HOUSE OF REPRESENTATIVES—*Friday, July 28, 1995*

The House met at 9 a.m. and was called to order by the Speaker pro tempore [Mr. WELLER].

DESIGNATION OF THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore laid before the House the following communication from the Speaker:

WASHINGTON, DC,
July 28, 1995.

I hereby designate the Honorable JERRY WELLER to act as Speaker pro tempore on this day.

NEWT GINGRICH,
Speaker of the House of Representatives.

PRAYER

The Chaplain, Rev. James David Ford, D.D., offered the following prayer:

May our voices, O God, rise in praise of Your gifts to us and to every person; may our faces look to Your Word to learn the way of wisdom; may our hearts experience Your presence and the joy of Your forgiving grace; may our hands reach in friendship to all people and may our very souls be touched by the depths of Your healing and by the power of Your love. O gracious God, from whom all blessings flow, from whom we have begun and to whom we shall return, be with us this day we pray. Amen.

THE JOURNAL

The SPEAKER pro tempore. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

PLEDGE OF ALLEGIANCE

The SPEAKER pro tempore. Will the gentleman from Ohio [Mr. NEY] come forward and lead the House in the Pledge of Allegiance.

Mr. NEY led the Pledge of Allegiance as follows:

I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Lundregan, one of its clerks, announced that the Senate had passed a bill of the following title, in which the concurrence of the House is requested:

S. 641. An act to reauthorize the Ryan White CARE Act of 1990, and for other purposes.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. The Chair announces there will be ten 1-minutes on each side.

READ THE MEDICARE REPORT

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

Mrs. MYRICK. Mr. Speaker, the Medicare trustees board, which includes three of President Clinton's Cabinet secretaries, has issued a report in which they state that Medicare "continues to be severely out of financial balance and is projected to be exhausted in seven years."

Mr. Speaker, President Clinton's board says that Medicare is going broke. And the Republicans say, let us save Medicare. It is that simple.

Yet, daily, Members of this House mislead the American people regarding Medicare. It is a disgrace.

Mr. Speaker, every American needs a copy of this report so they can read it, and then they will know the truth. They can get the report by simply calling 202-225-3121 and asking for their Representative.

COMMENDING THE WORK OF DR. MICHAEL FRANZBLAU

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

Ms. WOOLSEY. Mr. Speaker, I rise today to commend the heroic work of my constituent, Dr. Michael Franzblau.

Dr. Franzblau is on a crusade to expose a Nazi war criminal, Dr. Hans Sewering, pronounced "severing," who sent over 900 children to their death 50 years ago.

After the war, Dr. Sewering was not punished. He was not even remembered. In fact, he thought that the world had forgotten the children he sent to death.

Thanks to Dr. Franzblau, the world does not forget.

Mr. Speaker, 2 weeks ago, Dr. Franzblau took out a full-page ad in the New York Times which asks why the German state of Bavaria is harboring an accused war criminal?

Today, I, along with Dr. Franzblau, demand justice for those 900 children.

Dr. Hans Sewering must be exposed for what he is, a Nazi war criminal.

IMPENDING MEDICARE BANKRUPTCY

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

Mr. METCALF. Mr. Speaker, as a senior citizen, I stand today to express my deep concern over the impending bankruptcy of Medicare. I feel very privileged to hold a Medicare card, which provides health coverage for seniors, but it will have little value if the system goes bankrupt.

According to President Clinton's Medicare board of trustees report, which I hold here, Medicare will be bankrupt in 7 years. Seniors simply cannot afford to lose their primary source of health care. We can either proceed on our current path of bankruptcy or strengthen, simplify and save Medicare.

I say we choose to save this vital program. To achieve this goal, we must slow the growth of Medicare. It is now growing at 10 to 11 percent per year annually. If we can slow the growth to between 5 and 7 percent, we can save Medicare from bankruptcy.

Mr. Speaker, let us not fall for the scare tactics. We must act carefully and thoughtfully to protect Medicare, but we must take action now.

HARLEY-DAVIDSON ON THE CUTTING EDGE

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

Mr. TRAFICANT. Mr. Speaker, Chi Chi the potbellied pig is in deep, deep trouble. Chi Chi was arrested for rape. That is right. Chi Chi, like millions of others, could not resist the most beautiful hog in the world, a Harley-Davidson motorcyle.

When interviewed by Swine Magazine Daily, Chi Chi said:

The flowing lines of her beautiful, made-in-America full-fendered skirts and slip clutch were too much for me to handle.

Quite frankly, I lost it.

Mr. Speaker, Chi Chi lost it all right. Chi Chi is scheduled for castration, which only goes to show you; when it comes to quality, made in America, Harley-Davidson is on the cutting edge.

AUTHENTICATED U.S. GOVERNMENT INFORMATION GPO

SUPPORT THE TRUE CONTRACT WITH AMERICA

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

Mr. LEWIS of Georgia. Mr. Speaker, 30 years ago, with Harry Truman watching, President Lyndon B. Johnson signed into law a program to guarantee health insurance for every person over 65.

Thirty years ago, Medicare was born.

Thirty years ago, half our senior citizens did not have health insurance. Today, because of Medicare, 99 percent of our elderly have health insurance.

The Republicans are threatening the Medicare program. And they are doing it to pay for tax breaks promised in their so-called Contract With America.

But make no mistake about it, that is not the Contract With America. I have here in my pocket the true contract with America—the Medicare Act signed by President Johnson. This is our contract with our parents, with our children, with our grandchildren. This is our contract with America.

Medicare is a sacred trust with our seniors and our families. It cannot and must not be violated.

SENIORS ARE PAWNS IN THE REPUBLICAN BUDGET GAME

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

Mr. REED. Mr. Speaker, since the beginning of the 104th Congress, the American people have listened to Democrats and Republicans debate national priorities. The priorities of the Republican Party are crystal clear. They support a contract with the wealthy over our historic contract with older Americans.

Under the Republican budget resolution, the wealthiest 1.1 million Americans will receive a $20,000 tax break. In return, 37 million seniors will see their Medicare benefits cut by over $1,000 a year by the year 2002.

Let me remind my Republican colleagues that Medicare is not a welfare program, it is not a luxurious giveaway like the Republican tax cuts, and it is not a fiscal candy jar. It is an insurance program that has enabled 37 million seniors to live lives of independence and dignity.

Let us not make seniors pawns in the Republican budget game—raiding Medicare to pay for tax cuts to the wealthy is completely unacceptable.

IT IS TIME FOR AN OUTSIDE COUNSEL

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

Ms. DELAURO. Mr. Speaker, yesterday, the ranking member of the House Ethics Committee sharply criticized the committee's slow progress on investigating the numerous charges against Speaker GINGRICH.

The ranking member of the committee has charged that the committee had delayed votes, run a sloppy investigation, and was unprepared to question Speaker GINGRICH when he appeared before the committee, yesterday.

The House Ethics Committee's so-called investigation into the charges against Speaker GINGRICH is beginning to smell like a coverup. It is time to hand this case over to an outside counsel who can investigate these serious allegations in a nonpartisan and thorough fashion.

LET US BE FISCALLY RESPONSIBLE

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

Mr. SOLOMON. Mr. Speaker, we all have to live by the rules of the House. In my opinion the previous speaker violated the rules of the House. We cannot talk about ethics investigations on the floor of this House.

Mr. Speaker, we have heard a lot of rhetoric from people talking today on that side of the aisle, the Democrat side of the aisle. I just have to point out that I have been keeping track here. Just about every one of them who spoke are listed as the biggest spenders in the House over the last 5, 10, 15, 20 years.

We have a national debt that is reaching $5 trillion. It costs $250 billion today just to pay the interest on it. If we allow spending to continue like President Clinton has asked us to do, then we would be paying over $350 billion in interest on that national debt. That means less money to help those people that really need help and less money to solve the Medicare problem.

Let us get this House in order. Let us be fiscally responsible. Then we can help those people who really need help.

APPOINT AN OUTSIDE COUNSEL

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

Mr. BONIOR. Mr. Speaker, why is the Ethics Committee creating a whole new set of rules for NEWT GINGRICH?

According to this morning's press reports, the committee has made a whole series of special exceptions for Mr. GINGRICH.

Rather than following the rules and practices that have governed this committee for decades, the committee is making up new rules as they go along.

Rather than voting for a preliminary inquiry to look into the charges, which has been done in every other high-profile case, this committee has said no.

As one committee member suggested yesterday, any further delay on voting for a preliminary inquiry exposes the panel and the full House to the charge of a coverup.

Mr. Speaker, the only way we're going to get to the bottom of these very serious charges is to appoint a professional, nonpartisan, outside counsel to investigate, just as we have in every other high-profile ethics case since 1979.

No Member of this body is above the House rules. There can be no more special exceptions.

SAVING MEDICARE FOR THE NEXT 30 YEARS

(Mrs. KELLY asked and was given permission to address the House for 1 minute.)

Mrs. KELLY. Mr. Speaker, Monday is the 30th anniversary of Medicare. And yesterday to underscore my commitment to preserving Medicare for the next 30 years, I took a pledge to fight for this program.

As a former ombudsman in New York, who worked with senior citizens on a regular basis, I understand the financial pressures that senior citizens are under. Usually, they're on a fixed income. The majority of them are under a doctor's care. And some of them even permanently reside in a convalescent care center.

The point is, Mr. Speaker, that unless we act now those same individuals will be needlessly exposed to a world without adequate health care—and this group numbers close to 37 million.

Healthy, strong seniors, living independently, must be our goal. We must save Medicare. The alternative is simply unacceptable.

This isn't about politics—This is simply about the lives of 37 million people who are depending on us.

Mr. Speaker, I'm proud to say I've signed my name on the dotted line, and I will keep my promise.

DEMOCRATS ARE SILENT ON HOW TO SAVE MEDICARE

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

Mr. SCARBOROUGH. Mr. Speaker, in what should be one of most important issues on their agenda, the Democrats have come up unbelievably silent on the issue of what to do to save Medicare.

The trustees have said Medicare goes bankrupt in 7 years. Yet the Democrats are doing nothing about it. They are intellectually bankrupt on this issue. In fact the Baltimore Sun has said how the intellectual initiative has switched from the Democrats to the Republicans is visible in the fears debate over Medicare. Bill Clinton's Democrats find themselves defending the status quo.

Unfortunately, they also find themselves playing politics Richard Nixon style. Nixon once said that people vote their fears. That is what the Democrats are counting on.

The Republican Party this year is counting on the people going out and voting their hopes and dreams and rewarding those who dare to step into the arena and fight and get themselves bloodied to save Medicare for the next century.

DEMOCRATS PLAYING GAMES WITH MEDICARE

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

Mr. JONES. Mr. Speaker, day after day, the Democrats continue to play games. They are denying the underlining factor that our senior citizens need a helping hand. While seniors fear the bankruptcy of Medicare. The Democrats are threatening to ruin the pensions of hardworking Americans.

We will not use these political games and scare tactics. Instead, we will protect, preserve and improve Medicare for the American people. Our goal is to ensure Medicare for another 30 years and beyond.

We will streamline and weed out the waste and abuse of this bloated system. In doing so, spending for Medicare will increase. Let me rephrase that—Medicare will not be cut! It will continue to be the fastest growing program. Spending per senior will increase from $4,800 today to more than $6,700 in 2002.

Let us solve the matters at hand instead of making excuses. We must work for the people who made this country great.

□ 0920

IT IS WRONG TO CUT MEDICARE TO GIVE TAX BREAKS TO AMERICA'S RICHEST CITIZENS

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

Mr. BROWN of Ohio. Mr. Speaker, this Sunday all of us across the country celebrate the 30th anniversary of the signing of Medicare. Thirty years ago, leading up to President Johnson's signing Medicare in Independence, Missouri, 93 percent of Republican Members of Congress, including then Congressman BOB DOLE, a Republican from Kansas, opposed the creation of Medicare. In the 1970's and the 1980's, the far right wing of the Republican Party continued to try to dismantle and cut Medicare.

Today, in 1995, literally 99 percent of the Republican Members of this body have voted to make almost $30 billion in cuts in Medicare. The fact is, prior to Medicare's creation in the mid 1960s, more than half of older Americans did not have health care coverage. Today, 99 percent of America's elderly may have health care coverage. The fact is, Medicare works. It is simply wrong, Mr. Speaker, to cut $300 billion from Medicare in order to give tax breaks to the richest American citizens. It is simply not right.

WORDS FROM REPUBLICANS CANNOT HIDE THEIR INTENTIONS REGARDING MEDICARE

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

Mr. OBEY. Mr. Speaker, it seems to me that we hear some quite cynical remarks about Medicare this morning. Our friends on the Republican side of the aisle say they want to save Medicare, but their actions demonstrate they want to shred it. They say they want to save Medicare, but they took $90 billion out of it in their recent budget resolution. They say that they want to save Medicare, but when the Congress first passed it, they first tried to stop it, and only after they could not stop it did some of them vote for it. Their own majority leader, the gentleman from Texas [Mr. ARMEY], has indicated, very frankly, that if this world were shaped to his image, there would be no room in an entrepreneurial society for Medicare.

Pardon me, Mr. Speaker, but their words cannot hide their intentions. America's senior citizens know that.

PERMISSION FOR SUNDRY COMMITTEES AND THEIR SUBCOMMITTEES TO SIT TODAY DURING THE 5-MINUTE RULE

Mr. LEWIS of California. Mr. Speaker, I ask unanimous consent that the following committees and their subcommittees be permitted to sit today while the House is meeting in the Committee of the Whole House under the 5-minute rule: the Committee on Commerce, the Committee on Government Reform and Oversight, the Committee on International Relations, the Committee on the Judiciary, and the Committee on National Security.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

Mrs. SCHROEDER. Reserving the right to object, Mr. Speaker, the Democratic leadership has been notified of this, and we have no objection.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

GENERAL LEAVE

Mr. LEWIS of California. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill, H.R. 2099, and that I be permitted to include tables, charts, and other extraneous material.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

DEPARTMENTS OF VETERANS AFFAIRS AND HOUSING AND URBAN DEVELOPMENT, AND INDEPENDENT AGENCIES APPROPRIATIONS ACT, 1996

The SPEAKER pro tempore (Mr. WELLER). Pursuant to House Resolution 201 and rule XXIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the further consideration of the bill, H.R. 2099.

□ 0923

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H.R. 2099), making appropriations for the Departments of Veterans Affairs and appropriations for the Departments of Veterans Affairs and Housing and Urban Development, and for sundry independent agencies, boards, commissions, corporations, and offices for the fiscal year ending September 30, 1996, and for other purposes, with Mr. COMBEST in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. When the Committee of the Whole rose on Thursday, July 27, 1995, title III was open for amendment at any point.

Pursuant to the order of the Committee of that day, the following amendments, and any amendments thereto, are debatable for the time specified, equally divided and controlled by the proponent and an opponent of the amendment: amendment No. 48 offered by the gentleman from Massachusetts [Mr. KENNEDY], for 20 minutes; amendment No. 26 offered by the gentleman from Minnesota [Mr. VENTO], for 20 minutes; amendment No. 57 offered by the gentleman from Indiana [Mr. ROEMER], for 50 minutes; amendment No. 66 offered by either by the gentleman from Ohio [Mr. STOKES], or the gentleman from New York [Mr. BOEHLERT], for 90 minutes; amendment Nos. 55 or 56 offered by either the gentleman from Rhode Island [Mr. REED] or the gentleman from New Jersey [Mr. PALLONE], for 20 minutes; and amendment No. 7 offered by the gentleman from Illinois [Mr. DURBIN], or the gentleman from Texas [Mr. WILSON], for 40 minutes.

AMENDMENT OFFERED BY MR. ROEMER

Mr. ROEMER. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Mr. ROEMER:

Amendment No. 57: Page 70, lines 13 through 19, strike "$5,449,600,000" and all that follows through "obligation until September 30, 1997" and insert in lieu thereof "$3,849,600,000, to remain available until September 30, 1997".

The CHAIRMAN. Pursuant to the order of the House of Thursday, July 27, 1995, the gentleman from Indiana [Mr. ROEMER] and a Member opposed will each be recognized for 25 minutes.

The Chair recognizes the gentleman from Indiana [Mr. ROEMER].

Mr. ROEMER. Mr. Chairman, I offer this amendment on behalf of myself, the gentleman from New Jersey [Mr. ZIMMER], and the gentleman from Oklahoma [Mr. LARGENT].

Mr. Chairman, the amendment is simple. It is an amendment that would cancel the space station from the NASA program, and it differs from the amendment that we dealt with yesterday, labeled the Obey amendment, in that our amendment has all of the savings go for deficit reduction. We do not intend to respend any of the remaining monies into other social programs or other sundry programs within the Government departments. This amendment is intended for deficit reduction.

Mr. Chairman, I testified the other day before the Committee on Rules of the gentleman from New York [Mr. SOLOMON], and not only asked the gentleman from New York for this opportunity to give this amendment the approval of this body, but also to testify strongly in favor of the lockbox amendment, so that we could finally get savings from these kinds of amendments go directly to the deficit, and not have these games being played that we are not saving money if we cut a program. Certainly if we cut this program, these monies will not be in future budgets.

Mr. Chairman, I want to talk a little bit about what this amendment is not about. This amendment is not about taking away Christopher Columbus' ship. We are going to hear all these grandiose promises about what the space station is capable of doing. We are not trying to wipe out past discoveries. We are not trying to take away Charles Lindburgh's plane.

We are not trying to say to Jim Lovell that he did not show a great deal of courage in this very, very good movie, "Apollo 13." We are not trying to take an Oscar nomination away from Tom Hanks. We are saying, "Judge this program on the merits, not on a movie." I saw "Apollo 13." It is a great movie. I recommend it to everybody in the body and people watching throughout the country. However, we do not base Federal allocations of resources on money and on movies. If we felt that, I think Hoosiers was a great basketball movie about the State of Indiana, but I am not up here advocating that we spend Federal dollars on Indiana IU basketball programs. I hope that is not the justification we hear over there on Apollo 13.

Sure, it is a great movie, but look at the merits of this program. What has the space station done? When Ronald Reagan first devised this program in 1984, President Reagan said this:

This program will cost us $8 billion. It can achieve eight scientific missions here and it will be done in 10 years.

Today, in 1995, this program has gone from $8 billion to $94 billion. I thought these new Republicans coming in the new election were coming here to judge these programs on the merits, not on the movies. Here is the most recent General Accounting Office report: $94 billion, from an $8 billion start. We are going to make tough decisions in this Congress to move to a balanced budget, and certainly a program that has had that kind of cost increase does not deserve to have taxpayer dollars just thrown at it year after year.

We might say, "OK, it has gone from $8 to $94 billion. The science is magnificent. It is truly inspiring for our country." The science has gone from eight scientific missions in 1984, where they had a platform to study the Earth with environmental problems, a platform to look out into the solar system, a stepping stone to help us repair Hubble; it cannot do any of those things anymore, Mr. Chairman. All this $94 billion space station can do now is help us study the effects of gravity on men and women in space.

If that is all this thing can do, let us continue to dock with the Russians at Mir and not buy a $94 billion space station. Let us continue our international efforts with the Russians and modify an existing space station, and utilize that for these efforts.

We are also off schedule, overbudget, little science, supposed to be done in 1994, and now we will be lucky if this program is completed by the year 2004. Members are going to hear a lot of claims from proponents of the space station that this is an international partnership, and we have to have these international partnerships in the future, based upon science. I wish I had the kind of international partnership for my investments that the Russians have on this international partnership. They are not putting up money; we are putting up money for the Russians. We are sending $400 million of NASA money, taxpayer money from the United States to Russia, to get their international agreement and scientific cooperation. That is not an international partnership, that is us putting all the risk and liability out there, and the Russians getting all the benefits. Also, the Europeans and the Japanese and the Canadians are thinking of pulling out of this international space station.

Members are also going to hear a lot about how great this program is to solve breast cancer, that we are going to have all these panaceas up in space. Mr. Chairman, in the NIH budget today, what we are funding to the NIH, we cannot even fund most of the approved grants on breast cancer here on Earth with the funding problems we have at the NIH. We are going to spend $94 billion up in the sky, and maybe have a 1 in a million or a 1 in 10 million chance to do this up there? Let us spend that money on Earth, at the NIH, to solve these problems.

Mr. Chairman, I think we are also going to hear a claim from the other side that we have gone so far and we might as well continue this program; we have spent $12 billion. That is not a good argument either, Mr. Chairman. How can we justify the expenditure of another $80 billion? We are not a third of the way, we are not halfway. Measure these programs on their merits. All science is not successful.

Surely Christopher Columbus was successful, and we are proud of that effort. Surely Charles Lindburgh was successful, and we are very proud of that effort. Surely we have had great successes with Neal Armstrong. Every scientific endeavor is not destined to be as successful as those, and this, on the merits, does not deserve continued Federal funding.

Before I yield some of my time to the distinguished cosponsor of this amendment, the gentleman from New Jersey [Mr. ZIMMER], let me just quote from a famous scientist. Albert Einstein said this:

It is not enough that you should understand about applied science in order that your work may increase man's blessings. Concern for the man himself and his fate must always form the chief interest of all technical endeavors. Never forget this in the midst of your diagrams and equations.

Diagrams and equations, technical endeavors, they are surely what we need to base so much of our hopes and dreams on in the future, but ask Thomas Edison how many successes he had. He did not succeed with every single invention. He was wise enough to know which ones to pursue and which ones to table.

Let us as a Congress make some decisions around this body to cut some of the programs that have had Federal funding for years and years and do not deserve continued funding. Let us make some tough decisions around here to cut spending, whether it be a B-2 bomber, whether it be a space station, whether it be a tobacco subsidy. Let us move toward a balanced budget, in the best interests and the best endeavors, as Albert Einstein said, of men and women.

Mr. ROEMER. Mr. Chairman, I yield such time as he may consume to the gentleman from the State of New Jersey [Mr. ZIMMER], the cosponsor of the amendment and somebody I have a great deal of respect for.

Mr. ZIMMER. Mr. Chairman, I thank the gentleman for yielding time to me.

One of the arguments we have heard yesterday and we will hear today is that without the space station, there will be no space program. The proponents of the space station sincerely believe that proposition, but I think they have it exactly wrong. The space station is killing our space program.

In years past, when the budget for NASA was rising at a healthy clip, the space station's voracious appetite made it impossible for us to conduct some very important and worthwhile programs of NASA. The Advanced X-ray Astrophysics Facility was scaled down and delayed, the Comet Rendezvous/Asteroid Flyby was canceled, the Space Infrared Telescope Facility was scaled down and it was delayed, the Compton Observatory was scaled down and delayed, the Stratospheric Observatory for Infrared Astronomy was scaled down, the Cassini Saturn mission was scaled down, the Earth Observation System was scaled down. These are some of the NASA programs that have already been victims of a static budget, or a slowly increasing budget.

We now have a declining budget for NASA, and a voracious appetite for a space station which is going to consume more valuable programs in space and on Earth.

I am not alone in believing that the space station means death for a good space program. There is nobody in this House who believes more deeply in space exploration than the former chairman of the Committee on Science, the gentleman from California [Mr. BROWN]. Until this year, he was one of the most forceful, effective, and knowledgeable proponents of the Space Station as part of a comprehensive program for us to explore space and learn more from space. However, yesterday he came to the painful decision that we cannot afford the space station and still have a decent space program. He concluded, as a number of us have concluded in years past, that in a period of static and now declining NASA budgets, the space station will surely cannibalize the truly valuable aspects of the space program.

Before I yield back my time, and I would hope to have an opportunity to speak again, I do want to point out to my Republican colleagues, particularly, that there is a major difference between this amendment and the Obey amendment. Whereas the Obey amendment distributed most of the savings from cutting the space station to social programs, this amendment applies every penny of net savings to deficit reduction.

Mr. LEWIS of California. Mr. Chairman, I yield 5 minutes to the gentleman from Pennsylvania [Mr. WALKER], chairman of the Committee on Science.

Mr. WALKER. Mr. Chairman, I thank the gentleman for yielding time to me.

Mr. Chairman, as you listen to today's space station debate you will hear the voices of fear. That's right—fear. Fear of the unknown. Throughout history there have been those who feared the future so intently that they refused to invest in it. They justified their fear by pursuing objectives closely tied to present needs with the claim that only by spending on the known can we prepare for the unknown.

Invariably those who refused to focus on the future have been wrong. History has been unkind to those peoples and nations who pursued policies tied to fear.

Today we debate the future. We debate the promise of the future against the fear of the future.

I am hopeful this Congress will come down on the side of the promise. The space station is all about vision, hope, and promise.

What we are creating in the space station is a unique laboratory environment in which scientific work, unthinkable on Earth, can be done.

The station is a unique laboratory. You cannot replicate on Earth a microgravity environment where long duration study can be done.

The work in that laboratory is scientific, meaning that we are pursuing the new knowledge needed for our economic future.

The work cannot be totally quantified at this point because some of it, perhaps most of it, is unthinkable until the new environment and the new experience has been created.

What we are doing when we build a space station is creating for ourselves and our posterity the ability to touch tomorrow.

Is there anyone among us who does not believe that at some time now or in the future men and women will go beyond the bounds of Earth and explore the plants and the universe? How can you not believe that? After all, we already have left our footprints on the Moon and sent our technology to the cosmos.

And what have we learned? We have learned exploration is very difficult with the chance of unplanned consequences. But we have also learned that exploration of the most hostile frontier humankind has ever encountered has made us more creative.

President Kennedy told us that we would go to the Moon and do the other things, not because they were easy, but because they were hard.

That's the point. If this was easy or inexpensive there would be no challenge. The hardships and the sacrifices necessary to have humans live in, work in, and explore space, make us better, stronger, and richer. We learn new things. We create new technology. We build new relationships. We prove to the world why we are capable of leading the world technologically and economically.

When the question is asked, can we afford this project, that's the wrong question. The real question should be, how can we afford not to build a space station? How can we deny the destiny of humankind? How can we not do what we are now capable of doing to push further toward gathering the new knowledge that can only be found on a distant frontier?

The only real reason for not doing what we can do and should do is fear. Space station is something we can do. The technology is feasible. The research is valuable. The potentials are enormous. And the cost is assumed within our balanced budget goal. We can do this. We should not fear it.

The space station is something we should do. As a nation that has been built by explorers and investors, we should continue to build, explore and invent. As a nation committed to pushing frontiers, we should not back away from the space frontier. As a nation that seeks to lead the world in the next century, we should demonstrate the leadership our technology, and our courage can provide us.

Only fear can stop us. Fear too often blurs vision. Fear too often results in hopelessness. Fear too often negates promise. Fear too often undermines judgment. Debilitating fear of a great unknown that we are capable of exploring and exploiting would be a modern tragedy.

