budget for fiscal year 1996, 1997, 1998, 1999, 2000, 2001, or 2002 (or amendment, motion, or conference report on such a resolution) that provides discretionary spending in excess of the discretionary spending limits for such fiscal year; or

(B) any appropriations bill or resolution (or amendment, motion, or conference report on such appropriations bill or resolution) for fiscal year 1995, 1996, 1997, 1998, 1999, 2000, 2001, or 2002 that would exceed any of the discretionary spending limits in this section or suballocations of those limits made pursuant to section 602(b) of the Congressional Budget Act of 1974.

(2) EXCEPTION.—This section 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.

(c) 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.

(d) 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.

(e) 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.

SEC. 202. EXTENSION OF PAY-AS-YOU-GO POINT OF ORDER.

(a) PURPOSE.—The Senate declares that it is essential to—

(1) ensure continued compliance with the balanced budget plan set forth in this resolution; and

(2) continue the pay-as-you-go enforcement system.

(b) POINT OF ORDER.—

(1) IN GENERAL.—It shall not be in order in the Senate to consider any direct-spending or receipts legislation (as defined in paragraph (3)) that would increase the deficit for any one of the three applicable time periods (as defined in paragraph (2)) as measured pursuant to paragraph (4).

(2) APPLICABLE TIME PERIODS.—For purposes of this subsection, the term "applicable time period" means any one of the three following periods—

(A) the first fiscal year covered by the most recently adopted concurrent resolution on the budget;

(B) the period of the first 5 fiscal years covered by the most recently adopted concurrent resolution on the budget; or

(C) the period of the 5 fiscal years following the first 5 years covered by the most recently adopted concurrent resolution on the budget.

(3) DIRECT-SPENDING OR RECEIPTS LEGISLATION.—For purposes of this subsection, the term "direct-spending or receipts legislation" shall—

(A) except as otherwise provided in this subsection, include all direct-spending legislation as that term is interpreted for purposes of the Balanced Budget and Emergency Deficit Control Act of 1985;

(B) include—

(i) any bill, joint resolution, amendment, motion, or conference report to which this subsection otherwise applies; and

(ii) 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

(C) exclude—

(i) any concurrent resolution on the budget; and

(ii) 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.

(4) BASELINE.—Estimates prepared pursuant to this section shall—

(A) use the baseline used for the most recent concurrent resolution on the budget, and for years beyond those covered by that concurrent resolution; and

(B) abide by the requirements of subsections (a) through (d) of section 257 of the Balanced Budget and Emergency Deficit Control Act of 1985, except that references to "outyears" in that section shall be deemed to apply to any year (other than the budget year) covered by any one of the time periods defined in paragraph (2) of this subsection.

(c) 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.

(d) 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.

(e) 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.

(f) CONFORMING AMENDMENT.—Section 23 of House Concurrent Resolution 218 (103d Congress) is repealed.

(g) SUNSET.—Subsections (a) through (e) of this section shall expire September 30, 2002.

SEC. 203. BUDGET SURPLUS ALLOWANCE.

(a) ADJUSTMENTS.—For the purposes of points of order under the Congressional Budget and Impoundment Control Act of 1974 and this concurrent resolution on the budget, the revenue aggregates may be reduced and other appropriate allocations and budgetary aggregates and levels shall be revised to reflect the additional deficit reduction achieved as calculated under subsection (c) for legislation that reduces the adverse effects on medicare, medicaid, and welfare reform in the following manner:

(1) $50,000,000,000 shall be used for legislation that reduces the adverse affects upon the elderly, disabled, and children who have nowhere else to turn but medicaid for health care.

(2) $20,000,000,000 shall be used for legislation that reduces the drastic cuts to welfare programs.

(3) If the Congressional Budget Office scores this surplus differently, than the amounts provided in paragraphs (1) or (2) shall be increased or decreased proportionally.

(b) REVISED ALLOCATIONS AND AGGREGATES.—Upon the reporting of legislation pursuant to subsection (a), and again upon the submission of a conference report on such legislation (if a conference report is submitted), the Chairman of the Committee on Budget of the Senate may submit to the Senate appropriately revised allocations under sections 302(a) and 602(a) of the Congressional Budget Act of 1974 and levels under this resolution, revised by an amount that does not exceed the additional deficit reduction calculated under subsection (d).

(c) CBO REVISED DEFICIT ESTIMATE.—After the enactment of legislation that complies with the reconciliation directives of section 6, the Congressional Budget Office shall provide the Chairman of the Committee on the Budget of the Senate a revised estimate of the deficit for fiscal years 1996 through 2005.

(d) ADDITIONAL DEFICIT REDUCTION.—For purposes of this section, the term "additional deficit reduction" means the amount by which the total deficit levels assumed in this resolution for a fiscal year exceed the revised deficit estimate provided pursuant to subsection (c) for such fiscal year for fiscal years 1996 through 2005.

(e) CBO CERTIFICATION AND CONTINGENCIES.—This section shall not apply unless—

(1) legislation has been enacted complying with the reconciliation directives of section 6;

(2) the Director of the Congressional Budget Office has provided the estimate required by subsection (c); and

(3) the revisions made pursuant to this subsection do not cause a budget deficit for fiscal year 2002, 2003, 2004, or 2005.

SEC. 204. SCORING OF EMERGENCY LEGISLATION.

Notwithstanding section 606(d)(2) of the Congressional Budget Act of 1974 and beginning with fiscal year 1996, the determinations under sections 302, 303, and 311 of such Act shall take into account any new budget authority, new entitlement authority, outlays, receipts, or deficit effects as a consequence of the provisions of sections 251(b)(2)(D) and 252(e) of the Balanced Budget and Emergency Deficit Control Act of 1985.

SEC. 205. SALE OF GOVERNMENT ASSETS.

SEC. 206. EXTENSION OF BUDGET ACT 60-VOTE ENFORCEMENT THROUGH 2002.

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 rules of the Senate through (but no later than) September 30, 2002.

SEC. 207. EXERCISE OF RULEMAKING POWERS.

The Senate adopts the provisions of this title—

(1) as an exercise of the rulemaking power of the Senate, and as such they shall be considered as part of the rules of the Senate, 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 the Senate to change those rules (so far as they relate to the Senate) at any time, in the same manner, and to the same extent as in the case of any other rule of the Senate.

TITLE III—SENSE OF THE CONGRESS AND THE SENATE

SEC. 301. SENSE OF THE CONGRESS ON REVENUE INSTRUCTION TO FINANCE COMMITTEE.

(a) FINDINGS.—The Senate finds that—

(1) to balance the Federal budget in a rational and reasonable manner, there must be a fair and equitable distribution of the deficit reduction burden;

(2) the plan under consideration in the Senate does not ask the wealthy to contribute to deficit reduction;

(3) the deficit reduction package approved by the Senate Budget Committee would disproportionately affect those at lower-income levels;

(4) over the next 7 years, at current growth rates, tax loopholes and preferences will result in a revenue loss to the Federal Government of more than $4,000,000,000,000; and

(5) the House Budget Committee had under consideration, but did not include in its deficit reduction package, a list of $335,000,000,000 in corporate tax loopholes.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that—

(1) the Senate Finance Committee, as part of this year's reconciliation package, should limit or eliminate tax loopholes that disproportionately benefit the wealthiest individuals and the largest corporations in order to more equitably distribute the burden of deficit reduction;

(2) the Senate Finance Committee should give first priority to closing corporate loopholes;

(3) the Senate Finance Committee should also give priority to closing loopholes that disproportionately benefit Americans with incomes of $140,000 or more;

(4) in no event should taxes go up on those making less than $140,000; and

(5) in no event should the Senate Committee on Finance raise income tax rates on individuals or reduce deductions for home mortgage interest, charitable contributions, or State and local taxes.

SEC. 302. RESTRUCTURING GOVERNMENT AND PROGRAM TERMINATIONS.

(a) FINDINGS.—The Senate finds that to balance the Federal budget in a rational and reasonable manner requires an assessment of national priorities and the appropriate role of the Federal Government in meeting the challenges facing the United States in the 21st century.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that to balance the budget the Congress should—

(1) restructure Federal programs to meet identified national priorities in the most effective and efficient manner so that program dollars get to the intended purpose or recipient;

(2) terminate programs that have largely met their goals, that have outlived their original purpose, or that have been superseded by other programs;

(3) seek to end significant duplication among Federal programs, which results in excessive administrative costs and ill serve the American people; and

(4) eliminate lower priority programs.

SEC. 303. NONPARTISAN ADVISORY COMMISSION ON THE CPI.

(a) FINDINGS.—The Congress finds that—

(1) Congress intended to insulate certain government beneficiaries and taxpayers from the effects of inflation by indexing payments and tax brackets to the Consumer Price Index (CPI);

(2) approximately 30 percent of total Federal outlays and 45 percent of Federal revenues are indexed to reflect changes in the CPI; and

(3) the overwhelming consensus among experts is that the method used to construct the CPI and the current calculation of the CPI both overstate the estimate of the true cost of living.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that—

(1) a temporary advisory commission should be established to make objective and nonpartisan recommendations concerning the appropriateness and accuracy of the methodology and calculations that determine the CPI;

(2) the Commission should be appointed on a nonpartisan basis, and should be composed of experts in the fields of economics, statistics, or other related professions; and

(3) the Commission should report its recommendations to the Bureau of Labor Statistics and to Congress at the earliest possible date.

SEC. 304. SENSE OF THE CONGRESS ON A UNIFORM ACCOUNTING SYSTEM IN THE FEDERAL GOVERNMENT.

(a) FINDINGS.—The Congress finds the following:

(1) Much effort has been devoted to strengthening Federal internal accounting controls in the past. Although progress has been made in recent years, there still exists no uniform Federal accounting system for Federal Government entities and institutions.

(2) As a result, Federal financial management continues to be seriously deficient, and Federal financial management and fiscal practices have failed to identify costs, failed to reflect the total liabilities of congressional actions, and failed to accurately report the financial condition of the Federal Government.

(3) Current Federal accounting practices do not adequately report financial problems of the Federal Government or the full cost of programs and activities. The continued use of these practices undermines the Government's ability to provide credible and reliable financial data, encourages already widespread waste and inefficiency, and will not assist in achieving a balanced budget.

(4) Waste and inefficiency in Federal Government undermine the confidence of the American people in the Government and reduces the Federal Government's ability to address adequately vital public needs.

(5) To rebuild the accountability and credibility of the Federal Government, and restore public confidence in the Federal Government, a uniform Federal accounting system, that fully meets the accounting standards and reporting objectives for the Federal Government, must be immediately established so that all assets and liabilities, revenues and expenditures or expenses, and the full cost of programs and activities of the Federal Government can be consistently and accurately recorded, monitored, and uniformly reported throughout all government entities for control and management evaluation purposes.

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

(1) a uniform Federal accounting system should be established to consistently compile financial data across the Federal Government, and to make full disclosure of Federal financial data, including the full cost of Federal programs and activities, to the citizens, the Congress, the President, and agency management; and

(2) beginning with fiscal year 1997, the President should require the heads of agencies to—

(A) implement and maintain a uniform Federal accounting system; and

(B) provide financial statements;

in accordance with generally accepted accounting principles applied on a consistent basis and established in accordance with proposed Federal accounting standards and interpretations recommended by the Federal Accounting Standards Advisory Board and other applicable law.

SEC. 305. SENSE OF THE CONGRESS THAT 90 PERCENT OF THE BENEFITS OF ANY TAX CUTS MUST GO TO THE MIDDLE CLASS.

(a) FINDINGS.—The Congress finds that—

(1) the incomes of middle-class families have stagnated since the early 1980's, with family incomes growing more slowly between 1979 and 1989 than in any other business cycle since World War II; and

(2) according to the Department of the Treasury, in 1996, approximately 90 percent of American families will have incomes less than $100,000.

(b) SENSE OF CONGRESS.—It is the sense of the Congress that if the 1996 Concurrent Budget Resolution includes any cut in taxes, approximately 90 percent of the benefits of these tax cuts must go to working families with incomes less than $100,000.

SEC. 306. BIPARTISAN COMMISSION ON HEALTH CARE REFORM, MEDICARE AND MEDICAID COSTS, ACCESS AND SOLVENCY.

(a) FINDINGS.—Congress finds that—

(1) the Health Insurance for the Aged Act, which created the medicare program, was enacted on July 30, 1965, and, therefore, the medicare program will celebrate its 30-year anniversary on July 30, 1995;

(2) on April 3, 1995, the Trustees of medicare submitted their 1995 Annual Report on the Status of the medicare program to the Congress;

(3) the Trustees of medicare have concluded that "the medicare program is clearly unsustainable in its present form";

(4) the Trustees of medicare have concluded that "the Hospital Insurance Trust Fund, which pays inpatient hospital expenses, will be able to pay benefits for only about 7 years and is severely out of financial balance in the long range";

(5) the Public Trustees of medicare have concluded that "the Supplementary Medical Insurance Trust Fund shows a rate of growth of costs which is clearly unsustainable";

(6) the Trustees of medicare have recommended "legislation to reestablish the Quadrennial Advisory Council that will help lead to effective solutions to the problems of the program";

(7) the Bipartisan Commission on Entitlement and Tax Reform concluded that, absent long-term changes in medicare, projected medicare outlays will increase from about 4 percent of the payroll tax base today to over 15 percent of the payroll tax base by the year 2030;

(8) the Bipartisan Commission on Entitlement and Tax Reform recommended, by a vote of 30 to 1, that spending and revenues available for medicare must be brought into long-term balance;

(9) the Public Trustees of medicare have concluded that "We had hoped for several years that comprehensive health reform would include meaningful medicare reforms. However, with the results of the last Congress, it is now clear that medicare reform needs to be addressed urgently as a distinct legislative initiative"; and

(10) the Public Trustees of medicare "strongly recommend that the crisis presented by the financial condition of the medicare trust funds be urgently addressed on a comprehensive basis, including a review of the programs's financing methods, benefit provisions, and delivery mechanisms.".

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

(1) a special bipartisan commission should be established immediately to make recommendations concerning the most appropriate response to the current health care crisis, and the recommendations should include ways to address medicare and medicaid costs, access and solvency issues and to reform our current health care system;

(2) the commission should report to Congress its recommendations on the appropriate response to the short-term solvency of medicare by July 10, 1995, in order that the committees of jurisdiction may consider those recommendations in fashioning an appropriate congressional response; and

(3) the commission should report its recommendations to respond to the Public Trustees' call to make medicare's financial condition sustainable over the long term to Congress by February 1, 1996.

SNOWE (AND OTHERS) AMENDMENT NO. 1197

Mr. DOMENICI (for Ms. SNOWE, for herself, Mr. SIMON, Mr. COHEN, Mr. CAMPBELL, Mr. JEFFORDS, Mrs. KASSEBAUM, Mr. DODD, Mr. WELLSTONE, Mr. HOLLINGS, Mr. KENNEDY, Mr. HARKIN, and Mr. PELL) proposed an amendment to the concurrent resolution, Senate Concurrent Resolution 13, supra; as follows:

Close tax loopholes and corporate subsidies by the following amounts:

On page 3, line 10, increase the amount by $875,000,000.

On page 3, line 11, increase the amount by $1,100,000,000.

On page 3, line 12, increase the amount by $1,250,000,000.

On page 3, line 13, increase the amount by $1,400,000,000.

On page 3, line 14, increase the amount by $1,550,000,000.

On page 3, line 15, increase the amount by $1,550,000,000.

On page 3, line 16, increase the amount by $1,675,000,000.

On page 3, line 20, increase the amount by $875,000,000.

On page 3, line 21, increase the amount by $1,100,000,000.

On page 3, line 22, increase the amount by $1,250,000,000.

On page 3, line 23, increase the amount by $1,400,000,000.

On page 3, line 24, increase the amount by $1,550,000,000.

On page 3, line 25, increase the amount by $1,550,000,000.

On page 4, line 1, increase the amount by $1,675,000,000.

Restore cuts in student loans by the following amounts:

On page 5, line 17, increase the amount by $875,000,000.

On page 5, line 18, increase the amount by $1,100,000,000.

On page 5, line 19, increase the amount by $1,250,000,000.

On page 5, line 20, increase the amount by $1,400,000,000.

On page 5, line 21, increase the amount by $1,550,000,000.

On page 5, line 22, increase the amount by $1,550,000,000.

On page 5, line 23, increase the amount by $1,675,000,000.

On page 6, line 16, increase the amount by $875,000,000.

On page 6, line 17, increase the amount by $1,100,000,000.

On page 6, line 18, increase the amount by $1,250,000,000.

On page 6, line 19, increase the amount by $1,400,000,000.

On page 6, line 20, increase the amount by $1,550,000,000.

On page 6, line 21, increase the amount by $1,550,000,000.

On page 6, line 22, increase the amount by $1,675,000,000.

On page 31, line 12, increase the amount by $875,000,000.

On page 31, line 20, increase the amount by $1,100,000,000.

On page 32, line 3, increase the amount by $1,250,000,000.

On page 32, line 11, increase the amount by $1,400,000,000.

On page 32, line 19, increase the amount by $1,550,000,000.

On page 33, line 2, increase the amount by $1,550,000,000.

On page 33 line 10, increase the amount by $1,675,000,000.

On page 31, line 13, increase the amount by $875,000,000.

On page 31, line 21, increase the amount by $1,100,000,000.

On page 32, line 4, increase the amount by $1,250,000,000.

On page 32, line 12, increase the amount by $1,400,000,000.

On page 32, line 20, increase the amount by $1,550,000,000.

On page 33, line 3, increase the amount by $1,550,000,000.

On page 33, line 11, increase the amount by $1,675,000,000.

On page 64, strike beginning with line 7 through page 64 line 12, and insert the following:

"Human Resources shall report changes in laws within its jurisdiction that provide direct spending to reduce outlays $266,000,000 in fiscal year 1966, $2,990,000,000 for the period of fiscal years 1996 through 2000, and $4,395,000,000 for the period of fiscal years 1996 though 2002."

At the appropriate place insert the following: The assumption underlying the functional totals include that "It is the sense of the Senate that cuts in student loan benefits should be minimized, and that the current exclusion of income of Foreign Sales Corporation should be eliminated."

THE COMPREHENSIVE TERRORISM PREVENTION ACT OF 1995

LEAHY AMENDMENT NO. 1198

(Ordered to lie on the table.)

Mr. LEAHY submitted an amendment to the bill (S. 735) to prevent and punish acts of terrorism, and for other purposes; as follows:

At the end of title IX, add the following new title:

TITLE X—VICTIMS OF TERRORISM ACT

SEC. 1001. TITLE.

This title may be cited as the "Victims of Terrorism Act of 1995".

SEC. 1002. AUTHORITY TO PROVIDE ASSISTANCE AND COMPENSATION TO VICTIMS OF TERRORISM.

The Victims of Crime Act of 1984 (42 U.S.C. 10601 et seq.) is amended by inserting after section 1404A the following new section:

"SEC. 1404B. COMPENSATION AND ASSISTANCE TO VICTIMS OF TERRORISM.

"(a) VICTIMS OF ACTS OF TERRORISM OUTSIDE THE UNITED STATES.—The Director may make supplemental grants to States and may provide compensation and assistance to any resident of the United States who, while outside the territorial boundaries of the United States, is a victim of a terrorist act and is not a person eligible for compensation under title VIII of the Omnibus Diplomatic Security and Antiterrorism Act of 1986.

"(b) VICTIMS OF DOMESTIC TERRORISM.—The Director may make supplemental grants to States for eligible crime victim compensation and assistance programs to provide emergency relief, assistance, training, and technical assistance for the benefit of victims of terrorist acts occurring within the United States.".

SEC. 1003. FUNDING OF COMPENSATION AND ASSISTANCE TO VICTIMS OF TERRORISM AND CRIME.

(a) RESERVATION.—Section 1402 of the Victims of Crime Act of 1984 (42 U.S.C. 10601) is amended—

(1) in subsection (d), by adding at the end the following new paragraph:

"(5) After the reserve under paragraph (4) reaches $20.000,000 for any fiscal year, the Director may reserve any additional amount deposited in the Fund during that fiscal year as a reserve for victims of terrorist acts under section 1404B."; and

(2) by amending subsection (e) to read as follows:

"(e) AMOUNTS AWARDED AND UNSPENT.—Any amount awarded as part of a grant under this chapter that remains unspent at the end of a fiscal year in which the grant is made may be expended for the purpose for which the grant is made at any time during the 2 succeeding fiscal years, at the end of which period, any remaining unobligated sums shall be returned to the Fund."

(b) BASE AMOUNT.—Section 1404(a)(5)(B) of such Act (42 U.S.C. 10603(a)(5)(B)) is amended by striking "$200,000" and inserting "$500,000".

SEC. 1004. PAYMENTS INTO CRIME VICTIMS FUND.

Section 3013 of title 18, United States Code, is amended to read as follows:

"§ 3013. Special assessment on convicted persons

"(a) The court shall assess on any person convicted of an offense against the United States—

"(1) in the case of a misdemeanor—

"(A) not less than $50 if the defendant is an individual; and

"(B) not less than $250 if the defendant is a person other than an individual; or

"(2) in the case of a felony—

"(A) not less than $100 if the defendant is an individual; or

"(B) not less than $500 if the defendant is a person other than an individual.

"(b) Amounts assessed under this section shall be collected in the same manner as fines are collected in criminal cases.".

DOLE (AND OTHERS) AMENDMENT NO. 1199

Mr. HATCH (for Mr. DOLE for himself, Mr. HATCH, Mr. NICKLES, Mr. INHOFE, Mr. GRAMM, Mr. BROWN, Mr. THURMOND, Mr. SIMPSON, Mr. DEWINE and Mr. KYL) proposed an amendment to the bill S. 735, supra; as follows:

Strike all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the "Comprehensive Terrorism Prevention Act of 1995".

SEC. 2. TABLE OF CONTENTS.

The table of contents of this Act is as follows:

Sec. 1. Short title.
Sec. 2. Table of contents.

TITLE I—SUBSTANTIVE CRIMINAL LAW ENHANCEMENTS

Sec. 101. Increased penalty for conspiracies involving explosives.
Sec. 102. Acts of terrorism transcending national boundaries.
Sec. 103. Conspiracy to harm people and property overseas.
Sec. 104. Increased penalties for certain terrorism crimes.
Sec. 105. Mandatory penalty for transferring an explosive material knowing that it will be used to commit a crime of violence.
Sec. 106. Penalty for possession of stolen explosives.
Sec. 107. Enhanced penalties for use of explosives or arson crimes.

TITLE II—COMBATING INTERNATIONAL TERRORISM

Sec. 201. Findings.
Sec. 202. Prohibition on assistance to countries that aid terrorist states.
Sec. 203. Prohibition on assistance to countries that provide military equipment to terrorist states.
Sec. 204. Opposition to assistance by international financial institutions to terrorist states.

Sec. 205. Antiterrorism assistance.
Sec. 206. Jurisdiction for lawsuits against terrorist states.
Sec. 207. Report on support for international terrorists.
Sec. 208. Definition of assistance.
Sec. 209. Waiver authority concerning notice of denial of application for visas.
Sec. 210. Membership in a terrorist organization as a basis for exclusion from the United States under the Immigration and Nationality Act.

TITLE III—ALIEN REMOVAL

Sec. 301. Alien terrorist removal.
Sec. 302. Extradition of aliens.
Sec. 303. Changes to the Immigration and Nationality Act to facilitate removal of alien terrorists.
Sec. 304. Access to certain confidential immigration and naturalization files through court order.

TITLE IV—CONTROL OF FUNDRAISING FOR TERRORISM ACTIVITIES

Sec. 401. Prohibition on terrorist fundraising.
Sec. 402. Correction to material support provision.

TITLE V—ASSISTANCE TO FEDERAL LAW ENFORCEMENT AGENCIES

Subtitle A—Antiterrorism Assistance

Sec. 501. Disclosure of certain consumer reports to the Federal Bureau of Investigation for foreign counterintelligence investigations.
Sec. 502. Access to records of common carriers, public accommodation facilities, physical storage facilities, and vehicle rental facilities in foreign counterintelligence and counterterrorism cases.
Sec. 503. Increase in maximum rewards for information concerning international terrorism.

Subtitle B—Intelligence and Investigation Enhancements

Sec. 511. Study and report on electronic surveillance.
Sec. 512. Authorization for interceptions of communications in certain terrorism related offenses.
Sec. 513. Requirement to preserve evidence.

Subtitle C—Additional Funding for Law Enforcement

Sec. 521. Federal Bureau of Investigation assistance to combat terrorism.
Sec. 522. Authorization of additional appropriations for the United States Customs Service.
Sec. 523. Authorization of additional appropriations for the Immigration and Naturalization Service.
Sec. 524. Drug Enforcement Administration.
Sec. 525. Department of Justice.
Sec. 526. Funding source.
Sec. 527. Deterrent against terrorist activity damaging a Federal interest computer.

TITLE VI—CRIMINAL PROCEDURAL IMPROVEMENTS

Subtitle A—Habeas Corpus Reform

Sec. 601. Filing deadlines.
Sec. 602. Appeal.
Sec. 603. Amendment of Federal Rules of Appellate Procedure.
Sec. 604. Section 2254 amendments.
Sec. 605. Section 2255 amendments.
Sec. 606. Limits on second or successive applications.
Sec. 607. Death penalty litigation procedures.
Sec. 608. Technical amendment.

Subtitle B—Criminal Procedural Improvements

Sec. 621. Clarification and extension of criminal jurisdiction over certain terrorism offenses overseas.
Sec. 622. Expansion of territorial sea.
Sec. 623. Expansion of weapons of mass destruction statute.
Sec. 624. Addition of terrorism offenses to the RICO statute.
Sec. 625. Addition of terrorism offenses to the money laundering statute.
Sec. 626. Protection of current or former officials, officers, or employees of the United States.
Sec. 627. Addition of conspiracy to terrorism offenses.
Sec. 628. Clarification of Federal jurisdiction over bomb threats.

TITLE VII—MARKING OF PLASTIC EXPLOSIVES

Sec. 701. Findings and purposes.
Sec. 702. Definitions.
Sec. 703. Requirement of detection agents for plastic explosives.
Sec. 704. Criminal sanctions.
Sec. 705. Exceptions.
Sec. 706. Investigative authority.
Sec. 707. Effective date.
Sec. 708. Study on tagging of explosive materials.

TITLE VIII—NUCLEAR MATERIALS

Sec. 801. Findings and purpose.
Sec. 802. Expansion of scope and jurisdictional bases of nuclear materials prohibitions.

TITLE IX—MISCELLANEOUS PROVISIONS

Sec. 901. Severability.

TITLE I—SUBSTANTIVE CRIMINAL LAW ENHANCEMENTS

SEC. 101. INCREASED PENALTY FOR CONSPIRACIES INVOLVING EXPLOSIVES.

Section 844 of title 18, United States Code, is amended by adding at the end the following new subsection:

"(n) Except as otherwise provided in this section, a person who conspires to commit any offense defined in this chapter shall be subject to the same penalties (other than the penalty of death) as those prescribed for the offense the commission of which was the object of the conspiracy.".

SEC. 102. ACTS OF TERRORISM TRANSCENDING NATIONAL BOUNDARIES.

(a) REDESIGNATION.—(1) Chapter 113B of title 18, United States Code (relating to torture) is redesignated as chapter 113C.

(2) The chapter analysis of title 18, United States Code, is amended by striking "113B" the second place it appears and inserting "113C".

(b) OFFENSE.—Chapter 113B of title 18, United States Code, is amended by inserting after section 2332a the following new section:

"§ 2332b. Acts of terrorism transcending national boundaries

"(a) PROHIBITED ACTS.—

"(1) Whoever, in a circumstance described in subsection (b), commits an act within the United States that if committed within the special maritime and territorial jurisdiction of the United States would be in violation of section 113 (a), (b), (c), or (f), 114, 1111, 1112, 1201, or 1363 shall be punished as prescribed in subsection (c).

"(2) Whoever threatens, attempts, or conspires to commit an offense under paragraph (1) shall be punished under subsection (c).

"(b) JURISDICTIONAL BASES.—

"(1) This section applies to conduct described in subsection (a) if—

"(A) the mail, or any facility utilized in interstate commerce, is used in furtherance of the commission of the offense;

"(B) the offense destructs, delays, or affects interstate or foreign commerce in any way or degree, or would have obstructed, delayed, or affected interstate or foreign commerce if the offense had been consummated;

"(C) the victim or intended victim is the United States Government or any official, officer, employee, or agent of the legislative, executive, or judicial branches, or of any department or agency, of the United States;

"(D) the structure, conveyance, or other real or personal property was in whole or in part owned, possessed, or used by, or leased to the United States, or any department or agency thereof;

"(E) the offense is committed in the territorial sea (including the airspace above and the seabed and subsoil below, and artificial islands and fixed structures erected thereon) of the United States; or

"(F) the offense is committed in places within the United States that are in the special maritime and territorial jurisdiction of the United States.

"(2) Jurisdiction shall exist over all principals, coconspirators, and accessories after the fact, of an offense under subsection (a) if at least one of the circumstances described in paragraph (1) is applicable to at least one offender.

"(c) PENALTIES.—

"(1) Whoever violates this section shall, in addition to the punishment provided for any other crime charged in the indictment, be punished—

"(A) if death results to any person, by death, or by imprisonment for any term of years or for life;

"(B) for kidnapping, by imprisonment for any term of years or for life;

"(C) for maiming, by imprisonment for not more than 35 years;

"(D) for assault with a dangerous weapon or assault resulting in serious bodily injury, by imprisonment for not more than 30 years;

"(E) for destroying or damaging any structure, conveyance, or other real or personal property, by imprisonment for not more than 25 years;

"(F) for attempting or conspiring to commit the offense, for any term of years up to the maximum punishment that would have applied had the offense been completed; and

"(G) for threatening to commit the offense, by imprisonment for not more than 10 years.

"(2) Notwithstanding any other provision of law, the court shall not place on probation any person convicted of a violation of this section.

"(d) LIMITATION ON PROSECUTION.—No indictment for any offense described in this section shall be sought by the United States except after the Attorney General, or the highest ranking subordinate of the Attorney General with responsibility for criminal prosecutions, has made a written certification that, in the judgment of the certifying official—

"(1) such offense, or any activity preparatory to its commission, transcended national boundaries; and

"(2) the offense appears to have been intended to coerce, intimidate, or retaliate against a government or a civilian population, including any segment thereof.

"(e) INVESTIGATIVE RESPONSIBILITY.—Violations of this section shall be investigated by the Federal Bureau of Investigation. Nothing

in this section shall be construed to interfere with the authority of the United States Secret Service under section 3056, or with its investigative authority with respect to sections 871 and 879.

"(f) EVIDENCE.—In a prosecution under this section, the United States shall not be required to prove knowledge by any defendant of a jurisdictional base alleged in the indictment.

"(g) EXTRATERRITORIAL JURISDICTION.—There is extraterritorial Federal jurisdiction over—

"(1) any offense under subsection (a); and

"(2) conduct that, under section 3, renders any person an accessory after the fact to an offense under subsection (a).

"(h) DEFINITIONS.—As used in this section—

"(1) the term 'commerce' has the meaning given such term in section 1951(b)(3);

"(2) the term 'facility utilized in any manner in commerce' includes means of transportation, communication, and transmission;

"(3) the term 'national of the United States' has the meaning given such term in section 101(a)(22) of the Immigration and Nationality Act (8 U.S.C. 1101(a)(22));

"(4) the term 'serious bodily injury' has the meaning given such term in section 1365(g)(3); and

"(5) the term 'territorial sea of the United States' means all waters extending seaward to 12 nautical miles from the baselines of the United States determined in accordance with international law.".

(c) TECHNICAL AMENDMENT.—The chapter analysis for Chapter 113B of title 18, United States Code, is amended by inserting after the item relating to section 2332a, the following new item:

"2332b. Acts of terrorism transcending national boundaries.".