Make no mistake, a vote to cancel the space station has consequences well beyond that singular decision. A cancellation of space station is a decision that ultimately will stop America's human spaceflight program. A cancellation of space station will forfeit America's established leadership in space endeavors—leadership that has paid back to our economy at a rate of more than $2 for every dollar invested.

Don't capitulate to fear of the unknown. Join us in one of humankind's greatest endeavors. Join us in providing future generations their chance to reach beyond themselves. Join us in approving the international space station that will extend our reach into the future.

An old hymn talks about the future's broadening way. We can broaden it a little bit today by taking another step into the universe.

□ 0940

Mr. ROEMER. Mr. Chairman, I yield 2 minutes to the gentleman from Iowa [Mr. GANSKE], a distinguished freshman Republican member.

Mr. GANSKE. Mr. Chairman, I rise today in support of the Roemer-Zimmer amendment.

The space program has done some wonderful things. I stood in awe when man first walked on the Moon. I stand in awe of the space shuttle every time

it launches. Mr. Chairman, I also stand in awe of our nearly $5 trillion national debt.

The space station may be a grand idea, but we must face the reality of its $94 billion price tag.

We must face the reality that the entire project is based on overly ambitious goals. Costs for the space station have been rising while the target date for its completion has been slipping.

Many questions remain. To what extent will the Russians, and other international partners, participate in this project? Will the shuttle program be able to handle the increased flight schedule? Is the target cost of the space station going to skyrocket if Boeing cannot reach acceptable agreements with the subcontractors?

But the central question we must face has nothing to do with international agreements and theoretical science. The question is, How can we stand in this Chamber and heap additional debt on our children and grandchildren.

A vote for the Roemer-Zimmer amendment is not a vote against space exploration. It is a vote about economic realities.

Mr. LEWIS. Mr. Chairman, I yield 3 minutes to the gentlewoman from Texas [Ms. JACKSON-LEE].

Ms. JACKSON-LEE. I thank the gentleman from California for yielding me the time.

Mr. Chairman, I say to the American people that President John F. Kennedy helped us dream by leading us into space exploration. How much excitement and inspiration and anticipation this country faced as we began that great historical effort, but in this era of budget cutting, some have argued that NASA has to take its share of budget cuts and the space station will have to be sacrificed as a result.

While I have great admiration for the gentleman from Indiana, I also admire the fiscal fairness that has to be done. It is imperative that we consider the efforts that NASA has already made, the cuts that it has already made and the efficiencies that it has already implemented.

The agency has been standing up and stepping ahead in the realm of cost reduction and efficiency improvements. As part of this zero-based review, NASA reduced its budget by $5 billion over the next 5 years. Over the past 3 years the agency has reduced its multiyear budget plan by 35 percent, a savings to the American taxpayer of $40 billion. To this point, the space station is on budget and on schedule.

You might say that is just something you have said; but, no, I have asked the project director directly: "Sir, are you on schedule? Are you on budget? Will you be monitoring your contractors? Will you be ensuring the American people that you will keep this project on budget and on schedule?"

"Yes, we will."

NASA has clearly demonstrated its commitment, to fiscal responsibility and deficit reduction. Do I see opportunities for inner city communities in the 18th Congressional District in Houston? Yes, I do. Education opportunities for children in my neighborhood schools. Frankly, I will say to the Members, jobs for minorities and women in America and business opportunities for minorities and women in America, that is the new spirit and the opportunity for NASA as it grows with space station.

Let us not forget the benefits we will all reap collectively: Research that can benefit all of us, from biotechnology, to environmental health, to cardiology, technological research in the areas of semiconductors and metal alloys, among others. We cannot ignore our international partners who have already contributeed over $9 billion in investment. We cannot ignore the potential for medical and technological breakthroughs that can result from this project.

Most importantly, Mr. Chairman, we cannot ignore the dreams and aspirations and hopes of all Americans that we too can explore. We can make the difference. Support the international space station, and do not support the Roemer amendment.

The CHAIRMAN. The Committee will rise informally in order that the House may receive messages from the President.

MESSAGES FROM THE PRESIDENT

The SPEAKER pro tempore (Mr. SENSENBRENNER) assumed the chair.

SUNDRY MESSAGES FROM THE PRESIDENT

Sundry messages in writing from the President of the United States were communicated to the House by Mr. McCathran, one of his secretaries.

The SPEAKER pro tempore. The Committee will resume its sitting.

□ 0950

DEPARTMENTS OF VETERANS AFFAIRS AND HOUSING AND URBAN DEVELOPMENT, AND INDEPENDENT AGENCIES APPROPRIATIONS ACT OF 1996

The Committee resumed its sitting.

Mr. ROEMER. Mr. Chairman, I yield 2 minutes to the gentleman from New Jersey [Mr. LOBIONDO].

Mr. LOBIONDO. Mr. Chairman, I rise in strong support of the Roemer-Zimmer amendment to bring the space station to a halt. We need to be realistic about this project.

Let us look at the commitment that we are asking the American people to make. Through the year 2012, the space station will cost $94 billion. Yes, $94 billion with a "b." The operational life of the station is only 10 years.

Mr. Chairman, in my district, the southern portion of the State of New Jersey, I go to the church halls and the fire halls, and I look at my constituents and I hear them say that they were working harder than they have ever worked before and they do not feel they are getting ahead. I listen to them say how many of them are working two and three jobs and their spouse is working two and three jobs, and they want the U.S. Government, they want this Congress, to recognize the efforts that they are making and the sacrifices that they are making.

This is a priority that we cannot afford at this time. We are being asked to make many difficult choices. We are running through that process. We are committed to balancing the budget by the year 2002. But these are Federal dollars that we cannot afford. Maybe sometime in the future. Maybe after the budget is balanced. But to those hardworking citizens who are doing their best, who are doing their part to make this democracy work, I do not think we can look them in the eye and tell them that we are willing to spend $94 billion on a program like this when we are asking them to make the sacrifices that we are.

Mr. LEWIS of California. Mr. Chairman, I yield such time as she may consume to the gentlewoman from California [Ms. LOFGREN].

Ms. LOFGREN. Mr. Chairman, I rise in strong opposition to the amendment and for the space station.

Mr. ROEMER is a very fine and valued Member of this House and of the Science Committee where we serve together. But in this amendment I believe he is incorrect.

This amendment was also offered in the Science Committee authorization process, where it was defeated. During our discussion various members suggested specific benefits that may flow from the space station, including advances in the cure for cancer and the understanding of tumor growth.

These benefits may very well flow from the space station, but in speaking for the space station in committee I advanced this view: The truth is that we don't know all of the innovations, discoveries and prosperity the space station will bring to us.

And that is the most compelling reason to enthusiastically support our space program and in particular the space station.

I remember well the first flight of humans into space by Yuri Gagarin. As a young girl in elementary school my imagination was stretched by the new horizons available to human kind. Our Nation rallied in a national effort to go to space. A young President told us that if we had the national will, we could go to the Moon. And so we did, exciting a generation about a new kind of future.

The daring men and women in the space program have served as models and heroes for our country's young. As a nation, we learned that we could accomplish what we intended to do. In the process, we saw side

benefits such as the advancement of computer technology and countless other technological innovations that have transformed our world.

What will our space station bring us? We don't know, and that is good. If we knew, our dreams and horizons would be too limited.

We have problems here in our country. We have a need to attend to many of them and, quite frankly, I am opposed to the retrenchment from domestic problems that has characterized the 104th Congress. Having said that, the answer to these problems is not cutting the space station *Freedom*. Our country will not be stronger, greater, braver or more prosperous if we pull back and retrench from human space exploration.

There is a difference between spending money and investing money. The space station is an investment in our future and one that I urge our country to make. We owe it to ourselves and our children to keep faith with those who came before us, to continue to venture beyond the confines of this planet and to the great frontier of space before us.

Mr. LEWIS of California. Mr. Chairman, I yield 3 minutes to the gentleman from Wisconsin [Mr. SENSENBRENNER], the chairman of the subcommittee dealing with NASA's budget.

Mr. SENSENBRENNER. Mr. Chairman, I rise in opposition to the Roemer-Zimmer amendment to cancel the space station. This has become an annual exercise for these gentlemen. While I admire them for their tenacity, I do not admire them for their judgment. The space station is NASA's No. 1 priority to bring us into the next millennium. It is now on time and on budget.

Mr. Chairman, I will not deny that NASA has had serious problems with the space station in the past. Not that long ago, I was prepared to vote against the station as well, not because I thought it was a bad idea but because NASA did not have a plan to deal with possible Russian withdrawal from the program. I am pleased to say that the agency has made substantial progress in addressing my concerns.

The station program NASA has under way today bears little resemblance to the program that the gentleman who would kill it describe. NASA has moved to a single prime contractor and has placed the station on a responsible management plan. It will live within an annual $2.1 billion cap and not exceed total costs of $13.1 billion for operation and assembly through completion, a far cry from the figures bandied about by the folks on the other side.

Mr. Chairman, this is less than 15 percent of the NASA budget and less than one-seventh of 1 percent of the total Federal budget. This is not the two-headed budget monster that opponents make it out to be.

I have made a career of cutting the Federal budget. The reason I came to Washington was to get the Government's hands off of the taxpayer's wallet. In the last Congress, no Member had a better voting record for spending reductions and according to the National Taxpayers Union only eight Members have voted for more spending cuts so far in this Congress.

The space station is a question about the future. It will be the focus of human space flight for the next two decades that enable us to conduct cutting-edge research in microgravity science. Numerous organizations support it because of the potential for the development of breakthroughs in medicine.

Everyone here knows that NASA's budget is $700 million smaller in fiscal year 1996 and it is going to decline in the coming years. We should also acknowledge that we can accommodate these cuts, keep the space station and bring the benefits to the taxpayer of the cutting-edge research possible only in space. The Committee on the Budget recognized the merits of this program when it included the station in developing the plan to balance the Federal budget in 7 years. In short, a vote for the space station is a vote for tomorrow. It is both technologically and scientifically advanced and fiscally responsible. I urge defeat of the Roemer-Zimmer amendment.

Mr. LEWIS of California. Mr. Chairman, I yield 2 minutes to my friend, the gentleman from Louisiana [Mr. LIVINGSTON], the chairman of the Committee on Appropriations.

Mr. LIVINGSTON. I thank my friend for yielding me the time. He is doing an outstanding job as chairman of the subcommittee.

Mr. Chairman, I rise in strong opposition to the Roemer amendment to kill the space station project. I heard the argument about lack of jobs in this country.

The fact is the gentleman from Pennsylvania [Mr. WALKER], chairman of the Committee on Science, says killing the space station will kill approximately 40,000 high-tech jobs. Despite what the critics say, this is a critical investment in our Nation's future and it results in technology transfers and spinoffs to the private sector that creates more jobs. This is seed corn for real productivity in this Nation for the next century—power generation, electrical power systems, robotics, air and water quality sensors, advanced waste processing, and recycling technology. The impact on improving health care will be tremendous.

Just since July 1992, NASA and the National Institutes of Health have signed 18 cooperative agreements for research in critical areas like neurology, cardiovascular, and cancer research. The space station will work. It is on schedule and within budget now. It has been redesignated and costs $20 billion less in development and operations than originally planned.

And, it is a real program already. It is not just a paper program. International and U.S. companies have produced over 100,000 pounds of hardware related to the station that are ready for deployment. It is a good program. We ought to abandon this amendment, not this program.

Mr. ROEMER. Mr. Chairman, I yield 1½ minutes to the distinguished gentleman from Massachusetts [Mr. MEEHAN] who has worked on this amendment in the past.

Mr. MEEHAN. Mr. Chairman, this amendment missed by one vote last year, in the last Congress, and it is kind of interesting. This Congress was going to be the one to balance the budget. We would make more progress on deficit reduction. In fact, over 300 Members of this House voted for a balanced budget amendment.

What have we done since then? Well, we have increased defense spending by $10 billion more than what the Pentagon wanted. We have left untouched about $100 billion in corporate subsidies. We have passed a tax cut that will provide $357 billion in lost revenue. This is the balanced-budget Congress. This is an easy decision.

I understand it is difficult to cut a program where in some districts it means a cut in contracts. But you do not balance the budget by not making these decisions. The Space Station is something that is long overdue to be cut. The cost overruns have been outrageous. There may be another point in time in our history where we can afford it, but we cannot afford it now. We are spending $221 billion on interest on the national debt this year alone. It is the third largest Government program. Before Members go back to their districts and talk about how they are going to balance the budget, let them look at this amendment where you really have an opportunity to cut spending and not talk about the fact that we cut student loans or we cut school lunches or we cut these trivial things.

This amendment should be a very easy vote for Members of Congress. I cannot believe that after coming within one vote in the last session and getting new Members elected to Congress committed to a balanced budget that we could lose it this year.

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Mr. LEWIS of California. Mr. Chairman, I yield 2 minutes to the gentleman from Texas [Mr. DELAY], the majority whip.

Mr. DELAY. Mr. Chairman, I rise in strong support of the international space station and in very strong opposition to this amendment by the gentleman from Indiana [Mr. ROEMER] and the gentleman from New Jersey [Mr. ZIMMER].

Mr. Chairman, we have given at the office. There is no one more committed than myself to the deficit reduction effort, to cost-effectiveness, to the prudent use of taxpayer dollars and the

outright stinginess in Federal spending. But NASA has done its part for deficit reduction.

In the past 3 years, NASA has reduced its multiyear budget plan by 35 percent, over $40 billion, and for 3 consecutive years, its annual budget has been reduced.

But even in a time of extremely tight budget allocations and with a commitment to balance the budget by the year 2002, the space station remains a top funding priority, and that is what we are talking about here, spending priorities.

The budget resolution that we passed just a month ago includes the space station because of its significance to our Nation's future, because of the exploration of space that touches the core of American identity as pioneering adventurers; and the success of the space station bears directly on how our future here on Earth, in the United States, in our schools and hospitals, offices and factories will be shaped.

I understand the gentleman from New Jersey's approach; I just disagree with it. The bottom line here, cutting through all the rhetoric, is if we want a space program, we have to put man in space. We cannot do a space program on Earth. So, Mr. Chairman, what we have to do is put man in space in a space lab to do the kinds of wonderful experiments and scientific breakthroughs that come from that.

Mr. Chairman, the American people support this critical program. I believe today, as it has been for the past several years, the space station will receive the support of the majority of my colleagues.

Vote "no" on the Roemer amendment.

Mr. LEWIS of California. Mr. Chairman, I yield 2 minutes to the gentleman from Utah [Mr. HANSEN].

Mr. HANSEN. Mr. Chairman, it would be interesting to go back and read some of the history of this Nation. When this House argued about going on the Louisiana Purchase and going to the West, the big argument was, "Why do we want to go out there? All there is are coyotes and rattlesnakes. Who, in their right mind, would want to go there? That is not a sensible thing to do."

But because of that pioneer spirit that was there, we moved on to the West; and out of that is where the great minerals of this country came from and the lumber and the water and the technology came from, those particular areas.

As a member of the House Committee on National Security, I remember distinctly meeting in room 2118, and our former chairman of that committee, Les Aspin, invited generals and admirals from the Soviet Union. Now, we were friends and we were buddies, and we sat down and talked as to what happened and why did they lose and why did we win the cold war? The whole conversation came down to one thing: technology. They could not run with the United States; they did not have the technology.

I think it is interesting as we talk to people from the pharmaceutical community and they talk about in a gravity-free environment how they can make medicines that will help mankind. We have always had this pioneer spirit to move ahead, to get things done.

Mr. Chairman, the space station is the frontier for America today. This is where the pioneers will go and this will bring us a lot of money. Or we can sit back like other nations, lose this technology, lose this pioneer spirit, lose the 8-to-1 advantage that we will have and find ourselves a second-rate nation sitting here worrying about social programs, when we can look at things that will create money, create jobs, and create what our universities around America are doing. Look at the many, many universities that are putting some type of experiment on the space station.

In the little place of Logan, UT, Utah State University has put more experiments on that space station, and out of that has created many jobs. Let us not be pound foolish and let us defeat this amendment and do what is right for America.

Mr. ROEMER. Mr. Chairman, I yield 1 minute to the gentleman from Wisconsin [Mr. BARRETT].

Mr. BARRETT of Wisconsin. Mr. Chairman, a generation ago, it was the dream of every child to see a man walk on the Moon. We fulfilled that dream and that was the right dream for that generation. Today's children, though, do not have a dream like that. Instead, they have a nightmare of a national debt of close to $5 trillion, and that is a debt that is not going away.

Right now is not the time to move on the space station. Right now is the time to move on the deficit and the debt. The only way we can do that is by making the difficult choices.

We hear people argue that this is a great investment, but we have already spent $12 billion on it, and we have nothing from it. It is going to cost us $94 billion in total when this is done.

That is a black hole, Mr. Chairman, and it is a black hole that this generation and, more importantly, our children's generation cannot afford. Let us stop the waste of money right now. Do the right thing. End the space station.

Mr. LEWIS of California. Mr. Chairman, I yield 2 minutes to the gentleman from Texas [Mr. BENTSEN].

Mr. BENTSEN. Mr. Chairman, I rise in opposition to the Roemer amendment and in support of the space station.

The space station is an investment in exploration and science, an investment in jobs and economic growth, an investment in international cooperation, and most of all, an investment in improving life for all of us here on Earth.

The American space program has already made remarkable contributions to technology and medical research during its 35-year history. The space station is the next logical step. A permanent orbiting laboratory capable of long-duration research.

In medicine alone, space station researchers will be able to use the low-gravity environment to expand our understanding of cell culture, which will revolutionize treatment for joint diseases and injuries. It will provide a unique environment for research on the growth of protein crystals, with consequences for designing new drugs and treating diseases from cancer to diabetes.

We're already seeing the benefits of the space station even before it is built. A cell culturing device developed for the station is being used to grow ovarian tumor samples so they can be studied outside the body. Similar study is being conducted on brain tumors. This is but a hint of the work that will be done in space.

Some have argued that it would be fiscally prudent to eliminate the space station. Nothing could be further from the truth. In fact, it would be terribly imprudent to kill the program. We have already invested more than $12 billion in the space station. Our 12 international partners have spent more than $4 billion. Actual hardware is being built. To eliminate the program now, after so much of the investment has been made, would be the height of irresponsibility by allowing our investment to be wasted.

But most of all, canceling the space station now would waste a historic opportunity to forge a partnership with Russia, our former competitor in space and our former adversary. Who would have thought as we raced to the Moon during the height of the cold war that one day an American space shuttle and a Russian space station would be linked in space. Three weeks ago, NASA and the Russian space agency showed that the international space station is not only good science, but the technology sound. Again, this recent linkup of the shuttle *Discovery* and the Russian *Mir* is but a taste of the benefits the international space station will make possible.

We have come too far and there is too much to lose if we turn our back now. What a waste for the United States, which has led the world through the Industrial Revolution, the Jet Age, the Information Revolution, and the Space Age, to bury its head in the sand as we enter the 21st century. I urge support for the space station and opposition to this amendment.

Mr. ROEMER. Mr. Speaker, I yield 1½ minutes to the gentleman from Nebraska [Mr. CHRISTENSEN].

Mr. CHRISTENSEN. Mr. Chairman, no one but no one loves what NASA has

done for America and the world in advancing the limitless boundaries of our imaginations more than I do.

Mr. Chairman, as a youngster I dreamed of the day I would ride a spacecraft into the heavens, maybe even walking on a planet. Surely Dan Goldin, director of NASA, is an American hero. His service to our country is proven and unprecedented. But, Mr. Chairman, we have a greater experiment to carry out here; an experiment that involves the life and death, economically, of the American people and, yes, it is our Federal debt.

Mr. Chairman, I do not need to remind this body that we borrow nearly a billion dollars a day; that a newborn born today owes $187,000 in interest payments just on our Nation's debt. Yes, the space station would be nice, but can we really afford $94 billion, the cost to launch, maintain, and build, for the next 10 years?

Mr. Chairman, remember the B–2 bomber debate we had just a couple of weeks ago? Heck, that was only $20 billion, and I say that facetiously. This is $94 billion. I truly believe that when we look at the Federal debt and look at the children and look at what it is costing this country economically, we have to reexamine. Yes, it is a good program; unfortunately, we cannot afford it at this time.

Mr. LEWIS of California. Mr. Chairman, I yield 2 minutes to the gentleman from Texas [Mr. HALL].

Mr. HALL of Texas. Mr. Chairman, I rise in opposition to the annual Roemer-Zimmer amendment effort to kill the space station.

Mr. Chairman, I admire both of those gentlemen and have worked on the subcommittee with them for many years, I just disagree with their annual effort to knock out the space station, and I really do not understand speakers who say as a youngster they dreamed, but as an oldster they do not want other youngsters to have that same dream.

We cannot afford to lose this space station. And Mr. Chairman, we did not lose it by 1 vote. That was 2 years ago when they were going through redesign. The vote was 123-vote difference just a year ago.

I think it is obvious that we do need to cut back, and I think Mr. Goldin has cut NASA back in the last 3 years some 35 percent. I know of no other entity that has taken that same cut, and then another $5 billion.

We have taken enough hits in the NASA program. I think our Nation has weathered a lot of storms militarily, financially, politically, socially, and culturally, and throughout the rich history it has always been the American people and its leaders who have a deep and abiding belief in our future, a belief that we can and will accomplish great feats and make great discoveries.

Mr. Chairman, the gentleman from Indiana [Mr. ROEMER] spoke earlier about placing the needs of our senior citizens above the needs of our space station. The gentleman is right to be concerned about our seniors, but what the gentleman did not point out is that our seniors are in favor of the space station.

The Seniors Coalition, a group of 2 million members, has given its support to this station. This group, like myself, is supportive of a balanced budget and fiscal responsibility, but also recognizes the dividends that such a project will likely realize for older Americans.

The Seniors Coalition notes that research on the space station could potentially lead to medical breakthroughs in cancer, arthritis, diabetes, osteoporosis, balance disorders, Alzheimer's, cardiopulmonary disease, and other afflictions that threaten senior citizens.

The coalition notes that NASA space research has already resulted in products that improved seniors' quality of life, such as instruments that measure bone density, osteoporosis, cardiac pacemakers, computer readers for the vision impaired, and on and on. I oppose this amendment.

Mr. ROEMER. Mr. Chairman, I yield 1½ minutes to the gentleman from Kentucky [Mr. WARD], a talented new freshman.

Mr. WARD. Mr. Chairman, I rise today in support of this amendment.

Mr. Chairman, I have heard a previous speaker say that this is about exploring brave new worlds and strange new worlds. Well, I submit to my colleagues that I would not have come to Congress in 1995, if I was not interested in exploring strange new worlds.

Mr. Chairman, it is a strange world. It is a world where we can see cuts in every program that help our children, where we can see the threat of cuts in programs that help our seniors, and at the same time support billions for a project which is purely, purely speculative benefits. When we hear of the notions that NASA puts forward of what this project will achieve, we hear speculation.

Mr. Chairman, I stand next to none in my support of NASA and the basic space program. We need it. I am one of those young people who can remember as if it was yesterday sitting in a classroom watching JOHN GLENN and Alan Shepherd. These things stirred me. These things told me that there were opportunities for America to explore, to expand.

But, Mr. Chairman, the space station, just the notion of putting people in space does not justify this expenditure.

Mr. LEWIS of California. Mr. Chairman, I yield such time as he may consume to the gentleman from Alabama [Mr. CRAMER].

Mr. CRAMER. Mr. Chairman, I rise in opposition to this amendment and urge Members to oppose it.

I rise in strong opposition to the termination of the International space station.

There have been seven votes in the House to terminate the space station since I came to Congress in 1991. The space station has survived every vote. We've had a fair fight on this issue every year.

The space station is a critical investment in America's future. The Station is about life on earth.

If we give up on space station—we give up on Human Space Year.

The station will be a permanent, orbiting laboratory in low earth orbit that will provide important contributions to medical research, microgravity materials and life sciences research, and advanced technologies research.

The space program has already proven how important it is to life here on earth during its 35-year history. The space station is the next logical step in our exploration and utilization of outer space.

The space station is the largest international science project ever undertaken. The Station draws on the resources and expertise of 13 nations, including our old cold war adversary—Russia.

As the world redefines itself in this era following the end of the cold war, international cooperative projects like the space station become powerful symbols for what can be accomplished through peaceful cooperation among nations.

The United States is falling far behind the rest of the industrialized world in long-term investment in research and development.

We as a nation cannot afford to fall further behind in science and technology if we expect to be the world's technology leader into the next century.

NASA's R&D efforts provide one of the few Federal investments in our economy of 10, 20 or even 30 years from now.

These R&D investments are being made in the space station, aeronautics, high-speed computing, environmentally clean technologies, remote sensing, and miniaturization.

The investments being made in the science and technology now, will make long-term economic growth possible and provide long-term opportunities for future generations.

The space station is a critical element in this long-term investment that will ensure our Nation's future.

The station will be a testbed for a wide variety of future technologies and a unique science platform for research on advanced industrial materials, communications technologies, and medical research.

THE SPACE STATION, TOO LATE TO TURN BACK

The space station was redesigned in 1993 to incorporate Russian participation, to be cheaper, and to be more capable. These goals were accomplished.

The new design saves $5 billion in development costs, reduced annual operating costs by half, and expands the station's research capabilities.

The redesigned station has nearly twice the power, double the volume, twice the number of laboratory modules, and 50 percent more crew than the earlier design.

The new cooperative effort with Russia enables the station to be completed 15 months sooner and will save the United States almost $2 billion in development costs.

Since the redesign in 1993, the station program has proceeded smoothly and with stability.

All program cost, technical and program milestones have been met. The station is on time and on budget.

We are now less than 30 months from the launch of the first element of the space station in November 1997.

NASA has manufactured more than 42,000 pounds of actual flight hardware in 1994 and early 1995. A total of 75,000 pounds will be built by the end of 1995.

The first phase of the station program is well underway. We are gaining valuable experience with the Russian space station that reduces our technical risk.

This past February, the space shuttle flew within 37 feet of the Russian *Mir* Space Station and in March a U.S. astronaut began a 90-day stay aboard *Mir*.

On July 7, the shuttle *Atlantis* completed the historic docking with the *Mir* Station.

Several more missions to the *Mir* Station are planned in the next 2 years. The era of close cooperations with the Russians is well underway.

We have committed too much time and money in the space station and are too close to assembly of the station to turn our backs on this project.

I believe strongly that the space station is too important a program to abandon. I believe it is crucial to our Nation's future and to the future of our children.

I urge my colleagues to oppose the amendment to terminate the space station.

Mr. LEWIS of California. Mr. Chairman, I yield such time as he may consume to the gentleman from California [Mr. CALVERT].

Mr. CALVERT. Mr. Chairman, I rise in opposition to the Roemer amendment and in strong support for the international space station.

We have already spent billions of dollars over the years on this necessary program and I find it amazing that we are now discussing terminating funding at a time when mission launches begin next year.

The space station is needed to develop new materials and processes in industry.

This space station will accelerate breakthroughs in technology and engineering that will have immediate, practical applications for life on Earth—and will create jobs and economic opportunities today and in the decades to come.

It would maintain U.S. leadership in space and in global competitiveness, and serve as a driving force for emerging technologies.

The space station will force new partnerships with the nations of the world.

It would inspire our children, foster the next generation of scientists, engineers, and entrepreneurs, and satisfy humanity's ancient need to explore and achieve.

We need the space station to invest for today and tomorrow.

Every dollar spent on space programs returns at least $2 in direct and indirect benefits.

And finally, the space station will help sustain and strengthen the United States' strongest export sector—aerospace technology—which in 1993 exceeded $39 billion.

We need the space station, for the present and for the future.

I urge my colleagues to oppose the Roemer amendment.

Mr. EMERSON. Mr. Chairman, I rise today in support of the international space station. Our Nation's human flight space program represents the American ideal of exploration and leadership, and the international space station carries on that tradition.

Space station opponents argue that space station funding is a fiscally irresponsible program. I believe the space station funding is a fiscally responsible and essential investment in America's future, and the dollars requested for the program will be more than returned in the coming years.

The budget for the space station is less than 15 percent of NASA's budget, and only one-seventh of 1 percent of the Federal budget. The redesigned space station is better managed under a single prime contractor and has more lab space, more power, a larger crew, and costs $20 billion less in development and operations than the previous design. The space station is on schedule and within budget and NASA's fiscal year 1996 budget authorization and appropriation meet House budget resolution targets—in line with achieving a balanced budget by fiscal year 2002.

Mr. Speaker, the space station is a vital part of America's role in shaping the future. I urge a "no" vote on the amendment.

Mrs. JOHNSON of Connecticut. Mr. Chairman, achievements in space set the United States apart from other nations with greater distinction than any other endeavor. Indeed, our space program has become the very symbol of American ingenuity, daring, and innovation. It has been more than three decades since Americans walked on the Moon, and no other nation today is even remotely close to duplicating that feat.

The space station will be a symbol of U.S. international leadership and preeminence in space science. It brings together many nations to work on this single project, who have, to date, invested billions of dollars. Russia, Canada, the European Space Agency—whose participation includes 9 of its 15 member nations, and Japan are all contributing partners.

I would not argue that our agreements with these international partners are, in and of themselves, a compelling reason to proceed with the program. I would, however, emphasize that this is an unprecedented level of international cooperation, undertaken at our initiative, and its abandonment would say nothing positive about our willingness to live up to our commitments.

A decision to terminate the space station program will likely put a period at the end of this Nation's manned space program—there will be nowhere else to go, and we will have missed our one opportunity to impel mankind toward a better future. If we continue to move forward, however, we will keep alive our Nation's hope for a better, greater future.

Yes, we have social and economic problems all around us. But the problems of the future will surely be worse. For our children and grandchildren, and subsequent generations of Americans to prosper, they will require new ideas, new knowledge, new technology, new products, new jobs, and new worlds to conquer. Your vote for space station is a vote for a stronger America and a better world.

Mr. MINETA. Mr. Chairman, I rise in strong opposition to this amendment.

Mr. Chairman, I am starting to feel like a broken record player. It seems as if nearly every time I make a trip to the floor of this Congress I have the same message. Apparently, however, I need to say it one more time.

Simply put, good public policy means looking farther ahead than the next election.

Mr. Chairman, the international space station is all about long-term vision. It is about a vision of national unity. It is about a vision of U.S. competitiveness. And, it is about a vision of international cooperation.

There is no question that the space station has a high price tag in the near future. But, Mr. Chairman, this is the U.S. House of Representatives, not some for-profit corporation. It is, in fact, our job to consolidate public resources and invest them for the future.

The space station offers huge dividends. Our Nation's gains from space flight in the areas of general technological capability and specific spinoff inventions is well documented. The lives of thousands of Americans have been improved and in fact saved by technologies discovered during manned space flight.

And, Mr. Chairman, manned space flight bring this Nation together. One need only see "Apollo 13," or hear the roar of a shuttle launch, or listen to the old tapes of man's first walk on the Moon to understand this phenomenon.

Finally, we must consider the long-term value of working toward common goals with members of the international community. Mr. Chairman, I ask you what the dollar value is of a strong working relationship with our friends in Russia? How much money do we save by avoiding another cold war?

Mr. Chairman, I do not understand how anyone claiming to be a policymaker can ignore these benefits in favor of short-term political gain. I urge my colleagues to vote "no" on this amendment.

Mr. LEWIS of California. Mr. Chairman, I yield 2 minutes to the gentleman from Texas [Mr. STOCKMAN], whose district makes a great contribution to space station.

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

Mr. STOCKMAN. Mr. Chairman, speaker after speaker will get up here and say, "I remember as a child, I remember as a child the great things that astronauts used to do."

□ 1015

But do you know what they are saying? "We want to kill the dream for the next generation so they cannot stand up here a generation from now and say, 'I remember space station, I remember how it thrilled me.'"

They want to rob that. We are going to rob the next generation of that.

They say, "Well, what is it going to produce?" I have never heard a scientist predict what he is going to find

in space. I never knew so many scientists were in Congress. My wife worked on it, and time after time again they would say, "Redesign it."

I ask: How many rocket scientists do we have here? I have not heard them speak. I have not heard a thing.

You know, when we were discussing Alaska, it was an icebox, and on this very floor they denigrated it. Why get Alaska? There is nothing in Alaska. Where are those voices today? They are gone.

Where are the voices for science? The doctors, the naysayers? They are all out here robbing our children of the future. "No, we cannot have a space station. No, we cannot have a future." It is because we do not have a vision in this country anymore that we are willing to kill the space station. We cannot allow that to happen.

Queen Isabella, she had lots of problems. I am sure she had potholes and social problems, but she went forth, spent the money, and it was expensive and found this country. That was probably a waste, in many of my colleagues' eyes.

I think it is wrong and shortsighted what we are doing here today, or trying to do, and this annual amendment is shortsighted.

Mr. ROEMER. Mr. Chairman, I yield 1½ minutes to the gentleman from New Jersey [Mr. ZIMMER], the distinguished cosponsor of the amendment.

Mr. ZIMMER. Mr. Chairman, I thank the gentleman for yielding.

My friend from Texas talks about the thrill of having a space station in orbit. Just think about it. Will our children really be thrilled 30 years after a man walked on the Moon to have a space station in low Earth orbit, something the Russians have been doing for 10 years, at a cost of our entire space program, including plans to get us back to the Moon and on to Mars? I think not.

Simply put, the space station is not worth the money, whether you agree with NASA's unrealistic $37.5 billion sticker price or the far more realistic General Accounting Office $94 billion estimate. The National Taxpayers' Union strongly supports the Roemer-Zimmer amendment. So does Citizens Against Government Waste. Citizens Against Government Waste has scored this vote year after year, as well they should. The Office of Technology Assessment has said placing the Russian contribution in the critical path to completion poses unprecedented programmatic and political risks. The Congressional Research Service points out the many, many challenges and threats to the budget and the timetable of the space station: Huge increases in the number of space walks, having to launch 73 missions exactly on time, some of them within a 5-minute launch window.

We may be technically within budget and on time at this point. I predict and I assure you that next year we will not be.

Let us cut our losses and the losses of our foreign partners and terminate this program now.

Mr. ROEMER. Mr. Chairman, I yield myself the balance of my time.

I would conclude with summing our position up on this amendment by saying that this amendment is about the dreams of America. It is about the hopes of Americans. It is about new frontiers, but it is more complicated than saying that these new frontiers are only limited to a space station in space.

Our dreams and our hopes and our new frontiers are also on Earth. They are about a $4.8 trillion debt that is killing our children's futures and dreams. They are about programs that are being offered in this Congress to kick children off of Head Start.

Our dreams from Alabama to Indiana, from California to New Jersey are about Congressmen and women making the difficult decisions at times based on the merits of programs, not on the movies and theaters. We are not assessing the merits of a space station based upon Tom Hanks' performance in "Apollo 13". If we were, I think you have a 435-to-0 vote in favor of Tom Hanks.

What we are assessing today is a space station that has gone from $8 billion in costs to $94 billion. What we are assessing today is a space station that has gone from eight scientific nations to one. What we are assessing today is a Congress. Does it have the will and the tenacity and the courage to start moving toward a balanced budget for the hopes and the dreams of all Americans?

Mr. Chairman, all science is not successful. I wish it was. Thank goodness Christopher Columbus was successful. Thank goodness Charles Lindbergh and thank goodness Jim Lovell were, but the space station is not the same kind of science or merit that those previous programs were.

Vote to cut the space station now before it eats up the rest of the seed corn for a precious NASA budget and science budget.

Mr. LEWIS of California. Mr. Chairman, I yield 2 minutes to the gentleman from Florida [Mr. WELDON].

Mr. WELDON of Florida. Mr. Chairman, I rise in strong opposition to the Roemer amendment, and I just wanted to make one thing very, very clear to our fellow Members here. There are a lot of figures being thrown around about the space station, some claiming that it is going to cost $94 billion, a GAO study that claims that that is for the full cost of the station. Well, there are $8 billion spent on redesigns that were commissioned by this Congress in redesigning this program over and over again, and now you have the program finalized, you have international partners in it, it is on budget, it is on time, it is good science.

There are 14 different programs from NIH that are going up on this space station. There are seven different pharmaceutical companies interested in doing significant research in areas like diabetes, osteoporosis, that are going to go up on this space station. Included in that supposed $94 billion is $47 billion in shuttle operations over the next 15 years.

The supporters of this amendment, are they claiming they want to ground the shuttle, that they want to completely end our manned space program? I think the American people say no, and they have said no consistently for the past 5 years. Repeatedly this body has voted in support of this program.

Now we are about the business of trying to kill it one more time. Now while we have the Japanese investing $1 billion in their part of the program, we have our European partners investing $2 billion in their part of the program, while we are in the process of bending metal and finalizing this and ready to put it up in the air, the dream is about to become a reality, one more time the naysayers are coming forward and saying no, no, no, we cannot have a space station, we cannot afford it.

Well, I submit to my colleagues that if that type of attitude had existed in the past, Jefferson would never have purchased the Louisiana Purchase.

Mr. LEWIS of California. Mr. Chairman, I yield myself the remainder of my time.

Mr. Chairman, there was a lot of conversation yesterday and today about whether man should be in space. There are those on the floor who really do not believe in our manned space mission, as well as a great deal of discussion regarding the role of NASA and the impact it might have upon our economy.

I have done some calculating here this morning. We have a $1.4 trillion national budget. NASA's entire budget represents .01 percent of our national commitment to a variety of domestic programs. Within the NASA budget only 15 percent goes to station, and yet station is the centerpiece of all of NASA's work.

Without a doubt, the American people have expressed themselves. They support strongly man's work in space and our future in space.

The CHAIRMAN. All time has expired.

The question is on the amendment offered by the gentleman from Indiana [Mr. ROEMER].

The question was taken; and the chairman announced that the noes appeared to have it.

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

The CHAIRMAN. Pursuant to the order of the House of Thursday, July

27, 1995, further proceedings on the amendment offered by the gentleman from Indiana [Mr. ROEMER] will be postponed.

The point of order of no quorum is considered withdrawn.

Mr. FAZIO of California. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I ask the Chairman's indulgence to engage in a colloquy with the gentleman from California [Mr. LEWIS].

Mr. LEWIS, I want to applaud your efforts in agreeing to work to provide funding for an outpatient clinic to help meet the critical medical needs of the 450,000 northern California veterans. I strongly support this proposal and I appreciate the fact that you have gone out of your way to try and accommodate the concerns of Mr. RIGGS and myself on this issue.

The problem still remains, however, that we are still in dire need of inpatient services for these veterans north of San Francisco as a result of the closure of the Martinez Veterans Hospital damaged in the Loma Prieta earthquake. I want to ask the Chairman's further assurances to continue to work with the northern California delegation in pursuing more low-cost alternatives to providing this needed inpatient hospital care. Would the Chairman be willing to work with myself and Mr. RIGGS to find solutions to this ongoing problem?

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

Mr. FAZIO of California. I yield to the gentleman from California.

Mr. LEWIS of California. Mr. Chairman, I appreciate my colleague from California [Mr. FAZIO] raising this question.

We did discuss it to some extent yesterday on the floor. There is no question about the need in northern California for advanced services available to the veterans who live in that region. You and I know, serving on the Committee on Appropriations, the difficulties that we face.

I am not only pleased with the level of contact and communication I have had from all of your delegation regarding this matter, I certainly look forward to working with you in the months and years ahead.

Mr. FAZIO of California. I appreciate the help the gentleman may be able to offer us.

Mr. KENNEDY of Massachusetts. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I had an amendment, No. 48, that I was intending on offering this morning. It is an amendment dealing with the community development financial institutions. But as a result of conversations that took place initially between the gentleman from New York [Mr. FLAKE] and the distinguished chairman of the full Housing Committee, the gentleman from New York [Mr. LAZIO], last evening and then further conversation that I was able to have with the chairman of the Subcommittee on VA, HUD and Independent Agencies, the gentleman from California [Mr. LEWIS] this morning, it appears as though we can avoid the timely debate on this issue and go to, I hope, a commitment to try to find some funding for the important community development financial institutions as we move this bill through the process.

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

Mr. KENNEDY of Massachusetts. I yield to the gentleman from New York, who has done a tremendous job leading the community development institutions through the last couple of Congresses. He does tremendous work on the Housing Committee and other issues pertaining to investment in low income communities.

□ 1030

Mr. FLAKE. Mr. Chairman, I thank the gentleman from Massachusetts [Mr. KENNEDY], and certainly we want to thank him for having been one of the most vocal of individuals as it relates to the development of the communities, particularly these urban communities where we have had a great deal of stress as it relates to trying to make sure that we turn these communities around.

Mr. Chairman, I would like to enter into a colloquy with my colleague from Long Island, NY [Mr. LAZIO], who has worked diligently both as a member of the Subcommittee on Housing and Community Opportunity and now as the chairperson of housing as it relates to our concerns about community development financial institutions, and in our discussion, Mr. Chairman, one of the concerns that the gentleman knows that is passionately a part of my responsibility here and my work in New York has been to try to assure that we find means by which we get funds into communities where we cannot invest the funds, investment funds that allows for us to have an opportunity to generate jobs, to generate the means by which we rebuild those commercial strips.

As the gentleman knows, Tom Ridge and I started out in 1991 with the Bank Enterprise Act which we got passed by this body. The Bank Enterprise Act sort of served as a foundation for the community development financial institutions where we would give banks an opportunity to be able to participate in communities that they had ignored and then by helping to put resources in those communities to turn them around, and, Mr. Chairman, what I am asking of the gentleman is that, as we move forward and understand these distressed communities still have needs and yet in this particular budget the $104 million that was originally asked for CDFI is zeroed out, I am asking the gentleman's support, if he will, to allow us in understanding what the need is, and understand that America can never be strong if a part of America is still distressed, if a part of America does not have an opportunity to create means by which we can create jobs, if a part of America does not have the means by which it can build its commercial strips and on those commercial strips be able to turn them around and generate opportunities for those young people who may otherwise end up in jail.

I would like the gentleman's support in assuring that, when we get this bill together, when we move into the conference stages, that he will assist us because I know that he and I in our discussions understand that this is a reality of a need for America.

Mr. LAZIO of New York. Mr. Chairman, will the gentleman yield?

Mr. KENNEDY of Massachusetts. I yield to the gentleman from New York.

Mr. LAZIO of New York. I would like to respond to my friend, the gentleman from New York [Mr. FLAKE], and say first of all that no Member of this body has done more for his district than the gentleman has in fostering partnerships and leveraging public funds and private funds together to make life better, and this Member also believes that, as the gentleman does, that access to credit and an increase in entrepreneurship is one of the foundations of turning some of our most underserved communities around and that we do need to do more and commit ourselves to do more in terms of access to capital for young, budding entrepreneurs, especially in our underserved areas, and the gentleman has the commitment from this chairman, from this Member, that I will work with him to find ways both through CDFI and other means to ensure that we have better access to capital in some of our most underserved areas.

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

Mr. KENNEDY of Massachusetts. I yield to the gentleman from California.

Mr. LEWIS of California. I want to say to all the gentlemen involved that I have the deepest respect for the work that they are involved with here. If we can provide opportunity to enter our marketplace in a way that allows for growth and job opportunity——

The CHAIRMAN. The time of the gentleman from Massachusetts [Mr. KENNEDY] has expired.

(On request of Mr. LEWIS of California and by unanimous consent, Mr. KENNEDY of Massachusetts was allowed to proceed for 2 additional minutes.)

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

Mr. KENNEDY of Massachusetts. I yield to the gentleman from California.

Mr. LEWIS of California. Access to capital is very fundamental to the success of the kind that the gentleman is

talking about. I want all of my colleagues to know that, while the committee did zero CDFI by way of $104 million, that this was in no small part because there is in the bill the President signed yesterday a $50 million pool for this activity that is to be run through the Department of the Treasury. Frankly, I am scratching my head about whether that is the right approach. As we go toward the Senate for a conference, I want to be discussing this in depth with the gentleman and very much appreciate the commitment that all the gentlemen have to this very important work.

Mr. KENNEDY of Massachusetts. Reclaiming my time, I appreciate both gentlemen's commitment to this program, and I just want to say I talked with the Treasury Department earlier this morning. They are looking forward to entering into a dialog with the gentleman from California [Mr. LEWIS] and the gentleman from New York [Mr. LAZIO] with regard to exactly what funds should be utilized for the purposes, but I am glad to hear that both chairmen have committed themselves to making certain that community development financial institutions maintains the level of funding going into the next year.

Mr. LEWIS of California. Let me add just one more thing, if I may.

The gentleman from New York [Mr. FLAKE] and the gentleman from Massachusetts [Mr. KENNEDY] have a deep commitment to this work, as my chairman from the committee does here as well. We have time pressures today. We are going to have an extended debate, but we will have that discussion in the months ahead, and hopefully it will be very fruitful. I appreciate very much my colleagues' cooperation with the Members' problem on the floor today as we make this very important point.

Mr. KENNEDY of Massachusetts. I appreciate very much the gentleman's cooperation, and I want to just tell the gentleman from New York [Mr. LAZIO] that I look forward to working with him on this and a number of other issues. We had some differences on the floor yesterday, but I look very much forward to working with him in the future.

Mrs. JOHNSON of Connecticut. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I submit my remarks in strong opposition to the amendment offered by the gentleman from Indiana [Mr. ROEMER] and in support of the space station.

SEQUENTIAL VOTES POSTPONED IN COMMITTEE OF THE WHOLE

The CHAIRMAN. Pursuant to the order of the House of July 27, 1995, proceedings will now resume on those amendments on which further proceedings were postponed, in the following order: On unprinted amendment offered by the gentlewoman from Ohio [Ms. KAPTUR]; amendment No. 34 offered by the gentleman from Oregon [Mr. DEFAZIO]; amendment No. 57 offered by the gentleman from Indiana [Mr. ROEMER].

The Chair will reduce to 5 minutes the time for any electronic vote after the first vote in this series.

AMENDMENT OFFERED BY MS. KAPTUR

The CHAIRMAN. The unfinished business is the demand for a recorded vote on the amendment offered by the gentlewoman from Ohio [Ms. KAPTUR] on which further proceedings were postponed and on which the ayes prevailed by voice vote.

The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Ms. KAPTUR: Page 20, line 25, after the dollar amount insert the following: "(increased by $234,000,000)".

Page 21, line 15, after the dollar amount insert the following: "(increased by $234,000,000)".

Page 64, line 16, after the dollar amount insert the following: "(reduced by $234,000,000)".

RECORDED VOTE

The CHAIRMAN. A recorded vote has been demanded.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 192, noes 222, not voting 20, as follows:

[Roll No. 596]

AYES—192

Ackerman
Andrews
Bachus
Baesler
Baldacci
Barcia
Barrett (WI)
Barton
Becerra
Beilenson
Bevill
Bishop
Bonior
Borski
Brown (FL)
Brown (OH)
Bryant (TX)
Cardin
Chapman
Clay
Clayton
Clement
Clyburn
Coleman
Collins (IL)
Conyers
Costello
Coyne
de la Garza
DeFazio
DeLauro
Dellums
Deutsch
Dicks
Dingell
Dixon
Doggett
Dooley
Dornan
Doyle
Duncan
Durbin
Edwards
Engel
Ensign
Eshoo
Evans
Farr
Fattah
Fazio
Fields (LA)
Flake
Foglietta
Ford
Fox
Frank (MA)
Franks (CT)
Frost
Furse
Gejdenson
Geren
Gibbons
Gilman
Gonzalez
Gordon
Green
Gutierrez
Hall (TX)
Hamilton
Harman
Hastings (FL)
Hefner
Heineman
Hinchey
Holden
Hunter
Jackson-Lee
Jacobs
Johnson (CT)
Johnson (SD)
Johnson, E. B.
Kanjorski
Kaptur
Kennedy (MA)
Kennedy (RI)
Kennelly
Kildee
Kingston
Kleczka
Klink
LaFalce
Lantos
Lazio
Levin
Lewis (GA)
Lincoln
Lipinski
Lofgren
Lowey
Luther
Maloney
Manton
Manzullo
Markey
Martinez
Martini
Mascara
Matsui
McDermott
McHale
McNulty
Meehan
Meek
Menendez
Mfume
Miller (CA)
Mineta
Molinari
Mollohan
Montgomery
Moran
Morella
Murtha
Nadler
Neal
Ney
Oberstar
Obey
Olver
Ortiz
Orton
Owens
Pallone
Pastor
Payne (NJ)
Payne (VA)
Pelosi
Poshard
Rahall
Ramstad
Rangel
Reed
Richardson
Rivers
Roemer
Rose
Roybal-Allard
Rush
Sabo
Sanders
Sawyer
Schroeder
Schumer
Scott
Serrano
Shays
Sisisky
Skaggs
Slaughter
Souder
Spratt
Stark
Stenholm
Stokes
Studds
Stupak
Tanner
Taylor (MS)
Tejeda
Thompson
Thornton
Torres
Torricelli
Towns
Traficant
Velazquez
Vento
Visclosky
Wamp
Ward
Waters
Watt (NC)
Watts (OK)
Waxman
Weller
Williams
Wilson
Wise
Wolf
Wyden
Wynn
Yates

NOES—222

Abercrombie
Allard
Archer
Armey
Baker (CA)
Baker (LA)
Ballenger
Barr
Barrett (NE)
Bartlett
Bass
Bentsen
Bereuter
Bilbray
Bilirakis
Bliley
Blute
Boehlert
Boehner
Bonilla
Bono
Boucher
Brewster
Browder
Brownback
Bryant (TN)
Bunn
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Camp
Canady
Castle
Chabot
Chambliss
Chenoweth
Christensen
Chrysler
Clinger
Coble
Coburn
Collins (GA)
Combest
Cooley
Cox
Cramer
Crapo
Cremeans
Cubin
Cunningham
Danner
Davis
Deal
DeLay
Diaz-Balart
Dickey
Doolittle
Dreier
Dunn
Ehlers
Ehrlich
Emerson
English
Everett
Ewing
Fawell
Fields (TX)
Flanagan
Foley
Forbes
Fowler
Franks (NJ)
Frelinghuysen
Frisa
Funderburk
Gallegly
Ganske
Gekas
Gephardt
Gilchrest
Gillmor
Goodlatte
Goodling
Goss
Graham
Greenwood
Gunderson
Gutknecht
Hancock
Hansen
Hastert
Hastings (WA)
Hayes
Hayworth
Hefley
Herger
Hilleary
Hobson
Hoekstra
Hoke
Horn
Hostettler
Houghton
Hoyer
Hutchinson
Hyde
Inglis
Johnson, Sam
Jones
Kasich
Kelly
Kim
King
Klug
Knollenberg
Kolbe
LaHood
Latham
LaTourette
Laughlin
Leach
Lewis (CA)
Lewis (KY)
Lightfoot
Linder
Livingston
LoBiondo
Longley
Lucas
McCarthy
McCollum
McCrery
McDade
McHugh
McInnis
McIntosh
McKeon
Metcalf
Mica
Miller (FL)
Minge
Mink
Moorhead
Myers
Myrick
Nethercutt
Neumann
Norwood
Nussle
Oxley
Packard
Parker
Paxon
Peterson (FL)
Peterson (MN)
Petri
Pickett
Pombo
Pomeroy
Porter
Portman
Pryce
Quillen
Quinn
Radanovich
Regula
Riggs
Roberts
Rogers
Rohrabacher
Ros-Lehtinen
Roth
Roukema
Royce
Salmon
Sanford
Saxton
Scarborough
Schaefer
Schiff
Seastrand
Sensenbrenner
Shadegg
Shaw
Shuster
Skeen
Skelton
Smith (MI)
Smith (NJ)
Smith (TX)
Smith (WA)
Solomon
Spence
Stearns
Stockman
Stump
Talent
Tate
Tauzin
Taylor (NC)
Thomas
Thornberry
Thurman
Tiahrt
Torkildsen
Upton
Vucanovich
Waldholtz
Walker
Walsh
Weldon (FL)
Weldon (PA)
White
Whitfield
Wicker
Woolsey
Young (FL)
Zeliff
Zimmer

NOT VOTING—20

Bateman	Hall (OH)	Meyers
Berman	Hilliard	Moakley
Brown (CA)	Istook	Reynolds
Collins (MI)	Jefferson	Tucker
Condit	Johnston	Volkmer
Crane	Largent	Young (AK)
Filner	McKinney	

□ 1055

The Clerk announced the following pair:

On this vote:

Mr. Johnston of Florida for, with Mr. Largent against.

Mr. BENTSEN and Mrs. ROUKEMA changed their vote from "aye" to "no."

Mr. JOHNSON of South Dakota, Mr. MANZULLO, and Mrs. MORELLA changed their vote from "no" to "aye."

So the amendment was rejected.

The result of the vote was announced as above recorded.

PERSONAL EXPLANATION

Mr. TUCKER. Mr. chairman, earlier this morning there were three votes. I missed two. Had I been present I would have voted "yes" on the Kaptur amendment, rollcall 596, and "yes" on the DeFazio amendment, rollcall 597.

AMENDMENT OFFERED BY MR. DEFAZIO

The CHAIRMAN. The unfinished business is the request for a recorded vote on the amendment offered by the gentleman from Oregon [Mr. DEFAZIO] on which further proceedings were postponed and on which the nays prevailed by voice vote.

The Clerk will redesignate the amendment.

The text of the amendment is as follows:

Amendment offered by Mr. DEFAZIO:

Amendment No. 34: Page 8, line 9, strike "$16,713,521,000" and insert "$16, 725,521,000".

Page 79, line 23, strike "$22,930,000" and insert "$6,000,000".

RECORDED VOTE

The CHAIRMAN. A recorded vote has been demanded.