(d) STATUTE OF LIMITATIONS AMENDMENT.—Section 3286 of title 18, United States Code, is amended—

(1) by striking "any offense" and inserting "any noncapital offense";

(2) by striking "36" and inserting "37";

(3) by striking "2331" and inserting "2332";

(4) by striking "2339" and inserting "2332a"; and

(5) by inserting "2332b (acts of terrorism transcending national boundaries)," after "(use of weapons of mass destruction),".

(e) PRESUMPTIVE DETENTION.—Section 3142(e) of title 18, United States Code, is amended by inserting "or section 2332b" after "section 924(c)".

SEC. 103. CONSPIRACY TO HARM PEOPLE AND PROPERTY OVERSEAS.

(a) IN GENERAL.—Section 956 of title 18, United States Code, is amended to read as follows:

"§ 956. Conspiracy to kill, kidnap, maim, or injure certain property in a foreign country

"(a)(1) Whoever, within the jurisdiction of the United States, conspires with one or more other persons, regardless of where such other person or persons is located, to commit at any place outside the United States an act that would constitute the offense of murder, kidnapping, or maiming if committed in the special maritime and territorial jurisdiction of the United States, shall, if he or any such other person commits an act within the jurisdiction of the United States to effect any object of the conspiracy, be punished as provided in paragraph (2).

"(2) The punishment for an offense under paragraph (1) is—

"(A) imprisonment for any term of years or for life if the offense is conspiracy to murder or kidnap; and

"(B) imprisonment for not more than 35 years if the offense is conspiracy to maim.

"(b) Whoever, within the jurisdiction of the United States, conspires with one or more persons, regardless of where such other person or persons is located, to injure or destroy specific property situated within a foreign country and belonging to a foreign government or to any political subdivision thereof with which the United States is at peace, or any railroad, canal, bridge, airport, airfield, or other public utility, public conveyance, or public structure, or any religious, educational, or cultural property so situated, shall, if he or any such other person commits an act within the jurisdiction of the United States to effect any object of the conspiracy, be imprisoned not more than 25 years.".

(b) CLERICAL AMENDMENT.—The chapter analysis for chapter 45 of title 18, United States Code, is amended by striking the item relating to section 956 and inserting the following:

"956. Conspiracy to kill, kidnap, maim, or injure certain property in a foreign country.".

SEC. 104. INCREASED PENALTIES FOR CERTAIN TERRORISM CRIMES.

(a) IN GENERAL.—Title 18, United States Code, is amended—

(1) in section 114, by striking "maim or disfigure" and inserting "torture (as defined in section 2340), maim, or disfigure";

(2) in section 755, by striking "two years" and inserting "five years";

(3) in section 756, by striking "one year" and inserting "five years";

(4) in section 878(a), by striking "by killing, kidnapping, or assaulting a foreign official, official guest, or internationally protected person";

(5) in section 1113, by striking "three years or fined" and inserting "seven years"; and

(6) in section 2332(c), by striking "five" and inserting "ten".

(b) PENALTY FOR CARRYING WEAPONS OR EXPLOSIVES ON AN AIRCRAFT.—Section 46505(b) of title 49, United States Code, is amended by striking "one" and inserting "ten".

SEC. 105. MANDATORY PENALTY FOR TRANSFERRING AN EXPLOSIVE MATERIAL KNOWING THAT IT WILL BE USED TO COMMIT A CRIME OF VIOLENCE.

Section 844 of title 18, United States Code, is amended by adding at the end the following new subsection:

"(n) Whoever knowingly transfers an explosive material, knowing or having reasonable cause to believe that such explosive material will be used to commit a crime of violence (as defined in section 924(c)(3)) or drug trafficking crime (as defined in section 924(c)(2)) shall be imprisoned for not less than 10 years, fined under this title, or both.".

SEC. 106. PENALTY FOR POSSESSION OF STOLEN EXPLOSIVES.

Section 842(h) of title 18, United States Code, is amended to read as follows:

"(h) It shall be unlawful for any person to receive, possess, transport, ship, conceal, store, barter, sell, dispose of, pledge, or accept as security for a loan, any stolen explosive material that is moving in, part of, constitutes, or has been shipped or transported in, interstate or foreign commerce, either before or after such material was stolen, knowing or having reasonable cause to believe that the explosive material was stolen.".

SEC. 107. ENHANCED PENALTIES FOR USE OF EXPLOSIVES OR ARSON CRIMES.

Section 844 of title 18, United States Code, is amended—

(1) in subsection (e), by striking "five" and inserting "10";

(2) by amending subsection (f) to read as follows:

"(f)(1) Whoever maliciously damages or destroys, or attempts to damage or destroy, by means of fire or an explosive, any building, vehicle, or other personal or real property in whole or in part owned or possessed by, or leased to, the United States, or any department or agency thereof, shall be imprisoned for not less than 5 years and not more than 20 years, fined the greater of $100,000 or the cost of repairing or replacing any property that is damaged or destroyed, or both.

"(2) Whoever engages in conduct prohibited by this subsection shall be imprisoned not less than 7 years and not more than 40 years, fined the greater of $200,000 or the cost of repairing or replacing any property that is damaged or destroyed, or both, if the conduct results in personal injury to any person, including any public safety officer performing duties, as a direct or proximate result of such conduct.

"(3) Whoever engages in conduct prohibited by this subsection shall be imprisoned for any term of years, for life, or sentenced to death, fined the greater of $200,000 or the cost of repairing or replacing any property that is damaged or destroyed, or both, if the conduct results in death to any person, including any public safety officer performing duties, as a direct or proximate result of such conduct.";

(4) in subsection (h)—

(A) in the first sentence by striking "5 years but not more than 15 years" and inserting "10 years"; and

(B) in the second sentence by striking "10 years but not more than 25 years" and inserting "20 years"; and

(5) in subsection (i)—

(A) by striking "not more than 20 years, fined the greater of a fine under this title or the cost of repairing or replacing any property that is damaged or destroyed," and inserting "not less than 5 years and not more than 20 years, fined the greater of $100,000 or the cost of repairing or replacing any property that is damaged or destroyed";

(B) by striking "not more than 40 years, fined the greater of a fine under this title or the cost of repairing or replacing any property that is damaged or destroyed," and inserting "not less than 7 years and not more than 40 years, fined the greater of $200,000 or the cost of repairing or replacing any property that is damaged or destroyed"; and

(C) by striking "7 years" and inserting "10 years".

TITLE II—COMBATING INTERNATIONAL TERRORISM

SEC. 201. FINDINGS.

The Congress finds that—

(1) international terrorism is among the most serious transnational threats faced by the United States and its allies, far eclipsing the dangers posed by population growth or pollution;

(2) the President should continue to make efforts to counter international terrorism a national security priority;

(3) because the United Nations has been an inadequate forum for the discussion of cooperative, multilateral responses to the threat of international terrorism, the President should undertake immediate efforts to develop effective multilateral responses to international terrorism as a complement to national counterterrorist efforts;

(4) the President should use all necessary means, including covert action and military force, to disrupt, dismantle, and destroy

international infrastructure used by international terrorists, including overseas terrorist training facilities and safe havens;

(5) the Congress deplores decisions to ease, evade, or end international sanctions on state sponsors of terrorism, including the recent decision by the United Nations Sanctions Committee to allow airline flights to and from Libya despite Libya's noncompliance with United Nations resolutions; and

(6) the President should continue to undertake efforts to increase the international isolation of state sponsors of international terrorism, including efforts to strengthen international sanctions, and should oppose any future initiatives to ease sanctions on Libya or other state sponsors of terrorism.

SEC. 202. PROHIBITION ON ASSISTANCE TO COUNTRIES THAT AID TERRORIST STATES.

The Foreign Assistance Act of 1961 (22 U.S.C. 151 et seq.) is amended by adding immediately after section 620F the following new section:

"SEC. 620G. PROHIBITION ON ASSISTANCE TO COUNTRIES THAT AID TERRORIST STATES.

"No assistance under this Act shall be provided to the government of any country that provides assistance to the government of any other country for which the Secretary of State has made a determination under section 620A.".

SEC. 203. PROHIBITION ON ASSISTANCE TO COUNTRIES THAT PROVIDE MILITARY EQUIPMENT TO TERRORIST STATES.

The Foreign Assistance Act of 1961 (22 U.S.C. 151 et seq.) is amended by adding immediately after section 620G the following new section:

"SEC. 620H. PROHIBITION ON ASSISTANCE TO COUNTRIES THAT PROVIDE MILITARY EQUIPMENT TO TERRORIST STATES.

"(a) PROHIBITION.—

"(1) IN GENERAL.—No assistance under this Act shall be provided to the government of any country that provides lethal military equipment to a country the government of which the Secretary of State has determined is a terrorist government for the purposes of 6(j) of the Export Administration Act of 1979 (50 U.S.C. App. 2405(j)), or 620A of the Foreign Assistance Act of 1961 (22 U.S.C. 2371).

"(2) APPLICABILITY.—The prohibition under this section with respect to a foreign government shall terminate 1 year after that government ceases to provide lethal military equipment. This section applies with respect to lethal military equipment provided under a contract entered into after the date of enactment of this Act.

"(b) WAIVER.—Notwithstanding any other provision of law, assistance may be furnished to a foreign government described in subsection (a) if the President determines that furnishing such assistance is important to the national interests of the United States and, not later than 15 days before obligating such assistance, furnishes a report to the appropriate committees of Congress including—

"(1) a statement of the determination;

"(2) a detailed explanation of the assistance to be provided;

"(3) the estimated dollar amount of the assistance; and

"(4) an explanation of how the assistance furthers United States national interests.".

SEC. 204. OPPOSITION TO ASSISTANCE BY INTERNATIONAL FINANCIAL INSTITUTIONS TO TERRORIST STATES.

The International Financial Institutions Act (22 U.S.C. 262c et seq.) is amended by inserting after section 1620 the following new section:

"SEC. 1621. OPPOSITION TO ASSISTANCE BY INTERNATIONAL FINANCIAL INSTITUTIONS TO TERRORIST STATES.

"(a) IN GENERAL.—The Secretary of the Treasury shall instruct the United States executive director of each international financial institution to vote against any loan or other use of the funds of the respective institution to or for a country for which the Secretary of State has made a determination under section 6(j) of the Export Administration Act of 1979 (50 U.S.C. App. 2405(j)) or section 620A of the Foreign Assistance Act of 1961 (22 U.S.C. 2371).

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

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

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

"(3) any similar institution established after the date of enactment of this section.".

SEC. 205. ANTITERRORISM ASSISTANCE.

(a) FOREIGN ASSISTANCE ACT.—Section 573 of the Foreign Assistance Act of 1961 (22 U.S.C. 2349aa-2) is amended—

(1) in subsection (c), by striking "development and implementation of the antiterrorism assistance program under this chapter, including";

(2) by amending subsection (d) to read as follows:

"(d)(1) Arms and ammunition may be provided under this chapter only if they are directly related to antiterrorism assistance.

"(2) The value (in terms of original acquisition cost) of all equipment and commodities provided under this chapter in any fiscal year shall not exceed 30 percent of the funds made available to carry out this chapter for that fiscal year."; and

(3) by striking subsection (f).

(b) ASSISTANCE TO FOREIGN COUNTRIES.—Notwithstanding any other provision of law (except section 620A of the Foreign Assistance Act of 1961) up to $1,000,000 in assistance may be provided to a foreign country for counterterrorism efforts in any fiscal year if—

(1) such assistance is provided for the purpose of protecting the property of the United States Government or the life and property of any United States citizen, or furthering the apprehension of any individual involved in any act of terrorism against such property or persons; and

(2) the appropriate committees of Congress are notified not later than 15 days prior to the provision of such assistance.

SEC. 206. JURISDICTION FOR LAWSUITS AGAINST TERRORIST STATES.

(a) EXCEPTION TO FOREIGN SOVEREIGN IMMUNITY FOR CERTAIN CASES.—Section 1605 of title 28, United States Code, is amended—

(1) in subsection (a)—

(A) by striking the period at the end of paragraph (6) and inserting "; or" and

(B) by adding at the end the following new paragraph:

"(7) not otherwise covered by paragraph (2) in which money damages are sought against a foreign government for personal injury or death that was caused by an act of torture, extrajudicial killing, aircraft sabotage, hostage taking, or the provision of material support or resources (as defined in section 2339A) for a person carrying out such an act, by a foreign state or by any official, employee, or agent of such foreign state while acting within the scope of his or her office, employment, or agency, except that—

"(A) the claimant must first afford the foreign state a reasonable opportunity to arbitrate the claim in accordance with accepted international rules of arbitration; and

"(B) an action under this paragraph shall not be maintained unless the act upon which the claim is based—

"(i) occurred while the individual bringing the claim was a national of the United States (as that term is defined in section 101(a)(2) of the Immigration and Nationality Act); and

"(ii) occurred while the foreign state was designated as a state sponsor of terrorism under section 6(j) of the Export Administration Act of 1979 (50 App. U.S.C. 2405(j)) or section 620A of the Foreign Assistance Act of 1961 (22 U.S.C. 2371).."; and

(2) by adding at the end the following new subsection:

"(e) For purposes of paragraph (7)—

"(1) the terms 'torture' and 'extrajudicial killing' have the meaning given those terms in section 3 of the Torture Victim Protection Act of 1991 (28 U.S.C. 350 note);

"(2) the term 'hostage taking' has the meaning given such term in Article 1 of the International Convention Against the Taking of Hostages; and

"(3) the term 'aircraft sabotage' has the meaning given such term in Article 1 of the Convention for the Suppression of Unlawful Acts Against the Safety of Civil Aviation.".

(b) EXCEPTION TO IMMUNITY FROM ATTACHMENT.—

(1) FOREIGN STATE.—Section 1610(a) of title 28, United States Code, is amended—

(A) by striking the period at the end of paragraph (6) and inserting ", or"; and

(B) by adding at the end the following new paragraph:

"(7) the judgment relates to a claim for which the foreign state is not immune under section 1605(a)(7), regardless of whether the property is or was involved with the act upon which the claim is based.".

(2) AGENCY OR INSTRUMENTALITY.—Section 1610(b)(2) of such title is amended—

(A) by striking "or (5)" and inserting "(5), or (7)"; and

(B) by striking "used for the activity" and inserting "involved in the act".

(c) APPLICABILITY.—The amendments made by this title shall apply to any cause of action arising before, on, or after the date of the enactment of this Act.

SEC. 207. REPORT ON SUPPORT FOR INTERNATIONAL TERRORISTS.

Not later than 60 days after the date of enactment of this Act, and annually thereafter in the report required by section 140 of the Foreign Relations Authorization Act, Fiscal Years 1988 and 1989 (22 U.S.C. 2656f), the Secretary of State shall submit a report to the Speaker of the House of Representatives and the Committee on Foreign Relations of the Senate that includes—

(1) a detailed assessment of international terrorist groups including their—

(A) size, leadership, and sources of financial and logistical support;

(B) goals, doctrine, and strategy;

(C) nature, scope, and location of human and technical infrastructure;

(D) level of education and training;

(E) bases of operation and recruitment;

(F) operational capabilities; and

(G) linkages with state and non-state actors such as ethnic groups, religious communities, or criminal organizations;

(2) a detailed assessment of any country that provided support of any type for international terrorism, terrorist groups, or individual terrorists, including countries that knowingly allowed terrorist groups or individuals to transit or reside in their territory, regardless of whether terrorist acts were committed on their territory by such individuals;

(3) a detailed assessment of individual country efforts to take effective action against countries named in section 6(j) of the Export Administration Act of 1979 (50 U.S.C. App. 2405(j)), including the status of compliance with international sanctions and the status of bilateral economic relations; and

(4) United States Government efforts to implement this title.

SEC. 208. DEFINITION OF ASSISTANCE.

For purposes of this title—

(1) the term "assistance" means assistance to or for the benefit of a government of any country that is provided by grant, concessional sale, guaranty, insurance, or by any other means on terms more favorable than generally available in the applicable market, whether in the form of a loan, lease, credit, debt relief, or otherwise, including subsidies for exports to such country and favorable tariff treatment of articles that are the growth, product, or manufacture of such country; and

(2) the term "assistance" does not include assistance of the type authorized under chapter 9 of part 1 of the Foreign Assistance Act of 1961 (relating to international disaster assistance).

SEC. 209. WAIVER AUTHORITY CONCERNING NOTICE OF DENIAL OF APPLICATION FOR VISAS.

Section 212(b) of the Immigration and Nationality Act (8 U.S.C. 1182(b)) is amended—

(1) by redesignating paragraphs (1) and (2) as subparagraphs (A) and (B), respectively;

(2) by striking "If" and inserting "(1) Subject to paragraph (2), if"; and

(3) by inserting at the end the following paragraph:

"(2) With respect to applications for visas, the Secretary of State may waive the application of paragraph (1) in the case of a particular alien or any class or classes of excludable aliens, except in cases of intent to immigrate.".

SEC. 210. MEMBERSHIP IN A TERRORIST ORGANIZATION AS A BASIS FOR EXCLUSION FROM THE UNITED STATES UNDER THE IMMIGRATION AND NATIONALITY ACT.

Section 212(a)(3)(B) of the Immigration and Nationality Act (8 U.S.C. 1182(a)(3)(B)) is amended—

(1) in clause (i)—

(A) by striking "or" at the end of subclause (I);

(B) by inserting "or" at the end of subclause (II); and

(C) by inserting after subclause (II) the following new subclause:

"(III) is a member of a terrorist organization or who actively supports or advocates terrorist activity,"; and

(2) by adding at the end the following new clause:

"(iv) TERRORIST ORGANIZATION DEFINED.—As used in this subparagraph, the term 'terrorist organization' means an organization that engages in, or has engaged in, terrorist activity as determined by the Secretary of State, after consultation with the Secretary of the Treasury.".

TITLE III—ALIEN REMOVAL

SEC. 301. ALIEN TERRORIST REMOVAL.

(a) TABLE OF CONTENTS.—The Immigration and Nationality Act is amended by adding at the end of the table of contents the following:

"TITLE V—ALIEN TERRORIST REMOVAL PROCEDURES

"501. Definitions.
"502. Applicability.
"503. Removal of alien terrorists.".

(b) ALIEN TERRORIST REMOVAL.—The Immigration and Nationality Act is amended by adding at the end the following new title:

"TITLE V—ALIEN TERRORIST REMOVAL PROCEDURES

"SEC. 501. DEFINITIONS.

"As used in this title—

"(1) the term 'alien terrorist' means any alien described in section 241(a)(4)(B);

"(2) the term 'classified information' has the same meaning as defined in section 1(a) of the Classified Information Procedures Act (18 U.S.C. App. IV);

"(3) the term 'national security' has the same meaning as defined in section 1(b) of the Classified Information Procedures Act (18 U.S.C. App. IV);

"(4) the term 'special court' means the court described in section 503(c); and

"(5) the term 'special removal hearing' means the hearing described in section 503(e).

"SEC. 502. APPLICABILITY.

"(a) IN GENERAL.—The provisions of this title may be followed in the discretion of the Attorney General whenever the Department of Justice has classified information that an alien described in section 241(a)(4)(B) is subject to deportation because of such section.

"(b) PROCEDURES.—Whenever an official of the Department of Justice files, under section 503(a), an application with the court established under section 503(c) for authorization to seek removal pursuant to this title, the alien's rights regarding removal and expulsion shall be governed solely by the provisions of this title, except as specifically provided.

"SEC. 503. REMOVAL OF ALIEN TERRORISTS.

"(a) APPLICATION FOR USE OF PROCEDURES.—This section shall apply whenever the Attorney General certifies under seal to the special court that—

"(1) the Attorney General or Deputy Attorney General has approved of the proceeding under this section;

"(2) an alien terrorist is physically present in the United States; and

"(3) removal of such alien terrorist by deportation proceedings described in sections 242, 242A, or 242B would pose a risk to the national security of the United States because such proceedings would disclose classified information.

"(b) CUSTODY AND RELEASE PENDING HEARING.—(1) The Attorney General may take into custody any alien with respect to whom a certification has been made under subsection (a), and notwithstanding any other provision of law, may retain such alien in custody in accordance with this subsection.

"(2)(A) An alien with respect to whom a certification has been made under subsection (a) shall be given a release hearing before the special court designated pursuant to subsection (c).

"(B) The judge shall grant the alien release, subject to such terms and conditions prescribed by the court (including the posting of any monetary amount), pending the special removal hearing if—

"(i) the alien is lawfully present in the United States;

"(ii) the alien demonstrates that the alien, if released, is not likely to flee; and

"(iii) the alien demonstrates that release of the alien will not endanger national security or the safety of any person or the community.

"(C) The judge may consider classified information submitted in camera and ex parte in making a determination whether to release an alien pending the special hearing.

"(c) SPECIAL COURT.—(1) The Chief Justice of the United States shall publicly designate not more than 5 judges from up to 5 United States judicial districts to hear and decide cases arising under this section, in a manner consistent with the designation of judges described in section 103(a) of the Foreign Intelligence Surveillance Act (50 U.S.C. 1803(a)).

"(2) The Chief Justice may, in the Chief Justice's discretion, designate the same judges under this section as are designated pursuant to section 103(a) of the Foreign Intelligence Surveillance Act of 1978 (50 U.S.C. 1803(a)).

"(d) INVOCATION OF SPECIAL COURT PROCEDURE.—(1) When the Attorney General makes the application described in subsection (a), a single judge of the special court shall consider the application in camera and ex parte.

"(2) The judge shall invoke the procedures of subsection (e) if the judge determines that there is probable cause to believe that—

"(A) the alien who is the subject of the application has been correctly identified and is an alien as described in section 241(a)(4)(B); and

"(B) a deportation proceeding described in section 242, 242A, or 242B would pose a risk to the national security of the United States because such proceedings would disclose classified information.

"(e) SPECIAL REMOVAL HEARING.—(1) Except as provided in paragraph (5), the special removal hearing authorized by a showing of probable cause described in subsection (d)(2) shall be open to the public.

"(2) The alien shall have a reasonable opportunity to be present at such hearing and to be represented by counsel. Any alien financially unable to obtain counsel shall be entitled to have counsel assigned to represent such alien. Counsel may be appointed as described in section 3006A of title 18, United States Code.

"(3) The alien shall have a reasonable opportunity to introduce evidence on his own behalf, and except as provided in paragraph (5), shall have a reasonable opportunity to cross-examine any witness or request that the judge issue a subpoena for the presence of a named witness.

"(4)(A) An alien subject to removal under this section shall have no right—

"(i) of discovery of information derived from electronic surveillance authorized under the Foreign Intelligence Surveillance Act of 1978 (50 U.S.C. 801 et seq.) or otherwise for national security purposes if disclosure would present a risk to the national security; or

"(ii) to seek the suppression of evidence that the alien alleges was unlawfully obtained, except on grounds of credibility or relevance.

"(B) The Government is authorized to use, in the removal proceedings, the fruits of electronic surveillance and unconsented physical searches authorized under the Foreign Intelligence Surveillance Act of 1978 (50 U.S.C. 801 et seq.) without regard to subsections 106 (c), (e), (f), (g), and (h) of such Act.

"(C) Section 3504 of title 18, United States Code, shall not apply to procedures under this section if the Attorney General determines that public disclosure would pose a

risk to the national security of the United States because it would disclose classified information.

"(5) The judge shall authorize the introduction in camera and ex parte of any item of evidence for which the Attorney General determines that public disclosure would pose a risk to the national security of the United States because it would disclose classified information. With respect to such evidence, the Attorney General shall submit to the court an unclassified summary of the specific evidence prepared in accordance with paragraph (6).

"(6)(A) The information submitted under paragraph (5)(B) shall contain an unclassified summary of the classified information that does not pose a risk to national security.

"(B) The judge shall approve the summary if the judge finds that it is sufficient to inform the alien of the nature of the evidence that such person is an alien as described in section 241(a), and to permit the alien to prepare a defense.

"(C) The Attorney General shall cause to be delivered to the alien a copy of the unclassified summary approved under subparagraph (B).

"(D) If the written unclassified summary is not approved by the court, the Department of Justice shall be afforded reasonable opportunity to correct the deficiencies identified by the court and submit a revised unclassified summary.

"(E) If the revised unclassified summary is not approved by the court, the special removal hearing shall be terminated unless the court, after reviewing the classified information in camera and ex parte finds, by clear and convincing evidence, that—

"(i) the alien's continued presence in the United States—

"(I) would cause serious and irreparable harm to the national security; or

"(II) would likely cause imminent death or serious bodily injury to any person; and

"(ii) provision of the required unclassified summary—

"(I) would cause serious and irreparable harm to the national security; or

"(II) would likely cause imminent death or serious bodily injury to any person.

"(F) If such finding is issued, the special removal hearing shall continue. The Department of Justice shall cause to be delivered to the alien a statement declaring that no unclassified summary is possible. The alien may take an interlocutory appeal of a determination to proceed under this paragraph.

"(G) In no event may the court order the disclosure of the unclassified summary or the classified information.

"(H) If no unclassified summary pursuant to subparagraph (E) is possible, the Attorney General shall—

"(i) identify the facts that the specific evidence would tend to prove; and

"(ii) provide the alien with notice that no unclassified summary is possible and that states that the alien's continued presence in the United States poses a serious threat to national security or imminent death or bodily injury to any person.

"(I)(i) The Department of Justice may take an interlocutory appeal to the United States Court of Appeals for the District of Columbia Circuit of—

"(I) any determination by the judge pursuant to subparagraph (B) concerning whether an item of evidence may be introduced in camera and ex parte;

"(II) any determination by the judge concerning the contents of any summary of evidence to be introduced in camera and ex parte prepared pursuant to subparagraph (D); or

"(III) the refusal of the court to make the finding permitted by subparagraph (D).

"(ii) In an interlocutory appeal taken under this paragraph, the entire record, including any proposed order of the judge or summary of evidence, shall be transmitted to the Court of Appeals under seal, and the matter shall be heard ex parte. The Court of Appeals shall consider the appeal as expeditiously as possible.

"(f) DETERMINATION OF DEPORTATION.—The judge shall, considering the evidence on the record as a whole (in camera and otherwise), require that the alien be deported if the Attorney General proves, by clear and convincing evidence, that the alien is subject to deportation because such alien is an alien as described in section 241(a)(4)(B). If the judge finds that the Department of Justice has met this burden, the judge shall order the alien removed and, if the alien was released pending the special removal proceeding, order the Attorney General to take the alien into custody.

"(g) APPEALS.—(1) The alien may appeal a final determination under subsection (f) to the United States Court of Appeals for the District of Columbia Circuit, by filing a notice of appeal with such court not later than 30 days after the determination is made. An appeal under this section shall be heard by the Court of Appeals sitting en banc.

"(2) The Attorney General may appeal a determination under subsection (d), (e), or (f) to the Court of Appeals for the District of Columbia Circuit, by filing a notice of appeal with such court not later than 20 days after the determination is made under any one of such subsections.

"(3) If the Department of Justice does not seek review, the alien shall be released from custody, unless such alien may be arrested and taken into custody pursuant to title II as an alien subject to deportation, in which case such alien shall be treated in accordance with the provisions of this Act concerning the deportation of aliens.

"(4) If the application for the order is denied because the judge has not found probable cause to believe that the alien who is the subject of the application has been correctly identified or is an alien as described in paragraph 4(B) of section 241(a), and the Department of Justice seeks review, the alien shall be released from custody unless such alien may be arrested and taken into custody pursuant to title II as an alien subject to deportation, in which case such alien shall be treated in accordance with the provisions of this Act concerning the deportation of aliens simultaneously with the application of this title.

"(5)(A) If the application for the order is denied based on a finding that no probable cause exists to find that adherence to the provisions of title II regarding the deportation of the identified alien would pose a risk of irreparable harm to the national security of the United States, or death or serious bodily injury to any person, the judge shall release the alien from custody subject to the least restrictive condition or combination of conditions of release described in section 3142(b) and (c)(1)(B) (i) through (xiv) of title 18, United States Code, that will reasonably ensure the appearance of the alien at any future proceeding pursuant to this title and will not endanger the safety of any other person or the Community.

"(B) The alien shall remain in custody if the court fails to make a finding under subparagraph (A), until the completion of any appeal authorized by this title. Sections 3145 through 3148 of title 18, United States Code, pertaining to review and appeal of a release or detention order, penalties for failure to appear, penalties for an offense committed while on release, and sanctions for violation of a release condition, shall apply to an alien to whom the previous sentence applies and—

"(i) for purposes of section 3145 of such title, an appeal shall be taken to the United States Court of Appeals for the District of Columbia Circuit; and

"(ii) for purposes of section 3146 of such title the alien shall be considered released in connection with a charge of an offense punishable by life imprisonment.

"(6) When requested by the Attorney General, the entire record of the proceeding under this section shall be transmitted to the court of appeals or the Supreme Court under seal. The court of appeals or Supreme Court may consider such appeal in camera.".

SEC. 302. EXTRADITION OF ALIENS.

(a) SCOPE.—Section 3181 of title 18, United States Code, is amended—

(1) by inserting "(a)" before "The provisions of this chapter"; and

(2) by adding at the end the following new subsections:

"(b) The provisions of this chapter shall be construed to permit, in the exercise of comity, the surrender of persons, other than citizens, nationals, or permanent residents of the United States, who have committed crimes of violence against nationals of the United States in foreign countries without regard to the existence of any treaty of extradition with such foreign government if the Attorney General certifies, in writing, that—

"(1) evidence has been presented by the foreign government that indicates that had the offenses been committed in the United States, they would constitute crimes of violence as defined under section 16 of this title; and

"(2) the offenses charged are not of a political nature.

"(c) As used in this section, the term 'national of the United States' has the meaning given such term in section 101(a)(22) of the Immigration and Nationality Act (8 U.S.C. 1101(a)(22)).".

(b) FUGITIVES.—Section 3184 of title 18, United States Code, is amended—

(1) in the first sentence by inserting after "United States and any foreign government," the following: "or in cases arising under section 3181(b),";

(2) in the first sentence by inserting after "treaty or convention," the following: "or provided for under section 3181(b),"; and

(3) in the third sentence by inserting after "treaty or convention," the following: "or under section 3181(b),".

SEC. 303. CHANGES TO THE IMMIGRATION AND NATIONALITY ACT TO FACILITATE REMOVAL OF ALIEN TERRORISTS.

(a) TERRORISM ACTIVITIES.—Section 212(a)(3)(B) of the Immigration and Nationality Act (8 U.S.C. 1182(a)(3)(B)) is amended to read as follows:

"(B) TERRORISM ACTIVITIES.—

"(i) IN GENERAL.—Any alien who—

"(I) has engaged in a terrorism activity, or

"(II) a consular officer or the Attorney General knows, or has reason to believe, is likely to engage after entry in any terrorism activity (as defined in clause (iii)),

is excludable. An alien who is an officer, official, representative, or spokesman of any terrorist organization designated as a terrorist organization by proclamation by the

President after finding such organization to be detrimental to the interest of the United States, or any person who directs, counsels, commands, or induces such organization or its members to engage in terrorism activity, shall be considered, for purposes of this Act, to be engaged in terrorism activity.

"(ii) TERRORISM ACTIVITY DEFINED.—As used in this Act, the term 'terrorism activity' means any activity that is unlawful under the laws of the place where it is committed (or which, if it had been committed in the United States, would be unlawful under the laws of the United States or any State), and that involves any of the following:

"(I) The hijacking or sabotage of any conveyance (including an aircraft, vessel, or vehicle).

"(II) The seizing or detaining, and threatening to kill, injure, or continue to detain, another individual to compel a third person (including a governmental organization) to do or abstain from doing any act as an explicit or implicit condition for the release of the individual seized or detained.

"(III) A violent attack upon an internationally protected person (as defined in section 1116(b)(4) of title 18, United States Code) or upon the liberty of such a person.

"(IV) An assassination.

"(V) The use of any—

"(aa) biological agent, chemical agent, or nuclear weapon or device, or

"(bb) explosive, firearm, or other weapon (other than for mere personal monetary gain),

with intent to endanger, directly, or indirectly, the safety of one or more individuals or to cause substantial damage to property.