A recorded vote was ordered.

The CHAIRMAN. This is a 5-minute vote.

The vote was taken by electronic device, and there were—ayes 175, noes 242, not voting 17, as follows:

[Roll No. 597]

AYES—175

Ackerman	Cardin	English
Andrews	Chapman	Ensign
Barcia	Chrysler	Eshoo
Barrett (NE)	Clay	Evans
Barrett (WI)	Clayton	Farr
Barton	Coburn	Fattah
Bass	Collins (IL)	Fields (LA)
Becerra	Conyers	Foglietta
Beilenson	Cox	Foley
Bentsen	Coyne	Fox
Bilbray	DeFazio	Frank (MA)
Blute	Dellums	Franks (CT)
Bonior	Dingell	Franks (NJ)
Borski	Dixon	Furse
Boucher	Dooley	Gephardt
Brewster	Doyle	Gibbons
Brown (CA)	Duncan	Gilchrest
Brown (OH)	Durbin	Gonzalez
Brownback	Edwards	Goodlatte
Bunn	Ehrlich	Goodling
Camp	Engel	Hall (TX)
Hastings (FL)	McHale	Schroeder
Hayes	McHugh	Schumer
Hayworth	Meehan	Seastrand
Hilliard	Metcalf	Sensenbrenner
Hinchey	Mfume	Serrano
Hoke	Miller (CA)	Shadegg
Horn	Miller (FL)	Shays
Hutchinson	Mineta	Shuster
Jackson-Lee	Minge	Slaughter
Jacobs	Mink	Souder
Johnson, E. B.	Mollohan	Spratt
Johnson, Sam	Nadler	Stark
Jones	Neal	Stockman
Kanjorski	Neumann	Stokes
Kennedy (MA)	Oberstar	Studds
Kennedy (RI)	Obey	Tauzin
Kildee	Olver	Thompson
Klug	Owens	Thurman
LaFalce	Payne (NJ)	Tiahrt
Leach	Pelosi	Towns
Levin	Peterson (MN)	Upton
Lewis (GA)	Pomeroy	Velazquez
Lincoln	Portman	Vento
Linder	Quinn	Visclosky
Lipinski	Rahall	Waters
LoBiondo	Ramstad	Watt (NC)
Lofgren	Rangel	Watts (OK)
Longley	Reed	Waxman
Lowey	Riggs	Weldon (FL)
Luther	Rivers	Weller
Maloney	Rohrabacher	Williams
Manton	Roybal-Allard	Woolsey
Manzullo	Royce	Wyden
Markey	Sabo	Wynn
Martinez	Salmon	Yates
Martini	Sanders	Zimmer
Matsui	Sawyer	
McDermott	Scarborough	

NOES—242

Abercrombie	DeLauro	Holden
Allard	DeLay	Hostettler
Archer	Deutsch	Houghton
Armey	Diaz-Balart	Hoyer
Bachus	Dickey	Hunter
Baesler	Dicks	Hyde
Baker (CA)	Doggett	Inglis
Baker (LA)	Doolittle	Johnson (CT)
Baldacci	Dornan	Johnson (SD)
Ballenger	Dreier	Kaptur
Barr	Dunn	Kasich
Bartlett	Ehlers	Kelly
Bereuter	Emerson	Kennelly
Bevill	Everett	Kim
Bilirakis	Ewing	King
Bishop	Fawell	Kingston
Bliley	Fazio	Kleczka
Boehlert	Fields (TX)	Klink
Boehner	Flake	Knollenberg
Bonilla	Flanagan	Kolbe
Bono	Forbes	LaHood
Browder	Ford	Lantos
Brown (FL)	Fowler	Latham
Bryant (TN)	Frelinghuysen	LaTourette
Bryant (TX)	Frisa	Laughlin
Bunning	Frost	Lazio
Burr	Funderburk	Lewis (CA)
Burton	Gallegly	Lewis (KY)
Buyer	Ganske	Lightfoot
Callahan	Gejdenson	Livingston
Calvert	Gekas	Lucas
Canady	Geren	Mascara
Castle	Gillmor	McCarthy
Chabot	Gilman	McCollum
Chambliss	Gordon	McCrery
Chenoweth	Goss	McDade
Christensen	Graham	McInnis
Clinger	Green	McIntosh
Clyburn	Greenwood	McKeon
Coble	Gunderson	McNulty
Coleman	Gutierrez	Meek
Collins (GA)	Gutknecht	Menendez
Combest	Hamilton	Mica
Condit	Hancock	Molinari
Cooley	Hansen	Montgomery
Costello	Harman	Moorhead
Cramer	Hastert	Moran
Crapo	Hastings (WA)	Morella
Cremeans	Hefley	Murtha
Cubin	Hefner	Myers
Cunningham	Heineman	Myrick
Danner	Herger	Nethercutt
Davis	Hilleary	Ney
de la Garza	Hobson	Norwood
Deal	Hoekstra	Nussle
Ortiz	Roukema	Taylor (NC)
Orton	Rush	Tejeda
Oxley	Sanford	Thomas
Packard	Saxton	Thornberry
Pallone	Schaefer	Thornton
Parker	Schiff	Torkildsen
Pastor	Scott	Torres
Paxon	Shaw	Torricelli
Payne (VA)	Sisisky	Traficant
Peterson (FL)	Skaggs	Vucanovich
Petri	Skeen	Waldholtz
Pickett	Skelton	Walker
Pombo	Smith (MI)	Walsh
Porter	Smith (NJ)	Wamp
Poshard	Smith (TX)	Ward
Pryce	Smith (WA)	Weldon (PA)
Quillen	Solomon	White
Radanovich	Spence	Whitfield
Regula	Stearns	Wicker
Richardson	Stenholm	Wilson
Roberts	Stump	Wise
Roemer	Stupak	Wolf
Rogers	Talent	Young (AK)
Ros-Lehtinen	Tanner	Young (FL)
Rose	Tate	Zeliff
Roth	Taylor (MS)	

NOT VOTING—17

Bateman	Hall (OH)	Meyers
Berman	Istook	Moakley
Clement	Jefferson	Reynolds
Collins (MI)	Johnston	Tucker
Crane	Largent	Volkmer
Filner	McKinney	

□ 1104

Mr. FAZIO of California and Mr. RUSH changed their vote from "aye" to "no."

Messrs. COYNE, ENGLISH of Pennsylvania, WATTS of Oklahoma, and FOX of Pennsylvania changed their vote from "no" to "aye."

So the amendment was rejected.

The result of the vote was announced as above recorded.

AMENDMENT OFFERED BY MR. ROEMER

The CHAIRMAN. The pending business is the demand for a recorded vote on the amendment offered by the gentleman from Indiana [Mr. ROEMER] on which further proceedings were postponed and on which the noes prevailed by voice vote.

The Clerk will redesignate the amendment.

The Clerk redesignated the amendment.

RECORDED VOTE

The CHAIRMAN. A recorded vote has been demanded.

A recorded vote was ordered.

The CHAIRMAN. This is a 5-minute vote.

The vote was taken by electronic device, and there were—ayes 132, noes 287, not voting 15, as follows:

[Roll No. 598]

AYES—132

Ackerman	Costello	Frank (MA)
Barcia	Coyne	Franks (NJ)
Barrett (WI)	Cremeans	Furse
Bass	Danner	Ganske
Bereuter	DeFazio	Gibbons
Blute	Dellums	Goodlatte
Brown (CA)	Dingell	Goodling
Brown (OH)	Doyle	Gordon
Camp	Duncan	Gunderson
Chabot	Durbin	Gutierrez
Christensen	Ensign	Hamilton
Coble	Evans	Herger
Collins (GA)	Fattah	Hilleary
Collins (IL)	Foglietta	Hoekstra
Conyers	Ford	Holden

Hutchinson
Inglis
Jacobs
Johnson (SD)
Kanjorski
Kaptur
Kelly
Kennedy (MA)
Kildee
Kingston
Kleczka
Klink
Klug
LaFalce
Latham
Lazio
Leach
Levin
Lincoln
Lipinski
LoBiondo
Longley
Lowey
Luther
Maloney
Manzullo
Markey
Martini
McCarthy
McDermott
McHugh
McNulty
Meehan
Menendez
Miller (CA)
Minge
Mink
Montgomery
Myers
Nadler
Nussle
Oberstar
Obey
Olver
Owens
Pallone
Paxon
Payne (NJ)
Payne (VA)
Pelosi
Peterson (MN)
Pomeroy
Porter
Portman
Poshard
Ramstad
Rangel
Reed
Rivers
Roemer
Roukema
Rush
Sabo
Sanders
Sanford
Schroeder
Schumer
Serrano
Shays
Shuster
Slaughter
Smith (MI)
Spratt
Stark
Studds
Stupak
Thompson
Upton
Velazquez
Vento
Wamp
Ward
Waxman
Woolsey
Wyden
Yates
Zimmer

NOES—287

Abercrombie
Allard
Andrews
Archer
Armey
Bachus
Baesler
Baker (CA)
Baker (LA)
Baldacci
Ballenger
Barr
Barrett (NE)
Bartlett
Barton
Becerra
Beilenson
Bentsen
Bevill
Bilbray
Bilirakis
Bishop
Bliley
Boehlert
Boehner
Bonilla
Bonior
Bono
Borski
Boucher
Brewster
Browder
Brown (FL)
Brownback
Bryant (TN)
Bryant (TX)
Bunn
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Canady
Cardin
Castle
Chambliss
Chapman
Chenoweth
Chrysler
Clay
Clayton
Clement
Clinger
Clyburn
Coburn
Coleman
Combest
Condit
Cooley
Cox
Cramer
Crapo
Cubin
Cunningham
Davis
de la Garza
Deal
DeLauro
DeLay
Deutsch
Diaz-Balart
Dickey
Dicks
Dixon
Doggett
Dooley
Doolittle
Dornan
Dreier
Dunn
Edwards
Ehlers
Ehrlich
Emerson
Engel
English
Eshoo
Everett
Ewing
Farr
Fawell
Fazio
Fields (LA)
Fields (TX)
Flake
Flanagan
Foley
Forbes
Fowler
Fox
Franks (CT)
Frelinghuysen
Frisa
Frost
Funderburk
Gallegly
Gejdenson
Gekas
Gephardt
Geren
Gilchrest
Gillmor
Gilman
Gonzalez
Goss
Graham
Green
Greenwood
Gutknecht
Hall (TX)
Hancock
Hansen
Harman
Hastert
Hastings (FL)
Hastings (WA)
Hayes
Hayworth
Hefley
Hefner
Heineman
Hilliard
Hinchey
Hobson
Hoke
Horn
Hostettler
Houghton
Hoyer
Hunter
Hyde
Jackson-Lee
Johnson (CT)
Johnson, E. B.
Johnson, Sam
Jones
Kasich
Kennedy (RI)
Kennelly
Kim
King
Knollenberg
Kolbe
LaHood
Lantos
LaTourette
Laughlin
Lewis (CA)
Lewis (GA)
Lewis (KY)
Lightfoot
Linder
Livingston
Lofgren
Lucas
Manton
Martinez
Mascara
Matsui
McCollum
McCrery
McDade
McHale
McInnis
McIntosh
McKeon
Meek
Metcalf
Mfume
Mica
Miller (FL)
Mineta
Molinari
Mollohan
Moorhead
Moran
Morella
Murtha
Myrick
Neal
Nethercutt
Neumann
Ney
Norwood
Ortiz
Orton
Oxley
Packard
Parker
Pastor
Peterson (FL)
Petri
Pickett
Pombo
Pryce
Quillen
Quinn
Radanovich
Rahall
Regula
Richardson
Riggs
Roberts
Rogers
Rohrabacher
Ros-Lehtinen
Rose
Roth
Roybal-Allard
Royce
Salmon
Sawyer
Saxton
Scarborough
Schaefer
Schiff
Scott
Seastrand
Sensenbrenner
Shadegg
Shaw
Sisisky
Skaggs
Skeen
Skelton
Smith (NJ)
Smith (TX)
Smith (WA)
Solomon
Souder
Spence
Stearns
Stenholm
Stockman
Stokes
Stump
Talent
Tanner
Tate
Tauzin
Taylor (MS)
Taylor (NC)
Tejeda
Thomas
Thornberry
Thornton
Thurman
Tiahrt
Torkildsen
Torres
Torricelli
Towns
Traficant
Tucker
Visclosky
Vucanovich
Waldholtz
Walker
Walsh
Waters
Watt (NC)
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
White
Whitfield
Wicker
Williams
Wilson
Wise
Wolf
Wynn
Young (AK)
Young (FL)
Zeliff

NOT VOTING—15

Bateman
Berman
Collins (MI)
Crane
Filner
Hall (OH)
Istook
Jefferson
Johnston
Largent
McKinney
Meyers
Moakley
Reynolds
Volkmer

□ 1113

The Clerk announced the following pair:

On this vote:

Mr. Largent for, with Mr. Johnston of Florida against.

So the amendment was rejected.

The result of the vote was announced as above recorded.

PERSONAL EXPLANATION

Mr. CLEMENT. Mr. Chairman, I was unavoidably detained during rollcall No. 597 on the amendment offered by the gentleman from Oregon [Mr. DEFAZIO]. I would like the RECORD to indicate that I would have voted "no."

□ 1115

PERSONAL STATEMENT

Mrs. MYRICK. Mr. Speaker, I recently noticed that for rollcall vote No. 598, I am on record as having voted "nay." When I cast my vote on this amendment, I voted "aye" and, due to an error with the electronic voting system, I was incorrectly recorded as having voted "nay." My votes both in the Science Committee and on the House floor, on the issue of Federal funding for the space station, have been consistent. At a time when we are tightening our belts in order to balance the Federal budget, I cannot support funding for this project. Therefore, I would like to ask unanimous consent that my correct intentions—a vote of "aye"—be placed in the permanent record immediately following rollcall vote No. 598.

Mr. TALENT. Mr. Chairman, I move to strike the last word.

I would ask the gentleman from California if he would be kind enough to yield time to me for a little informal discussion here?

Mr. Chairman, I wanted to say to the gentleman that something happened in my office, and I wanted to ask if this is happening to other Members, as far as he knew. My Washington office staff got a call late last night from one of the regional EPA staffers from my area saying they had done a quick and dirty study of the bill, and that was their words, quick and dirty study of the bill, in the superfund section of it, and they thought if the bill passed they would not be able to do cleanup on a site in my district.

This is the night before the vote on the bill. I took it, at best, as an attempt to lobby me, and, at worst, an attempt to threaten me, and I wanted to know if this had been happening to any other Members, as far as you know, and what is going on about it?

Mr. LEWIS of California. Mr. Chairman, if the gentleman would yield, is he suggesting that EPA staff called his office last night essentially to imply that unless they got all the money they wanted that in some way they would not deal with a cleanup problem at a Superfund site in his district; is that what he is saying?

Mr. TALENT. That is right. The site they mentioned, as far as I know, is not listed as a site yet, but the staffer said this was done on the basis of a quick and dirt study. When my staff pressed her on it, she said she is a foot soldier and that this is headquarters telling them to do this.

Mr. LEWIS of California. If the gentleman would yield further, I must say to my colleague, Mr. TALENT, that such a phone call does not surprise this Member. I have had similar calls in my own district which suggested that if work at a Superfund site that is ongoing, it might be in trouble if they do not get the kind of funding that they would expect.

This bill provides for over $6 billion of funding for ongoing work at Superfund sites. Those sorts of phone calls do not surprise me. I consider the EPA to be a regulatory agency out of control.

Mr. TALENT. I have had other bad experiences with them. It is kind of ironic they are moving forward on another site in my area, and I do not want them to, and now they say they will not move forward on something that is not even a site yet.

I would say to the chairman, and I am sure he would share this, an objective study with a written analysis that is documented and circulated to the Members, I want to know the facts. I want to know what their opinion is on the outcome of legislation, however, a last minute phone call based on an admittedly "quick and dirty study" is out of bounds. I do not react well to that.

I hear the gentleman, and I just wanted to let him know about it and to see if other people were subject to the same thing.

Mr. LEWIS of California. If the gentleman would yield further, I certainly

would not want to overstate the case, but it is very apparent that a number of Members have been suggesting we need further legislation relative to agencies that would use federal funds for lobbying purposes. I am not sure how I could exactly describe this one, but it is very apparent that this is an agency that believes it should do whatever is necessary to have its view be reflected in our law and our work regardless of how the Members may feel.

Mr. TALENT. Mr. Chairman, I thank the gentleman for his fine work in this area.

AMENDMENT NO. 66 OFFERED BY MR. STOKES

Mr. STOKES. Mr. Chairman, I offer an amendment No. 66.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 66 offered by Mr. STOKES:

Page 53, line 18, strike ": *Provided*" and all that follows through "appropriate" on page 55, line 9.

Page 55, line 19, strike ": *Provided*" and all that follows through "concerns" on page 59, line 3.

The CHAIRMAN. Pursuant to the order of the Committee of Thursday, July 27, 1995, the gentleman from Ohio [Mr. STOKES] will be recognized for 45 minutes, and a Member opposed will be recognized for 45 minutes.

Mr. STOKES. Mr. Chairman, I yield 20 minutes to the distinguished gentleman from New York [Mr. BOEHLERT], and I ask unanimous consent that he be permitted to control that time.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

There was no objection.

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

Mr. Chairman, at the outset I want to express my appreciation to a distinguished Member on the other side of the aisle, Mr. BOEHLERT, for being the coauthor of this amendment. I welcome Chairman BOEHLERT's cosponsorship since he is chairman of a subcommittee with jurisdiction over this subject.

Mr. Chairman, as we have discussed with regard to other titles of this bill, we are today considering a bill that does create revolutionary harm to our veterans and to the poorest of the poor. Now we are considering another series of radical changes, this time to the Nation's environmental laws.

It is no exaggeration to say, Mr. Chairman, that title III of this bill represents the biggest step backward in environmental protection that this body has considered since the original Earth Day, 25-years ago. Let there be no mistake about what this bill is about, this bill rolls back environmental protections.

The bill does this through a one-third reduction in the funds available to the Environmental Protection Agency for implementing the laws that protect our waters, lands, and air. Environmental enforcement is slashed by more than 50 percent. Reductions in the superfund program total more than $550 million.

But besides these environmental disasters that stem from a frontal assault on EPA's budget, the bill also contains page upon page of fine print that amount to a second, sneak attack on the Nation's environment. These are what we in Washington call legislative riders. These riders have been crafted by an Appropriations Subcommittee to take legislative action that has not been considered by authorizing committees, that has not been the subject of full debate, that really has not seen the light of day. And when our constituents find out how radical, how extreme, how special-interest-oriented these riders are, they will certainly hold us accountable.

Among the legislative provisions that have been tacked onto this bill, Mr. Chairman, are measures that stop implementation and enforcement of this Nation's clean water laws—as Mr. BOEHLERT the cosponsor of this bill and chairman of the subcommittee with jurisdiction over this issue—will describe more fully. Also included are more than a dozen other environmental insults including:

A rider which creates an exemption for a single special interest, the refinery industry, from a toxic emissions standard due out shortly for that industry. Unfortunately, while efforts to control refinery toxic emissions go into suspended animation, the lungs of our citizens will not—the many citizens of this country that live near refineries, including many urban citizens, will continue to breath refinery emissions that include known carcinogens and other hazardous substances.

Another rider creates a special exemption for the oil and gas exploration and production industry. This time the exemption is from EPA's rules on the prevention of accidental releases of hazardous substances. Unfortunately for our citizens, some of the worst industrial accidents are associated with gas processing facilities and over 700 of these facilities will be exempted from this accident prevention program.

A fourth provision bars EPA from promulgating, implementing or enforcing a title V operating permit program for large stationary sources in any State "involved in litigation regarding provisions of title V." These operating permits are vital for implementing other parts of the Clean Air Act such as the air toxics, acid rain and nonattainment programs, yet the filing in any state of any suit involving any part of title V, no matter how meritless, will block EPA's ability to implement this program in that State.

Yet another rider mandates specific statutory interpretations and procedural hoops all designed to prevent EPA from creating protective toxic emissions standards for cement kilns that burn hazardous waste.

Another rider strips EPA of its ability to gather additional information from chemical manufacturers and other industrial sites under the Community-Right-to-Know Act and other statutes. What is especially ironic here is that the information that the EPA was after is vital for the development of risk analyses for these source categories.

Finally, another rider guts enforcement of any environmental provisions left standing by allowing polluters to hide behind a new "environmental audit" privilege. This provision allows states to shield polluters from civil actions and even criminal enforcement, regardless of how egregious their conduct and regardless of whether the privilege is relevant to their environmental wrong.

Mr. Chairman, we can probably debate for many hours the exact scope and impact of these riders and the numerous others that clutter this bill. But there is no doubt that they make significant changes in the implementation of the Clean Air Act, Clean Water Act and other environmental statutes. Yet they will be adopted without full public consideration and debate by the legislative committee and with only a few minutes of debate on the House floor.

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

I thank my colleague for yielding.

Mr. Chairman, the issue we are debating right now comes down to this: Should we be undermining the Nation's most fundamental environmental statutes as part of an appropriation process that robs the public of a chance to weigh in on vital issues affecting their health and safety?

Should we be weakening environmental safeguards as part of an appropriations process that prevents Members from having the time to adequately understand and review the implications of their actions? Should we be subjecting the public to environmental dangers as part of an appropriations process that limits the ability of Members to fully debate these issues and to vote their conscience?

The answer is clearly "no."

The House rules discourage legislating on an appropriations bill, and for good reason. Appropriation bills are a back-door tactic that is chosen when the direct, healthy, open approach is likely to fail. That is why for 40 years, two generations, the Republican Party has complained bitterly about the use of appropriations bills in this manner.

So what do we do now that we are in power? We place more riders on an appropriation than anyone remembers seeing in recent history. Why do we not

just append volumes of the United States Code to future appropriations?

I am incensed about this violation of the process, and the process is the issue. Do not misunderstand that. If is the process here that is the issue.

I would vote for a number of these riders if they came up through the correct process. But I cannot sanction handling environmental issues in such a cavalier manner.

A Member of Congress who is a very diligent, hardworking, responsible colleague came up to me and had just learned that one of these riders could have a disastrous consequence on his congressional district. He just learned about it. Had no idea. That is a prime example of why we should not be operating in this manner. These riders block regulations, effectively repeal basic statutes, and create all manner of mischief. It would be hard to think of legislation that is more deserving of full and open debate and investigation. Presumably that is precisely why some people are trying to circumvent the process.

I urge my colleagues in the interest of their constituents and their families and their kids and future generations to support Stokes-Boehlert.

Mr. STOKES. Mr. Chairman, reclaiming my time, let me just say, before I reserve the balance of my time, that I agree totally with the gentleman from New York [Mr. BOEHLERT].

Mr. Chairman, this process betrays the exhaustive discussions and debates that led to the bipartisan passage of the 1990 clean air amendments and the other environmental statutes at issue. These drastic changes have no place in this appropriations bill. I urge my colleagues to support the Stokes-Boehlert amendment to strike them.

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

Mr. LEWIS of California. Mr. Chairman, I rise in opposition to the amendment.

The CHAIRMAN. The gentleman from California [Mr. LEWIS] is recognized for 45 minutes.

Mr. LEWIS of California. Mr. Chairman, I yield 5 minutes to the gentleman from Pennsylvania [Mr. SHUSTER] chairman of the Committee on Transportation and Infrastructure.

Mr. SHUSTER. I thank the gentleman for yielding me the time.

Mr. Chairman, I rise in the strongest opposition to this amendment. Make no mistake about it. As chairman of the Committee on Transportation and Infrastructure, I tell you today this is one of the most important votes that we will cast in this Congress. This amendment should be defeated.

The effect of this amendment will simply be to kill the clean water and the wetlands reforms that this House has already passed, and passed by a comfortable margin of 55 votes. Make no mistake about it, this is a back-door strategy to undo the reform to clean water and wetlands.

Some of the liberal Members of the other body who do not want to see reform have made it clear that what they would like to do is not have an authorization this year. They would like to not take up an authorization, and then simply appropriate funds against the old clean water bill, and by doing that, there would be no reform. But the money would continue to be spent to overregulate, the money would continue to be spent under the old law. That is the strategy here today, to undo what this House has already done.

Further evidence of this is the way EPA has been lobbying, and yes, I use the word "lobbying," and we heard from the gentleman from Missouri just a few moments ago, how they are lobbying. I say this is a violation of the law that should be looked into and will be looked into by our investigators. EPA over the past several weeks has spent countless hours, if not days, time, taxpayers' money in putting together a scare package which they claim purports to show all the terrible things that will happen if the clean water bill that already passed this House is enacted into law.

Interestingly, they have blatantly delivered this package only to the opponents of this legislation. This is one quote of their political rhetoric:

> The appropriations proposal dismisses the critical role that clean water plays in every aspect of life. By choosing to disinvest in the protection of our most vital resource, the committee gambles with the well-being and the economic prosperity of the entire Nation for generations to come.

That is our EPA speaking, lobbying against legislation that already passed this House by a comfortable margin.

Indeed, I have informed our counterparts in the other body that we are quite prepared to go to the table to compromise. We recognize there has got to be compromise with the other body from the legislation that passed this House. We want to sit down at the table and negotiate in good faith a compromise. But what is being attempted here today is to block us from being able to do that. By saying that we lift the requirement that there can be no appropriations without an authorization, we are saying that the same old unreformed bill will be in place.

□ 1130

Many of my colleagues have come to me and talked about the hypocrisy of this amendment. I will not use the word "hypocrisy"; I will let my colleagues decide what word they want to use.

Last year on June 29, the gentleman from Ohio [Mr. STOKES], my good friend, took the floor in an appropriations bill and stood and offered an amendment requiring that provisions be made subject to an authorization, the same approach that we are taking here today.

Not only did the gentleman last year offer an amendment saying that the appropriations bill should be subject to an authorization, my other good friend, the gentleman from California [Mr. MINETA] said, "I rise in support of the amendment by Mr. STOKES."

My other good friend, the gentleman from New York [Mr. BOEHLERT], took the floor and said, "Mr. Chairman, I rise in strong support of the Stokes amendment," adding what a refreshing change it is from last year.

So last year, we had these distinguished Members of Congress taking the floor and arguing in favor of authorization on an appropriations bill; not just any appropriations bill, but the clean water bill. I do not call that hypocrisy. My colleagues will have to decide what to call that.

This should be defeated, or all our reforms simply go down the tube.

Mr. STOKES. Mr. Chairman, I yield an additional 30 seconds to the gentleman from Pennsylvania.

Mr. SHUSTER. Mr. Chairman, I yield to the gentleman from Ohio.

Mr. STOKES. Mr. Chairman, I think the gentleman, Mr. SHUSTER, would agree that when he makes reference to where I said, subject to authorization, I was talking about money. I was not changing substantive law in an appropriations bill, that what we are moving to strike here is substantive changes in the law.

Mr. SHUSTER. Mr. Chairman, that is not what the gentleman's amendment does.

Mr. STOKES. Mr. Chairman, that is what this language is about.

Mr. SHUSTER. Mr. Chairman, perhaps the gentleman would like to restructure his amendment and provide that the Clean Water bill is subject to an authorization. If that is what the gentleman wants to do, I will be happy to support that, but that is not what this gentleman's language does. This is subject to authorization.

Mr. BOEHLERT. Mr. Chairman, I yield 1 minute to the gentlewoman from New York [Mrs. KELLY], a tireless champion of the environment.

Mrs. KELLY. Mr. Chairman, I rise in support of the amendment offered by my colleagues, Mr. STOKES of Ohio and Mr. BOEHLERT of New York.

Mr. Chairman, this amendment would strike 17 provisions in the bill which would prohibit the funding of important environmental programs.

I voted for the Clean Water Act but, Mr. Chairman, I am concerned over the prospect of holding funding for programs that protect our air and water hostage to the appropriations process.

As we work to enact authorizing legislation, we must not jeopardize the flow of Federal funds for important environmental programs that control combined sewer overflows, protect important wetlands, or clean our drinking

water. Unfortunately, this legislation may do just that.

In the event that a clean water reauthorization bill, or superfund reform legislation, is not enacted this year, the funding for several crucial programs will be cut off. We can improve our environmental laws, but let's do it responsibly. Environmental policy should not be set through the appropriations process. Vote in favor of the Stokes-Boehlert amendment.

Mr. STOKES. Mr. Chairman, I yield 2 minutes to the gentleman from Michigan [Mr. DINGELL], the distinguished ranking member of the Committee on Commerce.

Mr. DINGELL. Mr. Chairman, the bill before us establishes a very bad precedent. One of the ancient rules of this body is that we should legislate in the legislative committees and appropriate in the appropriation committees.

The bill makes a series of decisions that are unwise. It has more than 20 riders affecting different clean air, clean water, safe drinking water, and other environmental statutes. It removes a number of capabilities of EPA to protect the environment and the health of the people under a series of laws written and supported overwhelmingly on the floor of this House by the legislative committees and by the House itself.

It has provisions in these riders that are so badly written, that it is impossible to tell what they mean.

For example, in its provision for protection of whole agricultural plants, the provision is so badly written that it protects either a stalk of wheat or a grain miller from action by EPA. It protects a sugar beet or a sugar processor. Clearly that is not good and that is not right.

It goes further. It says if there is some kind of an audit involving production of information, that the environmental actions by EPA are either severely impaired or made impossible.

It goes to another point. Any State which is in litigation under title V, Operating Permits, is literally assured that there can be no Federal enforcement action, even if it involves matters on that point other than those which are involved in the enforcement action, thus stripping EPA of the ability to protect the American people and stripping the American people of very important enforcement actions.

The amendment is a good one; the bill is a bad one. Legislative riders on Committee on Appropriations work should be avoided at all costs.

I urge my colleagues to support the amendment.

Mr. LEWIS of California. Mr. Chairman, I yield 3 minutes to the gentleman from Virginia [Mr. BLILEY], the chairman of the Committee on Commerce.

Mr. BLILEY. Mr. Chairman, I would like to take just a moment to address the allegations that this bill contains legislative provisions and other spending limitations that are somehow illegitimate or unnecessary.

First of all, let me say that under ordinary circumstances, I would not choose to attach legislative provisions and other types of spending limitations to appropriations bills. One of the reasons we have authorizing committees in the House is to focus on complicated policy issues, to make informed policy decisions, and to understand the consequences of our policy choices.

Unfortunately, these are not normal times. During the past 6 months, we have found numerous instances in which the regulatory agencies, especially EPA, have been exercising their authority beyond what is appropriate. Let me give just one example.

Over the past 6 months, the Commerce Committee's Subcommittee on Oversight and Investigations, chaired by Congressman JOE BARTON, has conducted an extensive series of hearings on EPA's implementation of the Clean Air Act Amendments of 1990.

The committee has held hearings on the employee commute mandate in the Clean Air Act and also on the auto emissions inspection program. The committee has held hearings on EPA's operating permit program and also on the provisions of the Clean Air Act that require reductions in emissions of toxic air pollutants.

These hearings have given the committee an understanding of a number of problems with the Clean Air Act, several of them very serious. For example, States and businesses are required by the Clean Air Act to begin to implement employee commute programs. But our hearings have shown that these programs have minimal environmental benefits and impose significant costs on employers.

As another example, EPA is under a court-ordered deadline to impose new regulations for hazardous air emissions from refineries by the end of this month. In our hearings, however, we have discovered that there are serious problems with the information EPA has used to develop these regulations. If this regulation goes forward, several small refineries could be forced to shut down.

So by virtue of problems with the Clean Air Act itself, and with EPA's implementation of the act, there are situations that need immediate attention. That's why I did not object to the provisions in the bill. I can assure the Members that there were many, many other proposed riders that did not make it into this bill. While almost all of these provisions were well-considered and identified real problems, they are problems that the Commerce Committee can deal with through its normal procedures and so I could not agree to include them in the bill.

I share the hope of the chairman of the VA, HUD Appropriations Subcommittee that we will not have to do legislation and spending limitations on this appropriations bill in the future. The Commerce Committee will work hard to address problems that develop with the implementation of the various environmental laws within its jurisdiction. But I must say that the possibility of future riders will depend in large part on whether EPA takes a more responsible approach to the way it implements the laws within its jurisdiction.

Mr. Chairman, I find it interesting that the previous speaker in the well, the gentleman from Michigan [Mr. DINGELL], did not object to a rider that is in this bill dealing with CAFE. I find that, in fact, he supported it very vigorously.

Mr. Chairman, I say this amendment should be defeated, and I hope that it will be.

Mr. LEWIS of California. Mr. Chairman, I yield 3 minutes tc the gentleman from Alaska [Mr. YOUNG], chairman of the Committee on Resources.

Mr. YOUNG of Alaska. Mr. Chairman, I rise in strong opposition to this amendment. The gentleman from New York [Mr. BOEHLERT] mentions that he would have voted if it went through the due process. He did not vote for the Clean Water Act that passed out of our committee. That is a true process.

If my colleagues realize what is occurring here, if we accept this amendment today, any reform that we seek to have in the wetlands for this Nation will not occur. If we cut off the money, it will occur. It gives us the leverage that is necessary.

Why do I believe so strongly in wetlands reform? My State is about 90 percent wetlands, according to Bill Riley and George Bush; yes, another administration, and implemented by the EPA today, and their tactics and their regulations are destroying my State and the ability of my people to progress and be economically sound.

Two cases: Nome, AK, my daughter is in Alaska today, was built by mining. It is a mining community. It has always been. We have an Eskimo lady up there that the ground is seeping away underneath her house. Her house. An elderly lady that cannot fill the ground under her house because the EPA says it is wetlands. That is our Government in action.

It is the most illogical group of individuals I have ever seen. They have told me we cannot build a school on the side of a mountain for the children of Juneau, because it has been declared wetlands. This is pure nonsense.

Mr. Chairman, the Stokes-Boehlert amendment today would continue those programs, because they finance those programs. If you want true reform as we pass through this House, we should, in fact turn down this amendment overwhelmingly.

We have followed the process. We have done the process correctly for this

House. We, in fact, are doing what is right for this House. We must not let another body stop the progress we have made. We must use this for leverage. We must say, There will be no longer unrealistic application of wetlands as seen through the eyes of the EPA.

A sound "no" vote is so important for this body today, I think, for very truly if we do not vote no, we have set back the intent of this House concerning the reform of wetlands.

Mr. Chairman, I urge a strong "no" vote on the Boehlert-Stokes amendment.

Mr. BOEHLERT. Mr. Chairman, I yield 2 minutes to the gentlewoman from New Jersey [Mrs. ROUKEMA].

Mrs. ROUKEMA. Mr. Chairman, I rise in strong support of the Boehlert-Stokes amendment, which seeks to eliminate a multitude of legislative provisions which prohibit the Environmental Protection Agency from enforcing current Federal law, and in doing so, preserving and protecting our Nation's environment.

I support this amendment for two reasons: H.R. 2099 abuses the legislative process, and seeks to achieve harmful policy objectives.

With respect to my concerns about the process, the manner in which some of EPA's opponents are seeking to handcuff the agency is flat-out wrong.

The Appropriations Committee should not be including some legislative language regarding EPA in its HUD-VA bill. These issues must be left to the authorizing committees, who have the responsibility to devise environmental protection policy under the standing rules of the House.

Second, I strongly disagree with the underlying policy objectives of these legislative provisions.

In years gone by the Republican Party has been a leader in environmental protection. In fact, it was President Nixon who created the EPA in the first place.

And the American people have come to agree overwhelmingly. They want a healthy environment for the children and their grandchildren.

And speaking of grandchildren—there's that old adage "out of the mouths of babes." My grandson Jimmy Kuhn and his kindergarten class in Littleton, CO, were so concerned about changes in the Clean Water Act that they wrote to me and President Clinton. One line says it all: "Congresswoman, dirty water can hurt you too."

This bill includes an unprecedented number of legislative riders which will severely restrict or even eviscerate the ability of the Environmental Protection Agency to implement key provisions of environmental laws such as the Clean Air Act, the Federal Water Pollution Control Act, and the Federal Food, Drug, and Cosmetic Act. Many of these riders have been included in the bill even though there have been no hearings, little public discussion, and no congressional debate on the issues. This is a terrible way to make law and creates enormous uncertainty for business trying to plan the future and make appropriate investments. H.R. 2099 includes riders that:

Stops enforcement of existing programs addressing stormwater runoff. The effect on my State alone would be that raw sewage would continue to pour into local waters from outdated or inadequate sewage treatment and collection systems at 281 locations in New Jersey. Stormwater controls would be eliminated for many urban areas. The result would be widespread degradation of water quality, which would threaten the State's $96.3 million commercial fishing and shellfishing industry and $12.1 billion coastal tourism industry.

Stops enforcement of the wetlands protection program. My State has worked hard to develop the special area management plan that would provide new developers streamlined wetlands permit procedures in exchange for environmental improvements. Permits to develop these wetlands will be required with or without this budget provision. However, this bill would jeopardize the whole project. Without the project, permits would be piecemeal and subject to many more administrative transactions hurting both environmental and developmental interests.

Blocks enforcement of permits to prevent raw sewage overflow. The need for continued sewer overflows enforcement is strongly evidenced in the New Jersey-New York metropolitan area where there are over 780 discharge points which directly convey untreated overflows to the New York-New Jersey Harbor.

Threatens community's-right-to-know about toxic emissions. This rider would stop efforts by EPA to make the toxics release inventory—a nonregulatory program which requires public disclosure of toxic discharges to the environment—more comprehensive, by including chemical mass balance information which would promote source reduction of toxic chemicals.

Prohibits action to avoid childhood lead poisoning: This effectively will prohibit EPA from issuing rules under recent Housing Act provisions intended to reduce the likelihood of childhood lead poisoning by requiring certain notices and disclosures to be provided to prospective purchases and renters by imposing certification and training standards for lead removal contractors, and by controlling lead levels in dust, paint, and soil.

Prohibits EPA from issuing a tap water standard for arsenic—a known carcinogen—and radon and other radionucleides.

Have we lost our senses? Unbridled zeal. Health and safety first.

Remember—arsenic poisons can hurt you, too.

These are just some of the 17 objectionable riders that have been included in this bill. These provisions represent a serious threat to the hard-fought, but well-deserved, progress that we have made in cleaning up our environment in the last 25 years. In New Jersey alone, many of these riders would prevent or delay progress in solving some of our highest priority problems.

In conclusion: This amendment does not involve the expenditure of any additional funds. It simply allows the EPA to enforce the laws that have been enacted. For those who want to change the laws, let's go through the normal authorizing process. The quality of our water, air, and food is far too important to decide in this type of piecemeal approach. Moving too quickly on something as important as the environment is the best way to make mistakes—mistakes that could be devastating to the health and safety of the public.

Again, my colleagues, in the words of my grandson's kindergarten class—in a letter to me in support for clean water—"Dirty water can hurt you too, Congresswoman."

Those 6-year-olds were writing to me, but speaking to all of us, my colleagues.

Support the Boehlert amendment.

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Mr. STOKES. Mr. Chairman, I yield 2 minutes to the gentleman from California [Mr. MINETA], the ranking minority member of the Committee on Transportation and Infrastructure.

Mr. MINETA. Mr. Chairman, I rise in very strong support for the amendment offered by the ranking Democrat on the Appropriations Subcommittee on VA, HUD and Independent Agencies, Mr. STOKES, and the Republican Chair of the Subcommittee on Water Resources and Environment of the House Committee on Transportation and Infrastructure, Mr. BOEHLERT of New York.

This amendment would eliminate the riders and restrictions which permeate this bill and which would assure less environmental protection and increased risk to the health and safety of our constituents.

The restrictions and riders which this amendment would eliminate have no business in this bill. The restrictions and riders serve as a backdoor attempt to circumvent the Nation's environmental laws.

While I clearly did not agree with large parts of the substance of H.R. 961, the Clean Water Amendments of 1995, when it was considered on the floor of the House, opponents were allowed to fully consider and debate that bill. Now, with little public input, and without the opportunity for the authorizing committees to consider the issues, H.R. 2099 will enact restrictions upon EPA which gut large portions of the Clean Water Act. And, it does so in a way far

beyond what was contemplated in H.R. 961.

This bill does not tread lightly upon the programs of the Environmental Protection Agency, it stomps on them—even some of the more successful aspects of programs. And, it does so indiscriminately.

Without the Stokes-Boehlert amendment, EPA would be prohibited from conducting research on or developing new effluent limitations guidelines and standards, pretreatment standards or new source performance standards. Yet it is these very provisions which have led to the large degree of success over the past 20 years in addressing water pollution. Without EPA's assistance, the States will be unable to move forward on their programs should they choose to do so. This restriction abandons the States and the commitment to clean water. This restriction, as currently written, demonstrates contempt for the desires of the public and the needs of the States for the wastewater program.

Without the Stokes-Boehlert amendment, upstream property owners will be able to drain or fill wetlands with little fear of enforcement. These property owners will be able to cause flooding downstream, to destroy wildlife habitat, and degrade water quality, knowing that EPA is powerless to affect their actions. I agree that the wetlands program needs reform, but we cannot abandon our 20-year commitment to protecting water quality for ourselves and for our children.

With these restrictions and riders the Clean Water Program would be stopped dead in its tracks, and for what? To put pressure on the Senate so that special interests would have the time to pursue additional special interest legislation to create permanent waivers, loopholes, and rollbacks in water pollution control programs.

And how does this bill go about creating an environment for the enactment of the waivers, loopholes, and rollbacks? It provides that none of the funds which the cities and States need for their clean water programs are to be available until the Clean Water Act is reauthorized, presumably through enactment of H.R. 961.

Mr. Chairman, when one examines H.R. 961 for its essence, you find that cities and States were supportive of the bill because of increased funding amounts and an increase in State flexibility in addressing water quality issues. Industrial dischargers were supportive of the bill because it contained numerous opportunities for polluters to obtain waivers, loopholes, and rollbacks.

Here we are in this bill, holding back funding for cities and States so that industrial dischargers can receive the special treatment which they received in H.R. 961. The result is that the cities and States continue to have their responsibilities as partners with the Federal Government in protecting water quality, yet it is the interests of the industrial dischargers which are causing cities and States to not receive any funding. It appears to me as though the monetary gun is pointed in the wrong direction. Those who stand to gain the least in H.R. 961, cities and States, are the very ones who are being made to suffer for the desires of the industrial polluters.

Mr. Chairman, just 2 months ago we were on the floor of this House debating proposed changes to the Clean Water Act. The special interests which did so well in the House version of clean water reform are now trying to circumvent the regular process, and avoid close public scrutiny of their amendments.

The Stokes-Boehlert amendment is about getting the House on the correct side of an environmental issue for a change. It is about allowing the authorizers the opportunity to carefully consider and make necessary changes to environmental laws. It is about fair and open Government.

If Stokes-Boehlert is defeated, we will be saying that the authorizing committees might as well close up shop and go home. We have not been represented at the Appropriations Committee, and we will not be represented at the House-Senate conference.

We should adopt the Stokes-Boehlert amendment to preserve the role of the authorizing committees, and to preserve the protection of human health and the environment.

Support the Stokes-Boehlert amendment.

Mr. LEWIS of California. Mr. Chairman, I yield 2 minutes to the gentleman from Indiana [Mr. MCINTOSH].

Mr. MCINTOSH. Mr. Chairman, I rise in opposition to this amendment.

I agree totally with the assessment of the gentleman from Pennsylvania [Mr. SHUSTER] this is a back door strategy to undo the work that this Congress has done not only in the Clean Water Act but in the regulatory moratorium and the Regulatory Relief Act that we passed as part of the Contract With America.

EPA is led by a team of individuals who, in the name of their ideology, are pushing forward these regulations that actually in some ways harm the environment and certainly cost us jobs throughout this Nation.

Let me give an example from my home district in Indiana. In Dunkirk, there is a glass factory that wanted to rebuild the ovens; they wanted to make an environmentally cleaner glass oven that would reduce the amount of emissions they put into the air. But EPA and their local enforcement agents came in and said, "You cannot do this unless you meet every single new requirement that we have." The result was it was extremely cost prohibitive. The company nearly decided to shut down the factory.

Who would have lost if they had decided to do that? The workers in that factory in Dunkirk and the environment, because they would never have gotten a cleaner, more efficient oven built.

We need to oppose this amendment in order to keep these restrictions on regulations that do not make any sense. There are regulations that EPA is trying to require us to enter into car pooling. There are regulations on States, forcing them to have inspection and maintenance operations that most States have rejected and said they do not want, they do not see the environmental benefits.

Mr. Chairman, this amendment would undo all of the good work that this Congress has done to fight needless, senseless regulations. We have a better way of protecting the environment.

I urge my colleagues to vote "no."

The EPA funding plan represents a significant step toward improving its efficiency and proper management. Moreover, this budget plan makes urgent the need for reallocating limited resources through fundamental regulatory reform.

The EPA rulemakings that this bill targets are costly and unnecessary. This bill sends a strong signal that Congress is serious about dealing with burdensome and cost-ineffective regulations that can impede economic growth and less global competitiveness. In the current budget climate, we cannot afford to expend limited resources without achieving commensurate environmental or public health gains.

This bill calls upon EPA to reevaluate its rulemaking activities in order to set priorities for the expenditure of public funds—to limit regulations only to those that serve a compelling public need, are based on sound science, and are cost effective.

This bill will prompt much-needed regulatory reform by necessitating the allocation of limited resources in the most cost-effective and productive manner. The bill is a clarion call for rational and realistic regulations—regulations that are based on sound science and subjected to risk assessment and cost-benefit analysis; regulations that are tailored to the magnitude of the problem addressed; and regulations that not only seek to achieve worthwhile goals, but also allow regulated sources to pursue the most effective means to those ends.

Finally, this bill will enhance the role of State and local governments in developing and implementing regulations.

REFINERY MACT

Opponents of the riders in this bill have variously maintained that these funding limitations create special interest exemptions; eviscerate the environmental statutes that currently protect our lands, waters, and air; roll back existing environmental requirements; and threaten public health and safety.

Quite the contrary, the rulemakings that are targeted in this bill represent wasteful expenditures of public resources given the environmental and health benefits that they promise

to achieve. One excellent illustration is the refinery MACT rulemaking which has been going on for almost 2 years.

Far from offering effective protection from the toxic air emissions of oil refineries, EPA's proposed maximum achievable control technology standards would result in negligible environmental and health benefits, but entail high compliance costs. Specifically, EPA's "Regulatory Impact Analysis" indicated that benefits from this proposal would be minimal, and projected annual compliance costs of up to $110 million. In fact, EPA estimates that up to seven refineries could shut down as a result of this rule.

Moreover, the health risk that this rulemaking is intended to reduce—that is, the baseline cancer incidence—is stated to be one-third of a cancer case per year.

These disclosures by EPA essentially reveal that refineries are already heavily regulated and pose no significant risk without the proposed MACT controls.

In addition, EPA's risk assessment of the proposal relied on worst-case scenarios, while the proposal is based on emissions estimates that are significantly outdated and inaccurate.

Finally, the Agency justifies this rulemaking not on the basis of benefits to be derived from regulating hazardous air pollutants from refineries, but on the basis of secondary benefits from reduced emissions of volatile organic compounds.

In its comments in response to this proposal, the Department of Energy observed that, "[w]hen the benefits of a proposal are overwhelmingly due to ancillary effects, the regulatory should instead use an alternative regulatory pathway to achieve those benefits directly." The Department advised that it would be more efficient to address VOC reductions under title I of the Clean Air Act, because a "title I approach * * * would lead to VOC reductions where they are needed rather than everywhere," and "States could select specific VOC reduction measures on the basis of marginal cost effectiveness."

On the basis of its review of the proposal, the Department of Energy recommended that EPA postpone finalization of the petroleum refinery MACT rulemaking and also urged the Agency to examine its approach to MACT standard development for opportunities to consider cost effectiveness and risk/benefit.

In summation, I do not believe that defunding this rulemaking constitutes reckless action, threatening public health and the environment, but instead, represents a responsible course of action in light of our limited resources.

GREAT LAKES WATER QUALITY GUIDANCE

I strongly support the restriction in this bill on using funds to implement or enforce the Great Lakes Water Quality Guidance until reauthorizing legislation is enacted to amend section 118 of the Federal Water Pollution Control Act.

Despite its name, EPA's Final Water Quality Guidance for the Great Lakes System is a binding rule that takes an unnecessarily stringent and costly approach to establishing and implementing water quality standards in that region. In a study conducted for the Council of Great Lakes Governors, DRI/McGraw Hill estimated that it would cost from $710 million to $2 billion per year and would result in up to 33,000 jobs lost. Also, that report concluded that this guidance is not a cost-effective program for cleaning up the Great Lakes.

Among other things, this guidance adopts overly restrictive standards and criteria that are not necessary, that are unsupported by sound scientific data, that in some cases may not be achievable at any price, and that yield modest benefits.

For example, the guidance contains numeric water quality criteria that, in some cases, are actually below the quantitation levels of EPA's own analytical methods, and in some cases below current, and even in certain instances preindustrial, levels in rainfall. This strongly suggests that these levels are not attainable, and that they need not be attained to protect human health or the aquatic environment.

Moreover, the guidance leaves the Great Lakes States little or no flexibility in designing water quality standards programs to suit their individual needs.

Recognizing that EPA has fundamentally misinterpreted section 118, by applying the guidance as a binding rule, the House has approved, as part of H.R. 961, an amendment that clarifies that section. The amendment makes clear that standards adopted by a State will be considered to be consistent with the guidance, if they are based on sound science and provide a level of protection comparable to that in the guidance, taking into account site-specific circumstances.

This limitation on EPA's budget authority is a short-term remedy until legislative action takes place. In the meantime, this restriction will not reduce the protection afforded the Great Lakes by the Clean Water Act—sources will still be subject to all of the substantive requirements with which they must now comply. This limitation will only prevent EPA from imposing further, far more stringent requirements that are not justified by the costs involved, or the scientific data upon which they are based.

TOXICS RELEASE INVENTORY OF CHEMICAL USES

Under section 313 of the Emergency Planning and Community Right To Know Act [EPCRA], the Environmental Protection Agency requires facilities to report their releases of certain types of chemicals. These releases are publicly available on the so-called toxics release inventory or TRI.

EPA is now working on regulations to expand TRI reporting to include chemical usage, which will potentially double the current TRI reporting burden. This initiative will add materials accounting information to the TRI and is beyond EPA's existing statutory authority to require information on chemical releases.

For each of the 600 chemicals and chemical categories reported on the TRI, EPA is planning to add the data elements to quantify chemical inventories throughout the manufacturing process, including starting inventory, quantities received, made, and consumed, and the quantity in product. This is an extremely difficult, burdensome, and costly data collection exercise. The additional cost to a single facility to report this information has been estimated at $1.5 million the first year and $800,000 for following years.

Citing, "what get measured gets done," EPA claims that chemical use reporting will lead to a reduction in chemical use. This is toxics use reduction [TUR]. TUR refers to reductions in material or chemical use without consideration of emissions and risks posed by the substance. TUR is based on the false assumption that use is a good indicator of risk and that all chemical use is harmful and should be eliminated.

TUR is contrary to the basic objective of the manufacturing process, which is to harness reactive and toxic materials for useful and beneficial purposes. While product reformulation and substitution of less toxic substances do have a vital place in pollution prevention, the key to efficiently reducing pollution is to allow industry the flexibility to use many tools to achieve emissions reductions.

TUR reporting is objectionable for two primary reasons: First, public reporting for chemical use information threatens to disclose confidential information to foreign and U.S. competitors. Second, use information has not been shown to reduce risks to human health and the environment. Risk is a function of hazard and exposure. Chemical use is not a good indicator of exposure; chemical releases are.

For all of these reasons, I strongly support this bill's limitation on the use of funds to require under section 313 the submission of materials accounting, mass balance, or other chemical use data.

Mr. BOEHLERT. Mr. Chairman, I yield 2 minutes to the gentlewoman from Maryland [Mrs. MORELLA] who is a leader in the fight for environmental quality and sensitivity in America.

Mrs. MORELLA. Mr. Chairman, I rise in strong support of the Stokes-Boehlert amendment that will strike all 17 legislative provisions that have been attached to this appropriations bill.

Mr. Chairman, these riders are an affront to the legislative process—quite frankly, the most blatant example of circumventing the process that I have ever witnessed.

These 17 riders, cover such major programs as the Clean Water Act, the Clean Air Act, the Safe Drinking Water Act, and five other general EPA programs.

Just one example. Issue: Regulations designed to control arsenic, a well documented source of human health problems, will not be implemented if this rider goes forward. EPA will be prevented from enforcing regulations that control discharges of fecal coliform, human waste—raw sewage, that enters drinking water supplies through combined sewer overflows and sanitary sewer overflows.

Results: The American people will be exposed to dangerous levels of arsenic in their drinking water. When the citizens of this country turn on the tap for a cold glass of water, they should not be exposed to unsafe levels of known toxics.

Human waste is a known source cryptosporidium, one of the most lethal water-borne pathogens. If we back away from 20 years of successful efforts to control discharges of human waste we will be jeopardizing the drinking water supplies for millions of Americans. Tell the people of Milwaukee that

we should be doing less to control cryptosporidium; 104 people died and 400,000 people became ill from drinking the water in one of America's premier cities.

Combined sewer overflows and sanitary sewer overflows are responsible for tons of raw sewage entering our waters everyday. We cannot afford to let greater amounts of raw sewage enter the waters that we all depend on. We must always remember that one city's discharge is another city's drinking water.