"(VI) A threat, attempt, or conspiracy to do any of the foregoing.

"(iii) ENGAGE IN TERRORISM ACTIVITY DEFINED.—As used in this Act, the term 'engage in terrorism activity' means to commit, in an individual capacity or as a member of an organization, an act of terrorism activity, or an act that the actor knows affords material support to any individual, organization, or government that the actor knows plans to commit terrorism activity, including any of the following acts:

"(I) The preparation or planning of terrorism activity.

"(II) The gathering of information on potential targets for terrorism activity.

"(III) The providing of any type of material support, including a safe house, transportation, communications, funds, false documentation or identification, weapons, explosives, or training.

"(IV) The soliciting of funds or other things of value for terrorism activity or for any terrorist organization.

"(V) The solicitation of any individual for membership in a terrorist organization, terrorist government, or to engage in a terrorism activity.

"(iv) TERRORIST ORGANIZATION DEFINED.—As used in this Act, the term 'terrorist organization' means—

"(I) an organization engaged in, or that has a significant subgroup that engages in, terrorism activity, regardless of any legitimate activities conducted by the organization or its subgroups; and

"(II) an organization designated by the Secretary of State under section 2339B of title 18.".

(b) DEPORTABLE ALIENS.—Section 241(a)(4)(B) of the Immigration and Nationality Act (8 U.S.C. 1251(a)(4)(B)) is amended to read as follows:

"(B) TERRORISM ACTIVITIES.—Any alien who is engaged, or at any time after entry engages in, any terrorism activity (as defined in section 212(a)(3)(B)) is deportable.".

(c) BURDEN OF PROOF.—Section 291 of the Immigration and Nationality Act (8 U.S.C. 1361) is amended by inserting after "custody of the Service." the following new sentence: "The limited production authorized by this provision shall not extend to the records of any other agency or department of the Government or to any documents that do not pertain to the respondent's entry.".

(d) APPREHENSION AND DEPORTATION OF ALIENS.—Section 242(b) of the Immigration and Nationality Act (8 U.S.C. 1252(b)(3)) is amended by inserting immediately after paragraph (4) the following: "For purposes of paragraph (3), in the case of an alien who is not lawfully admitted for permanent residence and notwithstanding the provisions of any other law, reasonable opportunity shall not include access to classified information, whether or not introduced in evidence against the alien. Section 3504 of title 18, United States Code, and 18 U.S.C. 3504 and the Foreign Intelligence Surveillance Act of 1978 (50 U.S.C. 1801 et seq.) shall not apply in such cases.".

(e) CRIMINAL ALIEN REMOVAL.—

(1) JUDICIAL REVIEW.—Section 106 of the Immigration and Nationality Act (8 U.S.C. 1105a(a)(10)) is amended to read as follows:

"(10) Notwithstanding any other provision of law, any final order of deportation against an alien who is deportable by reason of having committed a criminal offense covered in section 241(a)(2) (A)(iii), (B), (C), or (D), or any offense covered by section 241(a)(2)(A)(ii) for which both predicate offenses are covered by section 241(a)(2)(A)(i), shall not be subject to review by any court.".

(2) FINAL ORDER OF DEPORTATION DEFINED.—Section 101(a) of such Act (8 U.S.C. 1101(a)) is amended by adding at the end the following new paragraph:

"(47)(A) The term 'order of deportation' means the order of the special inquiry officer, or other such administrative officer to whom the Attorney General has delegated the responsibility for determining whether an alien is deportable, concluding that the alien is deportable or ordering deportation.

"(B) The order described under subparagraph (A) shall become final upon the earlier of—

"(i) a determination by the Board of Immigration Appeals affirming such order; or

"(ii) the expiration of the period in which the alien is permitted to seek review of such order by the Board of Immigration Appeals.".

(3) ARREST AND CUSTODY.—Section 242(a)(2) of such Act is amended—

(A) in subparagraph (A)—

(i) by striking "(2)(A) The Attorney" and inserting "(2) The Attorney";

(ii) by striking "an aggravated felony upon" and all that follows through "of the same offense)" and inserting "any criminal offense covered in section 241(a)(2) (A)(iii), (B), (C), or (D), or any offense covered by section 241(a)(2)(A)(ii) for which both predicate offenses are covered by section 241(a)(2)(A)(i), upon release of the alien from incarceration, shall deport the alien as expeditiously as possible"; and

(iii) by striking "but subject to subparagraph (B)"; and

(B) by striking subparagraph (B).

(4) CLASSES OF EXCLUDABLE ALIENS.—Section 212(c) of such Act (8 U.S.C. 1182(c)) is amended—

(A) by striking "The first sentence of this" and inserting "This"; and

(B) by striking "has been convicted of one or more aggravated felonies" and all that follows through the end and inserting "is deportable by reason of having committed any criminal offense covered in section 241(a)(2) (A)(iii), (B), (C), or (D), or any offense covered by section 241(a)(2)(A)(ii) for which both predicate offenses are covered by section 241(a)(2)(A)(i).".

(5) AGGRAVATED FELONY DEFINED.—Section 101(a)(43) of such Act is amended—

(A) in subparagraph (F)—

(i) by inserting ", including forcible rape," after "offense)"; and

(ii) by striking "5 years" and inserting "1 year"; and

(B) in subparagraph (G) by striking "5 years" and inserting "1 year".

(6) DEPORTATION OF CRIMINAL ALIENS.—Section 242A(a) of such Act (8 U.S.C. 1252(a)) is amended—

(A) in paragraph (1)—

(i) by striking "aggravated felonies (as defined in section 101(a)(43))" and inserting "any criminal offense covered in section 241(a)(2) (A)(iii), (B), (C), or (D), or any offense covered by section 241(a)(2)(A)(ii) for which both predicate offenses are covered by section 241(a)(2)(A)(i)."; and

(ii) by striking ", where warranted,";

(B) in paragraph (2), by striking "aggravated felony" and all that follows through "before any scheduled hearings." and inserting "any criminal offense covered in section 241(a)(2) (A)(iii), (B), (C), or (D), or any offense covered by section 241(a)(2)(A)(ii) for which both predicate offenses are covered by section 241(a)(2)(A)(i).".

(7) DEADLINES FOR DEPORTING ALIEN.—Section 242(c) of such Act (8 U.S.C. 1252(c)) is amended—

(A) by striking "(c) When a final order" and inserting "(c)(1) Subject to paragraph (2), when a final order"; and

(B) by inserting at the end the following new paragraph:

"(2) When a final order of deportation under administrative process is made against any alien who is deportable by reason of having committed a criminal offense covered in section 241(a)(2) (A)(iii), (B), (C), or (D) or any offense covered by section 241(a)(2)(A)(ii) for which both predicate offenses are covered by section 241(a)(2)(A)(i), the Attorney General shall have 30 days from the date of the order within which to effect the alien's departure from the United States. The Attorney General shall have sole and unreviewable discretion to waive the foregoing provision for aliens who are cooperating with law enforcement authorities or for purposes of national security.".

(f) EFFECTIVE DATE.—The amendments made by this section shall take effect on the date of enactment of this Act and shall apply to cases pending before, on, or after such date of enactment.

SEC. 304. ACCESS TO CERTAIN CONFIDENTIAL IMMIGRATION AND NATURALIZATION FILES THROUGH COURT ORDER.

(a) CONFIDENTIALITY OF INFORMATION.—Section 245A(c)(5) of the Immigration and Nationality Act (8 U.S.C. 1255a(c)(5)) is amended—

(1) by inserting "(i)" after "except the Attorney General"; and

(2) by inserting after "Title 13" the following: "and (ii) may authorize an application to a Federal court of competent jurisdiction for, and a judge of such court may grant, an order authorizing disclosure of information contained in the application of the alien to be used—

"(I) for identification of the alien when there is reason to believe that the alien has been killed or severely incapacitated; or

"(II) for criminal law enforcement purposes against the alien whose application is to be disclosed.".

(b) APPLICATIONS FOR ADJUSTMENT OF STATUS.—Section 210(b) of the Immigration and Nationality Act (8 U.S.C. 1160(b)) is amended—

(1) in paragraph (5), by inserting ", except as allowed by a court order issued pursuant to paragraph (6) of this subsection" after "consent of the alien"; and

(2) in paragraph (6), by inserting the following sentence before "Anyone who uses": "Notwithstanding the preceding sentence, the Attorney General may authorize an application to a Federal court of competent jurisdiction for, and a judge of such court may grant an order authorizing, disclosure of information contained in the application of the alien to be used for identification of the alien when there is reason to believe that the alien has been killed or severely incapacitated, or for criminal law enforcement purposes against the alien whose application is to be disclosed or to discover information leading to the location or identity of the alien.".

TITLE IV—CONTROL OF FUNDRAISING FOR TERRORISM ACTIVITIES

SEC. 401. PROHIBITION ON TERRORIST FUNDRAISING.

(a) IN GENERAL.—Chapter 113B of title 18, United States Code, is amended by adding at the end the following new section:

"§ 2339B. Fundraising for terrorist organizations

"(a) FINDINGS AND PURPOSE.—

"(1) The Congress finds that—

"(A) terrorism is a serious and deadly problem which threatens the interests of the United States overseas and within our territory;

"(B) the Nation's security interests are gravely affected by the terrorist attacks carried out overseas against United States Government facilities and officials, and against American citizens present in foreign countries;

"(C) United States foreign policy and economic interests are profoundly affected by terrorist acts overseas directed against foreign governments and their people;

"(D) international cooperation is required for an effective response to terrorism, as demonstrated by the numerous multilateral conventions in force providing universal prosecutive jurisdiction over persons involved in a variety of terrorist acts, including hostage taking, murder of an internationally protected person, and aircraft piracy and sabotage;

"(E) some foreign terrorist organizations, acting through affiliated groups or individuals, raise significant funds within the United States or use the United States as a conduit for the receipt of funds raised in other nations; and

"(F) the provision of funds to organizations that engage in terrorism serves to facilitate their terrorist endeavors, regardless of whether the funds, in whole or in part, are intended or claimed to be used for nonviolent purposes.

"(2) The purpose of this section is to provide the Federal Government the fullest possible basis, consistent with the Constitution, to prevent persons within the United States or subject to the jurisdiction of the United States from providing funds, directly or indirectly, to foreign organizations, including subordinate or affiliated persons, that engage in terrorism activities.

"(b) DESIGNATION.—

"(1) The Secretary of State, after consultation with the Secretary of the Treasury, is authorized to designate under this section any foreign organization based on finding that—

"(A) the organization engages in terrorism activity as defined in section 212(a)(3)(B) of the Immigration and Nationality Act (8 U.S.C. 1182(a)(3)(B)); and

"(B) the organization's terrorism activities threaten the security of United States citizens, national security, foreign policy, or the economy of the United States.

"(2) Not later than 7 days after making a designation under paragraph (1), the Secretary of State shall prepare and transmit to Congress a report containing a list of the designated organizations and a summary of the facts underlying the designation. The designation shall take effect 60 days after the date on which the Secretary of State submits the report, unless otherwise provided by law.

"(3) A designation or redesignation under this subsection shall be in effect for 1 year following its effective date, unless revoked under paragraph (4).

"(4)(A) If the Secretary of State, after consultation with the Secretary of the Treasury, finds that the conditions that were the basis for any designation issued under this subsection have changed in such a manner as to warrant revocation of such designation, or that the national security, foreign relations, or economic interests of the United States so warrant, the Secretary of State may revoke such designation in whole or in part.

"(B) Not later than 7 calendar days after the Secretary of State finds that an organization no longer engages in, or supports, terrorism activity, the Secretary of State shall prepare and transmit to Congress a supplemental report stating the reasons for the finding.

"(5) Any designation, or revocation of a designation, issued under this subsection shall be published in the Federal Register not later than 7 calendar days after the Secretary of State makes the designation.

"(6) Not later than 7 calendar days after making a designation under this subsection, the Secretary of State shall give the organization actual notice of—

"(A) the designation;

"(B) the consequences of the designation for the organization's ability to raise funds in the United States; and

"(C) the availability of judicial review.

"(7) Any revocation or lapsing of a designation shall not affect any action or proceeding based on any conduct committed prior to the effective date of such revocation or lapsing.

"(8) Classified information may be used in making a designation under this subsection. Such information shall not be disclosed to the public or to any party, but may be disclosed to a court ex parte and in camera.

"(9) No question concerning the validity of the issuance of a designation issued under this subsection may be raised by a defendant in a criminal prosecution as a defense in or as an objection to any trial or hearing if such designation was issued and published in the Federal Register.

"(c) JUDICIAL REVIEW.—

"(1) Organizations designated by the Secretary of State as engaging in, or supporting, terrorism activities under this section may seek review of the designation in the District Court for the District of Columbia not later than 60 days after publication of such designation in the Federal Register.

"(2) In reviewing a designation under this subsection, the court shall receive relevant oral or documentary evidence, unless the court finds that the probative value is substantially outweighed by the danger of unfair prejudice, confusion of the issues, or considerations of undue delay, waste of time, or needless presentation of cumulative evidence, or unless its introduction or consideration is prohibited by a common law privilege or by the Constitution or laws of the United States. A party shall be entitled to present its case or defense by oral or documentary evidence, to submit rebuttal evidence, and to conduct such cross-examination as may be required for a full and true disclosure of the facts.

"(3) The judge shall authorize the introduction in camera and ex parte of any item of evidence containing classified information for which the Attorney General determines that public disclosure would pose a risk to the national security of the United States. With respect to such evidence, the Attorney General shall submit to the court either—

"(A) a statement identifying relevant facts that the specific evidence would tend to prove; or

"(B) an unclassified summary of the specific evidence prepared in accordance with paragraph (5).

"(4)(A)(i) The Secretary of State shall have the burden of demonstrating that there are specific and articulable facts giving reason to believe that the organization engages in or supports terrorism activity (as that term is defined in section 212(a)(3)(B)).

"(ii) The organization shall have the burden of proving that its purpose is to engage in religious, charitable, literary, educational, or nonterrorism activities and that it engages in such activities.

"(iii) The Secretary shall have the burden of proving that the control group of the organization has actual knowledge that the organization or its resources are being used for terrorism activities.

"(iv) If any portion of the Secretary's evidence consists of classified information that cannot be revealed to the organization for national security reasons, the Secretary must prove these elements by clear and convincing evidence.

"(B) If the court finds, under the standards stated in subparagraph (A) that the control group of the organization has actual knowledge that the organization or its resources are being used for terrorism activities, the court shall affirm the designation of the Secretary.

"(C)(i) If the court finds by a preponderance of the evidence that the organization or its resources have been used for terrorism activities without the knowledge of the control group, but that the control group is now aware of these facts, the court may condition revocation of the designation on the control group's undertaking or completing all steps within its power to prevent the organization or its resources from being used for terrorism activities. Such steps may include—

"(I) maintaining financial records adequate to document the use of the organization's resources; and

"(II) making records available to the Secretary for inspection.

"(ii) If a designation is revoked under subsection (B)(4) and the organization fails to comply with any condition imposed, the designation may be reinstated by the Secretary of State upon a showing that the organization failed to comply with the condition.

"(5)(A) The information submitted under paragraph (3)(B) shall contain an unclassified summary of the classified information

that does not pose a risk to national security.

"(B) The judge shall approve the unclassified summary if the judge finds that the summary is sufficient to inform the organization of the activities described in section 212(a)(3)(B) in which the organization is alleged to engage, and to permit the organization to defend against the designation.

"(C) The Attorney General shall cause to be delivered to the organization a copy of the unclassified summary approved under subparagraph (B).

"(6) The court shall decide the case on the basis of the evidence on the record as a whole, in camera or otherwise.

"(d) PROHIBITED ACTIVITIES.—It shall be unlawful for any person within the United States, or any person subject to the jurisdiction of the United States anywhere, to directly or indirectly, raise, receive, or collect on behalf of, or furnish, give, transmit, transfer, or provide funds to or for an organization or person designated by the Secretary of State under subsection (b), or to attempt to do any of the foregoing.

"(e) SPECIAL REQUIREMENTS FOR FINANCIAL INSTITUTIONS.—

"(1) Except as authorized by the Secretary of State, after consultation with the Secretary of the Treasury, by means of directives, regulations, or licenses, any financial institution that becomes aware that it has possession of or control over any funds in which an organization or person designated under subsection (b) has an interest, shall—

"(A) retain possession of or maintain control over such funds; and

"(B) report to the Secretary the existence of such funds in accordance with the regulations prescribed by the Secretary.

"(2) Any financial institution that knowingly fails to report to the Secretary the existence of such funds shall be subject to a civil penalty of $250 per day for each day that it fails to report to the Secretary—

"(A) in the case of funds being possessed or controlled at the time of the designation of the organization or person, within 10 days after the designation; and

"(B) in the case of funds whose possession of or control over arose after the designation of the organization or person, within 10 days after the financial institution obtained possession of or control over the funds.

"(f) INVESTIGATIONS.—Any investigation emanating from a possible violation of this section shall be conducted by the Attorney General, except that investigations relating to—

"(1) a financial institution's compliance with the requirements of subsection (e); and

"(2) civil penalty proceedings authorized pursuant to subsection (g)(2),

shall be conducted in coordination with the Attorney General by the office within the Department of the Treasury responsible for civil penalty proceedings authorized by this section. Any evidence of a criminal violation of this section arising in the course of an investigation by the Secretary or any other Federal agency shall be referred immediately to the Attorney General for further investigation. The Attorney General shall timely notify the Secretary of any action taken on referrals from the Secretary, and may refer investigations to the Secretary for remedial licensing or civil penalty action.

"(g) PENALTIES.—

"(1) Any person who, with knowledge that the donee is a designated entity, violates subsection (d) shall be fined under this title, or imprisoned for up to ten years, or both.

"(2) Any financial institution that knowingly fails to comply with subsection (e), or by regulations promulgated thereunder, shall be subject to a civil penalty of $50,000 per violation, or twice the amount of money of which the financial institution was required to retain possession or control, whichever is greater.

"(h) INJUNCTION.—

"(1) Whenever it appears to the Secretary or the Attorney General that any person is engaged in, or is about to engage in, any act which constitutes, or would constitute, a violation of this section, the Attorney General may initiate civil action in a district court of the United States to enjoin such violation.

"(2) A proceeding under this subsection is governed by the Federal Rules of Civil Procedure, except that, if an indictment has been returned against the respondent, discovery is governed by the Federal Rules of Criminal Procedure.

"(i) EXTRATERRITORIAL JURISDICTION.—There is extraterritorial Federal jurisdiction over an offense under this section.

"(j) CLASSIFIED INFORMATION IN CIVIL PROCEEDINGS BROUGHT BY THE UNITED STATES.—

"(1) DISCOVERY OF CLASSIFIED INFORMATION BY DEFENDANTS.—A court, upon a sufficient showing, may authorize the United States to delete specified items of classified information from documents to be introduced into evidence or made available to the defendant through discovery under the Federal Rules of Civil Procedure, to substitute an unclassified summary of the information for such classified documents, or to substitute a statement admitting relevant facts that the classified information would tend to prove. The court shall permit the United States to make a request for such authorization in the form of a written statement to be inspected by the court alone. If the court enters an order granting relief following such an ex parte showing, the entire text of the statement of the United States shall be sealed and preserved in the records of the court to be made available to the appellate court in the event of an appeal. If the court enters an order denying relief to the United States under this paragraph, the United States may take an immediate, interlocutory appeal in accordance with the provisions of paragraph (3). For purposes of such an appeal, the entire text of the underlying written statement of the United States, together with any transcripts of arguments made ex parte to the court in connection therewith, shall be maintained under seal and delivered to the appellate court.

"(2) INTRODUCTION OF CLASSIFIED INFORMATION; PRECAUTIONS BY COURT.—

"(A) EXHIBITS.—The United States, to prevent unnecessary or inadvertent disclosure of classified information in a civil trial or other proceeding brought by the United States under this section, may petition the court ex parte to admit, in lieu of classified writings, recordings or photographs, one or more of the following:

"(i) copies of those items from which classified information has been deleted;

"(ii) stipulations admitting relevant facts that specific classified information would tend to prove; or

"(iii) an unclassified summary of the specific classified information.

The court shall grant such a motion of the United States if the court finds that the redacted item, stipulation, or unclassified summary will provide the defendant with substantially the same ability to make his defense as would disclosure of the specific classified information.

"(B) TAKING OF TRIAL TESTIMONY.—During the examination of a witness in any civil proceeding brought by the United States under this section, the United States may object to any question or line of inquiry that may require the witness to disclose classified information not previously found to be admissible. Following such an objection, the court shall take suitable action to determine whether the response is admissible and, in doing so, shall take precautions to guard against the compromise of any classified information. Such action may include permitting the United States to provide the court, ex parte, with a proffer of the witness's response to the question or line of inquiry, and requiring the defendant to provide the court with a proffer of the nature of the information the defendant seeks to elicit.

"(C) APPEAL.—If the court enters an order denying relief to the United States under this subsection, the United States may take an immediate interlocutory appeal in accordance with paragraph (3).

"(3) INTERLOCUTORY APPEAL.—

"(A) An interlocutory appeal by the United States shall lie to a court of appeals from a decision or order of a district court—

"(i) authorizing the disclosure of classified information;

"(ii) imposing sanctions for nondisclosure of classified information; or

"(iii) refusing a protective order sought by the United States to prevent the disclosure of classified information.

"(B) An appeal taken pursuant to this paragraph either before or during trial shall be expedited by the court of appeals. Prior to trial, an appeal shall be taken not later than 10 days after the decision or order appealed from, and the trial shall not commence until the appeal is resolved. If an appeal is taken during trial, the trial court shall adjourn the trial until the appeal is resolved. The court of appeals—

"(i) shall hear argument on such appeal not later than 4 days after the adjournment of the trial;

"(ii) may dispense with written briefs other than the supporting materials previously submitted to the trial court;

"(iii) shall render its decision not later than 4 days after argument on appeal; and

"(iv) may dispense with the issuance of a written opinion in rendering its decision.

"(C) An interlocutory appeal and decision under this paragraph shall not affect the right of the defendant, in a subsequent appeal from a final judgment, to claim as error, reversal by the trial court on remand of a ruling appealed from during trial.

"(4) CONSTRUCTION.—Nothing in this subsection shall prevent the United States from seeking protective orders or asserting privileges ordinarily available to the United States to protect against the disclosure of classified information, including the invocation of the military and State secrets privilege.

"(k) DEFINITIONS.—As used in this section—

"(1) the term 'classified information' means any information or material that has been determined by the United States Government pursuant to an Executive order, statute, or regulation, to require protection against unauthorized disclosure for reasons of national security and any restricted data, as defined in paragraph (r) of section 11 of the Atomic Energy Act of 1954 (42 U.S.C. 2014(y));

"(2)(A) the term 'control group' means the officers or agents charged with directing the affairs of the organization;

"(B) if a single officer or agent is authorized to conduct the affairs of the organization, the knowledge of the officer or agent

that the organization or its resources are being used for terrorism activities shall constitute knowledge of the control group;

"(C) if a single officer or agent is a member of a group empowered to conduct the affairs of the organization but cannot conduct the affairs of the organization on his or her own authority, that person's knowledge shall not constitute knowledge by the control group unless that person's knowledge is shared by a sufficient number of members of the group so that the group with knowledge has the authority to conduct the affairs of the organization;

"(3) the term 'financial institution' has the meaning prescribed in section 5312(a)(2) of title 31, United States Code, including any regulations promulgated thereunder;

"(4) the term 'funds' includes coin or currency of the United States or any other country, traveler's checks, personal checks, bank checks, money orders, stocks, bonds, debentures, drafts, letters of credit, any other negotiable instrument, and any electronic representation of any of the foregoing;

"(5) the term 'national security' means the national defense and foreign relations of the United States;

"(6) the term 'person' includes an individual, partnership, association, group, corporation, or other organization;

"(7) the term 'Secretary' means the Secretary of the Treasury; and

"(8) the term 'United States', when used in a geographical sense, includes all commonwealths, territories, and possessions of the United States.".

(b) TECHNICAL AMENDMENT.—The analysis for chapter 113B of title 18, United States Code, is amended by adding at the end the following new item:

"2339B. Fundraising for terrorist organizations.".

(c) CLASSIFIED INFORMATION IN CIVIL PROCEEDINGS.—Section 2339B(k) of title 18, United States Code (relating to classified information in civil proceedings brought by the United States), shall also be applicable to civil proceedings brought by the United States under the International Emergency Economic Powers Act (50 U.S.C. 1701 et seq.).

SEC. 402. CORRECTION TO MATERIAL SUPPORT PROVISION.

Section 2339A of title 18, United States Code, is amended to read as follows:

"§ 2339A. Providing material support to terrorists

"(a) DEFINITION.—In this section, 'material support or resources' means currency or other financial securities, financial services, lodging, training, safehouses, false documentation or identification, communications equipment, facilities, weapons, lethal substances, explosives, personnel, transportation, and other physical assets, but does not include humanitarian assistance to persons not directly involved in such violations.

"(b) OFFENSE.—A person who, within the United States, provides material support or resources or conceals or disguises the nature, location, source, or ownership of material support or resources, knowing or intending that they are to be used in preparation for, or in carrying out, a violation of section 32, 37, 351, 844(f) or (i), 956, 1114, 1116, 1203, 1361, 1363, 1751, 2280, 2281, 2332, or 2332a of this title or section 46502 of title 49, or in preparation for or carrying out the concealment or an escape from the commission of any such violation, shall be fined under this title, imprisoned not more than 10 years, or both.".

TITLE V—ASSISTANCE TO FEDERAL LAW ENFORCEMENT AGENCIES

Subtitle A—Antiterrorism Assistance

SEC. 501. DISCLOSURE OF CERTAIN CONSUMER REPORTS TO THE FEDERAL BUREAU OF INVESTIGATION FOR FOREIGN COUNTERINTELLIGENCE INVESTIGATIONS.

(a) IN GENERAL.—The Fair Credit Reporting Act (15 U.S.C. 1681 et seq.) is amended by adding after section 623 the following new section:

"SEC. 624. DISCLOSURES TO THE FEDERAL BUREAU OF INVESTIGATION FOR FOREIGN COUNTERINTELLIGENCE PURPOSES.

"(a) IDENTITY OF FINANCIAL INSTITUTIONS.—(1) Notwithstanding section 604 or any other provision of this title, a court or magistrate judge may issue an order ex parte directing a consumer reporting agency to furnish to the Federal Bureau of Investigation the names and addresses of all financial institutions (as that term is defined in section 1101 of the Right to Financial Privacy Act of 1978) at which a consumer maintains or has maintained an account, to the extent that information is in the files of the agency. The court or magistrate judge shall issue the order if the Director of the Federal Bureau of Investigation, or the Director's designee, certifies in writing to the court or magistrate judge that—

"(A) such information is necessary for the conduct of an authorized foreign counterintelligence investigation; and

"(B) there are specific and articulable facts giving reason to believe that the consumer—

"(i) is a foreign power (as defined in section 101 of the Foreign Intelligence Surveillance Act of 1978) or a person who is not a United States person (as defined in such section 101) and is an official of a foreign power; or

"(ii) is an agent of a foreign power and is engaging or has engaged in international terrorism (as that term is defined in section 101(c) of the Foreign Intelligence Surveillance Act of 1978) or clandestine intelligence activities that involve or may involve a violation of criminal statutes of the United States.

"(2) An order issued under this subsection shall not disclose that it is issued for purposes of a counterintelligence investigation.

"(b) IDENTIFYING INFORMATION.—(1) Notwithstanding section 604 or any other provision of this title, a court or magistrate judge shall issue an order ex parte directing a consumer reporting agency to furnish identifying information respecting a consumer, limited to name, address, former addresses, places of employment, or former places of employment, to the Federal Bureau of Investigation. The court or magistrate judge shall issue the order if the Director or the Director's designee, certifies in writing that—

"(A) such information is necessary to the conduct of an authorized foreign counterintelligence investigation; and

"(B) there is information giving reason to believe that the consumer has been, or is about to be, in contact with a foreign power or an agent of a foreign power (as defined in section 101 of the Foreign Intelligence Surveillance Act of 1978).

"(2) An order issued under this subsection shall not disclose that it is issued for purposes of a counterintelligence investigation.

"(c) COURT ORDER FOR DISCLOSURE OF CONSUMER REPORTS.—(1) Notwithstanding section 604 or any other provision of this title, if requested in writing by the Director of the Federal Bureau of Investigation, or an authorized designee of the Director, a court may issue an order ex parte directing a consumer reporting agency to furnish a consumer report to the Federal Bureau of Investigation, upon a showing in camera that—

"(A) the consumer report is necessary for the conduct of an authorized foreign counterintelligence investigation; and

"(B) there are specific and articulable facts giving reason to believe that the consumer whose consumer report is sought—

"(i) is an agent of a foreign power; and

"(ii) is engaging or has engaged in international terrorism (as that term is defined in section 101(c) of the Foreign Intelligence Surveillance Act of 1978) or clandestine intelligence activities that involve or may involve a violation of criminal statutes of the United States.

"(2) An order issued under this subsection shall not disclose that it is issued for purposes of a counterintelligence investigation.

"(d) CONFIDENTIALITY.—(1) No consumer reporting agency or officer, employee, or agent of a consumer reporting agency shall disclose to any person, other than officers, employees, or agents of a consumer reporting agency necessary to fulfill the requirement to disclose information to the Federal Bureau of Investigation under this section, that the Federal Bureau of Investigation has sought or obtained the identity of financial institutions or a consumer report respecting any consumer under subsection (a), (b), or (c).

"(2) No consumer reporting agency or officer, employee, or agent of a consumer reporting agency shall include in any consumer report any information that would indicate that the Federal Bureau of Investigation has sought or obtained such information or a consumer report.

"(e) PAYMENT OF FEES.—The Federal Bureau of Investigation is authorized, subject to the availability of appropriations, pay to the consumer reporting agency assembling or providing reports or information in accordance with procedures established under this section, a fee for reimbursement for such costs as are reasonably necessary and which have been directly incurred in searching, reproducing, or transporting books, papers, records, or other data required or requested to be produced under this section.

"(f) LIMIT ON DISSEMINATION.—The Federal Bureau of Investigation may not disseminate information obtained pursuant to this section outside of the Federal Bureau of Investigation, except—

"(1) to the Department of Justice, as may be necessary for the approval or conduct of a foreign counterintelligence investigation; or

"(2) where the information concerns a person subject to the Uniform Code of Military Justice, to appropriate investigative authorities within the military department concerned as may be necessary for the conduct of a joint foreign counterintelligence investigation.

"(g) RULES OF CONSTRUCTION.—Nothing in this section shall be construed to prohibit information from being furnished by the Federal Bureau of Investigation pursuant to a subpoena or court order, or in connection with a judicial or administrative proceeding to enforce the provisions of this Act. Nothing in this section shall be construed to authorize or permit the withholding of information from the Congress.

"(h) REPORTS TO CONGRESS.—On an annual basis, the Attorney General shall fully inform the Permanent Select Committee on Intelligence and the Committee on Banking and Financial Services of the House of Representatives, and the Select Committee on

Intelligence and the Committee on Banking, Housing, and Urban Affairs of the Senate concerning all requests made pursuant to subsections (a), (b), and (c).

"(i) DAMAGES.—Any agency or department of the United States obtaining or disclosing any consumer reports, records, or information contained therein in violation of this section is liable to the consumer to whom such consumer reports, records, or information relate in an amount equal to the sum of—

"(1) $100, without regard to the volume of consumer reports, records, or information involved;

"(2) any actual damages sustained by the consumer as a result of the disclosure;

"(3) if the violation is found to have been willful or intentional, such punitive damages as a court may allow; and

"(4) in the case of any successful action to enforce liability under this subsection, the costs of the action, together with reasonable attorney fees, as determined by the court.

"(j) DISCIPLINARY ACTIONS FOR VIOLATIONS.—If a court determines that any agency or department of the United States has violated any provision of this section and the court finds that the circumstances surrounding the violation raise questions of whether or not an officer or employee of the agency or department acted willfully or intentionally with respect to the violation, the agency or department shall promptly initiate a proceeding to determine whether or not disciplinary action is warranted against the officer or employee who was responsible for the violation.