If changes need to be made in any of these programs, then let us take them one by one, holding hearings and following the normal legislative process. I am outraged that issues of such importance to our health and the well-being of our environment are so cavalierly superimposed on a bill that is vital to our veterans, to our housing needs, and many other Government activities. Let us get a clean bill—just the funding—and consider major programmatic changes in their proper place.

I urge your support for the Stokes-Boehlert amendment. Cast the right vote to protect our environment and the legislative process.

Mr. STOKES. Mr. Chairman, I yield 1 minute to the gentleman from Illinois [Mr. DURBIN], a member of the Committee on Appropriations.

Mr. DURBIN. Mr. Chairman, 17 riders in this appropriation bill are a bitter vetch of environmental poison concocted by special interest groups and served up by the majority party. The Republican proposals will weaken environmental protection. They will endanger public health and safety. They will reward irresponsible polluting businesses and penalize the responsible businesses which have cleaned up their smokestacks and the water they discharge into our lakes and streams.

We in America have made real progress in cleaning up pollution, but if we let this Republican proposal pass, we will return to the polluted air and water we used to have.

Who wants these Republican environmental loopholes? Big business, foreign-owned cement kilns which release toxic pollution into the atmosphere, oil and gas refineries which will be allowed to spew air polluted with benzenes and dioxins into the air that we breathe.

America has come so far in cleaning up the environment. We cannot sell out to the special interests with these 17 riders today.

Mr. LEWIS of California. Mr. Chairman, I yield 2 minutes to the gentleman from Pennsylvania [Mr. GEKAS].

Mr. GEKAS. Mr. Chairman, I thank the gentleman for yielding.

Mr. Chairman, even as we speak, 16 States or more are directly underneath the sword of the EPA which is dangling over them with the threatened sanctions that could ruin economies, cost jobs and impact our economy generally. The 16 States that are suffering this terrible tremor of waiting to see what the EPA does with sanctions has to do with the Clean Air Act. New York, my own State, Pennsylvania, Maryland, the State of the gentlewoman who just spoke, Illinois, the State from which the gentleman who just spoke on the other side, New Jersey where the other gentlewoman spoke, those States with thousands of people who drive automobiles are set for a big surprise and shock if the EPA is able to impose sanctions on their States, because of the failure, so-called failure, on the part of the EPA, of these States to rev up automobile emissions standards and central kinds of testing.

What this bill does is give us some time to work with the EPA. It does not obliterate the program, but it gives us some time to work with the EPA and to put off the heavy impact of these sanctions until we can work something out, with the idea that the standards which are now being applied are so weak and so cumbersome and so confusing that no State in its right mind can comply.

What this amendment would do is to sweep away this little timetable that we begged to have so we can work with the EPA.

And allowing EPA to impose these sanctions, you wait until the people of New Jersey, New York, Pennsylvania, Maryland, New Jersey, Illinois, and the other 15 or 16 States rise up in pure horror when they find that the EPA has imposed sanctions and cost jobs because we were unable to defeat this amendment.

Defeat the amendment so that it will not happen.

Mr. STOKES. Mr. Chairman, I yield 1 minute to the gentleman from Pennsylvania [Mr. BORSKI].

Mr. BORSKI. Mr. Chairman, I support the amendment to strike these riders that will cripple the Nation's environmental program.

These riders, an unwarranted intrusion into policymaking by the Appropriations Committee, are simply designed to ensure that the Environmental Protection Agency cannot enforce the law of the land in selected, critical areas.

These riders will hamstring EPA with the sole purpose of making it easier to pollute.

The authors of this bill simply cannot wait for the authorizing process to work its will to make it easier to pollute.

These riders, if they were ever to become law, would destroy the Clean Water Act, our Nation's most successful environmental law.

When the Clean Water Act was passed in 1972, fewer than one-third of our Nation's waters met the test for fishing and swimming.

After 20 years of Clean Water Act enforcement, more than 60 percent of our rivers meet that test for fishing and swimming.

There is no question the Clean Water Act could use some fine tuning—especially in the area of wetlands—but that is no reason to reverse 20 years of progress as H.R. 2099 would do.

The environmental riders in this bill will not fine tune, fix, or mend—they will destroy the Clean Water Act.

First, EPA will be prevented from doing anything at all to control, limit, or reduce the discharge of polluted stormwater from industrial sites.

Control of acid and metal runoff from abandoned mines—the No. 1 source of water pollution in the State of Pennsylvania—would stop.

More than 2,500 stream miles in Pennsylvania are impaired by acid mine drainage.

There are health advisories on the Ohio, Monogahela and Allegheny Rivers because of stormwater discharge.

This bill will make sure the health advisories remain and the rivers will not be used for boating, swimming, or fishing.

Second, EPA will be prevented from doing anything to limit or reduce pollution from combined sewer overflows or sanitary sewer overflows.

EPA's control policy for CSO's, a consensus policy endorsed by all the major parties will be halted.

EPA's work to reduce the discharge of raw sewage from more than 100 sites would be halted.

Third, EPA will be prevented from doing anything at all to limit damage or loss of our Nation's valuable wetlands.

These restrictions will have a major impact on wetlands initiatives throughout the Nation.

Fourth, EPA will be barred from moving forward with any new guidelines or standards to limit or reduce pollution from different categories of industry.

EPA has already issued standards for 50 major categories of industry.

EPA could not go forward with other categories, including metal products and machinery, pharmaceutical manufacturing and pulp and paper.

There are six categories of industry scheduled for final regulation in 1996 that would have no guidelines or standards.

These six categories dump 15 million pounds of toxic chemicals into our Nation's waters.

H.R. 2099 would make sure that there were no rules for these industries.

Fifth, EPA will be prevented from doing anything at all to develop a coordinated, area-wide program to reduce pollution in the Great Lakes.

Pollution control in the Great Lakes, including the control of toxic chemicals, will be left to the separate and often conflicting strategies of the States.

This strategy has resulted in fish consumption advisories in all five Great Lakes.

Mr. Chairman, these environmental riders are bad policy that will set our environmental protection policies back by decades.

I urge strong support of the Stokes-Boehlert amendment.

Mr. LEWIS of California. Mr. Chairman, I yield 2 minutes to the gentleman from Kansas [Mr. ROBERTS], the chairman of the Committee on Agriculture.

Mr. ROBERTS. Mr. Chairman, I thank the gentleman for yielding.

It is obvious in this debate the high road of environmental humility and common sense is not bothered by heavy traffic on this floor.

This is a rehash of the debate we had during the clean water debate of several months ago. It is a clear-cut issue.

I want to talk about the permit activity of section 404. That is the way that our wetlands program is being administered. It is a classic example of regulatory overkill.

Nobody wants to stand in the way of protecting the Nation's true wetlands. We reformed it during the consideration of H.R. 961, and we defeated several amendments, including an amendment by the gentleman from New York who gives new meaning to perseverance.

The gentleman talks about cavalier treatment. The cavalier treatment comes from Federal enforcement trivializing the rights of ordinary citizens and farmers and ranchers in my district and all across this country.

□ 1200

I am talking about the taking of private property for no environmentally sound purpose or reason, or public need. We have got at least four Federal agencies in the wetland regulatory soup. We have low spots in the field throughout farm country being designated a wetland. No self-respecting duck would ever land there. This is ridiculous.

Later in September the House Committee on Agriculture will bring to this floor a farm bill that will rely less on Federal spending, it will get the Government out of agriculture, but we made a deal to the Nation's farmers and ranchers we will move to a more market-oriented farm policy, but please, please, we must have regulatory reform. Rid us of the cost burdens that are unnecessary, and costly, and drowning us in red tape and intrusion.

Defeat the Boehlert amendment.

Mr. BOEHLERT. Mr. Chairman, I yield myself 30 seconds.

Mr. Chairman, in response to my distinguished colleague from Dodge City, the gentleman from Kansas [Mr. ROBERTS], I would point out this is not a repeal of the Clean Water Act, which went through the authorization process. This is a back-door attempt to undermine legislation.

Make no mistake about it. If these riders are approved, regulations dealing with arsenic in our drinking water will be prohibited. Remember that. We are talking about the clean water supply for the American people.

Every single Member of this body that travels anyplace in America is not reluctant to drink water out of the tap, nor to go to a drinking fountain. Why? Because we have an agency and dedicated Federal employees operating under Federal law with Federal regulations protecting our water supply.

Mr. Chairman, we have to protect our water supply. The American people demand it.

Mr. STOKES. Mr. Chairman, I yield 1½ minutes to the gentleman from California [Mr. WAXMAN], the ranking minority member of the Subcommittee on Health and Environment.

Mr. WAXMAN. Mr. Chairman and my colleagues, it is bad enough this appropriations bill would cut the EPA budget overall expenditures by a third and its enforcement ability by one-half. It is clear they will not be able to enforce the laws adequately with that budget, but just be sure they do not really enforce the laws, there are riders on this bill which are extraordinary to keep EPA from using its resources to make sure we do not have radioactive substances in our drinking water or toxic emissions into the air. These proposals undermine existing laws that were put in place to protect the environment and public health. Toxic pollutants, for example, cause cancer and birth defects. I ask, "Why shouldn't we have the law enforced to make sure we don't have those diseases that can be prevented?"

Mr. Chairman, there were no hearings on these riders. Usually it goes through a committee that has jurisdiction. They are all being put on this bill in order to move them through very quickly.

Our constituents are not asking for these riders. Special interests are asking for them, and I think they are going to do a disservice to the American people and the progress that we have made to protect the environment, improve public health, and avoid the tragedies that occur when people suffer from these diseases.

I urge support for these amendents. Let us strike the riders. Let us do an appropriations bill that does not pass laws to undermine what we have already enacted into law.

Mr. LEWIS of California. Mr. Chairman, I yield 3 minutes to the gentleman from Louisiana [Mr. HAYES].

Mr. HAYES. Mr. Chairman, the gentleman from Louisiana [Mr. TAUZIN] just reminded me that the speaker of the Louisiana House of Representatives, Mr. Laureo, once began a session of the House by bowing his head and giving this prayer. He said: "Dear Lord, may our words today be sweet, for tomorrow we may have to eat them."

I had not thought about that until someone handed me the CONGRESSIONAL RECORD of June 29, 1994, which has the Stokes amendment, and I am reading from the RECORD, that requires the money earmarked for EPA nonpoint-source pollution and certain moneys appropriated for EPA water infrastructure and wastewater treatment grants may not be spent until authorized.

The leading advocates of that fine amendment, which by the way was not opposed by the then Republican minority, but accepted without even having a vote, leading advocates were the gentleman from California [Mr. MINETA], who spoke earlier on behalf of a Stokes amendment today, and the gentleman from New York [Mr. BOEHLERT], who spoke earlier on behalf of a Stokes amendment today. But the words extraordinarily have changed from June 29 of last year. Last year the gentleman from New York [Mr. BOEHLERT] said the gentleman from Ohio [Mr. STOKES] to his credit had crafted an amendment that makes the appropriation of the Clean Water Act funding contingent upon an authorization, and today the now chairman, the gentleman from Pennsylvania [Mr. SHUSTER], is trying to do nothing more and nothing less than say, "Let's authorize, and then let's appropriate, and let's force the Senate of the United States of America to deliberate, and then in its wisdom craft authorizing legislation as well."

Now there may be a better way to do it, but the opponents of this legislation do not want a better way to do it. The fact of the matter is we do not want to do it at all because the light of day forced by debate will result in changes that are long overdue that are supported by a majority of elected officials.

It was a mistake in my opinion for the leadership of the minority minority in the last Congress not to take the admonition of refraining from oiling up and pent-up hostilities by not voting. Not one of my colleagues got elected on a platform to come here to not deliberate, not vote, and not express their opinions. If they continue that view, I assure them in the next election those who will cast their ballots will cast the ballots for someone who will vote.

Mr. LEWIS of California. Mr. Chairman, I yield 2 minutes to the gentleman from Texas [Mr. DELAY], the majority whip.

Mr. DELAY. Mr. Chairman, the special interests that are being discussed here that want to oppose this amendment is America, and America is watching this Congress to see if its deeds match its promises. It has had a very good record so far, but a critical

promise we made to the American people was to get the Government off their backs, and the EPA, the Gestapo of government, purely and simply has been one of the major clawholds that the Government has maintained on the backs of our constituents.

These riders are about changing EPA's behavior in a way that reducing their funding does not. Overall, the question on these riders is: Do we believe the EPA's behavior needs to be changed?

One of those riders this amendment would strike is one that my State and my constituents are very angry about.

The enhanced-emissions testing program, or the centralized testing, that EPA has been trying to force-feed to our constituents has caused rebellion in the streets of Houston. Despite the risk of sanctions and losing millions of dollars in Federal highway funds, many States have taken actions against the complicated, centralized testing scheme because the requirement is misplaced, unworkable, and has little to do with clean air.

But States are in a bind. Unless they implement the failed EPA design, EPA will not give full credit to the States in their implementation plans.

EPA insists that their centralized design is flawless and that, therefore, credits for the decentralized system must be discounted.

But study after study has confirmed that the EPA is way off the mark in their assertion that the centralized program is any more effective in cleaning the air than a decentralized system.

The language in this bill provides nothing more than that. It simply gives States a 2-year test period to demonstrate that their program deserves full credit based on an actual emissions reduction program, not some computer model sitting in a bureaucrat's office in the EPA.

If my colleagues are for regulatory reform during the last few months, if they voted for it, they should not change their vote now. Vote against the Boehlert amendment.

I urge my colleagues to oppose this amendment.

Mr. BOEHLERT. Mr. Chairman, I yield myself 30 seconds because I would like to respond to the gentleman from Louisiana [Mr. HAYES], whose remarks were amusing, but hardly enlightening, because he pointed out what he termed hypocrisy.

Let me point out that neither the gentleman from Ohio [Mr. STOKES] nor I object to the provisions in the bill to which he referred, the exact provision of the bill of last year on page 63 of this bill. It says, quote, that appropriations made available under this heading to carry out the purposes of the Federal Water Pollution Control Act, as amended, shall be available only upon enactment of legislation which reauthorizes said act. We know that. We have no problem with it.

Mr. Chairman, I yield 3 minutes to the gentleman from Maryland [Mr. GILCHREST].

Mr. GILCHREST. Mr. Chairman, I would like to make a comment about who the special interests are that want an "aye" on this vote. They are seniors, they are children, and everybody else in between, that wants safe drinking water, clean water, and clean air to alleviate the problems of asthma or allergies and all those other things. So those are the special interests that want an "aye" on this vote.

Earlier, Mr. Chairman, someone said this is a back-door strategy to end reform. Well, my colleagues, this amendment is a front-door strategy to continue environmental progress. This amendment is a front-door strategy to separate the problems in the regulatory bureaucracy from clean water and clean air that we accumulated in the last 20 years.

Mr. Chairman, I guess that the members of the Committee on Appropriations are saying to themselves, "Boy, we showed the EPA a thing or two." Under the language in this bill EPA would pretty much be prohibited from enforcing much, if not all, of its laws. It seems that we began in an effort to scale back even reasonable environmental restrictions, and this has turned out to be an all-out huge scare war against environmental protection, and I think that just simply cannot happen.

I guess the great secret of the 1994 election was this. The great secret of the 1994 rollover election was this: Our constituents are furious about clean water. They do not want clean water. They are furious that some of the asthma problems are being relieved by clean air.

We all seem to pay lip service to EPA. We pay lip service to clean water. We all want clean water. But the fact is, where the rubber hits the road, it takes a little more rigorous mental effort to untangle the tangled web of regulations without denying the American public, those interest groups that want clean water. Let us put forth a little more rigorous mental effort.

One other thing. I hate to hammer this point home about how many times we talk about whether or not we should appropriate, use the Committee on Appropriations, to legislate. That is what the authorizing committees are for. All of my colleagues out there that are on an authorizing committee, they are simply giving away their responsibility, totally giving away their responsibility, and to my friend and colleague, the chairman of the Committee on Agriculture, who I work with all the time to preserve agriculture in the United States, I say, "How many farmers have children with asthma? How many farmers have children with allergies? How many people out there depend on good environmental laws to protect their livelihood?" To a large extent we are pitting one job against another job, and we should not do that as Members of Congress.

I urge my colleagues to do the right thing seriously and vote for the amendment.

Mr. LEWIS of California. Mr. Chairman, I yield 2 minutes to the gentleman from New York [Mr. WALSH], a member of the committee.

Mr. WALSH. Mr. Chairman, the gentleman and my good friend from Maryland [Mr. GILCHREST] just talked about special interests. The special interests who are looking for some help from this Congress are 30-acre onion farmers, and apple farmers, and grape growers in upstate New York and throughout the Nation. One of these riders would preclude the EPA from enforcing the Delaney clause. The Delaney clause says, and it is a 50-year-old, 40-year-old law, that we cannot have any, zero tolerance, zero chemical residues on our food. It is unenforceable. Director Kessler from the FDA says it is unenforceable. Director Browner sued because she said it was unenforceable. Mr. Espy and Mr. Glickman also agreed on the record that the Delaney clause is unenforceable. What we are saying is do not enforce the Delaney clause.

□ 1215

The Supreme Court upheld a circuit court that says, just because this is in the law you have to enforce it, whether it is unenforceable or not.

There is another issue here. Authorizing committees are supposed to authorize; appropriators are supposed to appropriate. The authorizing committee, the Committee on Agriculture, the committee of jurisdiction, has already marked up a bill. The Committee on Commerce soon will markup a bill. This issue has been held up for years. It should have been resolved years ago.

Now, what does all this mean? What it means is, if a farmer in the district of my good friend and neighbor and colleague, the gentleman from New York [Mr. BOEHLERT], from Canastota is growing onions right now, and they are, and the EPA delicenses a pesticide that it licensed 2 years ago under the same standard, it is now going to delicense that pesticide, same pesticide, same minimal negligible risk.

If that farmer cannot use that pesticide on his onions, growing in organic soil, and there is only one chemical application for that disease, he cannot use that pesticide, that disease can wipe out his crop, and he loses everything.

There is no agriculture support program for onions. There is no other course for that farmer than to use that pesticide. This is important. It will be authorized, but in the meantime we have got to respect the growing season,

too. I urge a strong "no" vote on this amendment.

Mr. BOEHLERT. Mr. Chairman, I yield myself 30 seconds.

Mr. Chairman, to respond to my colleague and friend and neighbor from New York, he is absolutely right with respect to the Delaney clause. That is why through the orderly, open process of the authorizing committee we are going to make the changes he calls for and which I want and are in the best interest of American agriculture.

Mr. STOKES. Mr. Chairman, I yield such time as she may consume to the gentlewoman from Oregon [Ms. FURSE].

Ms. FURSE. Mr. Chairman, Americans do not want to return to the days of dirty, unsafe water. I rise in strong support of the Boehlert amendment.

In the Portland metropolitan area, which I represent, clean water consistently and overwhelmingly ranks as the top environmental concern of area residents. So important is clean water to Oregonians, they have agreed to spend more than $750 million to prevent Portland's combined sewer overflows from dumping raw sewage into the nearby waterways.

Oregonians remember the days when the Willamette River, which flows through the heart of Portland, was one of the most polluted rivers in the country. The waters of the Willamette were so choked with pollution that when live fish were put in a basket and lowered into the river to check the water quality, it took only a minute and a half for the fish to die. Oregonians remember the phrase they used as youngsters to describe swimming in the river—the "Willamette River stroke"—a phrase which refers to the fact that they would have to clear a path through the floating sewage debris in the water before they could swim.

Oregonians do not want to go back to those days of polluted waters. And neither do the American people. Americans do not want to see raw sewage floating in the surf when they visit the beach. Americans do not want to worry about their children getting sick from swimming in the neighborhood stream. Americans do not want the fish they catch at their favorite fishing holes to be too toxic to eat. Americans do not want to turn back the clock to the days when polluted rivers would catch fire. And when they got to the sink to get a drink of water, Americans do not want to choke on what comes out of the tap.

Mr. STOKES. Mr. Chairman, I yield such time as she may consume to the gentlewoman from California [Ms. WOOLSEY].

Ms. WOOLSEY. Mr. Chairman, I rise in support of the Boehlert-Stokes amendment and in opposition to this bill which is an environmental disaster.

Mr. Chairman, this bill is an environmental disaster. In one broad sweep, it strips the EPA of its authority to enforce environmental laws—important laws that ensure our right to clean water and clean air.

Americans have fought long and hard for these sensible and much needed laws. The Clean Water Act and Clean Air Act are vital to protecting public health. But they mean nothing if they cannot be enforced.

Mr. Chairman, we cannot, in a single day, turn our backs on decades of fighting for the public good. We must stand together today and give meaning to environmental protection. We must let all Americans know that this fight is worthwhile. We cannot go backward when we need so desperately to continue forward.

Vote "yes" on the Stokes-Boehlert amendment.

Mr. STOKES. Mr. Chairman, I yield such time as she may consume to the gentlewoman from New York [Mrs. LOWEY].

Mrs. LOWEY. Mr. Chairman, I rise in strong support of this amendment to one of most fundamentally flawed pieces of legislation that this body has considered in the 7 years I have been privileged to serve.

Mr. Chairman, this bill before us today is by far one of the worst—indeed one of the most fundamentally flawed—pieces of legislation that this body has considered in the 7 years I have been privileged to serve.

Make no mistake about it. This bill will mean more sewage in our waterways, more pollution in our air, and more risks from pesticides in our food.

Mr. Chairman, this is not a partisan issue. I commend those on the other side of the aisle who are speaking out against the bill, who—to their great credit—cannot hold their nose and toe the party line. Why are they doing this? Because their constituents, like mine—regardless of party identification—want clean air, clean water, and food free of deadly pesticides. This bill severely hampers the Government's historic role in ensuring these most basic guarantees.

A 33-percent cut in the EPA's budget is bad enough. But this bill adds insult to injury by loading it up with an array of legislative riders—requested by industrial polluters and other special interests—that will prevent the Agency from doing its job.

I hope the American people are tuned in to this debate. If anyone was still unconvinced of the new majority's assault on health and environmental safeguards, this bill will assuredly dispel them of any lingering doubts.

Mr. STOKES. Mr. Chairman, I yield myself 15 seconds.

Had the gentleman from Louisiana [Mr. HAYES] yielded to me, what I would have been able to say to him was I respected the authorizing process. When I brought my bill to the floor and they had not yet acted, I made my appropriation subject to authorization. The difference is they are legislating and then making the legislation subject to further authorization. There is a real difference there.

Mr. STOKES. Mr. Chairman, I yield 1 minute and 30 seconds to the gentleman from Texas [Mr. WILSON].

Mr. WILSON. Mr. Chairman, the majority whip, the gentleman from Texas [Mr. DELAY], my friend, said that the American people wanted us to know they are voting to get Government off their backs.

I submit to you that the American people might have been voting to get Government off their backs, but they were not voting to get arsenic in their drinking water or benzene in the air that they breathe.

If we do not adopt the Stokes amendment, what the effect of the legislation will do will be to stop the EPA from issuing regulations on cement kilns. Some of the more interesting byproducts of cement kilns, as they operate without EPA regulations and without EPA standards, are the production of arsenic and lead.

For instance, the EPA standard for arsenic is .4 parts per million. The LaFarge Corp., which is a cement kiln, manages to produce 3,300 parts of lead per million. I would point out that it only takes one one-millionth of a pound of lead to seriously impair the health of a child.

I would say, finally, that of the cement kilns in the United States, 65 percent of them are foreign-owned. They are owned in Switzerland. They are owned in Germany. They are owned in France and they are owned in England. I would point out to my colleagues that in none of those countries do they allow the burning of toxic waste in cement kilns. Only in the United States do they allow it.

Mr. LEWIS of California. Mr. Chairman, I yield such time as he may consume to the gentleman from California [Mr. KIM].

Mr. KIM. Mr. Chairman, I rise in strong opposition to this amendment.

Mr. Chairman, I rise in opposition to the Stokes amendment because it undermines the authorization process.

For over 200 years, the Congress has authorized programs and then appropriated funds.

Congress follows this process because it works. And that's what we should do here.

The Chairman of my committee—Transportation and Infrastructure—was right to insist on authorizations.

If we don't require authorizations, then why do we have authorizing committees?

Do we really want to make the authorizing committees irrelevant?

That's exactly what this amendment will do?

I take the work of my committee very seriously.

We should have the opportunity to reauthorize these programs.

If this amendment passes, reauthorization will be put off another year.

Make no mistake—if we don't require authorizations—we'll never do it.

We'll just keep appropriating money and ignoring the authorization committees.

I urge my colleagues to support the process and vote no on the Stokes amendment.

Mr. LEWIS of California. Mr. Chairman, I yield 2 minutes to the gentleman from Texas [Mr. CHAPMAN].

Mr. CHAPMAN. Mr. Chairman, I thank the gentleman for yielding time to me.

I want to say that I really do agree with one of the proponents of this amendment that this is about process.

The problem is that the processes over at EPA are out of control. The truth of the matter is no one here is for dirty air or dirty water. The truth of the matter is that we all want clean air to breathe, clean water to drink. We all want a healthy environment for our kids and our grandkids.

The problem is though that the EPA in many instances has gone so far beyond either their legal authorization or, in many cases, as far as cement kilns are concerned, their own regulations. They are, in my judgment, an agency out of control.

We talk in terms of process and should not the authorizing committees have a say in this. I think I have heard the chairman of the Committee on Commerce, the chairman of the Committee on Transportation and Infrastructure, I know the chairman of the Committee on Resources has spoken against this amendment. The chairman of the Committee on Agriculture has spoken against this amendment, and other committee chairmen or subcommittee chairmen will speak against this amendment. There have been hearings on these matters in our subcommittee on appropriations with EPA. There have been hearings in the Committee on Commerce.

There was debate during markup in subcommittee and full committee, and there is obviously a healthy debate going on on the floor of the House today. In a word, what has happened here is, in the EPA, they are an agency whose regulations stifle and throttle American business and who in the name of the Clean Air Act do so much damage to all of us.

I want to address the comments specifically about my friend and colleague from Texas who said incredibly, in my judgment, that cement kilns are not regulated. That, my friends, is just not true. In fact, cement kilns are more stringently regulated in America today than the commercial incineration facilities.

What we are trying to do, at least as part of this regulation, is to make EPA follow the law, the Clean Air Act, and follow their own regulations, nothing more.

Defeat the Stokes-Boehlert amendment.

Mr. LEWIS of California. Mr. Chairman, I yield 1½ minutes to the gentleman from New Jersey [Mr. FRELINGHUYSEN], a member of our subcommittee.

Mr. FRELINGHUYSEN. Mr. Chairman, I thank the gentleman for yielding time to me.

Mr. Chairman, I rise in support of the current provision in title III that deals with the regulation of combustion of hazardous waste and in opposition to the Stokes-Boehlert amendment that would allow EPA to ignore the combustion language.

EPA's activities under the so-called Combustion Strategy have made unfair demands on the regulated community without the proper legal authority to do so. Title III of this bill restricts EPA from spending taxpayer money on requirements that we, as Members of Congress, have not authorized. The language in the bill is designed to ensure fair and effective environmental regulations, which benefit the environment, industry and American workers.

In my district, chemical manufacturers have worked hard to comply with EPA's regulation, but the regulations have been expanded above and beyond what the law demands and requires. The result is increased prices for all Americans without corresponding environmental benefits. Let me reiterate that the language in the bill does not change the law governing the disposal of hazardous waste, but instead it requires EPA to act under the statutory scheme duly authorized by law. It merely demands that EPA follow the rules.

It is no surprise that the language in this bill is supported by a broad-based coalition of chemical manufacturers, fuel processors, industrial boiler owners, building material companies, and labor unions. This bipartisan measure stops the EPA from preselecting outcomes before all of the facts are in. We must demand EPA comply with existing procedures.

By contrast, the Stokes-Boehlert amendment is an attempt to keep the status quo and let bureaucrats run the agency without the consent of Congress. It would render all limitations in the bill meaningless by allowing some environmental groups merely to inform EPA of their opposition in order to defeat the intent of Congress expressed in title III.

Mr. Chairman, the measure in this bill is a good provision and requires that EPA follow the law as intended by Congress. I urge my colleagues to oppose the amendment and require EPA to follow the law.

Mr. BOEHLERT. Mr. Chairman, I yield 3 minutes to the distinguished gentleman from Delaware [Mr. CASTLE].

Mr. CASTLE. Mr. Chairman, I thank the gentleman for yielding time to me.

Mr. Chairman, I rise in strong support of the Stokes-Boehlert amendment. I oppose the addition of these legislative provisions we have talked about, these 17 dealing with important and complex environmental issues to the spending bill.

Let me point out one thing which I really have not heard in this argument today. That is that we are reducing the funding for EPA by 34 percent on top of everything else that we are doing in this legislation. When you combine that with the 17 limitations on enforcement which are the subject matter of discussion of this amendment, you find that EPA is being rendered almost wholly ineffective in the areas of fighting the environmental problems of the United States of America.

This is not regulatory reform but basically an abrogation of our responsibility.

I think back over my experiences as the Governor of the State of Delaware and the various things that we dealt with. One of those was our only oil refinery. We had problems with that oil refinery almost monthly, sometimes several times in the course of months, with emissions standards for toxic air pollution. Yet that is one of the prohibitions; any Federal help with enforcement of those particular problems would be included in this legislation.

I think about Rehoboth Beach where many people from Washington have gone to vacation, when we actually had to close the beaches because of the storm sewer overflows which occurred there. We also remember another time when we had to almost close the beaches because of sanitary sewer overflows in States to the north of us and having to go along our beaches to do that.

We have been able to cure those problems with the help of the Federal Government. I think about Superfund, the Army landfill in the State of Delaware, the second largest of the landfill problems in the country, which needs to be addressed, which is cut dramatically by what happens in these particular provisions, or the Clean Water Act.

I remember when the Delaware River up near Philadelphia actually caught on fire. We always think of Pittsburgh, but it happened in Philadelphia as well. We had the exact same problem. We have cleaned that river up. In fact, President Bush, when he was campaigning, used that river to demonstrate how you can actually use the Clean Water Act to clean up a river.

I worry about drinking water. Our water in Wilmington, DE, comes down from the Brandwine. It comes down from Pennsylvania, and I remember fighting with towns in Pennsylvania which wanted to build different areas that could pollute and we had to overcome that.

I would suggest to every single Member of this body who is paying any attention to this, which may be the most important amendment that is going to be offered in many a day here in this Congress, to do something right now. Call home. Call your environmental secretaries. Call your Governors. Call your constituents, if you have time to do that before this vote. Find out from them exactly what their understanding of each of these 17 is.

At least read the legislation and understand what these restrictions are. You will understand what I am saying here today. That for the good of America, we must support the Stokes-Boehlert amendment. For the good of America, we must make sure that this is not disguised as regulatory reform but is pointed out for what it is. It is a destruction of our ability to be able to

enforce the environmental laws in a proper way of the United States of America.

I agree that EPA needs to be fixed in some ways. But I think just removing all of their ability to carry out any of their responsibilities is the wrong way to go. I would encourage everybody to support this amendment in a few minutes.

□ 1230

Mr. STOKES. Mr. Chairman, I yield 1 minute to the distinguished gentleman from Michigan [Mr. LEVIN].

Mr. LEVIN. Mr. Chairman, I rise in support of Stokes-Boehlert. If Members do not need any reason other than this, look at the headline from the Macomb Daily a few days ago: Consumers of Great Lakes Fish at Medical Risk. They are talking about a Centers for Disease Control study showing children who eat Great Lakes fish have four times the amount of PCB's and three times more DDT in their bodies, and other factors.

There has been an effort to counteract this in the Great Lakes water quality initiative, to cut the amount of mercury, to cut discharges of lead, to cut dioxin levels. Now we have, tucked in this bill, a plan to begin throwing all that out the window, leaving the Great Lakes at the mercy of those who dump mercury and lead and dioxin into drinking water.

The Great Lakes are an irreplaceable treasure that should be protected. Let us not roll back a decade of progress. Support the Great Lakes. Support the Stokes-Boehlert amendment.

Mr. LEWIS of California. Mr. Chairman, I yield 1 minute to the gentleman from Missouri [Mr. EMERSON].

Mr. EMERSON. Mr. Chairman, I thank my colleague for yielding time to me.

Mr. Chairman, I rise today in strong opposition to the Stokes-Boehlert amendment which would specifically delete clean water reform provisions in this bill that are entirely consistent with the legislation and that has already passed the House of Representatives. The Stokes-Boehlert amendment is an attempt to get the reform that has occurred.

Supporters of the amendment claim the clean water provisions are a "back door attempt to alter environmental policy in appropriations." Nothing could be further from the truth. The House has already passed these provisions—with bipartisan support—through the Clean Water Reform Act. And, this legislation is on track in the other body.

There is nothing "sneaky" in these clean water provisions. They simply restrain the EPA's ability to "sneak through" new guidelines and second-guess operations.

If my colleagues agree that the current regulatory system is a mess and that the Clean Water Act needs to be reformed, the only way to vote is "no" on the Stokes-Boehlert amendment. I urge a "no" vote.

Mr. LEWIS of California. Mr. Chairman, I yield 1½ minutes to the gentleman from Iowa [Mr. LATHAM].

Mr. LATHAM. Mr. Chairman, I thank the gentleman for yielding time to me.

Mr. Chairman, I rise in strong opposition to the Stokes-Boehlert amendment. This should be a very easy amendment for members of this House who voted overwhelmingly in favor of the Clean Water Act of 1995 to oppose.

This amendment is about the House giving away its leverage to influence the other body and the President.

This amendment is about letting those who are intent on preserving the status quo by inaction have their way.

Adopting this amendment would be a statement by this House that when we voted for risk assessment and cost-benefit analysis we weren't serious.

Adopting this amendment would be a statement that when we voted for wetlands reform we weren't serious.

This amendment is not about protecting against overreach by appropriators. In fact, just the opposite is true.

The limiting provisions in this bill are here at the request of the authorizing chairman and with support of the majority of members of the committees.

If we vote for this amendment, we are taking away power from our authorizing committees, and more importantly we are taking away our own ability to write laws.

If we support this amendment, we make it more likely that unelected bureaucrats downtown will be setting environmental policy in the vacuum that we will create.

Let me say this, even if you didn't support the exact product of H.R. 961, every member of this House should oppose this amendment.

If you believe we need to reform the existing storm water permitting program, vote against this amendment.

If you believe we need sensible wetlands reform, then vote against this amendment.

This amendment empowers Washington bureaucrats at the expense of Congress and the American people.

This amendment maintains Federal control so that the "War on the West" can continue.

This amendment rolls back the key reforms that so many of my colleagues in the freshman class came here to make.

To sum up, you can vote for this amendment and give away the House's power to shape regulatory policy.

Or, you can vote against this amendment and remain consistent with our positions on risk assessment, cost-benefit analysis, wetlands reform and private property rights where virtually every member of this House agrees on the need for reform.

Move forward on Clean Water Act reform. Move forward on wetlands reform. Keep this House's ability to write legislation. Vote "no" on the Stokes-Boehlert amendment.

Mr. STOKES. Mr. Chairman, I am pleased to yield 2 minutes to the gentleman from Wisconsin [Mr. OBEY], the ranking Democrat on the full Committee on Appropriations.

Mr. OBEY. Mr. Chairman, there is no question that some of our environmental laws need adjustments, but the fact is this bill is supposed to be a budget bill; yet it contains some 30 pages of riders, legislative riders, slipped into this bill, which represents little more than a wish list of corporate polluters all across this country.

This bill, if it is not changed, will stop regulation of raw sewage. It will turn polluters loose to pump toxic chemicals into the air in American neighborhoods. It is a vivid example of the lock hold that corporate special interests have taken on this new Congress.

I would simply suggest to the authorizing chairs that if the gentleman from Alaska [Mr. YOUNG], from the Committee on Natural Resources, or the gentleman from Virginia [Mr. BLILEY], of the Committee on Commerce, or any other person wants to change basic law on environmental questions, then have the courage to bring that to the floor in their own committee bill, face their own committee members who, after all, have the jurisdiction over it, debate it out in the open, and cut the American people in on the deal, instead of slipping it in in an almost undercover fashion in an appropriation bill, which is supposed to decide other questions.

Mr. Chairman, I think what we have here, very simply, is, not just in this bill but in Labor-HEW, in a lot of other appropriation bills, authorizing chairs who do not, apparently, have the courage to bring their changes in law to the floor in their own bills. They are instead trying to slip it into the appropriations process, so they can avoid hearings, avoid public comment, and avoid some opportunity for the public to know what is going on. I do not think that is the way we ought to do business.

I would just urge my friends on this side of the aisle, Mr. Chairman, do not abandon the bipartisan commitment that this Congress has had for years to advance environmental protection. Do not abandon that bipartisan commitment.

Mr. BOEHLERT. Mr. Chairman, I yield myself 30 seconds.

Mr. Chairman, I would like to pick up on a point my friend, the gentleman from Wisconsin [Mr. OBEY], made. For 40 years, for two generations, the Republicans were in the minority. All during that time we chastised the then

majority for legislating on appropriations bills. We complained about the process.

Now we are in charge, and we are doing the very same thing. It was wrong when we were in the minority, it was wrong when the Democrats were in the majority, it is wrong now that we are in the majority. It is simply wrong to deny the people full and open hearings.

Mr. STOKES. Mr. Chairman, I yield 1 minute to the gentleman from Rhode Island [Mr. REED].

Mr. REED. Mr. Chairman, I rise in strong support of the Stokes-Boehlert amendment. These riders are an all-out assault on environmental law. It is not to be considered simply reform, but rather, in toto, these would eviscerate environmental enforcement throughout the United States. It is also an abuse of the legislative process.

In my Subcommittee on Commercial and Administrative Law of the Committee on the Judiciary, we are beginning to consider one of the provisions contained herein, and that is recognizing State environmental audit legislation. We have not proceeded to any conclusion. We have more questions and comments. In fact, the only consistent element we have found in considering this environmental audit language is the opposition, almost a total opposition, of law enforcement officers throughout the United States. The National District Attorneys Association is against it, the attorney generals of New Mexico, Minnesota, California, Massachusetts, Arizona, New Hampshire, New Jersey, Tennessee, the New Jersey State Attorney General, the New York District Attorneys Association, all these law enforcement officials condemn a rider which is included in this legislation. This is not the way to reform environmental laws in the United States. This is the way to destroy environmental laws in the United States.

Mr. LEWIS of California. Mr. Chairman, I yield 1½ minutes to the gentleman from Louisiana [Mr. TAUZIN].

Mr. TAUZIN. Mr. Chairman, I thank the gentleman for yielding time to me.

Mr. Chairman, I rise in opposition to the Stokes-Boehlert amendment. The gentleman from Texas [Mr. CHAPMAN] said it. Bureaucrats at EPA are out of control. We have not been in control, either, for many years. The bureaucrats and their environmental lobby friends have controlled this agenda for too long. They have seen to it that for years we could not bring reforms to ESA, reforms to clean water, wetlands regulation, cost-benefit analysis, property rights issues. They and their friends have dictated the agenda in this body for too long, and let me surprise the Members, we are not yet in control.

If Members want to see property rights passed into law, then Members had better defeat this amendment. If they want to see cost-benefit analysis become law, they had better defeat this amendment. If they want to see revisions of wetlands regulations in the clean water, the litigation mess we have created in Superfund reform, if they want to see a decent ESA Act passed, Endangered Species Act passed, reform; if they want to see any of these laws, they had better vote against this amendment. This bill is our only chance to control the bureaucrats out of control.

Why? Because if we do not control their money, they control the veto pen. The President has promised a veto on property rights. He has threatened a veto on clean water. He has already, and his friends, delayed consideration of cost-benefit analysis regulatory reform. I urge Members to vote against this amendment if they want any of these things done. It is our only chance to control the agenda.

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

Ms. DELAURO. Mr. Chairman, I rise in strong support of the Stokes-Boehlert amendment, which strikes provisions in the bill that restrict or eliminate the Environmental Protection Agency from enforcing guidelines that are authorized under existing environmental laws, like the Clean Air Act and the Clean Water Act. This bill limits the EPA's ability to enforce important provisions of the Clean Water Act. It inhibits the EPA's ability to address critical stormwater runoff and raw sewage overflow problems. It halts the agency's advantage to control industrial pollution.

In Connecticut, this bill would allow raw sewage to continue to pour into local waters from outdated or inadequate sewage treatment and collection systems. Stormwater controls would be eliminated for many urban areas. The result would be widespread degradation of water quality, which would threaten our State's commercial and shellfish industry.

This bill is an environmental travesty. It is a special interest and a polluter's dream. As a result, there will be less environmental protection and increased risk to public health in communities all across this great Nation of ours. Support the Stokes-Boehlert amendment.

Mr. LEWIS of California. Mr. Chairman, I yield 1½ minutes to the gentleman from Florida [Mr. MICA].

Mr. MICA. Mr. Chairman, I rise in opposition to this amendment and this attack on the cleanwater revisions. I want to say that the revisions that we came out with were really done in a bipartisan fashion. The bill was introduced on an eight-to-eight basis, eight Democrats and eight Republicans. What this debate is really about is the question of whether Washington will continue to dictate, Washington will continue to regulate.

There have been many misstatements about what we do in the bill. I want to say also that the people that are on this side of the issue care about the environment. We want clean water. We want clean air. However, after 20 years, we have seen mistakes. Let me give an example of what we do. Under current law, we classify dry riverbeds in the West as fishable-swimmable. The gentleman from Louisiana [Mr. HAYES] pointed out a parking lot in the Sands Hotel in Las Vegas which required wetland permitting. We require in Alaska and Anchorage fish guts dumped in to comply with ridiculous regulations.

We are asking for, No. 1, flexibility, No. 2, commonsense, and No. 3, for reasonableness. We keep Federal standards, we allow local and State flexibility and responsibility, and we say we can do a better job with less. Our reforms are endorsed by almost every State and local group.

Finally, we are only asking that we bring reasonable, again, commonsense to a process that has really grown out of control. Let me say also, I served on the committee that oversaw the question of cement kilns and regulation. We had folks come to us who could have made those changes a long time ago.

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Mr. BOEHLERT. Mr. Chairman, I yield 3 minutes to the gentleman from New Jersey [Mr. SAXTON], a leader in the environmental movement in the Congress and in the Nation.

Mr. SAXTON. Mr. Chairman, I support the Stokes-Boehlert amendment. I think the way this bill is written simply stated, plays Russian roulette with our country's future, with both the health of our economy, and, as has been pointed out here several times, the health of our people as well.

Let me talk for just a minute about the relationship that I see and that many other Americans see between the health of our environment and the health of our economy because I think it is very important.

In March of this year the Times-Mirror magazine did a national survey of 1,003 people, and the second question they asked was this: "Most of the time do you think environmental protection and economic development can go hand-in-hand, or that we must choose between environmental protection and economic development?" Sixty-nine percent of those people responded that economic development and environmental protection go hand-in-hand.

That is because there is a very close relationship, because the way people perceive the environment and the economic activities they are willing to partake in that environment are very closely related. In other words, if it is bad for my health, I will avoid that area that is polluted.

That makes perfect sense to me, and, therefore, we need the provisions that exist in current law without this bill in order to continue to protect the environment and provide for an environment in which economic growth will take place.

I speak from some experience. As all of you know, I represent a large section of the New Jersey shore. In 1987 and 1988 we had an historic economic slump that was directly a result of bad ecological policy. We had algae buildup not just in New Jersey but on the shores of Long Island as well. We had red tides and blue tides and green tides. We had sewer sludge dumped offshore. We had medical waste on our beach. We had all kinds of wood burning offshore. People did not visit the shore. It was just that simple. Our economy went into the basket with the environment.

I listened to the gentleman from Syracuse here a few minutes ago, who is a good friend, and it reminded me of when I was a young boy and I used to go to the Finger Lakes to visit my uncle. One summer I went up there and he said, "You cannot eat the fish or go in the water." I said, "Why not?" He said, "Because the farmers who grow grapes on the hills surrounding these lakes have used too much DDT over the years and it has washed into the lakes and the fish are contaminated and they are trying to determine whether or not it is safe to go in the water."

Do you think that caused degradation to the economy of the area? You bet it did.

In the Chesapeake Bay a few years ago we determined that in the upper reaches of the Susquehanna River, in both Maryland and Pennsylvania, there was a large amount of runoff that came from overuse of fertilizers and pesticides and herbicides by farmers. When the crustaceans and the rockfish and the oysters went away in Chesapeake Bay, do you think that degraded the economy? You bet it did.

This is a close relationship. My Republican friends care about the environment and care about the economy as well.

Mr. LEWIS of California. Mr. Chairman, I yield 1½ minutes to my colleague, the gentleman from Arkansas [Mr. HUTCHINSON].

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

I rise in strong opposition to the Stokes amendment. We simply should not undo and undermine our Clean Water Act, H.R. 961, by adopting this amendment. We passed it by a large bipartisan majority, 240 to 185. We beat down weakening amendments time and time again. It was openly and publicly debated at length, and this amendment would destroy those reforms.

Let there be no doubt it will destroy the reforms that this House adopted in our Clean Water Act. We should not fund unauthorized programs, but we especially should not fund unauthorized programs that do not work, that are broken.

The current Clean Water Act does not work. One example: The wetlands provisions, which started in 1972, is a very narrow regulatory program, now regulates over 75 million acres of privately owned property.

Mr. Chairman, there is precedent for what we are doing. In the last Congress we included similar language to fence in funds until the Clean Water Act was reauthorized. We are doing that again and we should do it.

We can and we should, by rejection of this amendment and passage of the VA-HUD appropriations, nudge, drive, push the Senate and this Congress to a responsible reauthorization of the Clean Water Act. So let us reject regulatory excesses by rejecting this amendment.

Mr. BOEHLERT. Mr. Chairman, I yield 2 minutes to our distinguished colleague, the gentleman from Connecticut [Mr. SHAYS].

Mr. SHAYS. Mr. Chairman, it is a privilege to serve in Congress. I get up every morning praising the Lord that I have this opportunity. I thought when I was in the majority I would feel even more special about it, because I thought we would not do it the way Democrats did it, legislate in appropriations bills and do a number of other things that I have been critical of for so long that Democrats have done. We are doing it. We are no better. I know it because I see it here.

It is one thing to say that we want clean air and we want clean water, but we just cannot say we want it, we have to have legislation that makes it happen. We cannot say in this bill it is reform. We are not reforming it, we are eliminating it.

What I find particularly immoral is we have laws on the books that people have to abide by, but we are saying that EPA cannot enforce them. I have trouble with legislation that is cutting 25 percent from HUD, which we have rectified in some way, at least rescued part of it. We are cutting 34 percent from EPA. We are being gentle, in my judgment, with NASA. We are saying the veterans do not have to weigh in in any way to help get the financial house in order.

We are gutting EPA and gutting environmental laws, and let us not call it any different than that. I am looking at Republicans because that is where it is at. We are doing it, and we are going to be held accountable, and it is not going to be pretty the next election on this issue.

Mr. STOKES. Mr. Chairman, I yield 1 minute to the gentleman from Colorado [Mr. SKAGGS].

Mr. SKAGGS. I thank the gentleman for yielding me the time.

Mr. Chairman, this bill is chock full of the most egregious overreaching legislative provisions we have ever seen around here, that would gut clean air, gut clean water, gut wetlands enforcement, and many, many other things that are essential to the protection of our environment, our air and public health.

This amendment which I strongly support would take this bill and the many pages of legislation affecting these important environmental protections and tear it out. That is exactly what we ought to be doing. They have no place in this bill, and they run absolutely counter to the opinions and the will of the American people who have not said do less to protect our air and our water and environment but to do more.

What do we get from the new majority party? An absolut;e grinding to a halt of the essential protections for the American people and their concerns about their air, their water and the state of health of our environment.

It is a travesty, it should not be permitted, we should vote for the Stokes-Boehlert amendment.

Mr. Chairman, I strongly support this amendment, which would remove from the bill the numerous restrictions on the Environmental Protection Agency's ability to do its job.

The provisions that this amendment would remove represent an outrageous abuse of the legislative process, including the rule against legislating on appropriations bills. The intent and effect of there provisions are to undermine enforcement of the Clean Air Act, the Clean Water Act, and other laws for the protection of our environment, our lands, and our health.

One of these restrictions even goes so far as to prohibit any action by EPA to protect any wetlands. I recognize that there is considerable controversy and debate about wetlands protection—which lands should be counted as wetlands, and what level of protection they should receive. But I don't think there is any serious support for the idea that no wetlands should receive any protection. Yet that is what will happen if this language remains in the bill and becomes law.

That's just one example, but it makes the point. If we leave these restrictions in the bill, we will be telling the American people that the opponents of this amendment are ready to sacrifice all protection of wetlands just to score a political point, and ready to abuse the legislative process in an attempt to influence debate on authorizing legislation.

Mr. Chairman, the pattern could not be clearer. Just take a look at these restrictions—page after page of regressive, anti-environmental and underhanded provisions. It's no wonder, Mr. Chairman, that Carol Browner, the EPA Administrator, has concluded that this represents "an organized, concrete effort to undermine public health and safety and the environment."

If anything, Mr. Chairman, that understates things. The American people need to know what is going on. They need to know that this new Republican majority is determined to undermine the progress we have made in the

last several decades in protecting our environment, progress that the American people are proud of and want to see continued.

Mr. Chairman, the American people know that we need to do more, not less, in this area. For instance, two new studies this year tell us that 53 million Americans are drinking tap water that is below standards. What is the response of the new majority in this Congress to this? To do more to clean up the Nation's water? No. The Republican response is to come up with eight different legislative riders to undermine the Clean Water Act and the Safe Drinking Water Act. Hard to imagine.

This Republican sneak attack on the environment should not and will not go unopposed. The American people did not vote last November to roll back 25 years of environmental progress. They did not vote for more pollution, or for backhanded legislative shenanigans to undercut environmental standards just to satisfy the greed and the access paid for with campaign contributions from many industrial polluters.

Unless this amendment is adopted, and these offensive and improper provisions removed, and the bill otherwise substantially improved, it should not be passed by the House and, if it reaches his desk, it should be vetoed by the President.

Mr. Chairman, at my request the Environmental Protection Agency has provided me with information about the effects of this bill on EPA's activities in Colorado. I will submit that information for inclusion in the RECORD, for the information of our colleagues and especially for the information of the people of our State. In summary, EPA states that this bill as it now stands "would result in serious public health, environmental, and economic impacts for Colorado and other States."

Of particular concern to me in the possible adverse impact of the proposed reduction in funding for implementing the superfund law [CERCLA] as it applies to the Rocky Flats site, in my congressional district. Regarding that, EPA says:

A cut in CERCLA would cripple EPA's current efforts with DOE and the State to negotiate the new cleanup agreement, further delaying the stabilization and cleanup of plutonium and other hazardous materials at the site.

This is very disturbing to me, Mr. Chairman, and I submit it should be equally disturbing to all other Members whose districts include sites or facilities covered by Superfund.

The information from EPA is as follows:

INFORMATION PROVIDED BY ENVIRONMENTAL PROTECTION AGENCY

COLORADO

The massive budget cuts proposed for EPA's enforcement and compliance assurance program will have drastic across-the-board effects on the Agency's ability to address real risks to the people and environment of Colorado through traditional enforcement actions, and through our efforts to expand compliance assistance-related activities to those business sectors who have the greatest need, and whose non-compliance poses the greatest problems.

Compliance Assurance Builds Capacity for Compliance by the Regulated Community:

EPA's compliance program includes inspections, assistance to the regulated community through workshops, training, and new initiatives such as industry-based compliance service centers and incentives for voluntary auditing, data systems that help set priorities based on risk and patterns of noncompliance, and support for state programs.

In FY 94, 803 facilities were inspected in Colorado, and 222 enforcement actions taken. These inspections and actions are necessary to ensure that the people of Colorado are protected from the dangers of pollution. Major budget cuts in EPA's compliance assurance program will severely undercut the number of federal and state inspections conducted annually and creates a substantial risk to public health and the environment from unchecked violators. In addition, a vigilant compliance monitoring presence serves as a strong deterrent to possible violations which disappears when the monitoring program is severely curtailed.

The substantial reduction of funding for compliance assistance and outreach activities places a far greater economic burden on industry and businesses to acquire the necessary information on their own to achieve regulatory compliance. The vast majority of all monitoring and inspection activities are conducted by state programs made possible through federal funding. Such massive funding cuts mean that state programs will have to absorb these functions into their own limited budgets or eliminate them altogether.

Enforcement Actions address Significant Risks:

EPA's civil, administrative, and criminal enforcement program also targets those polluters which pose significant risks to the people of Colorado and its environment. The proposed cuts of over 50% to EPA's enforcement and compliance assurance program will essentially dismantle its ability to provide the protections that citizens expect and deserve from the environmental laws. The following are examples of actions that the EPA brought in Colorado which would have been severely impacted by the proposed budget cuts:

In Parker, Colorado, Metrex Research Corporation produced and sold sterilants for invasive medical equipment. EPA tests showed that these sterilants were ineffective. Ineffective sterilants can cause infections to be passed from one patient to another. As a result of EPA's action, two of the Metrex sterilants have been removed from the market, and instructions provided with the others advise purchasers to use them for longer periods of time and at higher temperatures. As a result of this action, people undergoing medical treatment are no longer exposed to potential sources of infection from medical equipment treated with these ineffective sterilants.