"(k) GOOD-FAITH EXCEPTION.—Notwithstanding any other provision of this title, any consumer reporting agency or agent or employee thereof making disclosure of consumer reports or identifying information pursuant to this subsection in good-faith reliance upon a certification of the Federal Bureau of Investigation pursuant to provisions of this section shall not be liable to any person for such disclosure under this title, the constitution of any State, or any law or regulation of any State or any political subdivision of any State notwithstanding.

"(*l*) INJUNCTIVE RELIEF.—In addition to any other remedy contained in this section, injunctive relief shall be available to require compliance with the procedures of this section. In the event of any successful action under this subsection, costs together with reasonable attorney fees, as determined by the court, may be recovered.".

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of the Fair Credit Reporting Act (15 U.S.C. 1681a et seq.) is amended by adding after the item relating to section 623 the following new item:

"624. Disclosures to the Federal Bureau of Investigation for foreign counterintelligence purposes.".

SEC. 502. ACCESS TO RECORDS OF COMMON CARRIERS, PUBLIC ACCOMMODATION FACILITIES, PHYSICAL STORAGE FACILITIES, AND VEHICLE RENTAL FACILITIES IN FOREIGN COUNTERINTELLIGENCE AND COUNTERTERRORISM CASES.

Title 18, United States Code, is amended by inserting after chapter 121 the following new chapter:

"CHAPTER 122—ACCESS TO CERTAIN RECORDS

"§ 2720. Access to records of common carriers, public accommodation facilities, physical storage facilities, and vehicle rental facilities in counterintelligence and counterterrorism cases

"(a)(1) A court or magistrate judge may issue an order ex parte directing any common carrier, public accommodation facility, physical storage facility, or vehicle rental facility to furnish any records in its possession to the Federal Bureau of Investigation. The court or magistrate judge shall issue the order if the Director of the Federal Bureau of Investigation or the Director's designee (whose rank shall be no lower than Assistant Special Agent in Charge) certifies in writing that—

"(A) such records are sought for foreign counterintelligence purposes; and

"(B) there are specific and articulable facts giving reason to believe that the person to whom the records pertain is a foreign power or an agent of a foreign power as defined in section 101 of the Foreign Intelligence Surveillance Act of 1978 (50 U.S.C. 801).

"(2) An order issued under this subsection shall not disclose that it is issued for purposes of a counterintelligence investigation.

"(b) No common carrier, public accommodation facility, physical storage facility, or vehicle rental facility, or any officer, employee, or agent of such common carrier, public accommodation facility, physical storage facility, or vehicle rental facility, shall disclose to any person, other than those officers, agents, or employees of the common carrier, public accommodation facility, physical storage facility, or vehicle rental facility necessary to fulfill the requirement to disclose the information to the Federal Bureau of Investigation under this section.

"(c) As used in this chapter—

"(1) the term 'common carrier' means a locomotive, rail carrier, bus carrying passengers, water common carrier, air common carrier, or private commercial interstate carrier for the delivery of packages and other objects;

"(2) the term 'public accommodation facility' means any inn, hotel, motel, or other establishment that provides lodging to transient guests;

"(3) the term 'physical storage facility' means any business or entity that provides space for the storage of goods or materials, or services related to the storage of goods or materials, to the public or any segment thereof; and

"(4) the term 'vehicle rental facility' means any person or entity that provides vehicles for rent, lease, loan, or other similar use, to the public or any segment thereof.".

SEC. 503. INCREASE IN MAXIMUM REWARDS FOR INFORMATION CONCERNING INTERNATIONAL TERRORISM.

(a) TERRORISM ABROAD.—Section 36 of the State Department Basic Authorities Act of 1956 (22 U.S.C. 2708) is amended—

(1) in subsection (c), by striking "$2,000,000" and inserting "$10,000,000"; and

(2) in subsection (g), by striking "$5,000,000" and inserting "$10,000,000.

(b) DOMESTIC TERRORISM.—Title 18, United States Code, is amended—

(1) in section 3072, by striking "$500,000" and inserting "$10,000,000"; and

(2) in section 3075, by striking "$5,000,000" and inserting "$10,000,000".

(c) GENERAL REWARD AUTHORITY OF THE ATTORNEY GENERAL.—

(1) IN GENERAL.—Chapter 203 of title 18, United States Code, is amended by adding immediately after section 3059A the following section:

"§ 3059B. General reward authority

"(a) Notwithstanding any other provision of law, the Attorney General may pay rewards and receive from any department or agency funds for the payment of rewards under this section to any individual who assists the Department of Justice in performing its functions.

"(b) Not later than 30 days after authorizing a reward under this section that exceeds $100,000, the Attorney General shall give notice to the respective chairmen of the Committees on Appropriations and the Committees on the Judiciary of the Senate and the House of Representatives.

"(c) A determination made by the Attorney General to authorize an award under this section and the amount of any reward authorized shall be final and conclusive, and not subject to judicial review.".

Subtitle B—Intelligence and Investigation Enhancements

SEC. 511. STUDY AND REPORT ON ELECTRONIC SURVEILLANCE.

(a) STUDY.—The Attorney General and the Director of the Federal Bureau of Investigation shall study all applicable laws and guidelines relating to electronic surveillance and the use of pen registers and other trap and trace devices.

(b) REPORT.—Not later than 90 days after the date of enactment of this Act, the Attorney General shall submit a report to the Congress that includes—

(1) the findings of the study conducted pursuant to subsection (a);

(2) recommendations for the use of electronic devices in conducting surveillance of terrorist or other criminal organizations, and for any modifications in the law necessary to enable the Federal Government to fulfill its law enforcement responsibilities within appropriate constitutional parameters; and

(3) a summary of efforts to use current wiretap authority, including detailed examples of situations in which expanded authority would have enabled law enforcement authorities to fulfill their responsibilities.

SEC. 512. AUTHORIZATION FOR INTERCEPTIONS OF COMMUNICATIONS IN CERTAIN TERRORISM RELATED OFFENSES.

Section 2516(1) of title 18, United States Code, is amended—

(1) in paragraph (c)—

(A) by inserting before "or section 1992 (relating to wrecking trains)" the following: "section 2332 (relating to terrorist acts abroad), section 2332a (relating to weapons of mass destruction, section 2332b (relating to acts of terrorism transcending national boundaries), section 2339A (relating to providing material support to terrorists), section 37 (relating to violence at international airports),"; and

(B) by inserting after "section 175 (relating to biological weapons)," the following: "or a felony violation under section 1028 (relating to production of false identification documentation), sections 1541, 1542, 1543, 1544, and 1546 (relating to passport and visa offenses),";

(2) by striking "and" at the end of paragraph (o), as so redesignated by section 512(a)(2);

(3) by redesignating paragraph (p), as so redesignated by section 512(a)(2), as paragraph (s); and

(4) by inserting after paragraph (o), as so redesignated by section 512(a)(2), the following new subparagraphs:

"(p) any violation of section 956 or section 960 of title 18, United States Code (relating to certain actions against foreign nations);

"(q) any violation of section 46502 of title 49, United States Code; and".

SEC. 513. REQUIREMENT TO PRESERVE EVIDENCE.

Section 2703 of title 18, United States Code, is amended by adding at the end the following new subsection:

"(f) REQUIREMENT TO PRESERVE EVIDENCE.—A provider of wire or electronic communication services or a remote computing service, upon the request of a governmental entity, shall take all necessary steps to preserve records and other evidence in its possession pending the issuance of a court order or other process. Such records shall be retained for a period of 90 days, which period shall be extended for an additional 90-day period upon a renewed request by the governmental entity.".

Subtitle C—Additional Funding for Law Enforcement

SEC. 521. FEDERAL BUREAU OF INVESTIGATION ASSISTANCE TO COMBAT TERRORISM.

(a) IN GENERAL.—With funds made available pursuant to subsection (b), the Attorney General shall—

(1) develop digital telephony technology;

(2) support and enhance the technical support center and tactical operations;

(3) create a Federal Bureau of Investigation counterterrorism and counterintelligence fund for costs associated with terrorism cases; and

(4) expand and improve the instructional, operational support, and construction of the Federal Bureau of Investigation academy.

(5) construct an FBI laboratory, provide laboratory examination support, and provide for a Command Center;

(6) make funds available to the chief executive officer of each State to carry out the activities described in subsection (d); and

(7) enhance personnel to support counterterrorism activities.

(b) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated for the activities of the Federal Bureau of Investigation, to help meet the increased demands for activities to combat terrorism—

(1) $300,000,000 for fiscal year 1996;

(2) $225,000,000 for fiscal year 1997;

(3) $328,000,000 for fiscal year 1998;

(4) $190,000,000 for fiscal year 1999; and

(5) $183,000,000 for fiscal year 2000.

(c) AVAILABILITY OF FUNDS.—

(1) IN GENERAL.—Funds made available pursuant to subsection (b), in any fiscal year, shall remain available until expended.

(d) STATE GRANTS.—

(1) IN GENERAL.—Any funds made available for purposes of subsection (a)(6) may be expended—

(A) by the Director of the Federal Bureau of Investigation to—

(i) hire new agents; and

(ii) expand the combined DNA Identification System (CODIS) to include Federal crimes and crimes committed in the District of Columbia; and

(B) by the Attorney General, in consultation with the Director of the Federal Bureau of Investigation to make funds available to the chief executive officer of each State to carry out the activities described in paragraph (2).

(2) GRANT PROGRAM.—

(A) USE OF FUNDS.—The executive officer of each State shall use any funds made available under paragraph (1)(B) in conjunction with units of local government, other States, or combinations thereof, to carry out all or part of a program to establish, develop, update, or upgrade—

(i) computerized identification systems that are compatible and integrated with the databases of the National Crime Information Center of the Federal Bureau of Investigation;

(ii) ballistics identification programs that are compatible and integrated with the Drugfire Program of the Federal Bureau of Investigation;

(iii) the capability to analyze deoxyribonucleic acid (DNA) in a forensic laboratory in ways that are compatible and integrated with the combined DNA Identification System (CODIS) of the Federal Bureau of Investigation; and

(iv) automated fingerprint identification systems that are compatible and integrated with the Integrated Automated Fingerprint Identification System (IAFIS) of the Federal Bureau of Investigation.

(B) ELIGIBILITY.—To be eligible to receive funds under this paragraph, a State shall require that each person convicted of a felony of a sexual nature shall provide a sample of blood, saliva, or other specimen necessary to conduct a DNA analysis consistent with the standards established for DNA testing by the Director of the Federal Bureau of Investigation.

(C) INTERSTATE COMPACTS.—A State may enter into a compact or compacts with another State or States to carry out this subsection.

(D) ALLOCATION.—The Attorney General shall allocate funds made available under this subsection to each State based on the population of the State as reported in the most recent decennial census of the population.

SEC. 522. AUTHORIZATION OF ADDITIONAL APPROPRIATIONS FOR THE UNITED STATES CUSTOMS SERVICE.

(a) IN GENERAL.—There are authorized to be appropriated for the activities of the United States Customs Service, to help meet the increased needs of the United States Customs Service—

(1) $6,000,000 for fiscal year 1996;

(2) $6,000,000 for fiscal year 1997;

(3) $6,000,000 for fiscal year 1998;

(4) $5,000,000 for fiscal year 1999; and

(5) $5,000,000 for fiscal year 2000.

(b) AVAILABILITY OF FUNDS.—Funds made available pursuant to subsection (a), in any fiscal year, shall remain available until expended.

SEC. 523. AUTHORIZATION OF ADDITIONAL APPROPRIATIONS FOR THE IMMIGRATION AND NATURALIZATION SERVICE.

(a) IN GENERAL.—There are authorized to be appropriated for the activities of the Immigration and Naturalization Service, to help meet the increased needs of the Immigration and Naturalization Service $5,000,000 for each of the fiscal years 1996, 1997, 1998, 1999, and 2000.

(b) AVAILABILITY OF FUNDS.—Funds made available pursuant to subsection (a), in any fiscal year, shall remain available until expended.

SEC. 524. DRUG ENFORCEMENT ADMINISTRATION.

(a) ACTIVITIES OF DRUG ENFORCEMENT ADMINISTRATION.—With funds made available pursuant to subsection (b), the Attorney General shall—

(1) fund antiviolence crime initiatives;

(2) fund major violators' initiatives; and

(3) enhance or replace infrastructure.

(b) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Drug Enforcement Administration, to help meet the increased needs of the Drug Enforcement Administration—

(1) $60,000,000 for fiscal year 1996;

(2) $70,000,000 for fiscal year 1997;

(3) $80,000,000 for fiscal year 1998;

(4) $90,000,000 for fiscal year 1999; and

(5) $100,000,000 for fiscal year 2000.

(c) AVAILABILITY OF FUNDS.—Funds made available pursuant to this section, in any fiscal year, shall remain available until expended.

SEC. 525. DEPARTMENT OF JUSTICE.

(a) IN GENERAL.—Subject to the availability of appropriations, the Attorney General shall (1) hire additional Assistant United States Attorneys, and (2) provide for increased security at courthouses and other facilities housing Federal workers.

(b) AUTHORIZATION OF ADDITIONAL APPROPRIATIONS.—There are authorized to be appropriated for the activities of the Department of Justice, to hire additional Assistant United States Attorneys and provide increased security to meet the needs resulting from this Act $20,000,000 for each of the fiscal years 1996, 1997, 1998, 1999, and 2000.

SEC. 526. FUNDING SOURCE.

Notwithstanding any other provision of law, funding for authorizations provided in this subtitle may be paid for out of the Violent Crime Reduction Trust Fund.

SEC. 527. DETERRENT AGAINST TERRORIST ACTIVITY DAMAGING A FEDERAL INTEREST COMPUTER.

The United States Sentencing Commission shall review existing guideline levels as they apply to sections 1030(a)(4) and 1030(a)(5) of Title 18, United States Code, and report to Congress on their findings as to their deterrent effect within 60 calendar days. Furthermore, the Commission shall promulgate guideline amendments that will ensure that individuals convicted under sections 1030(a)(4) and 1030(a)(5) of Title 18, United States Code, are incarcerated for not less than 6 months.

TITLE VI—CRIMINAL PROCEDURAL IMPROVEMENTS

Subtitle A—Habeas Corpus Reform

SEC. 601. FILING DEADLINES.

Section 2244 of title 28, United States Code, is amended by adding at the end the following new subsection:

"(d)(1) A 1-year period of limitation shall apply to an application for a writ of habeas corpus by a person in custody pursuant to the judgment of a State court. The limitation period shall run from the latest of—

"(A) the date on which the judgment became final by the conclusion of direct review or the expiration of the time for seeking such review;

"(B) the date on which the impediment to filing an application created by State action in violation of the Constitution or laws of the United States is removed, if the applicant was prevented from filing by such State action;

"(C) the date on which the constitutional right asserted was initially recognized by the Supreme Court, if the right has been newly recognized by the Supreme Court and made retroactively applicable to cases on collateral review; or

"(D) the date on which the factual predicate of the claim or claims presented could have been discovered through the exercise of due diligence.

"(2) The time during which a properly filed application for State post-conviction or other collateral review with respect to the pertinent judgment or claim shall not be counted toward any period of limitation under this subsection.".

SEC. 602. APPEAL.

Section 2253 of title 28, United States Code, is amended to read as follows:

"§ 2253. Appeal

"(a) In a habeas corpus proceeding or a proceeding under section 2255 before a district judge, the final order shall be subject to

review, on appeal, by the court of appeals for the circuit in which the proceeding is held.

"(b) There shall be no right of appeal from a final order in a proceeding to test the validity of a warrant to remove to another district or place for commitment or trial a person charged with a criminal offense against the United States, or to test the validity of such person's detention pending removal proceedings.

"(c)(1) Unless a circuit justice or judge issues a certificate of appealability, an appeal may not be taken to the court of appeals from—

"(A) the final order in a habeas corpus proceeding in which the detention complained of arises out of process issued by a State court; or

"(B) the final order in a proceeding under section 2255.

"(2) A certificate of appealability may issue under paragraph (1) only if the applicant has made a substantial showing of the denial of a constitutional right.

"(3) The certificate of appealability under paragraph (1) shall indicate which specific issue or issues satisfy the showing required by paragraph (2).".

SEC. 603. AMENDMENT OF FEDERAL RULES OF APPELLATE PROCEDURE.

Rule 22 of the Federal Rules of Appellate Procedure is amended to read as follows:

"Rule 22. Habeas corpus and section 2255 proceedings

"(a) APPLICATION FOR THE ORIGINAL WRIT.—An application for a writ of habeas corpus shall be made to the appropriate district court. If application is made to a circuit judge, the application shall be transferred to the appropriate district court. If an application is made to or transferred to the district court and denied, renewal of the application before a circuit judge shall not be permitted. The applicant may, pursuant to section 2253 of title 28, United States Code, appeal to the appropriate court of appeals from the order of the district court denying the writ.

"(b) CERTIFICATE OF APPEALABILITY.—In a habeas corpus proceeding in which the detention complained of arises out of process issued by a State court, an appeal by the applicant for the writ may not proceed unless a district or a circuit judge issues a certificate of appealability pursuant to section 2253(c) of title 28, United States Code. If an appeal is taken by the applicant, the district judge who rendered the judgment shall either issue a certificate of appealability or state the reasons why such a certificate should not issue. The certificate or the statement shall be forwarded to the court of appeals with the notice of appeal and the file of the proceedings in the district court. If the district judge has denied the certificate, the applicant for the writ may then request issuance of the certificate by a circuit judge. If such a request is addressed to the court of appeals, it shall be deemed addressed to the judges thereof and shall be considered by a circuit judge or judges as the court deems appropriate. If no express request for a certificate is filed, the notice of appeal shall be deemed to constitute a request addressed to the judges of the court of appeals. If an appeal is taken by a State or its representative, a certificate of appealability is not required.".

SEC. 604. SECTION 2254 AMENDMENTS.

Section 2254 of title 28, United States Code, is amended—

(1) by amending subsection (b) to read as follows:

"(b)(1) An application for a writ of habeas corpus on behalf of a person in custody pursuant to the judgment of a State court shall not be granted unless it appears that—

"(A) the applicant has exhausted the remedies available in the courts of the State; or

"(B)(i) there is an absence of available State corrective process; or

"(ii) circumstances exist that render such process ineffective to protect the rights of the applicant.

"(2) An application for a writ of habeas corpus may be denied on the merits, notwithstanding the failure of the applicant to exhaust the remedies available in the courts of the State.

"(3) A State shall not be deemed to have waived the exhaustion requirement or be estopped from reliance upon the requirement unless the State, through counsel, expressly waives the requirement.";

(2) by redesignating subsections (d), (e), and (f) as subsections (e), (f), and (g), respectively;

(3) by inserting after subsection (c) the following new subsection:

"(d) An application for a writ of habeas corpus on behalf of a person in custody pursuant to the judgment of a State court shall not be granted with respect to any claim that was adjudicated on the merits in State court proceedings unless the adjudication of the claim—

"(1) resulted in a decision that was contrary to, or involved an unreasonable application of, clearly established Federal law, as determined by the Supreme Court of the United States; or

"(2) resulted in a decision that was based on an unreasonable determination of the facts in light of the evidence presented in the State court proceeding.";

(4) by amending subsection (e), as redesignated by paragraph (2), to read as follows:

"(e)(1) In a proceeding instituted by an application for a writ of habeas corpus by a person in custody pursuant to the judgment of a State court, a determination of a factual issue made by a State court shall be presumed to be correct. The applicant shall have the burden of rebutting the presumption of correctness by clear and convincing evidence.

"(2) If the applicant has failed to develop the factual basis of a claim in State court proceedings, the court shall not hold an evidentiary hearing on the claim unless the applicant shows that—

"(A) the claim relies on—

"(i) a new rule of constitutional law, made retroactive to cases on collateral review by the Supreme Court, that was previously unavailable; or

"(ii) a factual predicate that could not have been previously discovered through the exercise of due diligence; and

"(B) the facts underlying the claim would be sufficient to establish by clear and convincing evidence that but for constitutional error, no reasonable factfinder would have found the applicant guilty of the underlying offense."; and

(5) by adding at the end the following new subsections:

"(h) Notwithstanding any other provision of law, in all proceedings brought under this section, and any subsequent proceedings on review, appointment of counsel for an applicant who is or becomes financially unable to afford counsel shall be in the discretion of the court, except as provided by a rule promulgated by the Supreme Court pursuant to statutory authority. Appointment of counsel under this section shall be governed by section 3006A of title 18.

"(i) The ineffectiveness or incompetence of counsel during Federal or State collateral post-conviction proceedings shall not be a ground for relief in a proceeding arising under section 2254.".

SEC. 605. SECTION 2255 AMENDMENTS.

Section 2255 of title 28, United States Code, is amended—

(1) by striking the second and fifth undesignated paragraphs; and

(2) by adding at the end the following new undesignated paragraphs:

"A 1-year period of limitation shall apply to a motion under this section. The limitation period shall run from the latest of—

"(1) the date on which the judgment of conviction becomes final;

"(2) the date on which the impediment to making a motion created by governmental action in violation of the Constitution or laws of the United States is removed, if the movant was prevented from making a motion by such governmental action;

"(3) the date on which the right asserted was initially recognized by the Supreme Court, if that right has been newly recognized by the Supreme Court and made retroactively applicable to cases on collateral review; or

"(4) the date on which the facts supporting the claim or claims presented could have been discovered through the exercise of due diligence.

"In all proceedings brought under this section, and any subsequent proceedings on review, appointment of counsel for a movant who is or becomes financially unable to afford counsel shall be in the discretion of the court, except as provided by a rule promulgated by the Supreme Court pursuant to statutory authority. Appointment of counsel under this section shall be governed by section 3006A of title 18.

"A second or successive motion must be certified as provided in section 2244 by a panel of the appropriate court of appeals to contain—

"(1) newly discovered evidence that, if proven and viewed in light of the evidence as a whole, would be sufficient to establish by clear and convincing evidence that no reasonable factfinder would have found the movant guilty of the offense; or

"(2) a new rule of constitutional law, made retroactive to cases on collateral review by the Supreme Court, that was previously unavailable.".

SEC. 606. LIMITS ON SECOND OR SUCCESSIVE APPLICATIONS.

(a) CONFORMING AMENDMENT TO SECTION 2244(a).—Section 2244(a) of title 28, United States Code, is amended by striking "and the petition" and all that follows through "by such inquiry." and inserting ", except as provided in section 2255.".

(b) LIMITS ON SECOND OR SUCCESSIVE APPLICATIONS.—Section 2244(b) of title 28, United States Code, is amended to read as follows:

"(b)(1) A claim presented in a second or successive habeas corpus application under section 2254 that was presented in a prior application shall be dismissed.

"(2) A claim presented in a second or successive habeas corpus application under section 2254 that was not presented in a prior application shall be dismissed unless—

"(A) the applicant shows that the claim relies on a new rule of constitutional law, made retroactive to cases on collateral review by the Supreme Court, that was previously unavailable; or

"(B)(i) the factual predicate for the claim could not have been discovered previously through the exercise of due diligence; and

"(ii) the facts underlying the claim, if proven and viewed in light of the evidence as

a whole, would be sufficient to establish by clear and convincing evidence that, but for constitutional error, no reasonable factfinder would have found the applicant guilty of the underlying offense.

"(3)(A) Before a second or successive application permitted by this section is filed in the district court, the applicant shall move in the appropriate court of appeals for an order authorizing the district court to consider the application.

"(B) A motion in the court of appeals for an order authorizing the district court to consider a second or successive application shall be determined by a three-judge panel of the court of appeals.

"(C) The court of appeals may authorize the filing of a second or successive application only if it determines that the application makes a prima facie showing that the application satisfies the requirements of this subsection.

"(D) The court of appeals shall grant or deny the authorization to file a second or successive application not later than 30 days after the filing of the motion.

"(E) The grant or denial of an authorization by a court of appeals to file a second or successive application shall not be appealable and shall not be the subject of a petition for rehearing or for a writ of certiorari.

"(4) A district court shall dismiss any claim presented in a second or successive application that the court of appeals has authorized to be filed unless the applicant shows that the claim satisfies the requirements of this section.".

SEC. 607. DEATH PENALTY LITIGATION PROCEDURES.

(a) ADDITION OF CHAPTER TO TITLE 28, UNITED STATES CODE.—Title 28, United States Code, is amended by inserting after chapter 153 the following new chapter:

"CHAPTER 154—SPECIAL HABEAS CORPUS PROCEDURES IN CAPITAL CASES

"Sec.

"2261. Prisoners in State custody subject to capital sentence; appointment of counsel; requirement of rule of court or statute; procedures for appointment.
"2262. Mandatory stay of execution; duration; limits on stays of execution; successive petitions.
"2263. Filing of habeas corpus application; time requirements; tolling rules.
"2264. Scope of Federal review; district court adjudications.
"2265. Application to State unitary review procedure.
"2266. Limitation periods for determining applications and motions.

"§ 2261. Prisoners in State custody subject to capital sentence; appointment of counsel; requirement of rule of court or statute; procedures for appointment

"(a) This chapter shall apply to cases arising under section 2254 brought by prisoners in State custody who are subject to a capital sentence. It shall apply only if the provisions of subsections (b) and (c) are satisfied.

"(b) This chapter is applicable if a State establishes by statute, rule of its court of last resort, or by another agency authorized by State law, a mechanism for the appointment, compensation, and payment of reasonable litigation expenses of competent counsel in State post-conviction proceedings brought by indigent prisoners whose capital convictions and sentences have been upheld on direct appeal to the court of last resort in the State or have otherwise become final for State law purposes. The rule of court or statute must provide standards of competency for the appointment of such counsel.

"(c) Any mechanism for the appointment, compensation, and reimbursement of counsel as provided in subsection (b) must offer counsel to all State prisoners under capital sentence and must provide for the entry of an order by a court of record—

"(1) appointing one or more counsels to represent the prisoner upon a finding that the prisoner is indigent and accepted the offer or is unable competently to decide whether to accept or reject the offer;

"(2) finding, after a hearing if necessary, that the prisoner rejected the offer of counsel and made the decision with an understanding of its legal consequences; or

"(3) denying the appointment of counsel upon a finding that the prisoner is not indigent.

"(d) No counsel appointed pursuant to subsections (b) and (c) to represent a State prisoner under capital sentence shall have previously represented the prisoner at trial or on direct appeal in the case for which the appointment is made unless the prisoner and counsel expressly request continued representation.

"(e) The ineffectiveness or incompetence of counsel during State or Federal post-conviction proceedings in a capital case shall not be a ground for relief in a proceeding arising under section 2254. This limitation shall not preclude the appointment of different counsel, on the court's own motion or at the request of the prisoner, at any phase of State or Federal post-conviction proceedings on the basis of the ineffectiveness or incompetence of counsel in such proceedings.

"§ 2262. Mandatory stay of execution; duration; limits on stays of execution; successive petitions

"(a) Upon the entry in the appropriate State court of record of an order under section 2261(c), a warrant or order setting an execution date for a State prisoner shall be stayed upon application to any court that would have jurisdiction over any proceedings filed under section 2254. The application shall recite that the State has invoked the post-conviction review procedures of this chapter and that the scheduled execution is subject to stay.

"(b) A stay of execution granted pursuant to subsection (a) shall expire if—

"(1) a State prisoner fails to file a habeas corpus application under section 2254 within the time required in section 2263;

"(2) before a court of competent jurisdiction, in the presence of counsel, unless the prisoner has competently and knowingly waived such counsel, and after having been advised of the consequences, a State prisoner under capital sentence waives the right to pursue habeas corpus review under section 2254; or

"(3) a State prisoner files a habeas corpus petition under section 2254 within the time required by section 2263 and fails to make a substantial showing of the denial of a Federal right or is denied relief in the district court or at any subsequent stage of review.

"(c) If one of the conditions in subsection (b) has occurred, no Federal court thereafter shall have the authority to enter a stay of execution in the case, unless the court of appeals approves the filing of a second or successive application under section 2244(b).

"§ 2263. Filing of habeas corpus application; time requirements; tolling rules

"(a) Any application under this chapter for habeas corpus relief under section 2254 must be filed in the appropriate district court not later than 180 days after final State court affirmance of the conviction and sentence on direct review or the expiration of the time for seeking such review.

"(b) The time requirements established by subsection (a) shall be tolled—

"(1) from the date that a petition for certiorari is filed in the Supreme Court until the date of final disposition of the petition if a State prisoner files the petition to secure review by the Supreme Court of the affirmance of a capital sentence on direct review by the court of last resort of the State or other final State court decision on direct review;

"(2) from the date on which the first petition for post-conviction review or other collateral relief is filed until the final State court disposition of such petition; and

"(3) during an additional period not to exceed 30 days, if—

"(A) a motion for an extension of time is filed in the Federal district court that would have jurisdiction over the case upon the filing of a habeas corpus application under section 2254; and

"(B) a showing of good cause is made for the failure to file the habeas corpus application within the time period established by this section.

"§ 2264. Scope of Federal review; district court adjudications

"(a) Whenever a State prisoner under capital sentence files a petition for habeas corpus relief to which this chapter applies, the district court shall only consider a claim or claims that have been raised and decided on the merits in the State courts, unless the failure to raise the claim properly is—

"(1) the result of State action in violation of the Constitution or laws of the United States;

"(2) the result of the Supreme Court recognition of a new Federal right made retroactively applicable to cases on collateral review by the Supreme Court; or

"(3) based on a factual predicate that could not have been discovered through the exercise of due diligence in time to present the claim for State or Federal post-conviction review.

"(b) Following review subject to subsections (a), (d), and (e) of section 2254, the court shall rule on the claims properly before it.

"§ 2265. Application to State unitary review procedure

"(a) For purposes of this section, a 'unitary review' procedure means a State procedure that authorizes a person under sentence of death to raise, in the course of direct review of the judgment, such claims as could be raised on collateral attack. This chapter shall apply, as provided in this section, in relation to a State unitary review procedure if the State establishes by rule of its court of last resort or by statute a mechanism for the appointment, compensation, and payment of reasonable litigation expenses of competent counsel in the unitary review proceedings, including expenses relating to the litigation of collateral claims in the proceedings. The rule of court or statute must provide standards of competency for the appointment of such counsel.

"(b) To qualify under this section, a unitary review procedure must include an offer of counsel following trial for the purpose of representation on unitary review, and entry of an order, as provided in section 2261(c), concerning appointment of counsel or waiver or denial of appointment of counsel for that

purpose. No counsel appointed to represent the prisoner in the unitary review proceedings shall have previously represented the prisoner at trial in the case for which the appointment is made unless the prisoner and counsel expressly request continued representation.

"(c) Sections 2262, 2263, 2264, and 2266 shall apply in relation to cases involving a sentence of death from any State having a unitary review procedure that qualifies under this section. References to State 'post-conviction review' and 'direct review' in such sections shall be understood as referring to unitary review under the State procedure. The reference in section 2262(a) to 'an order under section 2261(c)' shall be understood as referring to the post-trial order under subsection (b) concerning representation in the unitary review proceedings, but if a transcript of the trial proceedings is unavailable at the time of the filing of such an order in the appropriate State court, then the start of the 180-day limitation period under section 2263 shall be deferred until a transcript is made available to the prisoner or counsel of the prisoner.

"§ 2266. Limitation periods for determining applications and motions

"(a) The adjudication of any application under section 2254 that is subject to this chapter, and the adjudication of any motion under section 2255 by a person under sentence of death, shall be given priority by the district court and by the court of appeals over all noncapital matters.

"(b)(1)(A) A district court shall render a final determination and enter a final judgment on any application for a writ of habeas corpus brought under this chapter in a capital case not later than 180 days after the date on which the application is filed.

"(B) A district court shall afford the parties at least 120 days in which to complete all actions, including the preparation of all pleadings and briefs, and if necessary, a hearing, prior to the submission of the case for decision.

"(C)(i) A district court may delay for not more than one additional 30-day period beyond the period specified in subparagraph (A), the rendering of a determination of an application for a writ of habeas corpus if the court issues a written order making a finding, and stating the reasons for the finding, that the ends of justice that would be served by allowing the delay outweigh the best interests of the public and the applicant in a speedy disposition of the application.

"(ii) The factors, among others, that a court shall consider in determining whether a delay in the disposition of an application is warranted are as follows:

"(I) Whether the failure to allow the delay would be likely to result in a miscarriage of justice.

"(II) Whether the case is so unusual or so complex, due to the number of defendants, the nature of the prosecution, or the existence of novel questions of fact or law, that it is unreasonable to expect adequate briefing within the time limitations established by subparagraph (A).

"(III) Whether the failure to allow a delay in a case, that, taken as a whole, is not so unusual or so complex as described in subclause (II), but would otherwise deny the applicant reasonable time to obtain counsel, would unreasonably deny the applicant or the government continuity of counsel, or would deny counsel for the applicant or the government the reasonable time necessary for effective preparation, taking into account the exercise of due diligence.

"(iii) No delay in disposition shall be permissible because of general congestion of the court's calendar.

"(iv) The court shall transmit a copy of any order issued under clause (i) to the Director of the Administrative Office of the United States Courts for inclusion in the report under paragraph (5).

"(2) The time limitations under paragraph (1) shall apply to—

"(A) an initial application for a writ of habeas corpus;

"(B) any second or successive application for a writ of habeas corpus; and

"(C) any redetermination of an application for a writ of habeas corpus following a remand by the court of appeals or the Supreme Court for further proceedings, in which case the limitation period shall run from the date the remand is ordered.

"(3)(A) The time limitations under this section shall not be construed to entitle an applicant to a stay of execution, to which the applicant would otherwise not be entitled, for the purpose of litigating any application or appeal.

"(B) No amendment to an application for a writ of habeas corpus under this chapter shall be permitted after the filing of the answer to the application, except on the grounds specified in section 2244(b).

"(4)(A) The failure of a court to meet or comply with a time limitation under this section shall not be a ground for granting relief from a judgment of conviction or sentence.

"(B) The State may enforce a time limitation under this section by petitioning for a writ of mandamus to the court of appeals. The court of appeals shall act on the petition for a writ or mandamus not later than 30 days after the filing of the petition.

"(5)(A) The Administrative Office of United States Courts shall submit to Congress an annual report on the compliance by the district courts with the time limitations under this section.

"(B) The report described in subparagraph (A) shall include copies of the orders submitted by the district courts under paragraph (1)(B)(iv).

"(c)(1)(A) A court of appeals shall hear and render a final determination of any appeal of an order granting or denying, in whole or in part, an application brought under this chapter in a capital case not later than 120 days after the date on which the reply brief is filed, or if no reply brief is filed, not later than 120 days after the date on which the answering brief is filed.

"(B)(i) A court of appeals shall decide whether to grant a petition for rehearing or other request for rehearing en banc not later than 30 days after the date on which the petition for rehearing is filed unless a responsive pleading is required, in which case the court shall decide whether to grant the petition not later than 30 days after the date on which the responsive pleading is filed.

"(ii) If a petition for rehearing or rehearing en banc is granted, the court of appeals shall hear and render a final determination of the appeal not later than 120 days after the date on which the order granting rehearing or rehearing en banc is entered.

"(2) The time limitations under paragraph (1) shall apply to—

"(A) an initial application for a writ of habeas corpus;

"(B) any second or successive application for a writ of habeas corpus; and

"(C) any redetermination of an application for a writ of habeas corpus or related appeal following a remand by the court of appeals en banc or the Supreme Court for further proceedings, in which case the limitation period shall run from the date the remand is ordered.

"(3) The time limitations under this section shall not be construed to entitle an applicant to a stay of execution, to which the applicant would otherwise not be entitled, for the purpose of litigating any application or appeal.

"(4)(A) The failure of a court to meet or comply with a time limitation under this section shall not be a ground for granting relief from a judgment of conviction or sentence.

"(B) The State may enforce a time limitation under this section by applying for a writ of mandamus to the Supreme Court.

"(5) The Administrative Office of United States Courts shall submit to Congress an annual report on the compliance by the courts of appeals with the time limitations under this section.".

(b) TECHNICAL AMENDMENT.—The part analysis for part IV of title 28, United States Code, is amended by adding after the item relating to chapter 153 the following new item:

"154. Special habeas corpus procedures in capital cases ..... 2261.".

(c) EFFECTIVE DATE.—Chapter 154 of title 28, United States Code (as added by subsection (a)) shall apply to cases pending on or after the date of enactment of this Act.

SEC. 608. TECHNICAL AMENDMENT.

Section 408(q) of the Controlled Substances Act (21 U.S.C. 848(q)) is amended—

(1) in paragraph (4)(A), by striking "shall" and inserting "may";

(2) in paragraph (4)(B), by striking "shall" and inserting "may"; and

(3) by amending paragraph (9) to read as follows:

"(9) Upon a finding that investigative, expert, or other services are reasonably necessary for the representation of the defendant, whether in connection with issues relating to guilt or the sentence, the court may authorize the defendant's attorneys to obtain such services on behalf of the defendant and, if so authorized, shall order the payment of fees and expenses therefor under paragraph (10). No ex parte proceeding, communication, or request may be considered pursuant to this section unless a proper showing is made concerning the need for confidentiality. Any such proceeding, communication, or request shall be transcribed and made a part of the record available for appellate review.".

Subtitle B—Criminal Procedural Improvements

SEC. 621. CLARIFICATION AND EXTENSION OF CRIMINAL JURISDICTION OVER CERTAIN TERRORISM OFFENSES OVERSEAS.

(a) AIRCRAFT PIRACY.—Section 46502(b) of title 49, United States Code, is amended—

(1) in paragraph (1), by striking "and later found in the United States";

(2) by amending paragraph (2) to read as follows:

"(2) The courts of the United States have jurisdiction over the offense in paragraph (1) if—

"(A) a national of the United States was aboard the aircraft;

"(B) an offender is a national of the United States; or

"(C) an offender is afterwards found in the United States."; and

(3) by adding at the end the following new paragraph:

"(3) For purposes of this subsection, the term 'national of the United States' has the meaning given such term in section 101(a)(22) of the Immigration and Nationality Act (8 U.S.C. 1101(a)(22)).".

(b) DESTRUCTION OF AIRCRAFT OR AIRCRAFT FACILITIES.—Section 32(b) of title 18, United States Code, is amended—

(1) by striking "(b) Whoever" and inserting "(b)(1) Whoever";

(2) by redesignating paragraphs (1) through (4) as subparagraphs (A) through (D), respectively;

(3) by striking ", if the offender is later found in the United States,"; and

(4) by adding at the end the following new paragraphs:

"(2) The courts of the United States have jurisdiction over an offense described in this subsection if—

"(A) a national of the United States was on board, or would have been on board, the aircraft;

"(B) an offender is a national of the United States; or

"(C) an offender is afterward found in the United States.

"(3) For purposes of this subsection, the term 'national of the United States' has the meaning given such term in section 101(a)(22) of the Immigration and Nationality Act (8 U.S.C. 1101(a)(22)).".

(c) MURDER OR MANSLAUGHTER OF INTERNATIONALLY PROTECTED PERSONS.—Section 1116 of title 18, United States Code, is amended—

(1) in subsection (a), by striking ", except that";

(2) in subsection (b), by adding at the end the following new paragraph:

"(7) 'National of the United States' has the meaning given such term in section 101(a)(22) of the Immigration and Nationality Act (8 U.S.C. 1101(a)(22)).'"; and

(3) in subsection (c), by striking the first sentence and inserting the following: "If the victim of an offense under subsection (a) is an internationally protected person outside the United States, the United States may exercise jurisdiction over the offense if (1) the victim is a representative, officer, employee, or agent of the United States, (2) an offender is a national of the United States, or (3) an offender is afterwards found in the United States.".

(d) PROTECTION OF INTERNATIONALLY PROTECTED PERSONS.—Section 112 of title 18, United States Code, is amended—

(1) in subsection (c), by inserting "national of the United States," before "and"; and

(2) in subsection (e), by striking the first sentence and inserting the following: "If the victim of an offense under subsection (a) is an internationally protected person outside the United States, the United States may exercise jurisdiction over the offense if (1) the victim is a representative, officer, employee, or agent of the United States, (2) an offender is a national of the United States, or (3) an offender is afterwards found in the United States.".

(e) THREATS AGAINST INTERNATIONALLY PROTECTED PERSONS.—Section 878 of title 18, United States Code, is amended—

(1) in subsection (c), by inserting "national of the United States," before "and"; and

(2) in subsection (d), by striking the first sentence and inserting the following: "If the victim of an offense under subsection (a) is an internationally protected person outside the United States, the United States may exercise jurisdiction over the offense if (1) the victim is a representative, officer, employee, or agent of the United States, (2) an offender is a national of the United States, or (3) an offender is afterwards found in the United States.".

(f) KIDNAPING OF INTERNATIONALLY PROTECTED PERSONS.—Section 1201(e) of title 18, United States Code, is amended—

(1) by striking the first sentence and inserting the following: "If the victim of an offense under subsection (a) is an internationally protected person outside the United States, the United States may exercise jurisdiction over the offense if (1) the victim is a representative, officer, employee, or agent of the United States, (2) an offender is a national of the United States, or (3) an offender is afterwards found in the United States."; and

(2) by adding at the end the following: "For purposes of this subsection, the term 'national of the United States' has the meaning given such term in section 101(a)(22) of the Immigration and Nationality Act (8 U.S.C. 1101(a)(22).".

(g) VIOLENCE AT INTERNATIONAL AIRPORTS.—Section 37(b)(2) of title 18, United States Code, is amended to read as follows:

"(2) the prohibited activity takes place outside the United States, and—

"(A) the offender is later found in the United States; or

"(B) an offender or a victim is a national of the United States (as defined in section 101(a)(22) of the Immigration and Nationality Act (8 U.S.C. 1101(a)(22)).".

(h) NATIONAL OF THE UNITED STATES DEFINED.—Section 178 of title 18, United States Code, is amended—

(1) by striking the "and" at the end of paragraph (3);

(2) by striking the period at the end of paragraph (4) and inserting "; and"; and

(3) by adding at the end the following new paragraph:

"(5) the term 'national of the United States' has the meaning given such term in section 101(a)(22) of the Immigration and Nationality Act (8 U.S.C. 1101(a)(22)).".

SEC. 622. EXPANSION OF TERRITORIAL SEA.

(a) TERRITORIAL SEA EXTENDING TO TWELVE MILES INCLUDED IN SPECIAL MARITIME AND TERRITORIAL JURISDICTION.—The Congress declares that all the territorial sea of the United States, as defined by Presidential Proclamation 5928 of December 27, 1988, for purposes of criminal jurisdiction is part of the United States, subject to its sovereignty, and, for purposes of Federal criminal jurisdiction, is within the special maritime and territorial jurisdiction of the United States wherever that term is used in title 18, United States Code.

(b) ASSIMILATED CRIMES IN EXTENDED TERRITORIAL SEA.—Section 13 of title 18, United States Code (relating to the adoption of State laws for areas within Federal jurisdiction), is amended—

(1) in subsection (a), by inserting after "title," the following: "or on, above, or below any portion of the territorial sea of the United States not within the jurisdiction of any State, Commonwealth, territory, possession, or district"; and

(2) by adding at the end the following new subsection:

"(c) Whenever any waters of the territorial sea of the United States lie outside the territory of any State, Commonwealth, territory, possession, or district, such waters (including the airspace above and the seabed and subsoil below, and artificial islands and fixed structures erected thereon) shall be deemed for purposes of subsection (a) to lie within the area of that State, Commonwealth, territory, possession, or district it would lie within if the boundaries of such State, Commonwealth, territory, possession, or district were extended seaward to the outer limit of the territorial sea of the United States.".

SEC. 623. EXPANSION OF WEAPONS OF MASS DESTRUCTION STATUTE.

(a) IN GENERAL.—Section 2332a of title 18, United States Code, is amended—

(1) in subsection (a)—

(A) by inserting "threatens," before "attempts"; and

(B) by inserting "that has moved in, or affected interstate commerce" after "destruction";

(2) by redesignating subsection (b) as subsection (c);

(3) by adding immediately after subsection (a) the following new subsection:

"(b) USE OUTSIDE UNITED STATES.—Any national of the United States who outside of the United States uses, threatens, attempts, or conspires to use, a weapon of mass destruction, shall be imprisoned for any term of years or for life, and if death results, shall be punished by death or imprisonment for any term of years or for life."; and

(4) by amending subsection (c)(2)(B), as redesignated by paragraph (3), by striking "poison gas" and inserting "any poisonous chemical agent or substance, regardless of form or delivery system, designed for causing widespread death or injury;".

(b) DEFINITION OF DESTRUCTIVE DEVICE.—Section 921(a)(4)(A) of title 18, United States Code, is amended by striking "poison gas" and inserting "poisonous chemical agent or substance".

(c) CONFORMING AMENDMENT.—Section 5845(f)(1) of the Internal Revenue Code of 1986 is amended by striking "poison gas" and inserting "poisonous chemical agent or substance".

SEC. 624. ADDITION OF TERRORISM OFFENSES TO THE RICO STATUTE.

Section 1961(1) of title 18, United States Code, is amended—

(1) in subparagraph (B)—

(A) by inserting after "Section" the following: "32 (relating to the destruction of aircraft), section 37 (relating to violence at international airports), section 115 (relating to influencing, impeding, or retaliating against a Federal official by threatening or injuring a family member), section";

(B) by inserting after "section 224 (relating to sports bribery)," the following: "section 351 (relating to congressional or Cabinet officer assassination),";

(C) by inserting after "section 664 (relating to embezzlement from pension and welfare funds)," the following: "section 831 (relating to prohibited transactions involving nuclear materials), section 844 (f) or (i) (relating to destruction by explosives or fire of government property or property affecting interstate or foreign commerce),";

(D) by inserting after "sections 891–894 (relating to extortionate credit transactions)," the following: "section 956 (relating to conspiracy to kill, kidnap, maim, or injure certain property in a foreign country),";

(E) by inserting after "section 1084 (relating to the transmission of gambling information)," the following: "section 1111 (relating to murder), section 1114 (relating to murder of United States law enforcement officials), section 1116 (relating to murder of foreign officials, official guests, or internationally protected persons), section 1203 (relating to hostage taking),";

(F) by inserting after "section 1344 (relating to financial institution fraud)," the following: "section 1361 (relating to willful injury of government property within the special maritime and territorial jurisdiction),";

(G) by inserting after "section 1513 (relating to retaliating against a witness, victim, or an informant)," the following: "section 1751 (relating to Presidential assassination),";

(H) by inserting after "section 1958 (relating to use of interstate commerce facilities in the commission of murder-for-hire)," the following: "section 2280 (relating to violence against maritime navigation), section 2281 (relating to violence against maritime fixed platforms),"; and

(I) by inserting after "2321 (relating to trafficking in certain motor vehicles or motor vehicle parts)," the following: "section 2332 (relating to terrorist acts abroad against United States nationals), section 2332a (relating to use of weapons of mass destruction), section 2332b (relating to acts of terrorism transcending national boundaries), section 2339A (relating to providing material support to terrorists),";

(2) by striking "or" before "(E)"; and

(3) by inserting before the semicolon at the end the following: ", or (F) section 46502 of title 49, United States Code".

SEC. 625. ADDITION OF TERRORISM OFFENSES TO THE MONEY LAUNDERING STATUTE.

Section 1956(c)(7) of title 18, United States Code, is amended—

(1) in subparagraph (B), by amending clause (ii) to read as follows:

"(ii) murder, kidnapping, robbery, extortion, or destruction of property by means of explosive or fire;"; and

(2) in subparagraph (D)—

(A) by inserting after "an offense under" the following: "section 32 (relating to the destruction of aircraft), section 37 (relating to violence at international airports), section 115 (relating to influencing, impeding, or retaliating against a Federal official by threatening or injuring a family member),";

(B) by inserting after "section 215 (relating to commissions or gifts for procuring loans)," the following: "section 351 (relating to congressional or Cabinet officer assassination),";

(C) by inserting after "section 798 (relating to espionage)," the following: "section 831 (relating to prohibited transactions involving nuclear materials), section 844 (f) or (i) (relating to destruction by explosives or fire of Government property or property affecting interstate or foreign commerce),";

(D) by inserting after "section 875 (relating to interstate communications)," the following: "section 956 (relating to conspiracy to kill, kidnap, maim, or injure certain property in a foreign country),";

(E) by inserting after "section 1032 (relating to concealment of assets from conservator, receiver, or liquidating agent of financial institution)," the following: "section 1111 (relating to murder), section 1114 (relating to murder of United States law enforcement officials), section 1116 (relating to murder of foreign officials, official guests, or internationally protected persons),";

(F) by inserting after "section 1203 (relating to hostage taking)" the following: "section 1361 (relating to willful injury of Government property), section 1363 (relating to destruction of property within the special maritime and territorial jurisdiction),";

(G) by inserting after "section 1708 (relating to theft from the mail)" the following: "section 1751 (relating to Presidential assassination),";

(H) by inserting after "2114 (relating to bank and postal robbery and theft)," the following: "section 2280 (relating to violence against maritime navigation), section 2281 (relating to violence against maritime fixed platforms),"; and

(I) by striking "of this title" and inserting the following: "section 2332 (relating to terrorist acts abroad against United States nationals), section 2332a (relating to use of weapons of mass destruction), section 2332b (relating to international terrorist acts transcending national boundaries), 2339A (relating to providing material support to terrorists) of this title, section 46502 of title 49, United States Code,".

SEC. 626. PROTECTION OF CURRENT OR FORMER OFFICIALS, OFFICERS, OR EMPLOYEES OF THE UNITED STATES.

(a) AMENDMENT TO INCLUDE ASSAULTS, MURDERS, AND THREATS AGAINST FAMILIES OF FEDERAL OFFICIALS.—Section 115(a)(2) of title 18, United States Code, is amended by inserting ", or threatens to assault, kidnap, or murder, any person who formerly served as a person designated in paragraph (1), or" after "assaults, kidnaps, or murders, or attempts to kidnap or murder".

(b) MURDER OR ATTEMPTS TO MURDER CURRENT OR FORMER FEDERAL OFFICERS OR EMPLOYEES.—Section 1114 of title 18, United States Code, is amended to read as follows:

"§ 1114. Protection of officers and employees of the United States

"Whoever kills or attempts to kill a current or former officer or employee of the United States or its instrumentalities, or an immediate family member of such officer or employee, during or on account of the performance of their official duties, shall be punished—

"(1) in the case of murder, as provided under section 1111;

"(2) in the case of manslaughter, as provided under section 1112; and

"(3) in the case of attempted murder not more than 20 years.".

(c) AMENDMENT TO CLARIFY THE MEANING OF THE TERM DEADLY OR DANGEROUS WEAPON IN THE PROHIBITION ON ASSAULT ON FEDERAL OFFICERS OR EMPLOYEES.—Section 111(b) of title 18, United States Code, is amended by inserting after "deadly or dangerous weapon" the following: "(including a weapon intended to cause death or danger but that fails to do so by reason of a defective or missing component)".

SEC. 627. ADDITION OF CONSPIRACY TO TERRORISM OFFENSES.

(a) DESTRUCTION OF AIRCRAFT OR AIRCRAFT FACILITIES.—(1) Section 32(a)(7) of title 18, United States Code, is amended by inserting "or conspires" after "attempts".

(2) Section 32(b)(D) of title 18, United States Code, as redesignated by section 721(b)(2), is amended by inserting "or conspires" after "attempts".

(b) VIOLENCE AT INTERNATIONAL AIRPORTS.—Section 37(a) of title 18, United States Code, is amended by inserting "or conspires" after "attempts".

(c) INFLUENCING, IMPEDING, OR RETALIATING AGAINST A FEDERAL OFFICIAL BY THREATENING OR INJURING A FAMILY MEMBER.—(1) Section 115(a)(1)(A) of title 18, United States Code, is amended by inserting "or conspires" after "attempts".

(2) Section 115(a)(2) of title 18, United States Code, as amended by section 729, is further amended by inserting "or conspires" after "attempts".

(3) Section 115(b)(2) of title 18, United States Code, is amended by striking both times it appears "or attempted kidnapping" and inserting both times ", attempted kidnapping or conspiracy to kidnap".

(4)(A) Section 115(b)(3) of title 18, United States Code, is amended by striking "or attempted murder" and inserting ", attempted murder or conspiracy to murder".

(B) Section 115(b)(3) of title 18, United States Code, is further amended by striking "and 1113" and inserting ", 1113, and 1117".

(d) PROHIBITIONS WITH RESPECT TO BIOLOGICAL WEAPONS.—Section 175(a) of title 18, United States Code, is amended by inserting ", or conspires to do so," after "any organization to do so,".

(e) HOSTAGE TAKING.—Section 1203(a) of title 18, United States Code, is amended by inserting "or conspires" after "attempts".

(f) VIOLENCE AGAINST MARITIME NAVIGATION.—Section 2280(a)(1)(H) of title 18, United States Code, is amended by inserting "or conspires" after "attempts".

(g) VIOLENCE AGAINST MARITIME FIXED PLATFORMS.—Section 2281(a)(1)(F) of title 18, United States Code, is amended by inserting "or conspires" after "attempts".

(h) AIRCRAFT PIRACY.—Section 46502 of title 49, United States Code, is amended—

(1) in subsection (a)(2), by inserting ", conspiring," after "committing" and

(2) in subsection (b)—

(A) in paragraph (1), by inserting "or conspiring to commit" after "committing";

(B) in paragraph (2), by inserting "conspired or" after "has placed,"; and

(C) in paragraph (3), by inserting "conspired or" after "has placed,".

SEC. 628. CLARIFICATION OF FEDERAL JURISDICTION OVER BOMB THREATS.

Section 844(e) of title 18, United States Code, is amended—

(1) by striking "(e) Whoever" and inserting "(e)(1) Whoever"; and

(2) by adding at the end the following new paragraph:

"(2) Whoever willfully makes any threat, or maliciously conveys false information knowing the same to be false, concerning an attempt or alleged attempt being made, or to be made to violate subsection (f) or (i) of this section or section 81 of this title shall be fined under this title, imprisoned for not more than 5 years, or both.".

TITLE VII—MARKING OF PLASTIC EXPLOSIVES

SEC. 701. FINDINGS AND PURPOSES.

(a) FINDINGS.—The Congress finds that—

(1) plastic explosives were used by terrorists in the bombings of Pan Am flight 103 in December 1988 and UTA flight 722 in September 1989;

(2) plastic explosives can be used with little likelihood of detection for acts of unlawful interference with civil aviation, maritime navigation, and other modes of transportation;

(3) the criminal use of plastic explosives places innocent lives in jeopardy, endangers national security, affects domestic tranquility, and gravely affects interstate and foreign commerce;

(4) the marking of plastic explosives for the purpose of detection would contribute significantly to the prevention and punishment of such unlawful acts; and

(5) for the purpose of deterring and detecting such unlawful acts, the Convention on the Marking of Plastic Explosives for the Purpose of Detection, Done at Montreal on 1 March 1991, requires each contracting State to adopt appropriate measures to ensure that plastic explosives are duly marked and controlled.

(b) PURPOSE.—The purpose of this title is to fully implement the Convention on the Marking of Plastic Explosives for the Purpose of Detection, Done at Montreal on 1 March 1991.

SEC. 702. DEFINITIONS.

Section 841 of title 18, United States Code, is amended by adding at the end the following new subsections:

"(o) 'Convention on the Marking of Plastic Explosives' means the Convention on the Marking of Plastic Explosives for the Purpose of Detection, Done at Montreal on 1 March 1991.

"(p) 'Detection agent' means any one of the substances specified in this subsection when introduced into a plastic explosive or formulated in such explosive as a part of the manufacturing process in such a manner as to achieve homogeneous distribution in the finished explosive, including—

"(1) Ethylene glycol dinitrate (EGDN), $C_2H_4(NO_3)_2$, molecular weight 152, when the minimum concentration in the finished explosive is 0.2 percent by mass;

"(2) 2,3-Dimethyl-2,3-dinitrobutane (DMNB), $C_6H_{12}(NO_2)_2$, molecular weight 176, when the minimum concentration in the finished explosive is 0.1 percent by mass;

"(3) Para-Mononitrotoluene (p-MNT), $C_7H_7NO_2$, molecular weight 137, when the minimum concentration in the finished explosive is 0.5 percent by mass;

"(4) Ortho-Mononitrotoluene (o-MNT), $C_7H_7NO_2$, molecular weight 137, when the minimum concentration in the finished explosive is 0.5 percent by mass; and

"(5) any other substance in the concentration specified by the Secretary, after consultation with the Secretary of State and the Secretary of Defense, which has been added to the table in part 2 of the Technical Annex to the Convention on the Marking of Plastic Explosives.

"(q) 'Plastic explosive' means an explosive material in flexible or elastic sheet form formulated with one or more high explosives which in their pure form have a vapor pressure less than 10^{-4} Pa at a temperature of 25°C., is formulated with a binder material, and is as a mixture malleable or flexible at normal room temperature.".

SEC. 703. REQUIREMENT OF DETECTION AGENTS FOR PLASTIC EXPLOSIVES.

Section 842 of title 18, United States Code, is amended by adding after subsection (k) the following new subsections:

"(*l*) It shall be unlawful for any person to manufacture any plastic explosive that does not contain a detection agent.

"(m)(1) It shall be unlawful for any person to import or bring into the United States, or export from the United States, any plastic explosive that does not contain a detection agent.

"(2) This subsection does not apply to the importation or bringing into the United States, or the exportation from the United States, of any plastic explosive that was imported, brought into, or manufactured in the United States prior to the effective date of section 801 of the Comprehensive Terrorism Prevention Act of 1995 by or on behalf of any agency of the United States performing military or police functions (including any military reserve component) or by or on behalf of the National Guard of any State, not later than 15 years after the date of entry into force of the Convention on the Marking of Plastic Explosives, with respect to the United States.

"(n)(1) It shall be unlawful for any person to ship, transport, transfer, receive, or possess any plastic explosive that does not contain a detection agent.

"(2) This subsection does not apply to—

"(A) the shipment, transportation, transfer, receipt, or possession of any plastic explosive that was imported, brought into, or manufactured in the United States prior to the date of enactment of the Comprehensive Terrorism Prevention Act of 1995 by any person during a period not exceeding 3 years after the date of enactment of the Comprehensive Terrorism Prevention Act of 1995; or

"(B) the shipment, transportation, transfer, receipt, or possession of any plastic explosive that was imported, brought into, or manufactured in the United States prior to the date of enactment of the Comprehensive Terrorism Prevention Act of 1995 by or on behalf of any agency of the United States performing a military or police function (including any military reserve component) or by or on behalf of the National Guard of any State, not later than 15 years after the date of entry into force of the Convention on the Marking of Plastic Explosives, with respect to the United States.

"(o) It shall be unlawful for any person, other than an agency of the United States (including any military reserve component) or the National Guard of any State, possessing any plastic explosive on the effective date of section 801 of the Comprehensive Terrorism Prevention Act of 1995, to fail to report to the Secretary within 120 days after such effective date the quantity of such explosives possessed, the manufacturer or importer, any marks of identification on such explosives, and such other information as the Secretary may by regulations prescribe.".

SEC. 704. CRIMINAL SANCTIONS.

Section 844(a) of title 18, United States Code, is amended to read as follows:

"(a) Any person who violates any of subsections (a) through (i) or (*l*) through (o) of section 842 shall be fined under this title or imprisoned not more than 10 years, or both.".

SEC. 705. EXCEPTIONS.

Section 845 of title 18, United States Code, is amended—

(1) in subsection (a), by inserting "(*l*), (m), (n), or (o) of section 842 and subsections" after "subsections";

(2) in paragraph (1), by inserting before the semicolon ", and which pertain to safety"; and

(3) by adding at the end the following new subsection:

"(c) It is an affirmative defense against any proceeding involving subsections (*l*) through (o) of section 842 if the proponent proves by a preponderance of the evidence that the plastic explosive—

"(1) consisted of a small amount of plastic explosive intended for and utilized solely in lawful—

"(A) research, development, or testing of new or modified explosive materials;

"(B) training in explosives detection or development or testing of explosives detection equipment; or

"(C) forensic science purposes; or

"(2) was plastic explosive that, within 3 years after the date of enactment of the Comprehensive Terrorism Prevention Act of 1995, will be or is incorporated in a military device within the territory of the United States and remains an integral part of such military device, or is intended to be, or is incorporated in, and remains an integral part of a military device that is intended to become, or has become, the property of any agency of the United States performing military or police functions (including any military reserve component) or the National Guard of any State, wherever such device is located.

"(3) For purposes of this subsection, the term 'military device' includes, but is not restricted to, shells, bombs, projectiles, mines, missiles, rockets, shaped charges, grenades, perforators, and similar devices lawfully manufactured exclusively for military or police purposes.".

SEC. 706. INVESTIGATIVE AUTHORITY.

Section 846 of title 18, United States Code, is amended—

(1) in the last sentence, by inserting in the last sentence before "subsection" the phrase "subsection (m) or (n) of section 842 or;", and

(2) by adding at the end the following: "The Attorney General shall exercise authority over violations of subsection (m) or (n) of section 842 only when they are committed by a member of a terrorist or revolutionary group. In any matter involving a terrorist or revolutionary group or individual, as determined by the Attorney General, the Attorney General shall have primary investigative responsibility and the Secretary shall assist the Attorney General as requested.".

SEC. 707. EFFECTIVE DATE.

The amendments made by this section shall take effect 1 year after the date of the enactment of this Act.

SEC. 708. STUDY ON TAGGING OF EXPLOSIVE MATERIALS.

(a) STUDY.—The Attorney General in consultation with the Secretary of the Treasury shall conduct a study, as soon as is practicable after the date of enactment of this Act, and make recommendations concerning—

(1) tagging of explosive materials for purposes of identification and detection;

(2) the possibility and practicality of rendering inert, common chemicals used in manufacturing explosives and the potential costs of implementing such controls;

(3) the possibility and feasibility of imposing controls on certain precursor chemicals used to manufacture explosives; and

(4) the potential cost of such control materials.

(b) CONSULTATION.—In carrying out this section, the Attorney General shall consult with other Federal, State, and local officials and private industry sources with expertise in tagging of explosive materials, representatives from affected industries, and such other individuals as the Attorney General may require.

(c) REPORT.—The Attorney General, or a designee of the Attorney General, shall prepare and submit to the President and the Congress a report containing—

(1) a detailed explanation of the findings and determinations made in the study conducted pursuant to subsection (a);

(2) summaries of other studies pertaining to tagging explosives and the results of those studies;

(3) the prospective costs and benefits of any recommendations made;

(4) the impact on the safety, manufacturing, and distribution of affected products; and

(5) the anticipated benefits for law enforcement.

(d) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as are necessary to carry out this section.

TITLE VIII—NUCLEAR MATERIALS

SEC. 801. FINDINGS AND PURPOSE.

(a) FINDINGS.—The Congress finds that—

(1) nuclear materials, including byproduct materials, can be used to create radioactive dispersal devices that are capable of causing serious bodily injury as well as substantial damage to property and the environment;

(2) the potential use of nuclear materials, including byproduct materials, enhances the threat posed by terrorist activities and thereby has a greater effect on the security interests of the United States;

(3) due to the widespread hazards presented by the threat of nuclear contamination, as well as nuclear bombs, the United States has a strong interest in ensuring that persons who are engaged in the illegal acquisition and use of nuclear materials, including byproduct materials, are prosecuted for their offenses;

(4) the threat that nuclear materials will be obtained and used by terrorist and other criminal organizations has increased substantially since the enactment in 1982 of the legislation that implemented the Convention on the Physical Protection of Nuclear Material, codified at section 831 of title 18, United States Code;

(5) the successful efforts to obtain agreements from other countries to dismantle nuclear weapons have resulted in increased packaging and transportation of nuclear materials, thereby decreasing the security of such materials by increasing the opportunity for unlawful diversion and theft;

(6) the illicit trafficking in the relatively more common, commercially available and usable nuclear and byproduct materials poses a potential to cause significant loss of life and environmental damage;

(7) reported trafficking incidents in the early 1990's suggest that the individuals involved in trafficking these materials from Eurasia and Eastern Europe frequently conducted their black market sales of these materials within the Federal Republic of Germany, the Baltic States, the former Soviet Union, Central Europe, and to a lesser extent in the Middle European countries;

(8) the international community has become increasingly concerned over the illegal possession of nuclear and nuclear byproduct materials;

(9) the potentially disastrous ramifications of increased access to nuclear and nuclear byproduct materials pose such a significant future threat that the United States must use all lawful methods available to combat the illegal use of such materials;

(10) the United States has an interest in encouraging United States corporations to do business in the countries that comprised the former Soviet Union, and in other developing democracies;

(11) protection of such United States corporations from threats created by the unlawful use of nuclear materials is important to the success of the effort to encourage such business ventures, and to further the foreign relations and commerce of the United States;

(12) the nature of nuclear contamination is such that it may affect the health, environment, and property of United States nationals even if the acts that constitute the illegal activity occur outside the territory of the United States, and are primarily directed toward foreign nationals; and

(13) there is presently no Federal criminal statute that provides adequate protection to United States interests from nonweapons grade, yet hazardous radioactive material, and from the illegal diversion of nuclear materials that are held for other than peaceful purposes.

(b) PURPOSE.—The purpose of this title is to provide Federal law enforcement agencies the necessary tools and fullest possible basis allowed under the Constitution to combat the threat of nuclear contamination and proliferation that may result from illegal possession and use of radioactive materials.

SEC. 802. EXPANSION OF SCOPE AND JURISDICTIONAL BASES OF NUCLEAR MATERIALS PROHIBITIONS.

Section 831 of title 18, United States Code, is amended—

(1) in subsection (a)—

(A) by striking "nuclear material" each place it appears and inserting "nuclear material or nuclear byproduct material";

(B) in paragraph (1)—

(i) in subparagraph (A), by inserting "or the environment" after "property"; and

(ii) by amending subparagraph (B) to read as follows:

"(B)(i) circumstances exist that are likely to cause the death or serious bodily injury to any person or substantial damage to property or the environment, or such circumstances have been represented to the defendant to exist;"; and

(C) in paragraph (6), by inserting "or the environment" after "property";

(2) in subsection (c)—

(A) by amending paragraph (2) to read as follows:

"(2) an offender or a victim is a national of the United States or a United States corporation or other legal entity;";

(B) in paragraph (3)—

(i) by striking "at the time of the offense the nuclear material is in use, storage, or transport, for peaceful purposes, and"; and

(ii) by striking "or" at the end of the paragraph;

(C) in paragraph (4)—

(i) by striking "nuclear material for peaceful purposes" and inserting "nuclear material or nuclear byproduct material"; and

(ii) by striking the period at the end of the paragraph and inserting "; or"; and

(D) by adding at the end the following new paragraph:

"(5) the governmental entity under subsection (a)(5) is the United States or the threat under subsection (a)(6) is directed at the United States."; and

(3) in subsection (f)—

(A) in paragraph (1)—

(i) in subparagraph (A), by striking "with an isotopic concentration not in excess of 80 percent plutonium 238"; and

(ii) in subparagraph (C), by striking "(C) uranium" and inserting "(C) enriched uranium, defined as uranium";

(B) by redesignating paragraphs (2), (3), and (4) as paragraphs (4), (5), and (6), respectively;

(C) by inserting after paragraph (1) the following new paragraph:

"(2) the term 'nuclear byproduct material' means any material containing any radioactive isotope created through an irradiation process in the operation of a nuclear reactor or accelerator;";

(D) by striking "and" at the end of paragraph (4), as redesignated;

(E) by striking the period at the end of subsection (f)(5), as redesignated, and inserting a semicolon; and

(F) by adding at the end the following new paragraphs:

"(6) the term 'national of the United States' has the meaning given such term in section 101(a)(22) of the Immigration and Nationality Act (8 U.S.C. 1101(a)(22)); and

"(7) the term 'United States corporation or other legal entity' means any corporation or other entity organized under the laws of the United States or any State, Commonwealth, territory, possession, or district of the United States.".

TITLE IX—MISCELLANEOUS PROVISIONS

SEC. 901. SEVERABILITY.

If any provision of this Act, an amendment made by this Act, or the application of such provision or amendment to any person or circumstance is held to be unconstitutional, the remainder of this Act, the amendments made by this Act, and the application of the provisions of such to any person or circumstance shall not be affected thereby.

NOTICE OF HEARING

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. MURKOWSKI. Mr. President, I would like to announce for the public that a hearing has been scheduled before the full Committee on Energy and Natural Resources.

The hearing will take place Tuesday, June 13, 1995 at 9:30 a.m. in room SD-366 of the Dirksen Senate Office Building in Washington, DC.

The purpose of this hearing is to receive testimony on S. 755, a bill to amend the Atomic Energy Act of 1954 to provide for the privatization of the United States Enrichment Corporation.

Those wishing to testify or who wish to submit written statements should write to the Committee on Energy and Natural Resources, United States Senate, Washington, DC 20510. For further information, please call David Garman of the committee staff at (202) 224-7933.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON AGRICULTURE, NUTRITION, AND FORESTRY

Mr. DOMENICI. Mr. President, I ask unanimous consent that the Committee on Agriculture, Nutrition, and Forestry, Subcommittee on Marketing, Inspection, and Product Promotion be allowed to meet during the session of the Senate on Thursday, May 25, at 10 a.m. in SR-332, to discuss Federal farm export programs.

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

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. DOMENICI. Mr. President, I ask unanimous consent that the Committee on Energy and Natural Resources be granted permission to meet during the session of the Senate on Thursday, May 25, 1995, for purposes of conducting a Full Committee hearing which is scheduled to begin at 9:30 a.m. The purpose of this hearing is to consider S. 638, the "Insular Development Act of 1995."

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

COMMITTEE ON GOVERNMENTAL AFFAIRS

Mr. DOMENICI. Mr. President, I ask unanimous consent on behalf of the Governmental Affairs Committee to meet on Thursday, May 25, at 10 a.m., for a markup on pending nominations.

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

COMMITTEE ON INDIAN AFFAIRS

Mr. DOMENICI. Mr. President, I ask unanimous consent that the Committee on Indian Affairs be authorized to

meet on Tuesday, May 23, 1995, beginning at 9:30 a.m., in Room 485 of the Russell Senate Office Building on S. 479, a bill to provide for administrative procedures to extend Federal recognition to certain Indian groups.

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

COMMITTEE ON LABOR AND HUMAN RESOURCES

Mr. DOMENICI. Mr. President, I ask unanimous consent that the Committee on Labor and Human Resources be authorized to meet for an Executive Session, during the session of the Senate on Thursday, May 25, 1995 at 9:00 a.m.

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

COMMITTEE ON RULES AND ADMINISTRATION

Mr. DOMENICI. Mr. President, I ask unanimous consent that the Committee on Rules and Administration be authorized to meet during the session of the Senate on Thursday, May 25, 1995, at 9:30 a.m., to hold a hearing to receive testimony on the reauthorization of the Federal Election Commission.

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

SUBCOMMITTEE ON CHILDREN AND FAMILIES

Mr. DOMENICI. Mr. President, I ask unanimous consent that the Subcommittee on Children and Families of the Committee on Labor and Human Resources be authorized to meet for a hearing on Child Protection, during the session of the Senate on Thursday, May 25, 1995 at 2:30 p.m.

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

SUBCOMMITTEE ON EDUCATION, ARTS AND HUMANITIES

Mr. DOMENICI. Mr. President, I ask unanimous consent that the Subcommittee on Education, Arts and Humanities of the Committee on Labor and Human Resources be authorized to meet for a hearing on The Business Role in Vocational Education, during the session of the Senate on Thursday, May 25, 1995 to immediately follow the Executive Session.

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

SUBCOMMITTEE ON FORESTS AND PUBLIC LAND MANAGEMENT

Mr. DOMENICI. Mr. President, I ask unanimous consent that the Subcommittee on Forests and Public Land Management of the Committee on Energy and Natural Resources be granted permission to meet during the session of the Senate on Thursday, May 25, 1995, for purposes of conducting a subcommittee hearing which is scheduled to begin at 2:00 p.m. The purpose of this hearing is to receive testimony on the property line disputes within the Nez Perce Indian Reservation in Idaho.

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

ADDITIONAL STATEMENTS

THE GENERAL SERVICES ADMINISTRATION

• Mr. WARNER. Mr. President, I rise today in response to President Clinton's threat to veto the conference agreement on legislation to rescind $16 billion in already appropriated but, as yet, unspent funds under H.R. 1158.

The President has stated that the conference agreement cuts too deeply into education programs in order to finance "pork barrel" construction of courthouses and highways. However, I would remind the President that the House and Senate rescission conference report blocks the planned consolidation of the Food and Drug Administration at Clarksburg and Prince Georges County, thereby saving the taxpayers an estimated $810 million. In addition to money for the FDA project, a total of $110.8 million was trimmed from funding for six other Government buildings in the D.C. metropolitan area under the GSA.

Moreover, the President's statement on the rescissions package indicated that Congress would receive a list of $438 million in additional cuts of building projects to be added to the current conference report of $580 million from the GSA. Even at this late date, I welcomed the proposed list to provide additional savings. Regrettably, I was surprised to receive word from the General Services Administration that the Office of Management and Budget has directed the GSA to discontinue efforts to compile this list, especially in light of previous accusations of "pork barrel" projects being contained in the conference report.

If the President is serious about this effort, the GSA must be allowed to proceed with this promised list for congressional review. I would further like to remind the President that the current House-Senate conference report provides the American taxpayer with a sizeable victory through the elimination of the planned consolidation of the Food and Drug Administration at Clarksburg and Prince Georges County.

Since the conception of the proposal to move the Food and Drug Administration to the Montgomery County site, I have continually questioned the need for this move, especially at a time when the Federal Government is closing and selling Federal properties. As the chairman of the Subcommiteee on Transportation and Infrastructure, I have contacted both General Services Administrator Roger Johnson and Budget Director Alice Rivlin to apprise them of my concern.

I might also add that, to date, I have not yet received a reply from Budget Director Rivlin to my letter of March 28 in regard to this matter. It is my hope that this does not indicate a lack of communication between the General Services Administration and the Office of Management and Budget.

In February, during a meeting with the General Services Administrator Roger Johnson, I questioned the need for this costly move and asked why the Federal Government would need to purchase privately-owned property for the "consolidation" of one Federal agency. Administrator Johnson responded that he shared my concern and that the "GSA would continue to look for opportunities to utilize existing Federal land."

Following our meeting, Administrator Johnson provided me with written assurance that the project, and purchase of private properties, would not go forward until a complete review of available Federal property had been examined.

I am pleased to report that such an examination was well underway when it was announced that the conference report included a rescission of $810 million for this project, providing a victory for American taxpayers.

I commend my colleagues who served as conferees on this most important bill for their decision to eliminate this wasteful spending.

In this austere budget environment, it is my intention to continue to make our capital assets work better in the area of the General Services Administration. As the chairman of the Environment and Public Works Subcommittee on Transportation and Infrastructure, I believe that Federal real property should meet certain priority criteria.

It is my view that the Senate should support only those General Service Administration projects and programs which have been justified as necessary, cost-effective and compelling by utilizing a more disciplined asset management program. This approach should be targeted to worthwhile projects directly related to the General Services Administration's mission.

To accomplish this objective, the GSA should require that Federal real property activities meet certain broad principles. My suggested criteria for priority consideration would be, in sequential order:

First, those projects necessary to ensure the life, safety, and health of the tenant;

Second, those projects which achieve a high priority ranking based on urgency of need and positive return on investment criteria;

Third, those projects which fully utilize opportunities for cost savings;

Fourth, those projects necessary to avoid expensive, short-term holdover situations due to lease expirations; and finally,

Fifth, those projects which represent a fixed need for a permanent Federal agency.

Based on these criteria, it is my hope that the GSA will adopt a strategic

planning approach and reformat its submissions of proposals to the Congress accordingly. As subcommittee chairman, I will urge the Environment Committee to judge the top priorities of each of the categories under the GSA's real property programs against one another on a case-by-case basis. However, the process for determining the highest priorities within each category should be a disciplined process.

In the future, I will continue my effort to convince GSA to adopt a more disciplined approach to provide real savings for the American taxpayer.●

NATO AIRSTRIKES

● Mr. NUNN. Mr. President, I strongly support today's NATO airstrikes in Bosnia. I am pleased that the United Nations finally permitted NATO to respond to the continued defiance of the U.N. mandates for Bosnia. I am also pleased to hear the preliminary reports that NATO strikes were carried out against a meaningful military target.

There is certainly a risk that the Bosnian Serbs may retaliate against U.N. personnel. There is, however, even greater risk to U.N. personnel if the U.N. and NATO's credibility continues to erode. In addition to the terrible human suffering, I have been concerned about the loss of U.N. and NATO credibility that has taken place as the various warring parties, particularly the Bosnian Serbs, have ignored U.N. resolutions and international law.

I hope today's strikes on the Bosnian Serb ammunition dumps at the military headquarters in Pale will serve notice to all sides that the United Nations and NATO can and will enforce the resolutions that have been approved by the U.N. Security Council.

I am hopeful that these strikes will strengthen the resolve of the U.N. forces in the exclusion zone around Sarajevo where the United Nations has prohibited the use of heavy military equipment. This zone was designed to stop the indiscriminate shelling of the civilian population within the exclusion zone. If any side in this conflict ignores the U.N. ban on heavy weapons in this zone I would favor more strikes like today's strikes on Pale until all sides respect the U.N. ban on heavy weapons.

I have long felt that any hope for peace in Bosnia requires the enforcement and expansion of the zone of exclusion. By expanding the areas where heavy weapons are prohibited, the U.N. could reduce civilian casualties, level the playing field between the warring parties, and lower the level of violence in the conflict, thus paving the way for a negotiated settlement.●

TRIBUTE TO THE TOWN OF WILLARDS

● Mr. SARBANES. Mr. President, I would like to call to the attention of my colleagues celebrations that are underway to commemorate the one-hundredth anniversary of the establishment of the Town of Willards, Maryland.

Willards, a town with a total population of 900 persons, was founded on the basis of a quarrel. Ebenezer G. Davis was the first inhabitant and store proprietor of what is known today as Willards after moving to the area after a dispute with his brother. Mr. Davis made a vow to Willard Thompson, a railroad General Manager, that he would name the town after him if Mr. Thompson would build a railroad depot in the town. That first railroad depot is now the local Post Office for the Town of Willards.

Officially named in October of 1895, The Town of Willards' boundary was comprised of a half-mile radius circle, encompassing at the center the popular corner of Hearn and Canal Streets.

While Willards was first incorporated in 1906, and again in 1927, the first elected government would not be legislated until 1971. By the 1970's many businesses had been located in the town including the Shirt Factory, erected in 1905, and the Farmers Bank that would follow in 1945. Civic organizations such as the Volunteer Fire Department, established in 1927, and the 1948 creation of the local Lions Club, would all lend their support to community development.

Willards is a model of community spirit and cooperation. The activities being sponsored to commemorate this auspicious occasion exemplify the deep devotion of Willards residents to their community. The spirit and enthusiasm of Willards citizens have proven to be the foundation of its success. These anniversary celebrations provide the opportunity to review the dedication that has supported Willards throughout its history and helped it to develop into one of Wicomico County's most treasured communities.

We in Maryland are fortunate to have an area as community-oriented as Willards. I join the citizens of Wicomico County in sharing their pride in Willards' past and optimism for continued success in the years to come.●

BLACK DOLLAR DAYS TASK FORCE—CAMPAIGN 5000

● Mr. GORTON. Mr. President, a fundamental problem facing our country today is increasing economic dependence which serves to fuel the rise of the welfare state. The task for America is to find creative and innovative ways to assist people who are economically deprived. One way to do this is to create systems that will lead to economic self-sufficiency for people trapped by the poverty of inner cities.

The Black Dollar Days Task Force [BDDTF], a Seattle-based organization gaining national attention, was established in 1988 to address this problem. This organization has demonstrated that poor communities working together can make a difference and begin to create an economic future for themselves.

One of the programs started by BDDTF to address the issue of self-sufficiency is CAMPAIGN 5000. This program is the first minority-owned endowment program in the country. The goal of CAMPAIGN 5000 is to get minority community residents to become owners of their economic future by contributing to an endowment fund and becoming stakeholders. The endowment fund, once established, serves as a means by which corporate, public and private moneys can come together in partnership to foster dignity, hope, and self-esteem. The only present alternative to this endowment fund is federallycontrolled programs which, in some cases, have led to dead end jobs and inner city hopelessness.

The CAMPAIGN 5000 Endowment Fund ensures: A self-perpetuating fund that helps solve the problem of deficit spending; a mechanism that creates jobs by fueling the expansion and development of business opportunities; an opportunity for communities to be self-sufficient in solving their own problems.

I have here, Mr. President, a list of funding sources which I will submit for the RECORD.

Mr. President, we are now dealing with a great challenge and a great responsibility. In the ongoing budget debate, we must remember that it is not enough just to cut the budget. We must cut the budget, but at the same time we must also be the mechanism to encourage new models that offer hope and promise through self-sufficiency and that get people off welfare. This is the role communities can play in the Contract With America.

One model I support enthusiastically is from my home State of Washington. It is the Endowment Program of CAMPAIGN 5000 and the Black Dollar Days Task Force, and it works.

I ask that the sources be printed in the RECORD.

The material follows:

The Black Dollar Days Task Force Sources of Funding from Grants and Foundations—1989 through 1995

Grants;	
Presbyterians USA	$4,000
Local Campaign for Human Development	4,000
Center for Community Change	5,000
City of Seattle, Community Block Grant	34,000
City of Seattle, CDBG	15,000
City of Seattle, Department of Neighborhoods	48,950
City of Seattle, Office of Economic Development	82,750
National Campaign for Human Development	30,000
United Methodist Commission	18,000
Ben and Jerry's Foundation	8,000
Charles Mott Foundation	12,500

Needmor Fund	60,000
Seattle Foundation	21,000
A Territory Resource	55,500
Self-Development of People	9,500
Jewish Fund for Justice	12,500
Peace Development Fund	5,000
US Department of Housing and Urban Development, Office of Community Services, JOLI program	490,000
State of Washington, Office of Community, Trade and Economic Development	40,000
Shurgard, Incorporated	5,000
Catholic Community Services	5,000
Byron & Alice Lockwood Foundation	2,000
Levinson Foundation	7,500
SeaFirst Bank	5,500
U.S. West Foundation	5,000
The Bon Marche	12,500
First Interstate Bank	2,500
West One Bank	1,500
Safeco Insurance Companies	3,500
Washington Mutual Bank	3,000
The Boeing Company	1,000
Jewish Federation of Greater Seattle	5,000
Presbytery of Seattle	1,000
Family Foundation	1,000

IS BURUNDI THE NEXT RWANDA? NEED FOR A STRONG UNITED NATIONS RESPONSE

• Mr. LEAHY. Mr. President, we all witnessed from afar the horrors perpetrated in Rwanda a year ago when mostly Hutus massacred an estimated half million Tutsis. Just this past month, there was renewed violence in that country, including the deaths of Hutus implicated in the genocide. I believe many of the deaths in Rwanda during the past year could have been prevented if the international community had acted sooner to protect the thousands of innocent civilians who were mercilessly slaughtered.

Today, a similar situation is brewing in Rwanda's neighboring country, Burundi, where hatred and violence between Hutus and Tutsis over the past several years has intensified and caused tremendous turmoil and death. We regularly receive reports of killings of dozens, hundreds, even thousands of innocent men, women and children. Once again, we face the difficult question of how to respond.

After the catastrophe in Rwanda, inaction now by the international community would amount to nothing less than an assurance to people anywhere who would commit genocide that they need not fear being held to account.

Mr. President, the Central African country of Burundi has a history of ethnic tensions. However, the tensions between the two ethnic groups, Hutu and Tutsi, has more to do with economic status than ethnicity. While the Hutus represent 85 percent of the population, they are primarily impoverished, subsistence farmers. The wealthier, minority Tutsis, raise cattle.

Tensions intensified during German, and later Belgian colonialism. These Western powers allied themselves with the more European-like Tutsis to help manage the colonial government, fortifying Tutsi power. Since Burundi's independence in 1962, the Tutsis have maintained control of the country's wealth, politics, and the military, creating friction between Hutus and Tutsis. These tensions have been used periodically by extremist elements to divide Burundis, causing violent eruptions that pit the two ethnic groups against each other.

In 1993, the assassination of the first democratically elected President, Melchior Ndadaye, a Hutu, plunged the country into chaos. Hutus seeking revenge for the assassination ignited a cycle of violence. During the 10-month period following the assassination, nearly 50,000 Burundis were slaughtered, and the Tutsi-dominated military seized power. The slaughter has bred intensified distrust and fear, and further violence on a similar scale is a real possibility.

The President was murdered by Tutsi military extremists who refused to accept the election results. They also were angered by Ndadaye's sensible policy of balancing Hutus with Tutsis in the military. The brewing unrest in Rwanda further contributed to the Burundi Tutsis' fear of losing their identity and power, and led to the coup. The army has propped up Tutsi power in the recent past, and is a key element in deciding Burundi's future. The army is now acting as a de facto government and is becoming increasingly politicized and radicalized.

Extremists on both sides are using the ethnicity card to spread fear and distrust and consolidate their power, making reconciliation more difficult. Former Texas Senator Robert Krueger, now the U.S. ambassador, says Burundi is the most fearful society he has ever witnessed.

The trouble is not limited to Burundi alone. The conflict is a regional crisis. The renewed violence in Rwanda, which we thought was behind us, is spilling over into Burundi, Zaire and Tanzania, which are flooded with refugees. Recently, 70,000 Rwandan refugees and displaced Burundi civilians fled to the borders of Tanzania. Tanzania, already overwhelmed with refugees and displaced persons, closed its borders. Because of the international community's tenuous support, the Tanzanian Government feels it cannot handle the new influx of refugees without more help. Ngara, across the border from Tanzania, is now home to 450,000 refugees, more than double the local Tanzanian population. These camps area a humanitarian nightmare, with disease, massacres and riots a constant threat.

Delays of aid by some donor countries are causing refugee unrest and accusations that the reduced rations are part of a conspiracy by the United Nations and other relief organizations. This type of paranoia is fueling the hardliners' efforts to spread fear and destabilize the country. Even the Central African governments are becoming impatient with the donor community. Citing last year's failure of the international community to stop the Rwandan genocide, some have suggested scaling back the U.N. presence in Rwanda. Millions of Central Africans displaced by the violence depend on this assistance. The recent seizure of World Food Program trucks headed for Rwandan refugee camps in Burundi illustrate how serious the situation has become.

Despite the sickening brutality, the situation in Burundi is not hopeless. Although little public attention has been given to the frightening developments there, the administration and many humanitarian groups are working to encourage preventive measures to deter another calamity. It is imperative that the United States turn its full attention to Burundi, facilitating strategies to prevent genocide and regional instability.

Ambassador Krueger deserves great praise for reporting the atrocities, at considerable risk to his own safety. The world needs to know the truth about what is happening. We must also promote a sense of hope, confidence, and the possibility for overcoming the fear that threatens to explode into a spiral of violence. The atrocities must be exposed, but we must also put our energies into developing preventive and rehabilitative strategies, to counter the extremists and defuse tensions, and move beyond a short-term relief mentality. The Africans must be centrally involved in this process.

Efforts to support and reassure moderate elements in Burundi is essential. The U.N.'s Special Representative Ould-Abdallah is calling for strengthening the nationwide reconciliation campaign launched a few weeks ago. Moderates including the President, Prime Minister, Cabinet Members, Members of Congress, and party leaders are all actively involved in this campaign. We need to give these leaders political, moral and financial support. Visits to the region by top U.S. officials are a good start. Party leaders have already denounced extremists in their parties.

These efforts at strengthening reconciliation will help focus the peoples' attention on the national debate set to take place in June or July. The debate is an open forum to address the complex issues of promoting and sustaining Burundi's democratic process and government. The National Debate has already begun with the establishment of its Technical Committee. Our strong, visible support for this forum will help discourage and deter the extremists and their hate press from inciting violence and gaining credibility.

We must continue to support the creation of a judicial commission to prosecute human rights violators. We need to help ensure that the army and others are accountable for their actions. We must strongly condemn all violence and assassinations.

We must also support the private voluntary organizations that are doing the lion's share of delivering relief aid. These groups need sufficient personnel, funding and political support to continue their work. Groups such as Parliamentarians for Global Action have helped to facilitate dialogue and begun the reconciliation process. Refugees International has done a tremendous job in focusing public attention on the crisis in Central Africa.

Mr. President, ever since former President Bush spoke of a new world order, the world has been anything but orderly. The threat of Communism has been replaced by shockingly brutal, ethnic conflicts that threaten to spread in the Balkans, the Middle East, Central Africa and elsewhere. In every case, innocent civilians bear the brunt of the violence.

The international community faces a profound, moral choice, in a world in which future man-made catastrophes are inevitable. Preventive measures are always preferable. But if they fail, and the violence in Burundi takes on the character and magnitude of what we witnessed in Rwanda, what will our answer be? Will we stand by in the face of genocide, or will we act to try to stop it? Will we watch passively and cast blame after the blood stops flowing, or will we and others intervene to save innocent lives?

After Somalia, there is no enthusiasm in the Congress for sending large numbers of American troops into the midst of a bloody conflict in Africa or anywhere else, where U.S. national security interests are not obviously threatened. On the other hand, to do nothing is to invite genocide. That is also unacceptable. Our security is our interest. But genocide is everybody's interest, wherever it occurs.

Mr. President, I believe the Rwanda experience compels us to respond differently to future crises of this sort, whether in Burundi or elsewhere. In Rwanda, 5 months after receiving a mandate to act, the U.N. still had no budget, no equipment, no humanitarian coordinator, no political strategy, and no logistical capability to rapidly deploy and sustain a peacekeeping force. As in past peacekeeping operations, the U.N. started from scratch. An estimated $200 million was needed, but only a fraction of that was raised. In the meantime, hundreds of thousands of people were slaughtered, and the international community is now spending hundreds of millions if not billions of dollars to feed and care for refugees, and to deal with the myriad of difficult problems Rwanda faces in the wake of the genocide. Not until the arrival of a small contingent of well-armed French troops, did the mayhem wane.

Peacekeeping, or some combination of peacekeeping and peacemaking, which in Rwanda-like situations I would prefer to call peacekeeping with muscle, could not only have saved thousands of innocent Rwandan lives, it could also have saved money. These should be our goals in the future.

To that end, the United States should vigorously seek international support for establishing a properly trained, fully equipped, U.N. force that can be deployed quickly to provide protection to civilians in Rwanda-like crises. The U.N. is the only overtly neutral organization that can fulfill this responsibility. I am not talking about a standing army, but rather small contingents of troops from a wide range of U.N. member states, specially trained, coordinated and equipped and ready to assemble quickly to respond with overwhelming force in humanitarian emergencies.

The role of such a force would not be nation-building. That is not the work of armies. Its mission would be humanitarian and deterrence. By preventing those who would slaughter thousands of innocent people from access to the targets of their hatred, and by offering those who might be coerced into taking part in genocide a safe haven if they refuse, tensions can be defused and crises averted.

The U.N. Secretary General should have sufficient funds at his disposal to support the early deployment of such a force. It should be further buttressed with a U.N. media capability to publicize its activities, and to counter the kinds of inflammatory radio broadcasts that incited Hutus to commit genocide in Rwanda.

The United States should be prepared to contribute its equipment, and even its troops to participate in such a force, although I believe it is preferable if the troops of the major powers are used in these situations only as a last resort. Nevertheless, there are financial costs and human risks involved, and the United States has an obligation, as the most powerful country, to do its part. That is the price of world leadership.

Mr. President, I am not the first to suggest the establishment of such a U.N. capability. It is not peacekeeping. It is not peacemaking. It is life saving. And it is urgently needed in today's violent, post cold war world.●

NATIONAL MISSING CHILDREN'S DAY

● Mr. D'AMATO. Mr. President, I rise today to speak about National Missing Children's Day. This day focuses on what must be one of the most horrifying events in a parent's life: the abduction of their child. Nothing I say could ever ease their pain, but I would like to let them know that my thoughts are with them.

I want to take this opportunity to applaud the efforts of programs that assist families in these situations. The National Center for Missing and Exploited Children (NCMEC) is a remarkable organization. NCMEC handles over 850,000 calls on its hotline, worked on 43,000 cases and, amazingly, played a role in the recovery of 28,000 children. Using advanced technology, this vital center disseminates information with the ultimate goal of rescuing as many children as possible.

After personally viewing the need for these efforts, I helped to establish Project ALERT, which is housed within NCMEC. Hoping to tap into an extremely valuable resource, Project ALERT recruits retired law enforcment officers, provides training to them and then dispatches these officers to local police agencies. The officers are volunteers and are assigned to cases involving missing and exploited children. They have the experience, expertise, will and dedication to investigate cases and can readily available to provide these services free to local law enforcement agencies.

In order to draw attention to the gravity of this National Missing Children's Day, some very dedicated New Yorkers have taken to their bicycles to ride from Herkimer County in New York to Washington, DC. Herkimer County has special significance. Sara Anne Wood, 12 years old at the time, was abducted from there on August 18, 1993. Her father, Reverend Robert Wood is one of the seven making the arduous trip to Washington, DC which will benefit the Sara Anne Wood Rescue Center. I would like to take a moment to congratulate them on completing their journey and bring national attention to their efforts.

I also would like to speak briefly on the Morgan P. Hardiman Task Force on Missing and Exploited Children. The Task Force creates a team of active Federal agents who would work with the National Center for Missing and Exploited Children in assisting State and local law enforcement agents in their most difficult By supplementing our Nation's police departments with Task Force members and resources, we can effectively fight child victimization, a truly reprehensible crime, and help to reunite families disrupted by an abduction.

I only hope that one day, there will be no need for a National Missing Children's Day or a center to locate missing and exploited children. Until that day comes, I will continue to do whatever I can as a United States Senator to assist in the efforts to bring these children home and to impart the most severe punishment for any depraved person who harms a child. This issue is

dear to my heart and I will remain close to the efforts to help children and their families. We will not stop until the problem has ceased.•

"I TOLD YOU SO"—WHITE HOUSE MEMO LAYS GROUNDWORK FOR COERCION

• Mr. ROTH. Mr. President, today the Associated Press broke a story that should take no one by surprise. The concern expressed on this floor as we debated reforming the Hatch Act was that without protection for Federal employees, a sitting President could coerce his appointees to contribute to his campaign.

Today, we see from a wire story that the White House has laid the groundwork for the kind of coercion we predicted.

A memo dated May 2 from White House Counsel Abner Mikva and addressed to "Heads of all All Agencies and Departments"—a memo written on official White House stationery, states that the Hatch Act Reform of 1993 "provided that civilian executive branch employees are no longer prohibited from making a political contribution to the reelection campaign committee of an incumbent President."

The memo then asks the agency heads to share the information with employees inside their agencies. Frankly, Mr. President, I find this absolutely outrageous, and believe that this memo could be seen as setting up a coercive situation for executive branch civilian employees—something I warned against when we considered the so-called reform of the Hatch Act.

The purpose of the Hatch Act was straightforward—to protect Federal employees from just this type of pressure. I fought tooth and nail against the repeal of provisions in the Hatch Act for just this reason. I find it interesting that of all of the changes made to the Hatch Act, contributing to the reelection campaign committee of an incumbent President is the change they chose to highlight. This memo is a glaring example of the abuses that can occur without the protection of the Hatch Act.

When the White House asks agency and department heads to tell their employees that they may contribute to their boss' reelection, that clearly can be seen as coercion. Those employees may feel that their continued employment depends on contributing. Furthermore, that this was sent out on official White House stationary makes things even worse.

What is an employee to think when he or she receives this information—this narrow information—concerning the changes to the Hatch Act All the changes were highlighted by the media when the act was reformed. Certain, Federal employees kept themselves abreast of the news. "So why," one would have to ask, "would the highest levels at the White House use official stationary to direct attention to only one of several changes in the law?"

"Is it because the President wants to remind me that I serve at this leisure—and if I don't contribute, I may not serve?" As Ann McBride, president of Common Cause says, "There's just no way that a message comes from the White House and people don't feel some sense of implicit coercion."

This is unfair to our Federal employees. At a time when the President is seeking to build goodwill and esteem among those who work in the bureaucracy, he shouldn't be strapping them with the bill for his reelection campaign.

THE AGENCY FOR HEALTH CARE POLICY AND RESEARCH

• Mr. ROCKEFELLER. Mr. President. I would like to submit for the RECORD, a recent Washington Post article on the Agency for Health Care Policy and Research (AHCPR).

Before submitting the article, I would like to say a few words about the AHCPR. The Agency for Health Care Policy and Research (AHCPR) was established as the eighth agency in the Public Health Service by the Omnibus Budget Reconciliation Act of 1989. I was pleased to work on a bi-partisan basis—with Senators Mitchell, HATCH, DURENBERGER, and KENNEDY, and Representatives Gradison, STARK, and WAXMAN—to help establish AHCPR.

In creating the agency, Congress gave increased visibility and stature to the only broad-based, general health services research entity in the Federal Government—one of the most important sources of information for policymakers and private sector decisionmakers as they seek to resolve the difficult issues facing the Nation's health care system.

Congress gave AHCPR the following mission:

> "to enhance the quality, appropriateness, and effectiveness of health care service and access to such services, through a broad base of scientific research and the promotion of improved clinical practice and in the organization, financing and delivery of health services.

The Members of Congress who supported the creation of AHCPR did so because of their concern that while the Nation was spending at that time some $800 billion on health care, it is now more than a trillion dollars, we had little information on what works in the delivery or financing of care. We wanted to encourage support for research to find the best ways to finance and provide health care at the lowest cost and the highest quality. We believed then that for a relatively low expenditure we could find ways to save health care money without sacrificing quality. The AHCPR's work has proven us right.

The 1989 Reconciliation Act authorized AHCPR to conduct research in three basic areas: Cost, Quality, and Access (CQA) and medical effectiveness research and outcomes research.

Cost, Quality and Access research funding has provided:

The fundamental research that led to the development of the Diagnosis Related Groups (DRG) system;

The basic research that first documented major variation in physician practice patterns;

A landmark study, called the Medical Outcomes Study (MOS) which will help understand the impact of financial incentives and practice setting (e.g. Health Maintenance Organizations vs. fee-for-service) on practice style and, in turn, on health outcomes;

Research that documented that utilization review can significantly cut utilization costs of health care; and

The most comprehensive survey on the costs and utilization patterns of AIDS patients, which will help target treatment programs, more effectively.

Part of AHCPR's work is in technology assessment and this effort has made a significant contribution to saving federal funds. For example, according to the Institute of Medicine, at least $200 million a year in medicare expenditures are saved through AHCPR's technology assessment program. Again, AHCPR is helping us as policymakers understand what works.

Congress greatly expanded the federal effort to support research on the outcomes, appropriateness and effectiveness of health care services. The ultimate goal of this program is to provide information to health care providers and patients that will improve the health of the population and optimize the use of scarce health care resources. This program includes research, data development and development of clinical practice guidelines.

It was our hope that the guidelines, which are just that, not requirements, would lead us to find ways to save money without compromising care. It is now apparent that our modest investment in the process has paid off.

For example, AHCPR, research has found that some 90% of low back pain problems—a condition estimated to cost more than $20 billion a year in health expenditures—disappear on their own in about one month. This finding has enormous cost savings implications.

One hospital in Utah found that after six months of using an AHCPR guideline on prevention of pressure ulcers that it saved close to $250,000. That hospital is part of the Intermountain Health Care system which has now implemented the guideline in its 23 other hospitals. Use of this guideline has reduced the incidence of bed sores by 50% at savings of $4,200 per patient.

I cite the cost savings aspects of AHCPR research because of a recommendation by the Budget Committee to cut AHCPR research by 75 percent. The committee report also indicates that AHCPR was established to manage health care reform. That assertion is just plain wrong. AHCPR is an important agency for its research, but it was not envisioned to be a health care implementation agency. We may save a few Federal dollars by cutting AHCPR's funding, but we will lose far more in potential savings in our health care system.

The budget resolution also proposes deep reduction cuts in Medicaid and Medicare spending. I oppose those harsh cuts because the people of West Virginia will have health care benefits taken away from them as a result. It seems to me that the only way to rationally reduce costs and not hurt people by reducing their access to care or their quality of care, is to know what works and what does not work. That is precisely the point of the research of AHCPR.

The current budget of AHCPR is about $160 million. This modest investment is just now paying off in research and guidelines which have the potential to reduce cost and without a reduction in quality of care. It is my hope that the Appropriations Committee will continue to provide adequate appropriations for AHCPR and I will do my best to support the Agency as the Congress makes its decisions on authorizations and funding for the coming fiscal year.

I ask that the article from the Washington Post be printed in the RECORD.

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

[From the Washington Post, May 15, 1995]

HOUSE PANEL WOULD KILL AGENCY THAT COMPARES MEDICAL TREATMENTS

(By David Brown)

It doesn't take long to go from being a solution to waste to simply waste.

That, at least, is the congressional budget committees' view of the Agency for Health Care Policy and Research. The $162 million agency is the government home for "medical effectiveness research."

When it was created by Congress in 1989, the AHCPR was viewed as an essential tool in the effort to control medical costs without damaging medical care. Last week, the Senate Budget Committee proposed cutting its budget by 75 percent, and the House Budget Committee said it should be eliminated altogether.

AHCPR was launched with the great hope—much of it enunciated by politicians—that it would help the country cut health care costs painlessly by comparing competing treatment strategies to see which works, best, and at the least cost.

Over the last five years, the agency has sponsored 20 Patient Outcomes Research Team (PORTs), each headquartered at a different hospital or university, which studied such topics as back pain, schizophrenia, prostate enlargement, knee joint replacement, cataracts, breast cancer and heart attack.

The teams reviewed the published medical literature on the topic, delineated the variations in treatment, attempted to uncover links between specific treatments and patient outcome (often using large data banks kept by Medicare or private insurance companies), and occasionally devised new tools. For example, the prostate PORT created a video to educate patients about what to expect with certain treatments—including no treatment—and formally incorporated the tool into medical decision-making.

Recently, AHCPR has begun funding randomized controlled trials, which are generally the best way to compare one treatment with another. The topics are ones unlikely to appeal to the National Institutes of Health, where new therapies, not old ones (or low-tech ones), are the preferred subjects of clinical research.

AHCPR trials, for instance, are comparing chiropractic treatment to physical therapy in low back pain; testing a mathematical equation that identifies which patients are most likely to benefit from "clot-busting" drugs for heart attacks; and comparing homemade vs. commercial rehydration fluids for children with diarrhea.

The agency also has sponsored 15 "clinical practice guidelines," which, based on the best medical evidence, suggest how to treat such common (and unexotic) problems as cancer pain, urinary incontinence and chronic ear infections.

In a recent example of that program's effects, researchers at Intermountain Health Care System in Utah reported they had cut the incidence of bedsores in high-risk (generally paralyzed) patients from 33 percent to 9 percent at LDS Hospital in Salt Lake City after implementing a modified version of AHCPR's guideline on pressure ulcers. Incidence of ulcers—which cost an average of $4,200 to treat—also fell among lower-risk patients, and the hospital estimated the annual savings will be at least $750,000.

"To defund a relatively modest effort like that at a time when the questions they need to answer are becoming even more critical doesn't make a lot of sense to me," said Jay Crosson, an executive in charge of quality assurance at Permanente Medical Group, the physician organization of the Kaiser Permanente health maintenance organization (HMO). "There's a lot more work that needs to be done than even AHCPR can fund."

In explaining its recommendation of a 75 percent budget cut, the Senate Budget Committee said AHCPR "was to be the primary administrator of comprehensive health reform."

This, however, is not true. Although data-gathering by AHCPR-funded researchers presumably would have helped assess the equity of a national health care program, the agency had no official role in the defunct Clinton administration plan.●

TRIBUTE TO THE CITY OF LAUREL

● Mr. SARBANES. Mr. President, celebrations to commemorate the 125th anniversary of the establishment of the city of Laurel, MD, are being held throughout this year. The mayor of Laurel, Frank Casula, along with the entire community, have planned several significant events to commemorate this milestone.

First known as the "Commissioners of Laurel," the citizens of Laurel established their home as recognized by the laws of Maryland in 1870. Yet, even before then, the people of Prince Georges County were living off the land now known as Laurel. The first grist mill that was erected in Laurel would be the outset of community development; many industries, storefronts, offices, and homes would eventually appear along that particular stretch along the Patuxent River. Creating what is now known as Laurel's Main Street, the mill built by Nicolas Snowden in 1811, had laid the foundation for a thriving community.

By 1888, Laurel was the largest town in Prince Georges County and had become the focal point along the Baltimore and Ohio Railroad between Baltimore and Washington, DC. In 1879, the Laurel Leader, one of the oldest newspapers in the State of Maryland, was founded. The Leader continues to serve not only Laurel and Prince Georges County, but also the bordering counties of Howard, Montgomery, and Anne Arundel.

Laurel was also a pioneering community in education. The first public high school in Prince Georges County is located in Laurel. Laurel Elementary School was also the first public school in the county to have a cafeteria to serve its students.

Laurel is a model of community spirit and cooperation. The activities being sponsored to commemorate this auspicious occasion exemplify the deep devotion of Laurel's residents to their community. The spirit and enthusiasm of Laurel's citizens have been the foundation of its success. These celebrations provide the opportunity to renew the dedication that has supported Laurel throughout its history and helped it to develop from a railroad stop to one of Prince Georges County's most attractive communities.

We in Maryland are fortunate to have an area as community-oriented as Laurel. I join the citizens of Prince Georges County in sharing their pride in Laurel's past and optimism for continued success in the years to come.●

PROSPECTS FOR PEACE IN BOSNIA AND CROATIA

● Mr. LIEBERMAN. Mr. President, I commend the United Nations for its May 25 air strikes against the Bosnian Serbs. It is about time the United Nations took an assertive, instead of a passive, approach to carrying out its mandated responsibilities to defend Bosnian safe areas and the Sarajevo weapons exclusion zone. Even before the formal expiration of the January-April cessation of hostilities in Bosnia, Bosnian Serbs were violating their commitment to refrain from violence. The Bosnian Government has defended itself, and apologists within the U.N. have mistakenly treated as equal the cease-fire transgressions of the Serb

aggressors and the Bosnian victims. This has been wrong. Today's decision, finally, to use force, which has long been authorized, against those violating the weapons exclusion zone is a step in the right direction.

But it is only a small step. I was not surprised to learn of the failure of the latest effort to appease Serbian leader Milosevic by offering to lift sanctions in exchange for his recognition of Bosnia and Croatia. The United States participated in this contact group offer despite the fact that Milosevic has repeatedly and blatantly violated his commitments to prevent shipments of arms to the Bosnian and Croatian Serbs. The U.N. eased sanctions on Serbia in November with the understanding that Milosevic would stop supplies to the Bosnian and Croatian Serbs. Faced with clear evidence that Serbia violated this commitment, the U.N. Security Council nevertheless extended the easing of sanctions for a second period in April. In Milosevic's experience, aggression, false promises and delay pay dividends. No one has given him any reason to expect that serious consequences will follow his failure to live up to his commitments.

Similarly, the Bosnian Serbs have every reason to doubt the resolve of the international community—represented by UNPROFOR—in carrying out its commitments to protect safe areas, enforce weapons exclusion zones, or deliver humanitarian assistance to starving communities. The Bosnian Serbs have demanded and received from the U.N. treatment equal to that of their victims, the Bosnian Government. The U.N. has thus become a passive contributor to Bosnia's tragedy just as a witness who does not intervene to assist a victim can be judged to be an accessory to a crime. U.N. peacekeeping is truly at a crossroads in Bosnia—the largest and most expensive U.N. peacekeeping mission in history. While UNPROFOR may have contributed to stability and delivery of humanitarian supplies in the first year of its deployment, its compliant approach to resurgent Serbs in Bosnia and Croatia since then has called into question the U.N.'s capability to effectively carry out peacekeeping responsibilities in the future.

We must make no mistake about the origins of the war in Bosnia. As Warren Zimmerman, the last U.S. Ambassador to Yugoslavia, made clear in a recent Foreign Affairs article, the Serbs initiated the war in Bosnia even before the country declared its independence from Yugoslavia.

It is said by some that Bosnia's fate will have little impact on U.S. national security. They are wrong. I believe that tolerance of visible genocide and aggression in the heart of Europe cannot help but make more probable the recurrence of these crimes in other places in the future. If that is the case, then the post-cold war world is likely to be a Hobbesian one where independence for small democracies will all too often be painful and short-lived.

We must not let our desire to stop the killing in the Balkans lead us to blame the victims instead of the aggressor. We cannot let our aversion to war obscure our vision of right and wrong. Is the post-cold war era going to be known as the no-fault era, when strong countries used their influence merely to contain the bad things that happened to weak countries but with no blame assigned? Surely the United States, which was founded on the principles of freedom and "certain inalienable rights" will not participate indefinitely in a policy of denying the pursuit and defense of basic human rights for Bosnians? Appeasement is never an honorable or effective course in foreign policy. Appeasement of a ragtag band of former Communists and war criminals—the Bosnian Serbs—is a dishonorable course which we should have no part in.

I applaud the U.N.'s decision—supported by President Clinton—to use air strikes against the Bosnian Serbs May 25 in an effort to enforce the weapons exclusion zone around Sarajevo. I hope this is the beginning of a more assertive U.N. approach in Bosnia which will be sustained and expanded as necessary even if, as Bosnian Serb leader Karadjic has promised, his forces retaliate. The only way to avoid a larger Balkan war and to bring the Bosnian Serbs to the negotiating table is to stop Serbian aggression. Regrettably, talk alone will not do the job.●

RAPE PREVENTION MONTH IN NEW JERSEY

● Mr. LAUTENBERG. Mr. President, I call attention to the fact that May is Rape Prevention Month in the State of New Jersey. Rape is one of the most violent and hurtful crimes committed in our society. It is a severe problem and we must do all we can to reduce its incidence, punish offenders, and assist victims.

In this country, rape and child sexual abuse still continues to increase at an alarming rate. Organizations like Women Against Rape in Collingwood, New Jersey have taken on the difficult task of combating rape by providing crime prevention programs, teaching rape prevention techniques, offering escort services, and having hotline and counseling services available.

For the 15th consecutive year, Women Against Rape is sponsoring the month of May as Rape Prevention Month. During this month they have worked hard to address this problem in both crisis and everyday situations. Education is one of the first steps to stopping this awful crime, and I commend the volunteers and professionals who have dedicated their time and effort to raise awareness about rape and sexual abuse.●

SALUTE TO THE GOODSPEED OPERA CO.

Mr. DODD. Mr. President, I rise today to congratulate the Goodspeed Opera Co. in my home town of East Haddam, CN, for receiving the 1995 Tony Award for Outstanding Achievement in Regional Theater. This award, given upon recommendation by the American Theater Critics Association, is the second such award received by the Goodspeed Theater and is well-deserved recognition for the Goodspeed's decades-long record of excellence in theater. This award marks the first time a national regional theater has received a second special Tony Award for general excellence.

The Goodspeed Opera House, located on the Connecticut River, was originally built in 1876 by William Goodspeed, a shipping merchant. This beautiful, six-story Victorian landmark fell into disuse and disrepair in the early 1900's and basically sat abandoned until 1959 when it was saved from demolition through the efforts of the State and community. With local support and significant private assistance, the building was restored and reopened in 1963 as the Goodspeed Theater, home to the Goodspeed Opera Co. Since that time, the Goodspeed has been dedicated to the advancement of the American Musical through the creation of original musicals and the production and reinterpretation of classic American musicals.

Under the leadership of executive director, Michael Price, the Goodspeed Theater has developed dozens of original musicals, many of which have gone on to Broadway. These have included such well known musicals as "Annie," "Shenandoah" and "Man of La Mancha." Just this year, the Goodspeed sent its production of "Gentlemen Prefer Blondes" directly from East Haddam to Broadway.

The Goodspeed Opera Co. has not only attracted national attention but has also served as an artistic beacon for its own community. This special relationship is symbolized by the ongoing financial support of the Chester and East Haddam communities as well as its numerous and diverse audiences from all over the Northeast. The Goodspeed is the very heart, both literally and figuratively, of my hometown of East Haddam. Not only is it our single largest industry and the cultural center of the region, it is also our main landmark and point of reference; in East Haddam, all roads lead to the Goodspeed.

It is also timely to note that the Goodspeed Theater receives support from the National Endowment for the Arts. In this time when Federal funding for the arts is under attack, the

Goodspeed exemplifies how a small Federal investment in a community arts organization can have an enormous yield. Theaters, such as the Goodspeed, assure that first rate artistic events and productions are accessible to people who do not live near large urban cultural centers. At the same time, places like East Haddam and its surrounding areas have enjoyed additional economic activity brought in by theater patrons. And in the case of the Goodspeed, the benefits have been even broader since many of the musicals created there have gone on to become national treasures seen and enjoyed by millions of people on Broadway and all over the country.

Once again, I congratulate the Goodspeed Opera Company on the Tony Award for Outstanding Achievement in Regional Theater and on its long record of excellence.

MEASURE RETURNED TO CALENDAR—SENATE CONCURRENT RESOLUTION 13

Mr. HATCH. I ask unanimous consent that the Senate budget resolution be returned to the calendar.

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

HONORING CONTRIBUTIONS OF FATHER JOSEPH DAMIEN DE VEUSTER

Mr. HATCH. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of Senate Resolution 125, a resolution to honor the contributions of Father Joseph Damien de Veuster, submitted earlier today by Senators AKAKA, INOUYE, and others; that the resolution and the preamble be agreed to, en bloc, and the motion to reconsider be laid upon the table, and any statements appear in the RECORD as if read.

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

So the resolution (S. Res. 125) was agreed to.

The preamble was agreed to.

The resolution, with its preamble, is as follows:

S. RES. 125

Whereas Father Joseph Damien de Veuster was born in Tremeloo, Belgium, on January 3, 1840;

Whereas Father Damien entered the Sacred Hearts Order at Louvain, Belgium, as a postulant in January 1859 and took his final vows in Paris on October 7, 1860;

Whereas, after arriving in Honolulu on March 19, 1864, to join the Sacred Hearts Mission in Hawaii, Father Damien was ordained to the priesthood in the Cathedral of Our Lady of Peace on May 21, 1864;

Whereas Father Damien was sent to Puna, Kohala, and Hamakua districts on the island of Hawaii, where Father Damien served people in isolated communities for 9 years;

Whereas the alarming spread of Hansen's disease, also known as leprosy, for which there was no known cure, prompted the Hawaiian Legislature to pass an Act to Prevent the Spread of Leprosy in 1865;

Whereas the Act required segregating those afflicted with leprosy to the isolated peninsula of Kalaupapa, Molokai, where those afflicted by leprosy were virtually imprisoned by steep cliffs and open seas;

Whereas those afflicted by leprosy were forced to separate from their families, had meager medical care and supplies, and had poor living and social conditions;

Whereas in July 1872, Father Damien wrote to the Father General that many of his parishioners had been sent to the settlement on Molokai and lamented that he should join them;

Whereas on May 12, 1873, Father Damien petitioned Bishop Maigret, having received a request earlier for a resident priest at Kalaupapa, to allow Father Damien to stay on Molokai and devote his life to leprosy patients;

Whereas for 16 years, from 1873 to 1889, Father Damien labored to bring material and spiritual comfort to the leprosy patients of Kalaupapa, building chapels, water cisterns, and boys and girls homes;

Whereas on April 15, 1889, at the age of 49, Father Damien died of leprosy contracted a few years earlier;

Whereas the Roman Catholic Church began the consideration of beatification of Father Damien in February 1955, and Father Damien will be beatified on June 4, 1995, by Pope John Paul II in Brussels, Belgium;

Whereas Father Damien was selected by the State of Hawaii in 1965 as 1 of the distinguished citizens of the State whose statue would be installed in Statuary Hall in the United States Capitol;

Whereas the life of Father Damien continues to be a profound example of selfless devotion to others and remains an inspiration for all mankind;

Whereas common use of sulfone drugs in the 1940's removed the dreaded sentence of disfigurement and death imposed by leprosy, and the 1969 repeal of the isolation law allowed greater mobility for former Hansen's disease patients;

Whereas in the mid-1970's, the community of former leprosy patients at Molokai recommended the establishment of a United States National Park at Kalaupapa, out of a strong sense of stewardship of the legacy left by Father Damien and the rich history of Kalaupapa;

Whereas the Kalaupapa National Historic Park was established in 1980 with a provision that former Hansen's disease patients may remain in the park as long as they wish; and

Whereas the remaining patients at Kalaupapa, many of whom were exiled as children or young adults and who have endured immeasurable hardships and untold sorrows, are a special legacy for America, exemplifying the dignity and strength of the human spirit: Now, therefore, be it

Resolved, That the Senate of the United States recognizes Father Damien for his service to humanity and takes this occasion to—

(1) celebrate achievements of modern medicine in combating the once-dreaded leprosy disease;

(2) remember that victims of leprosy still suffer social banishment in many parts of the world; and

(3) honor the people of Kalaupapa as a living American legacy of human spirit and dignity.

Mr. AKAKA. Mr. President, I am pleased to submit a resolution recognizing the contributions of Father Damien, a very special person who lived in Hawaii during the late 1800's, for his service to humanity. Senators INOUYE, DASCHLE, KENNEDY, SIMON, and MURKOWSKI have joined me as cosponsors of this measure.

Father Damien is best known for his tireless efforts to provide material and spiritual comforts for leprosy patients at Kalaupapa, Molokai, during the latter half of the 19th century. Beloved by the people of Hawaii and the country of his birth, Belgium, his life serves as a model for all mankind.

In recognition of his heroic acts, the Roman Catholic Church began the consideration of Father Damien's beatification in 1955. The State of Hawaii, in 1965, selected Father Damien as one of its distinguished citizens and his statue was installed in the U.S. Capitol's Statuary Hall. I am pleased to announce that Father Damien will be beatified by Pope John Paul II on June 4, 1995, in Brussels, Belgium.

Mr. President, lessons from the life of Father Damien extend beyond religious beliefs and considerations. My resolution recognizes Father Damien's life for his overall service to humanity. Indeed, his life was not that of an ordinary man.

Born in Belgium in 1840, Father Damien arrived in Hawaii in 1864 to join the Sacred Hearts Mission in Honolulu. After several years of serving isolated communities on the island of Hawaii, Father Damien became concerned that many of his parishioners had been sent to Kalaupapa, Molokai, a settlement established for leprosy patients in 1865. In 1873, his request to serve the people of Kalaupapa was granted.

For 16 years, Father Damien labored to bring material and spiritual comfort to Kalaupapa's leprosy patients, building chapels, water cisterns, and boys and girls homes. His selfless devotion to the patients was evident when in 1876, he told a U.S. medical inspector, "This is my work in the world. Sooner or later I shall become a leper, but may it not be until I have exhausted my capabilities for good." Father Damien died of leprosy, at the age of 49, on April 15, 1889. While his death was a devastating loss, the spiritual foundation that he established for the community of Kalaupapa would forever be remembered by the people of Hawaii.

Out of concern that Father Damien's legacy and Kalaupapa's rich history not be forgotten, the Kalaupapa National Historical Park was established in 1980, with a provision that former leprosy patients may remain as long as they wish. While the common use of sulfone drugs since the 1940's had rendered leprosy, or Hansen's disease, controllable, and the 1969 repeal of Hawaii's isolation law allowed greater mobility for former leprosy patients at

Kalaupapa, many continued to face discrimination and banishment from their families and the community at large.

To show how the stigma of leprosy impacted everyday lives, I would like to share with you the words expressed by a 70-year-old woman who had lived at Kalaupapa for 46 years. In part, she said, "I was finally paroled in 1966. My mother was still alive, so I wrote to her and told her I was finally cured. I could come home. After a long while, her letter came. She said, "Don't come home. You stay at Kalaupapa." I wrote her back and said that I wanted to just visit, to see the place where I was born. Again, she wrote back. This time she said, "No, you stay there." You see, my mother had many friends and I think she felt shame before them. I was disfigured, even though I was cured. So she told me, her daughter, "Don't come home." She said, "You stay right where you are. Stay there, and leave your bones at Kalaupapa."

Mr. President, such testimony is not uncommon. For years, former patients from Kalaupapa struggled for respect and dignity. Though attitudes have changed over the years, much more needs to be done. We must take every opportunity to educate our Nation on Father Damien's life and the history of Kalaupapa. The history of Kalaupapa holds a universal lesson that is still valid as we deal with social issues of today, be it homelessness, AIDS, disabilities, or cultural differences.

While my resolution honors Father Damien, it also honors the people of Kalaupapa as a living American legacy of human spirit and dignity. It celebrates the achievements of modern medicine in combating the once-dreaded leprosy. And it remembers the victims of this disease that still suffer social banishment in many parts of the world.

I ask my colleagues for their support in the adoption of my resolution.

AUTHORITY FOR COMMITTEES TO REPORT

Mr. HATCH. Mr. President, I ask unanimous consent that notwithstanding the adjournment of the Senate, on Wednesday, May 31, committees have from 10 a.m. to 2 p.m. to file any legislative or executive reported business.

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

EXECUTIVE SESSION

EXECUTIVE CALENDAR

Mr. HATCH. Mr. President, in executive session, I ask unanimous consent that the Senate immediately proceed to the consideration of the following nominations reported today by the Governmental Affairs Committee:

Inez Smith Reed, Ronna Lee Beck, Linda Kay Davis, Eric Tyson Washington, Robert F. Rider, S. David Fineman, G. Edward Deseve, and John W. Carlin.

Finally, I ask unanimous consent that the nominations be confirmed, en bloc, the motions to reconsider be laid upon the table, en bloc, that any statements relating to the nominations appear at the appropriate place in the RECORD, and that the President be immediately notified of the Senate's action.

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

The nominations, considered and confirmed, en bloc, are as follows:

Inez Smith Reid, of the District of Columbia, to be an Associate Judge of the District of Columbia Court of Appeals for the term of 15 years.

Ronna Lee Beck, 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.

Linda Kay Davis, 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.

Eric T. Washington, 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.

Robert F. Rider, of Delaware, to be a Governor of the United States Postal Service for the remainder of the term expiring December 8, 1995.

S. David Fineman, of Pennsylvania, to be a Governor of the United States Postal Service for the term expiring December 8, 2003.

G. Edward DeSeve, of Pennsylvania, to be Controller, Office of Federal Financial Management, Office of Management and Budget.

John W. Carlin, of Kansas, to be Archivist of the United States.

STATEMENT ON THE NOMINATION OF JOHN CARLIN

Mr. DOLE. Mr. President, earlier this week, it was my privilege to introduce former Kansas Governor John Carlin, President Clinton's nominee to be Archivist of the United States, at his confirmation hearing before the Governmental Affairs Committee.

That nomination has now been unanimously reported out of that Committee with a favorable recommendation. And as Governor Carlin is confirmed by the entire Senate, I wanted to repeat some of the comments I made at his hearing.

Mr. President, the National Archives is an invaluable source of information and, no less important, inspiration for millions of Americans who yearn to know more about our origins and our collective history.

Last year alone, more than one million of our fellow citizens visited the Archives building in Washington. Another 1.3 million visited the Nation's Presidential libraries. Countless more visited Federal records centers to explore their family genealogy, or attending public programs sponsored by the Archives.

It is important to note that only a very small percentage of those who use the National Archives every year have Ph.D's. The vast majority have something more important than a Ph.D—They have curiosity and they have pride in America's history.

These are the people who made Ken Burns' "The Civil War" a national phenomenon. These are the readers who made David McCullough's "Truman" a deserved best seller. And these are the Americans to whom the Archivist of the United States must answer.

In this, the Archivist is no different from the rest of us who are temporarily entrusted with our positions. In the last two elections, voters have insisted on a government that serves their needs, while reflecting their values. The National Archives should be in the forefront of this grassroots revolution.

I believe that the National Archives should reach out beyond the Washington Beltway to the very heart of America. And the heart of America is where John Carlin comes from.

I have known Governor Carlin for many years, and worked with him on countless occasions during his 8 years as Governor. Though we are from different parties, Governor Carlin was more interested in partnership than in partisanship, when it came to doing what was right for Kansas.

I believe John Carlin is uniquely qualified to serve as our National Archivist. Following a period of internal strife and serious morale problems, the Archives needs a leader—someone with the ability to frame a coherent vision, the skills to communicate it, and the willingness to tap the talents of every single employee of the agency. Governor Carlin is such a leader.

He demonstrated as much in spearheading the magnificent Kansas State History Museum and in his continuing involvement with the Kansas State Historical Society.

Far from disqualifying him, as some professional historians have suggested, Governor Carlin's political experience will make him a persuasive advocate for an agency whose cultural and educational possibilities are limited only by its resources.

As a member of the National Archives Foundation Board, the nominee understands better than anyone, that in this era of shrinking budgets, the Archives will need to enlist private support to carry out its public obligations. His years as a legislator and speaker of the Kansas House also afford him a unique perspective on Congress and its oversight functions.

Finally, Governor Carlin also has a wealth of first hand experience in the preservation of Government records. When he left the Governor's Office, he not only turned over all his papers to the Kansas State Historical Society, he did so with the assurance that the entire collection would be open as soon as possible and with no restrictions placed upon it. He proved to be a man of his word, to the benefit of future students

of Kansas history, and I am confident his service as Archivist of the United States will be of benefit to all students of American history.

FEDERAL HOUSING FINANCE BOARD

Mr. HATCH. Mr. President, I now ask unanimous consent that the Senate immediately proceed to the consideration of the following nominations reported today by the Banking Committee: J. Timothy O'Neill, of Virginia, and Bruce A. Morrison, of Connecticut. And I ask unanimous consent that the nominations be confirmed en bloc, the motions to reconsider be laid upon the table en bloc, that any statements relating to the nominations appear at the appropriate places in the RECORD, and that the President be immediately notified of the Senate's action.

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

The nominations were considered and confirmed en bloc, as follows:

J. Timothy O'Neill, of Virginia, to be a Director of the Federal Housing Finance Board for the remainder of the term expiring February 27, 1997.

Bruce A. Morrison, of Connecticut, to be a Director of the Federal Housing Finance Board for a term expiring February 27, 2000.

EXECUTIVE CALENDAR

Mr. HATCH. Mr. President, I further ask unanimous consent that the Senate immediately proceed to the consideration of Executive Calendar nominations Nos. 117 through 123 en bloc.

I further ask unanimous consent that the nominations be confirmed en bloc, the motions to reconsider be laid upon the table en bloc, and that any statements relating to the nominations appear at the appropriate place in the RECORD, and the President be immediately notified of the Senate's action.

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

The nominations were cosidered and confirmed, en bloc, as follows:

EXECUTIVE OFFICE OF THE PRESIDENT

Rose Ochi, of California, to be an Associate Director for National Drug Control Policy.

THE JUDICIARY

Susan Y. Illston, of California, to be U.S. District Judge for the Northern District of California.

George A. O'Toole, Jr., of Massachusetts, to be U.S. District Judge for the District of Massachusetts.

John Garvan Murtha, of Vermont, to be U.S. District Judge for the District of Vermont.

Mary Beck Briscoe, of Kansas, to be U.S. Circuit Judge for the Tenth Circuit.

DEPARTMENT OF JUSTICE

Patrick M. Ryan, of Oklahoma, to be U.S. Attorney for the Western District of Oklahoma for the term of 4 years.

George K. McKinney, of Maryland, to be U.S. Marshal for the District of Maryland for the term of 4 years.

Mr. HATCH. Mr. President, I ask unanimous consent that the Senate immediately proceed to the consideration of Executive Calendar nominations Nos. 144 through 163 and all nominations placed on the Secretary's desk; further, that the Senate proceed to all military nominations reported out of the Armed Services Committee today, en bloc.

I further ask unanimous consent that the nominations be confirmed en bloc, the motions to reconsider be laid upon the table en bloc, that any statements relating to the nominations appear at the appropriate place in the RECORD, and the President be immediately notified of the Senate's action, and that the Senate then return to legislative session.

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

The nominations were cosidered and confirmed, en bloc, as follows:

AIR FORCE

The following-named officers for appointment in the U.S. Air Force to the grade of brigadier general under the provisions of title 10, United States Code, section 624:

To be brigadier general

Col. Patrick O. Adams, [redacted] Regular Air Force.

Col. Theodore C. Almquis [redacted], Regular Air Force.

Col. Robert P. Bongiovi [redacted] Regular Air Force.

Col. Roger A. Brady [redacted] Regular Air Force.

Col. Hugh C. Cameron [redacted] Regular Air Force.

Col. John H. Campbel [redacted] Regular Air Force.

Col. Bruce A. Carlson [redacted] Regular Air Force.

Col. Howard G. DeWolf [redacted] Regular Air Force.

Col. Daniel M. Dick [redacted] Regular Air Force.

Col. David A. Herrelko [redacted] Regular Air Force.

Col. Robert C. Hinson [redacted] Regular Air Force.

Col. Stephen E. Kelly [redacted] Regular Air Force.

Col. Tiiu Kera [redacted] Regular Air Force.

Col. Michael S. Kudlacz [redacted] Regular Air Force.

Col. Arthur J. Licht [redacted] Regular Air Force.

Col. William R. Looney II [redacted], Regular Air Force.

Col. Earl W. Mabry II [redacted] Regular Air Force.

Col. David F. MacGhee [redacted] Regular Air Force.

Col. James E. Miller, Jr [redacted], Regular Air Force.

Col. Glen W. Moorhead III [redacted], Regular Air Force.

Col. Larry W. Northingto [redacted], Regular Air Force.

Col. Everett G. Odgers [redacted] Regular Air Force.

Col. Ralph Pasini [redacted] Regular Air Force.

Col. William A. Peck, Jr [redacted], Regular Air Force.

Col. Gerald F. Perryman, J [redacted], Regular Air Force.

Col. Harry D. Raduege [redacted] Regular Air Force.

Col. Leonard M. Randolph, Jr [redacted], Regular Air Force.

Col. Randall M. Schmidt [redacted] Regular Air Force.

Col. Norton A. Schwartz [redacted] Regular Air Force.

Col. Ronald T. Sconyers [redacted] Regular Air Force.

Col. Arthur D. Sikes, Jr [redacted], Regular Air Force.

Col. Lance L. Smith [redacted] Regular Air Force.

Col. Linda J. Stierle [redacted] Regular Air Force.

Col. William E. Stevens [redacted] Regular Air Force.

Col. Todd I. Stewart [redacted] Regular Air Force.

Col. Philip G. Stowell [redacted] Regular Air Force.

Col. Charles F. Wald [redacted] Regular Air Force.

Col. Olan G. Waldrop, Jr [redacted] Regular Air Force.

Col. Tome H. Walters, Jr [redacted], Regular Air Force.

Col. Herbert M. Ward [redacted] Regular Air Force.

Col. Joseph H. Wehrle, Jr [redacted], Regular Air Force.

Col. Michael E. Zettler [redacted] Regular Air Force.

The following-named officers for appointment in the U.S. Air Force to the grade of major general under the provisions of title 10, United States Code, section 624:

To be major general

Brig. Gen. Kurt B. Anderso [redacted], Regular Air Force.

Brig. Gen. William J. Beger [redacted], Regular Air Force.

Brig. Gen. Frank B. Campbel [redacted], Regular Air Force.

Brig. Gen. Paul K. Carlton, Jr [redacted], Regular Air Force.

Brig. Gen. John P. Cascian [redacted], Regular Air Force.

Brig. Gen. James S. Childres [redacted], Regular Air Force.

Brig. Gen. Roger G. Deko [redacted], Regular Air Force.

Brig. Gen. John A. Gordo [redacted], Regular Air Force.

Brig. Gen. Marcelite Jordan Harris [redacted] Regular Air Force.

Brig. Gen. William S. Hinton, Jr. [redacted] Regular Air Force.

Brig. Gen. Walter S. Hogle, Jr [redacted], Regular Air Force.

Brig. Gen. Clinton V. Hor [redacted], Regular Air Force.

Brig. Gen. Ronald T. Kadis [redacted], Regular Air Force.

Brig. Gen. George P. Lamp [redacted], Regular Air Force.

Brig. Gen. Eugene A. Lupi [redacted], Regular Air Force.

Brig. Gen. David J. McClou [redacted], Regular Air Force.

Brig. Gen. George W. Norwoo [redacted], Regular Air Force.

Brig. Gen. Richard R. Pau [redacted], Regular Air Force.

Brig. Gen. Donald L. Peterso [redacted], Regular Air Force.

Brig. Gen. Ervin C. Sharpe, Jr [redacted], Regular Air Force.

Brig. Gen. Eugene L. Tattir [redacted], Regular Air Force.

Brig. Gen. Arthur S. Thoma [redacted], Regular Air Force.

Brig. Gen. David L. Vesel [redacted], Regular Air Force.

Brig. Gen. John L. Weld[redacted], Regular Air Force.

The following-named officer for appointment to the grade of general while assigned to a position of importance and responsibility under Title 10, United States Code, Section 601:

To be general

Lt. Gen. Joseph W. Ralsto[redacted], United States Air Force.

The following-named officer for appointment to the grade of lieutenant general while assigned to a position of importance and responsibility under Title 10, United States Code, Section 601:

To be lieutenant general

Maj. Gen. Ralph E. Eberhar[redacted], United States Air Force.

The following-named officer for appointment to the grade of lieutenant general on the retired list pursuant to the position to Title 10, United States Code, Section 1370:

To be lieutenant general

Lt. Gen. Malcolm B. Armstrong, 438–60–7184, U.S. Air Force.

The following-named officer for appointment to the grade of lieutenant general while assigned to a position of importance and responsibility under title 10, United States Code, section 601:

To be lieutenant general

Lt. Gen. Charles T. Robertson, Jr., 248–78–8691, U.S. Air Force.

The following-named officer for reappointment to the grade of lieutenant general while assigned to a position of importance and responsibility under title 10, United States Code, section 601:

To be lieutenant general

Lt. Gen. Edwin E. Tenos[redacted], United States Air Force.

ARMY

The following-named officer for appointment to the grade of lieutenant general while assigned to a position of importance and responsibility under Title 10, United States Code, Section 601(a):

To be lieutenant general

Maj. Gen. Ronald V. Hite[redacted] U.S. Army.

The following-named officer to be placed on the retired list in the grade indicated under the provisions of Title 10, United States Code, Section 1370:

To be lieutenant general

Lt. Gen. Charles E. Domin[redacted], U.S. Army.

The following U.S. Army National Guard officer for promotion to the grade indicated in the Reserve of the Army of the United States, under the provisions of Sections 3385, 3392 and 12203(a), Title 10, United States Code:

To be major general

Brig. Gen. Sam C. Turl[redacted].

The following-named officer for appointment to the grade of general while assigned to a position of importance and responsibility under Title 10, United States Code, Section 601(a) and 3034:

to be general

To be vice chief of staff of the Army

Lt. Gen. Ronald H. Griffit[redacted], U.S. Army.

The following-named officer for reappointment to the grade of general while assigned to a position of importance and responsibility under Title 10, United States Code, Section 601(a):

To be general

Gen. John H. Tilelli, Jr[redacted] U.S. Army.

The following-named officer for appointment to the grade of lieutenant general while assigned to a position of importance and responsibility under Title 10, United States Code, Section 601(a):

To be lieutenant general

Maj. Gen. George A. Fisher, Jr[redacted], U.S. Army.

The following U.S. Army Reserve officer for promotion to the grade indicated in the Reserve of the Army, under title 10, U.S.C., sections 3384 and 12203(a):

To be brigadier general

Col. James R. Helmly[redacted].

The following U.S. Army Reserve officers for promotion to the grades indicated in the Reserve of the Army of the United States, under the provisions of Sections 3371, 3384 and 12203(a), Title 10, United States Code:

To be major general

Brig. Gen. John T. Crow[redacted].
Brig. Gen. Charles A. Ingran[redacted].
Brig. Gen. Herbert Koger, Jr[redacted].
Brig. Gen. Calvin Lar[redacted].
Brig. Gen. Bruce G. MacDonald[redacted].

To be brigadier general

Col. Lloyd D. Burtch[redacted].
Col. Robert L. Lennon[redacted].
Col. Raymond E. Gandy, Jr[redacted].
Col. Robert W. Smith II[redacted].
Col. Harry E. Bivens[redacted].
Col. Kenneth P. Bergquist[redacted].

The following-named officer for appointment in the United States Army, without specification of branch component, and in the Regular Army of the United States to the grade indicated in accordance with Article II, Section 2, Clause 2 of the Constitution of the United States, as Dean of the Academic Board, U.S. Military Academy, a position established under title 10, United States Code, section 4335:

DEAN OF THE ACADEMIC BOARD

To be permanent brigadier general

Col. Fletcher M. Lamkin, Jr[redacted], U.S. Army.

NAVY

The following-named officer to be placed on the retired list in the grade indicated under the provisions of Title 10, United States Code, Section 1370:

To be vice admiral

Vice Adm. David M. Bennett[redacted], U.S. Navy.

The following-named officer for appointment to the grade of vice admiral while assigned to a position of importance and responsibility under Title 10, United States Code, Sections 601 and 5137:

CHIEF OF THE BUREAU OF MEDICINE AND SURGERY AND SURGEON GENERAL

To be vice admiral

Rear Adm. Harold M. Koenig, Medical Corps,[redacted] U.S. Navy.

The following-named officer for appointment to the grade of vice admiral while assigned to a position of importance and responsibility under Title 10, United States Code, Section 601:

To be vice admiral

Rear Adm. James R. Fitzgerald, 264–58–9041, U.S. Navy.

The following-named officer for appointment to the grade of vice admiral while assigned to a position of importance and responsibility under Title 10, United States Code, Section 601:

To be vice admiral

Rear Adm. Brent M. Bennitt, U.S. Navy,[redacted]

IN THE AIR FORCE, ARMY, MARINE CORPS

Air Force nominations beginning David R. Andrews, and ending Benjamin F. Lucas, II, which nominations were received by the Senate and appeared in the Congressional Record on May 2, 1995.

Army nominations beginning Scott L. Abbott, and ending 0732x, which nominations were received by the Senate and appeared in the Congressional Record of May 11, 1995.

Marine Cops nominations beginning William E. Acker, and ending Ronny L. Yowell, which nominations were received by the Senate and appeared in the Congressional Record of April 24, 1995.

Marine Corps nominations beginning James C. Addington, and ending James W. Washington, which nominations were received by the Senate and appeared in the Congressional Record of May 2, 1995.

Army nominations beginning Thomas H. Aarsen, and ending Michele E. Williams, which nominations were received by the Senate and appeared in the Congressional Record on May 24, 1995.

Marine Corps nominations beginning Christian R. Fitzpatrick, and ending Brett Greene, which nominations were received by the Senate and appeared in the Congressional Record on May 24, 1995.

LEGISLATIVE SESSION

The PRESIDING OFFICER. Under the previous order, the Senate will return to legislative session.

ORDERS FOR FRIDAY, MAY 26, 1995

Mr. HATCH. Mr. President, I ask unanimous consent that when the Senate completes its business today it stand in recess until the hour of 10 a.m. on Friday, May 26, 1995; that, following the prayer, the Journal of proceedings be deemed approved to date; the time for the two leaders be reserved for their use later in the day; and the Senate then immediately resume consideration of S. 735, the antiterrorism bill.

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

APPOINTMENT BY THE REPUBLICAN LEADER

The PRESIDING OFFICER. The Chair announces, on behalf of the Republican leader, pursuant to Public Law 101–509, his appointment of Dr. William L. Richter, of Kansas, to the Advisory Committee on the Records of Congress.

APPOINTMENT BY THE SECRETARY OF THE SENATE

The PRESIDING OFFICER. The Chair announces, on behalf of the Secretary of the Senate, pursuant to Public Law 101–509, her appointment of Richard N. Smith, of California, to the Advisory Committee on the Records of Congress.

PROGRAM

Mr. HATCH. Mr. President, for the information of all Senators, the Senate will resume the antiterrorism bill tomorrow. Therefore, rollcall votes can be expected throughout the day.

It is the hope of the majority leader that we may complete action on the antiterrorism bill tomorrow.

RECESS UNTIL 10 A.M. TOMORROW

Mr. HATCH. Mr. President, if there is no further business to come before the Senate, I now ask that the Senate stand in recess under the previous order.

Thereupon, the Senate, at 8:32 p.m., recessed until tomorrow, Friday, May 26, 1995, at 10 a.m.

NOMINATIONS

Executive nominations received by the Senate May 25, 1995:

DEPARTMENT OF DEFENSE

KENNETH H. BACON, OF THE DISTRICT OF COLUMBIA, TO BE AN ASSISTANT SECRETARY OF DEFENSE. (NEW POSITION)

FEDERAL RETIREMENT THRIFT INVESTMENT BOARD

SHERYL R. MARSHALL, OF MASSACHUSETTS, TO BE A MEMBER OF THE FEDERAL RETIREMENT THRIFT INVESTMENT BOARD FOR A TERM EXPIRING OCTOBER 11, 1998, VICE STEPHEN NORRIS, TERM EXPIRED.

CIVIL LIBERTIES PUBLIC EDUCATION FUND

PEGGY A. NAGAE, OF OREGON, TO BE A MEMBER OF THE BOARD OF DIRECTORS OF THE CIVIL LIBERTIES PUBLIC EDUCATION FUND FOR A TERM OF 3 YEARS. (NEW POSITION)

CONFIRMATIONS

Executive Nominations Confirmed by the Senate May 25, 1995:

FEDERAL HOUSING FINANCE BOARD

BRUCE A. MORRISON, OF CONNECTICUT, TO BE A DIRECTOR OF THE FEDERAL HOUSING FINANCE BOARD FOR A TERM EXPIRING FEBRUARY 27, 2000.

J. TIMOTHY O'NEILL, OF VIRGINIA, TO BE A DIRECTOR OF THE FEDERAL HOUSING FINANCE BOARD FOR THE REMAINDER OF THE TERM EXPIRING FEBRUARY 27, 1997.

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.

EXECUTIVE OFFICE OF THE PRESIDENT

ROSE OCHI, OF CALIFORNIA, TO BE AN ASSOCIATE DIRECTOR FOR NATIONAL DRUG CONTROL POLICY.

THE JUDICIARY

SUSAN Y. ILLSTON, OF CALIFORNIA, TO BE U.S. DISTRICT JUDGE FOR THE NORTHERN DISTRICT OF CALIFORNIA.

GEORGE A. O'TOOLE, JR., OF MASSACHUSETTS, TO BE U.S. DISTRICT JUDGE FOR THE DISTRICT OF MASSACHUSETTS.

JOHN GARVAN MURTHA, OF VERMONT, TO BE U.S. DISTRICT JUDGE FOR THE DISTRICT OF VERMONT.

MARY BECK BRISCOE, OF KANSAS, TO BE U.S. CIRCUIT JUDGE FOR THE TENTH CIRCUIT.

INEZ SMITH REID, OF THE DISTRICT OF COLUMBIA, TO BE AN ASSOCIATE JUDGE OF THE DISTRICT OF COLUMBIA COURT OF APPEALS FOR THE TERM OF 15 YEARS.

DEPARTMENT OF JUSTICE

PATRICK M. RYAN, OF OKLAHOMA, TO BE U.S. ATTORNEY FOR THE WESTERN DISTRICT OF OKLAHOMA FOR THE TERM OF 4 YEARS.

GEORGE K. MCKINNEY, OF MARYLAND, TO BE U.S. MARSHAL FOR THE DISTRICT OF MARYLAND FOR THE TERM OF 4 YEARS.

SUPERIOR COURT OF THE DISTRICT OF COLUMBIA

RONNA LEE BECK, 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.

LINDA KAY DAVIS, 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.

ERIC T. WASHINGTON, 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.

EXECUTIVE OFFICE OF THE PRESIDENT

G. EDWARD DESEVE, OF PENNSYLVANIA, TO BE CONTROLLER, OFFICE OF FEDERAL FINANCIAL MANAGEMENT, OFFICE OF MANAGEMENT AND BUDGET.

U.S. POSTAL SERVICE

S. DAVID FINEMAN, OF PENNSYLVANIA, TO BE A GOVERNOR OF THE U.S. POSTAL SERVICE FOR THE TERM EXPIRING DECEMBER 8, 2003.

ROBERT F. RIDER, OF DELAWARE, TO BE A GOVERNOR OF THE U.S. POSTAL SERVICE FOR THE REMAINDER OF THE TERM EXPIRING DECEMBER 8, 1995.

NATIONAL ARCHIVES AND RECORDS ADMINISTRATION

JOHN W. CARLIN, OF KANSAS, TO BE ARCHIVIST OF THE UNITED STATES.

IN THE AIR FORCE

THE FOLLOWING-NAMED OFFICERS FOR APPOINTMENT IN THE U.S. AIR FORCE TO THE GRADE OF BRIGADIER GENERAL UNDER THE PROVISIONS OF TITLE 10, UNITED STATES CODE, SECTION 624:

To be brigadier general

COL. PATRICK O. ADAMS, [redacted] REGULAR AIR FORCE.
COL. THEODORE C. ALMQUIST, [redacted] REGULAR AIR FORCE.
COL. ROBERT P. BONGIOVI, [redacted] REGULAR AIR FORCE.
COL. ROGER A. BRADY, [redacted] REGULAR AIR FORCE.
COL. HUGH C. CAMERON, [redacted] REGULAR AIR FORCE.
COL. JOHN H. CAMPBELL, [redacted] REGULAR AIR FORCE.
COL. BRUCE A. CARLSON, [redacted] REGULAR AIR FORCE.
COL. HOWARD G. DEWOLF, [redacted] REGULAR AIR FORCE.
COL. DANIEL M. DICK, [redacted] REGULAR AIR FORCE.
COL. DAVID A. HERRELKO, [redacted] REGULAR AIR FORCE.
COL. ROBERT C. HINSON, [redacted] REGULAR AIR FORCE.
COL. STEPHEN E. KELLY, [redacted] REGULAR AIR FORCE.
COL. TIIU KERA, [redacted] REGULAR AIR FORCE.
COL. MICHAEL S. KUDLACZ, [redacted] REGULAR AIR FORCE.
COL. ARTHUR J. LICHTE, [redacted] REGULAR AIR FORCE.
COL. WILLIAM R. LOONEY III, [redacted] REGULAR AIR FORCE.
COL. EARL W. MABRY II, [redacted] REGULAR AIR FORCE.
COL. DAVID F. MACGHEE, [redacted] REGULAR AIR FORCE.
COL. JAMES E. MILLER, JR., [redacted] REGULAR AIR FORCE.
COL. GLEN W. MOORHEAD III, [redacted] REGULAR AIR FORCE.
COL. LARRY W. NORTHINGTON, [redacted] REGULAR AIR FORCE.
COL. EVERETT G. ODGERS, [redacted] REGULAR AIR FORCE.
COL. RALPH PASINI, [redacted] REGULAR AIR FORCE.
COL. WILLIAM A. PECK, JR., [redacted] REGULAR AIR FORCE.
COL. GERALD F. PERRYMAN, JR., [redacted] REGULAR AIR FORCE.
COL. HARRY D. RADUEGE, JR., [redacted] REGULAR AIR FORCE.
COL. LEONARD M. RANDOLPH, JR., [redacted] REGULAR AIR FORCE.
COL. RANDALL M. SCHMIDT, [redacted] REGULAR AIR FORCE.
COL. NORTON A. SCHWARTZ, [redacted] REGULAR AIR FORCE.
COL. RONALD T. SCONYERS, [redacted] REGULAR AIR FORCE.
COL. ARTHUR D. SIKES, JR., [redacted] REGULAR AIR FORCE.
COL. LANCE L. SMITH, [redacted] REGULAR AIR FORCE.
COL. LINDA J. STIERLE, [redacted] REGULAR AIR FORCE.
COL. WILLIAM E. STEVENS, [redacted] REGULAR AIR FORCE.
COL. TODD I. STEWARD, [redacted] REGULAR AIR FORCE.
COL. PHILIP G. STOWELL, [redacted] REGULAR AIR FORCE.
COL. CHARLES F. WALD, [redacted] REGULAR AIR FORCE.
COL. OLAN G. WALDROP, JR., [redacted] REGULAR AIR FORCE.
COL. TOME H. WALTERS, JR., [redacted] REGULAR AIR FORCE.
COL. HERBERT M. WARD, [redacted] REGULAR AIR FORCE.
COL. JOSEPH H. WEHRLE, JR., [redacted] REGULAR AIR FORCE.
COL. MICHAEL E. ZETTLER, [redacted] REGULAR AIR FORCE.

THE FOLLOWING-NAMED OFFICERS FOR APPOINTMENT IN THE U.S. AIR FORCE TO THE GRADE OF MAJOR GENERAL UNDER THE PROVISIONS OF TITLE 10, UNITED STATES CODE, SECTION 624:

To be major general

BRIG. GEN. KURT B. ANDERSON, [redacted] REGULAR AIR FORCE.
BRIG. GEN. WILLIAM J. BEGERT, [redacted] REGULAR AIR FORCE.
BRIG. GEN. FRANK B. CAMPBELL, [redacted] REGULAR AIR FORCE.
BRIG. GEN. PAUL K. CARLTON, JR., [redacted] REGULAR AIR FORCE.
BRIG. GEN. JOHN P. CASCIANO, [redacted] REGULAR AIR FORCE.
BRIG. GEN. JAMES S. CHILDRESS, [redacted] REGULAR AIR FORCE.
BRIG. GEN. ROGER G. DEKOK, [redacted] REGULAR AIR FORCE.
BRIG. GEN. JOHN A. GORDON, [redacted] REGULAR AIR FORCE.
BRIG. GEN. MARCELITE JORDON HARRIS, [redacted] REGULAR AIR FORCE.
BRIG. GEN. WILLIAM S. HINTON, JR., [redacted] REGULAR AIR FORCE.
BRIG. GEN. WALTER S. HOGLE, JR., [redacted] REGULAR AIR FORCE.
BRIG. GEN. CLINTON V. HORN, [redacted] REGULAR AIR FORCE.
BRIG. GEN. RONALD T. KADISH, [redacted] REGULAR AIR FORCE.
BRIG. GEN. GEORGE P. LAMPE, [redacted] REGULAR AIR FORCE.
BRIG. GEN. EUGENE A. LUPIA, [redacted] REGULAR AIR FORCE.
BRIG. GEN. DAVID J. MCCLOUD, [redacted] REGULAR AIR FORCE.
BRIG. GEN. GEORGE W. NORWOOD, [redacted] REGULAR AIR FORCE.
BRIG. GEN. RICHARD R. PAUL, [redacted] REGULAR AIR FORCE.
BRIG. GEN. DONALD L. PETERSON, [redacted] REGULAR AIR FORCE.
BRIG. GEN. ERVIN C. SHARPE, JR., [redacted] REGULAR AIR FORCE.
BRIG. GEN. EUGENE L. TATTINI, [redacted] REGULAR AIR FORCE.
BRIG. GEN. ARTHUR S. THOMAS, [redacted] REGULAR AIR FORCE.
BRIG. GEN. DAVID L. VESELY, [redacted] REGULAR AIR FORCE.
BRIG. GEN. JOHN L. WELDE, [redacted] REGULAR AIR FORCE.

THE FOLLOWING-NAMED OFFICER FOR APPOINTMENT TO THE GRADE OF GENERAL WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, UNITED STATES CODE, SECTION 601:

To be general

LT. GEN. JOSEPH W. RALSTON, [redacted] U.S. AIR FORCE.

THE FOLLOWING-NAMED OFFICER FOR APPOINTMENT TO THE GRADE OF LIEUTENANT GENERAL WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, UNITED STATES CODE, SECTION 601:

To be lieutenant general

MAJ. GEN. RALPH E. EBERHART, [redacted] U.S. AIR FORCE.

THE FOLLOWING-NAMED OFFICER 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. MALCOLM B. ARMSTRONG, [redacted] U.S. AIR FORCE.

THE FOLLOWING-NAMED OFFICER FOR APPOINTMENT TO THE GRADE OF LIEUTENANT GENERAL WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, UNITED STATES CODE, SECTION 601:

To be lieutenant general

LT. GEN. CHARLES T. ROBERTSON, JR., [redacted] U.S. AIR FORCE.

THE FOLLOWING-NAMED OFFICER FOR REAPPOINTMENT TO THE GRADE OF LIEUTENANT GENERAL WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, UNITED STATES CODE, SECTION 601:

To be lieutanant general

LT. GEN. EDWIN E. TENOSO, [redacted] U.S. AIR FORCE.

IN THE ARMY

THE FOLLOWING-NAMED OFFICER FOR APPOINTMENT TO THE GRADE OF LIEUTENANT GENERAL WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, UNITED STATES CODE, SECTION 601(A):

To be lieutenant general

MAJ. GEN. RONALD V. HITE, [redacted] U.S. ARMY.

THE FOLLOWING-NAMED OFFICER TO BE PLACED ON THE RETIRED LIST IN THE GRADE INDICATED UNDER THE PROVISIONS OF TITLE 10, UNITED STATES CODE, SECTION 1370:

To be lieutenant general

LT. GEN. CHARLES E. DOMINY [redacted] U.S. ARMY.

THE FOLLOWING U.S. ARMY NATIONAL GUARD OFFICER FOR PROMOTION TO THE GRADE INDICATED IN THE RESERVE OF THE ARMY OF THE UNITED STATES, UNDER THE PROVISIONS OF SECTIONS 3385, 3392 AND 12203(A), TITLE 10, UNITED STATES CODE:

To be major general

BRIG. GEN. SAM C. TURK [redacted].

THE FOLLOWING-NAMED OFFICER FOR APPOINTMENT TO THE GRADE OF GENERAL WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, UNITED STATES CODE, SECTION 601(A) AND 3034:

To be general

To be vice chief of staff of the Army

LT. GEN. RONALD H. GRIFFITH [redacted] U.S. ARMY.

THE FOLLOWING-NAMED OFFICER FOR REAPPOINTMENT TO THE GRADE OF GENERAL WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, UNITED STATES CODE, SECTION 601(A):

To be general

GEN. JOHN H. TILELLI, JR [redacted] U.S. ARMY.

THE FOLLOWING-NAMED OFFICER FOR APPOINTMENT TO THE GRADE OF LIEUTENANT GENERAL WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, UNITED STATES CODE, SECTION 601(A):

To be lieutenant general

MAJ. GEN. GEORGE A. FISHER, JR [redacted] U.S. ARMY.

THE FOLLOWING U.S. ARMY RESERVE OFFICER FOR PROMOTION TO THE GRADE INDICATED IN THE RESERVE OF THE ARMY, UNDER TITLE 10, U.S.C., SECTIONS 3384 AND 12203(A):

To be brigadier general

COL. JAMES R. HELMLY [redacted].

THE FOLLOWING U.S. ARMY RESERVE OFFICERS FOR PROMOTION TO THE GRADES INDICATED IN THE RESERVE OF THE ARMY OF THE UNITED STATES, UNDER THE PROVISIONS OF SECTIONS 3371, 3384 AND 12203(A), TITLE 10, UNITED STATES CODE:

To be major general

BRIG. GEN. JOHN T. CROWE [redacted]
BRIG. GEN. CHARLES A. INGRAM [redacted]
BRIG. GEN. HERBERT KOGER, JR [redacted]
BRIG. GEN. CALVIN LAU [redacted]
BRIG. GEN. BRUCE G. MACDONALD [redacted]

To be brigadier general

COL. LLOYD D. BURTCH [redacted]
COL. ROBERT L. LENNON [redacted]
COL. RAYMOND E. GANDY, JR [redacted]
COL. ROBERT W. SMITH III [redacted]
COL. HARRY E. BIVENS [redacted]
COL. KENNETH P. BERGQUIST [redacted]

THE FOLLOWING-NAMED OFFICER FOR APPOINTMENT IN THE U.S. ARMY, WITHOUT SPECIFICATION OF BRANCH COMPONENT, AND IN THE REGULAR ARMY OF THE UNITED STATES TO THE GRADE INDICATED IN ACCORDANCE WITH ARTICLE II, SECTION 2, CLAUSE 2 OF THE CONSTITUTION OF THE UNITED STATES, AS DEAN OF THE ACADEMIC BOARD, UNITED STATES MILITARY ACADEMY, A POSITION ESTABLISHED UNDER TITLE 10, UNITED STATES CODE, SECTION 4335:

DEAN OF THE ACADEMIC BOARD

To be permanent brigadier general

COL. FLETCHER M. LAMKIN, JR. [redacted] U.S. ARMY.

IN THE NAVY

THE FOLLOWING-NAMED OFFICER TO BE PLACED ON THE RETIRED LIST IN THE GRADE INDICATED UNDER THE PROVISIONS OF TITLE 10, UNITED STATES CODE, SECTION 1370:

To be vice admiral

VICE ADM. DAVID M. BENNETT [redacted] U.S. NAVY.

THE FOLLOWING-NAMED OFFICER FOR APPOINTMENT TO THE GRADE OF VICE ADMIRAL WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, UNITED STATES CODE, SECTIONS 601 AND 5137:

CHIEF OF THE BUREAU OF MEDICINE AND SURGERY AND SURGEON GENERAL

To be vice admiral

REAR ADM. HAROLD M. KOENIG, MEDICAL CORPS, 573–50–9476, U.S. NAVY.

THE FOLLOWING-NAMED OFFICER FOR APPOINTMENT TO THE GRADE OF VICE ADMIRAL WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, UNITED STATES CODE, SECTION 601:

To be vice admiral

REAR ADM. JAMES R. FITZGERALD [redacted] U.S. NAVY.

THE FOLLOWING-NAMED OFFICER FOR APPOINTMENT TO THE GRADE OF VICE ADMIRAL WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, UNITED STATES CODE, SECTION 601:

To be vice admiral

REAR ADM. BRENT M. BENNITT, U.S. NAVY [redacted].

IN THE AIR FORCE

AIR FORCE NOMINATIONS BEGINNING DAVID R. ANDREWS, AND ENDING BENJAMIN F. LUCAS II, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON MAY 2, 1995.

IN THE ARMY

ARMY NOMINATIONS BEGINNING SCOTT L. ABBOTT, AND ENDING 0732X, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON MAY 11, 1995.

ARMY NOMINATIONS BEGINNING THOMAS H. AARSEN, AND ENDING MICHELE E. WILLIAMS, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON MAY 23, 1995.

IN THE MARINE CORPS

MARINE CORPS NOMINATIONS BEGINNING WILLIAM E. ACKER, AND ENDING RONNY L. YOWELL, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON ARPIL 24, 1995.

MARINE CORPS NOMINATIONS BEGINNING JAMES C. ADDINGTON, AND ENDING JAMES W. WASHINGTON, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON MAY 2, 1995.

MARINE CORPS NOMINATIONS BEGINNING CHRISTIAN R. FITZPATRICK, AND ENDING BRETT GREENE, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON MAY 24, 1995.