The ENRON Corporation, a petroleum refinery in Colorado, exceeded lead standards for gasoline which they produced, potentially increasing airborne lead levels. Airborne lead causes neurological, reproductive, kidney, and gastrointestinal damage, as well as brain disease, colic palsy, and anemia. As a result of EPA's action, ENRON has reduced the level of lead in their gasoline, and worked with EPA to develop nationally significant research studies involving the causes of air pollution.

Federal Facilities Need Attention in Colorado:

Federal facilities in Colorado are also significant sources of pollution, and EPA's enforcement and compliance assurance program will not be able to ensure that they are fully inspected, and that their pollution is safely cleaned up, with the proposed budget cuts.

EPA and delegated States are statutorily required to conduct annual compliance evaluation inspections the all major Federal facilities which treat, store or dispose of hazardous waste pursuant to the Resource Conservation and Recovery Act as amended by the Federal Facility Compliance Act of 1992. In the State of Colorado, there are approximately 4 Federal TSD facilities which receive these annual inspections. EPA and the states' capacity to conduct these important inspections would be severely limited by the proposed cuts to our compliance and enforcement program and this could have an adverse impact on human health and environment in your state. Some major Federal facilities in your state which may not receive these hazardous waste compliance inspections include US DOE Rocky Flats Plant, US Army Fort Carson, and US Army Pueblo Army Depot.

Superfund Cleanup in Colorado would be Negatively Affected:

The Superfund sites on the National Priority List in Colorado include: Rocky Mountain Arsenal, Air Force Plant PJKS, and DOE's Rocky Flats Facility.

DOE's Rocky Flats Site began operation in 1952. The site's primary mission until 1992 was the production of plutonium triggers and other components for nuclear weapons. Located about 16 miles from downtown Denver and Boulder directly upstream from two major drinking water supplies; Rocky Flats has the nation's two most vulnerable buildings due to the improper storage of over 14 tons of plutonium. Manufacturing operations and disposal practices have resulted in extensive environmental contamination from the release of hazardous and radioactive wastes. As a result of numerous criminal environmental violations, FBI and EPA agents raided the site in 1989 and later assessed the site's contractor with $18.5 million in fines.

In 1989, the site was listed on the NPL and in 1991 EPA, DOE, and the State of Colorado signed a CERCLA IAG. In 1992, the site mission changed from production to waste management and cleanup. EPA and the State of Colorado are in the midst of negotiating a new CERCLA IAG to promote stabilization of the plutonium and cleanup of the site, reduce costs through improved project management, and avoid litigation. In light of the close proximity of this site to the Denver-Boulder metropolitan areas, cleanup of the site is crucial. Currently, CERCLA is the only law that provides for external regulation of the cleanup of radionuclides at DOE sites. A cut in CERCLA would cripple EPA's current efforts with DOE and the State to negotiate the new cleanup agreement further delaying the stabilization and cleanup of plutonium and other hazardous materials at the site. In effect, DOE would become self-regulating regarding cleanup of radioactive wastes at the site.

Established in 1942, the 6,500 acre Rocky Mountain Arsenal site has been used by both the Army and private industry to manufacture, test, package, and dispose of chemical products, warfare agents, and munitions including rocket fuels, pesticides, nerve gases, mustards, and incendiary munitions. The site is located in Adams County, 10 miles northeast of downtown Denver. The site has been described by courts as "one of the worst hazardous waste pollution sites in the country" due to extensive soil and groundwater contamination from over 750 different hazardous wastes spilled or improperly disposed of in several areas. Three plumes of contaminated groundwater migrated offsite before intercept systems were installed contaminating local wells and forcing EPA and local

authorities to provide residents with bottled water.

The site was listed on the NPL in 1987, and in 1989 a CERCLA IAG was signed between EPA, the Army, and other stakeholders. The State is a regulator under its State RCRA authority. Under the proposed CERCLA and EPA budget cuts, EPA would no longer be able to provide adequate technical and regulatory oversight or coordinate with the Army, the State, and the public to establish site priorities and initiatives to streamline and reduce cleanup costs. Ultimately, cleanup efforts would have to be drastically curtailed or halted to take into account EPA's diminished regulatory role.

IMPLICATIONS FOR THE STATE OF COLORADO

In its present form, the 1996 House Appropriations bill for the U.S. Environmental Protection Agency would result in serious public health, environmental, and economic impacts for Colorado and other States. This bill would reduce overall Agency funding by more than one-third, crippling State and EPA programs that help to ensure public health and environmental protection. The State/EPA partnership would be further damaged by riders which would prevent or delay progress in solving some of our highest priority problems. Specifically, the bill would have the following impacts for Colorado communities:

Colorado communities would lose: $2.9 million compared to the President's proposal to help finance wastewater projects; $1.3 million to help address polluted runoff—the State's most serious source of water pollution; $24 million for low-interest loans to help provide safe drinking water (the bill in combination with the 1995 rescission bill completely eliminates the President's $1.8 billion investment for safe drinking water projects)

In total, millions of dollars that would help finance clean water infrastructure, manage essential water programs, and protect the overall quality of life for the State's citizens would be lost.

Funding for monitoring and standards programs would be eliminated or severely curtailed, limiting the State's ability to assess local conditions for public and ecological uses, issue wastewater permits to local governments and industries, and move towards more site-specific and flexible watershed protection approaches.

Currently, 12% of assessed rivers and 8% of assessed lakes fail to meet State designated standards for fishing, swimming, and other uses. Budget cuts and programmatic restrictions would increase the number of waters unable to meet these standards.

Colorado examples:

The Colorado Water and Power Authority has taken the necessary steps to establish a Drinking Water State Revolving Fund to make low interest loans to communities which need to improve their safe drinking water systems. The loss of the drinking water loan program will force a number of communities to seek other—more costly—financing. Higher costs will be passed on to their customers.

The proposed bill would eliminate the state's ability to use EPA funding to fund wetland studies to protect wetland resources despite local support for such protective measures. For example, San Miguel County used EPA funds to identify important wetlands. Because the County believed that further wetlands losses were unacceptable, they then increased protection of wetlands in the County. The County ordinance has served as a model to many counties who are pursuing similar goals for wetland protection. Also, Park and Summit Counties have expressed interest in pursuing wetlands measures, but could not use EPA funding. Several other counties are currently using wetland grant funding from EPA to inventory wetlands, and these funds would not be available if the House Appropriations bill is enacted.

Colorado may lose federal funding for water quality monitoring. State officials use this data for determining when fish are safe to eat and when swimming can be allowed without danger.

COLORADO—SUPERFUND IMPACTS

The House mark does not provide funds to begin any new projects, either Fund or Responsible Party lead. At least 1 construction project slated to begin in Colorado in FY 96 would have to be delayed. A synopsis of these projects follows:

SUMMITVILLE—SUMMITVILLE MINE

The Summitville mine site is located in the mountains of southern Colorado. Bankruptcy and abandonment by the gold mining and gold recovery operators resulted in potential release of catastrophic amounts of heavy metals and cyanide to the nearby stream. EPA emergency actions have prevented those dire consequences. Fish kills have been reported from Wightman Fork, the receiving stream, to the Terrace Reservoir, approximately 20 miles downstream from the site. Terrace Reservoir water is used for irrigation by San Luis Valley farmers. Current plans call for consolidation and capping, biological treatment, and reclamation. Some of this work will be done using existing available funds. If the remaining work is not funded and the significant water treatment that continues to be needed in the long-term ceases, the contaminated water will be released, severely impacting stream-life and agricultural uses.

COLORADO—REFINERY AIR TOXICS IMPACT

The refinery air toxics rider creates a unique "loophole" for a single industry, undermining the air toxics program Congress established in the 1990 Clean Air Amendments. Nationally, the health and environmental impacts of this action will be significant—4.5 million people face elevated risks of cancer and other health probelms from these facilites. In Colorado, there are two refineries which emitted 193,319 pounds of toxic air pollution, according to information submitted by the facilities themselves to EPA's Toxic Release Inventory.

Mr. LEWIS of California. Mr. Chairman, I yield 1½ minutes to my colleague, the gentleman from California [Mr. DOOLITTLE].

Mr. DOOLITTLE. Mr. Chairman, I am grateful to the strong bipartisan majority which has brought, finally, some reform to this area of clean water and tried to rein in the gross abuses of bureaucratic agencies like the EPA. This amendment is a direct assault on that effort to bring reform. Many of the people who are supporting this amendment opposed us tooth and nail when we tried and successfully did pass the Clean Water Act off the floor of the House.

We have been attacked as being special interests. I chaired a task force, the wetlands task force of the Committee on Resources. I invite the Members to get its report. This is full of the so-called special interests, and who are they? They are the property owners, the farmers, the ranchers, the business people, the church people, all of whom have been negatively and unfairly impacted by agencies such as the EPA.

Let me just cite one example of the so-called special interests that we heard from. Nancy Klein, mother of five. She and her husband bought a farm in Sonoma County, 350 acres. For the crime of farming, they came under criminal scrutiny of the EPA.

Let me just quote from her so Members can get the flavor of this:

> The FBI and the EPA interrogated our neighbors, acquaintances, strangers. They asked if we were intelligent. They asked about our religion. They asked if we had tempers. They asked how we treated our children. For 11 months, the squeeze continued. Our property was flown over by military helicopters, Federal cars monitored our home, and our children's schools.

The EPA is abusing its authority. Oppose the amendment.

Mr. LEWIS of California. Mr. Chairman, I yield 1½ minutes to the gentleman from Kentucky [Mr. WHITFIELD].

Mr. WHITFIELD. I thank the gentleman for yielding me the time.

Mr. Chairman, this is not a debate about protecting the environment, because we are all concerned about protecting the environment of this great country. But this is a debate about the aggressive tactics of EPA relating to new regulations and enforcement of those regulations with little regard to the cost or the benefit of the regulation.

Whenever I go back to western Kentucky in my district and visit with small farmers, coal operators, businessmen, large and small, all of them plead to get EPA off their back and for EPA to be more balanced in its approach.

Last July, EPA proposed additional standards to control emissions of air pollutants for refineries. The industry went in and tried to work with them to reach an agreed regulation and standard at a reasonable cost. EPA was not satisfied and decided to proceed with maximum achievable control technologies.

I want to talk for a moment about the facts of that technology. First of all it is based on emissions data that is 15 years old. It will cost the refineries in this country between $77 million and $110 million a year. EPA's own regulatory impact analysis characterized the benefits of this technology as minimal. Even the Department of Energy is saying, if you introduce these new standards, the benefits will be minimal.

I would urge my colleagues to oppose this amendment and adopt a more reasonable approach for EPA.

Mr. LEWIS of California. Mr. Chairman, I yield 1 minute to the gentleman from California [Mr. POMBO].

Mr. POMBO. I thank the gentleman for yielding me the time.

Mr. Chairman, I find it quite interesting that the same people who are proposing this amendment were not down on this floor just a few days ago yelling and screaming about legislating on an appropriations bill when we appropriated money for the Endangered Species Act which ceased to exist in 1992 and has been kept alive solely by the appropriations process.

Nor were they on this floor yesterday complaining about the Coastal Zone Management Act which has expired and is being kept alive by the appropriations process.

Again I think what we are witnessing here today is exactly what led us into this problem to begin with. That anytime that a Federal agency wants to do something, when an out-of-control bureaucracy like the Environmental Protection Agency, which in my district has decided it would be a great idea to tell people they can only drive to work 4 out of 5 days——

The CHAIRMAN. The time of the gentleman has expired.

Mr. STOKES. Mr. Chairman, I yield such time as she may consume to the gentlewoman from California [Ms. ESHOO].

Ms. ESHOO. Mr. Chairman, I rise in very strong support of the Stokes-Boehlert amendment.

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Mr. STOKES. Mr. Chairman, I yield 1 minute to the gentlewoman from California [Ms. HARMAN].

Ms. HARMAN. Mr. Chairman, I rise today in support of the bipartisan Boehlert-Stokes amendment and against those provisions in H.R. 2099 which threaten human health and the environment.

I support the goal of reforming our regulatory system and voted for many of the regulatory reform provisions contained in the Contract With America. Today, however, we considered an appropriations bill loaded with far-reaching legislative riders that prohibit the EPA from enforcing key environmental laws like the Clean Water Act.

One of the most onerous riders will prohibit EPA from spending funds to enforce its stormwater permitting program. In southern California, stormwater or nonpoint source pollution is now recognized as the major threat to Santa Monica Bay. Without effective enforcement, stormwater will continue to pollute the bay—resulting in harm to the coastal environment and to the local economy by keeping tourists away from our beaches.

Additionally, the bill prohibits EPA from implementing and enforcing its wetlands permitting program. Over 90 percent of California's wetlands have already been lost—we cannot afford to let those remaining—like the Ballona wetlands in Playa del Rey—slip away as well.

We must be able to get together on a bipartisan basis to craft fair regulatory reform. We need hearings, authorizing legislation and good, healthy public debate on the issues. Legislative riders on appropriations bill were not part of the voters' mandate last November.

We can always do regulation better, but we can't afford to turn our backs on human health and the environment. I urge my colleagues to adopt the Boehlert-Stokes bipartisan amendment—our future depends on it.

Mr. LEWIS of California. Mr. Chairman, I yield 1 minute to the gentleman from Virginia [Mr. DAVIS].

Mr. DAVIS. Mr. Chairman, I want to speak about one rider that would be stricken by the Stokes-Boehlert amendment, the inspection and maintenance rider.

Mr. Chairman, right now, EPA wants to institute for northern Virginia a State-run-test-only regime for auto emissions inspections. Currently, we have 900,000 auto emissions tests conducted annually in northern Virginia at 375 service stations.

What does the EPA want to do? They want to take these 900,000 tests and, instead of 375 privately run inspection stations, move them to as few as 12 State-run inspection stations. It means long lines, inconvenience, small service station workers out of work; but more importantly, what happens if during these inspections there is something wrong? Seventy-five thousand motorists failed last year. They will have to drive that dirty car to another place, get it repaired and drive it back again. How in the world does this help clean air?

The Commonwealth of Virginia has been working with the EPA for the last 2 years to try to work out this agreement, and EPA remains inflexible on this issue.

Mr. Chairman, I would love to wait for the authorization. We cannot wait; they are threatening to take away our highway money. This rider needs to stay in.

Mr. BOEHLERT. Mr. Chairman, I yield 1 minute to the gentleman from Pennsylvania [Mr. WELDON].

Mr. WELDON of Pennsylvania. Mr. Chairman, I rise to reluctantly oppose the gentleman from Virginia [Mr. DAVIS], but to enthusiastically endorse the amendment being offered here today.

Mr. Chairman, I consider myself a pragmatist and someone who tries to look for the middle ground on issues, whether it is environmental safety versus job creation, or worker rights versus the rights of the company management. In this case, I ask my colleagues on the Republican side to look carefully at what we are doing here.

Mr. Chairman, some of these riders may, in fact, be very valid. I am not here to speak against all of the provisions, but I can tell my colleagues that some of them, to me, on the surface and substantively are very egregious. We should move very carefully on this amendment.

I say to my colleagues on the Republican side, everyone is watching this vote, their Governors, their local officials. In my State, it is going to devastate some positive impacts being made on clean water, on sewage discharge.

I would urge my Republican colleagues, please look carefully at this vote, and support the amendment offered by the gentleman from New York [Mr. BOEHLERT].

Mr. LEWIS of California. Mr. Chairman, I yield 1½ minutes to the gentleman from Texas [Mr. BARTON].

Mr. BARTON of Texas. Mr. Chairman, I am the chairman of the Subcommittee on Oversight and Investigations of the Committee on Commerce. I have held 8 hearings in my subcommittee this year alone on the Clean Air Act amendments of 1991. That is an average of over one hearing a month on that one act which has six titles.

There is one title in that act that has, in one section, over 27 subsections that we are holding hearings on. All of the amendments that are in the appropriation language that the gentleman from Ohio, [Mr. STOKES] and the gentleman from New York [Mr. BOEHLERT] are attempting to strike have been reviewed at staff level by the Committee on Commerce staff and we do support that these amendments be in this bill.

We know that the authorizing committee needs to act, and we fully intend to act, but we simply yet have not had time to go through the complete record on just for example the Clean Air Act alone.

Mr. Chairman, my colleagues might be interested to know that one of the things that the language in the bill of the gentleman from California [Mr. LEWIS] is attempting to delay implementation of is a maximum achievable control technology standard for refineries that the EPA is under court order to have ready to release today, July 28, 1995.

Mr. Chairman, they have to release it today, because they got a 60-day extension back in May. They are not going to be ready. They have said they are not going to be ready. My colleagues may be interested to know that there is an arsenic and a radon standard that EPA is supposed to implement this year that they are not going to be able to implement.

This language simply gives us time to review the act to make these changes possible. Vote "no" on this amendment.

Mr. Chairman, I rise in opposition to the amendment.

The Oversight and Investigations Subcommittee of the House Commerce Committee, which I chair, has held a series of hearings on EPA's implementation of the Clean Air

Act amendments. In our examination of the act, we have covered many of the issues that are the subject of discussion today. For instance, on March 16 of this year, a hearing was held on employee commute options. On March 23 and 24, hearings were held on inspection and maintenance programs. A hearing was held on the operating permits program on May 18. And hearings on the hazardous air pollution program were held on June 29 and July 21.

In every one of these cases, witnesses testied that either changes were needed to the Clean Air Act itself, or changes were needed in the implementation of the act by EPA. For instance, in the area of inspection and maintenance, the subcommittee heard scientific evidence questioning the validity of the so-called 50-percent discount for decentralized programs. In addition, State representatives from Texas, Georgia, Pennsylvania, and Virginia criticized EPA's heavy handed approach in pushing centralized testing. A State representative from Georgia testified that for States, it is EPA's way, or the highway, that is, no highway transportation funds if States do not adopt centralized testing.

Likewise, a hearing on hazardous air pollutants, indicated overstepping by EPA in the development of the hazardous waste combustion MACT. In that hearing, EPA testified before the subcommittee that maximum achievable control technologies are to be established based on control technologies from existing sources. Yet testimony established that EPA is not developing MACT standards for hazardous waste combustion from existing sources.

At other hearings, testimony was heard concerning how inflexible the act and EPA has been in regards to the operating permit program, employee commute options, refinery MACT and other issues. Therefore, I believe a solid record has been established that these changes need to made.

Unfortunately, because of deadlines imposed both by the Clean Air Act and by EPA, some of which are even now beginning to fall, we do not have the luxury of year-long deliberations over legislation. Let me add that I intend to address these issues and others that are just as important but not as time sensitive in legislation this fall.

However, because the MACT for refineries has a court ordered deadline of July 28, action later this year may not be timely. Similarly, the MACT for hazardous waste combustion is scheduled to be proposed in September of this year. Companies may begin to comply with these standards before changes can be made. As for inspection and maintenance, even today, many States are potentially subject to sanctions. In the next several months, many will be forced to make decisions on the types of inspection and maintenance programs they intend to implement. The proposed provision in the bill will help clear up confusion States have over what type of inspection and maintenance program they can propose, and allow States to begin to move forward.

For these reasons, I urge my colleagues to oppose the amendment.

I also provide the following additional comments.

EXPLANATION OF RIDERS AND LEGISLATIVE LANGUAGE AFFECTING COMMERCE COMMITTEE JURISDICTION IN VA, HUD, INDEPENDENT AGENCIES APPROPRIATIONS BILL

I. RADON AND ARSENIC IN DRINKING WATER

The appropriations language provides that none of the funds appropriated under this heading may be used by the Administrator or the Administrator's designee for signing and publishing a national primary drinking water regulation for radon and other radionuclei: Provided further, That none of the funds appropriated under this heading may be used by the Administrator or the Administrator's designee for signing and publishing any proposed national primary drinking water regulation for arsenic.

Background

Under the Safe Drinking Water Act Amendments of 1986, EPA was required to regulate 83 specific contaminants in drinking water, including radon and arsenic, by June 1989. EPA has issued regulations for nearly all of the specified contaminants, but not for radon or arsenic. As described below, these contaminants have presented particular problems for the regulators.

Radon.—While radon can enter a home through drinking water, most radon in homes comes from the soil beneath the foundation of the dwelling. Nonetheless, the Safe Drinking Water Act requires EPA to regulate radon in drinking water. The costs of controlling radon in drinking water are high; each source of groundwater must be equipped with an aeration device that separates the radon from the drinking water. The benefits, however, are usually considerably lower than the costs because most radon in homes comes from sources other than drinking water.

Congress has adopted appropriations language prohibiting EPA from issuing a radon regulation for the past three years. It is appropriate to continue this prohibition for another year while the Commerce Committee takes a careful look at this issue in the context of reauthorization of the Safe Drinking Water Act.

Arsenic.—EPA's existing standard for arsenic in drinking water is 50 parts per billion. However, EPA is required by the Safe Drinking Water Act Amendments of 1986 to revise this standard. In fact, EPA is under a November 1995 court-ordered deadline to issue such a proposed standard.

There are, however, a number of uncertainties in our understanding of the health effects of arsenic. EPA has concluded that there is a need for additional time to gather additional information on the potential health benefits of regulating arsenic and on potential treatment technologies before proceeding further with these regulations.

Indeed, in the bill to reauthorize the Safe Drinking Water Act which passed the House last year, both Republicans and Democrats agreed to extend the statutory deadline for revisions to EPA's arsenic standard to give EPA more time to understand the health effects of arsenic.

Therefore, it is appropriate to use the VA, HUD appropriations bill to prohibit EPA from revising its arsenic standard until the Commerce Committee has had an opportunity to review this issue in the context of reauthorization of the Safe Drinking Water Act.

II. EMPLOYEE TRIP REDUCTION

The appropriations bill provides that: none of the funds appropriated under this heading may be used by the Environmental Protection Agency to impose or enforce any requirement that a State implement trip reduction measures to reduce vehicular emissions. Section 304 of the Clean Air Act, as amended, shall not apply with respect to any such requirement.

Background

The Employee Trip Reduction Program (ETRP or ECO ("employee commute option")) is required by the 1990 Clean Air Act Amendments. The law applies to the nine smoggiest cities in the United States and requires employers with more than 100 employees in those areas to develop plans that will reduce employee's average vehicle occupancy (AVO) during commuting time by 25 percent.

On March 18, 1995, the Oversight and Investigations Subcommittee held a hearing on ECO. The Subcommittee received testimony from employers and States which are subject to the requirement. Most of the testimony was critical of the requirement; several witnesses testified that the costs of developing and maintaining such programs far exceeded the benefits, *i.e.*, reduced air pollution.

EPA defended the program as necessary to reduce total "vehicle miles traveled" (and hence, air pollution) but said that it would require States and employers to make only a "good faith effort" for compliance. EPA's commitment to use prosecutorial discretion, however, would not protect a State or employer from a citizens' suit under Section 304 of the Clean Air Act. Chairman Barton asked EPA to consider whether legislative changes to the ECO program are required.

As a direct result of the March 18, 1995, hearing, EPA convened a "working Group" to assess ECO. This group met twice and then issued a report to the Clean Air Act Advisory Committee (CAAAC). The report was largely accepted by the CAAAC and then referred to EPA for action. The report called for several efforts to increase the "flexibility" of the ECO program but did not address whether the ECO program requires legislative changes.

On July 11, 1995, EPA wrote to Chairman Barton to announce its implementation of the CAAAC recommendations. EPA agreed to allow "regionalization" of the program at the behest of a State, to only require good faith efforts for compliance, to allow more flexible credits and too allow seasonal rather than full year ECO plans. Additionally, EPA accepted an "emission equivalency" proposal (albeit with some important distinctions discussed below).

Appropriations bill language.—The FY96 VA, HUD appropriations bill contains language that prohibits EPA from spending any money to "impose or enforce any requirement" that a State implement ECO. The appropriations bill also provides that Section 304—which authorizes citizens' suits—shall not apply to the ECO program. Thus, the language seeks to bar EPA from enforcing trip reduction requirements against a state (through an applicable State Implementation Plan or through the sanctions afforded under the CAA) and against an employer (for violation of an employer's duties to implement the program under the CAA). Additionally, the language seeks to insulate States or employers from being sued for non-compliance with ECO requirements under the citizen suit provisions of the CAA. The citizen suit provisions allow "any person" to bring a civil action against "any person" in violation of an emission standard or limitation under the Act.

Explanation of the appropriations bill language.—This language is based on several considerations:

(1) EPA's efforts to "reform" the program administratively have come up short. Despite EPA's proposed reforms, affected

States and employers will still be required to develop the required plans, or risk lawsuits by citizens groups.

(2) It appears unlikely that EPA will use its administrative authority to make the program workable. Indeed, EPA remains committed to the statutory language of ECO. In a June 29, 1995, memorandum, EPA stated "we want to emphasize our continued support for the numerous trip reduction strategies that are currently available within the program. We believe it is important to preserve the overall trip reduction focus of ECO programs."

(3) EPA has shown no interest at all in statutory reforms of the ECO program. During its "Working Group" effort to define alternatives to ECO, the Agency tried to rule out any statutory approaches. Although several members of the Working Group supported such changes, these recommendations were not accepted by the Clean Air Act Advisory Committee. Additionally, EPA Assistant Administrator for Air and Radiation, Mary Nichols, has been quoted recently as opposing any attempts to reopen the Clean Air Act, including even minor revisions. Thus, even though EPA does not have sufficient legal authority to fix the program administratively, it continues to oppose efforts by Congress to give it that authority.

(4) Time is of the essence. States were required to file ECO revisions to their State Implementation Plans (SIPs) in 1992. Some States now have approved ECO SIPs; some are pending EPA approval. In either event, the program continues to be mandatory and States and employers are subject to citizens suits. The appropriations rider—a 12-month fix—will give the Commerce Committee time to consider whether legislative changes to the program are needed, and if so, how best to obtain those changes.

III. ENHANCED INSPECTION AND MAINTENANCE

The appropriations bill provides that: "none of the funds appropriated under this heading may be used to assign less than full credit for automobile emissions inspection programs required under 182 (c), (d), or (e) of the Clean Air Act, as amended, on the basis of network design equipment unless the Administrator determines, based on data collected from at least two full cycles of the program, that less than full credit is appropriate".

The Clean Air Act Amendments of 1990 require ozone nonattainment areas designated as "serious," "severe," and "extreme" to implement a program of "enhanced" inspection and maintenance (I&M). A number of such nonattainment areas have attempted to comply with the law by "enhancing" their existing decentralized "test and repair" programs. A "test and repair" program is one in which a car can be tested and repaired at the same location, typically at a service station. However, EPA has concluded that such "test and repair" programs are not as effective as "centralized" programs, *i.e.*, programs in which cars are tested at one facility and repaired at another facility. In its regulations implementing the enhanced I&M program, EPA has said that it will give "test and repair" programs only 50 percent of the credit that "centralized" programs receive.

Appropriations language.—The FY96 VA, HUD appropriations bill contains language that prohibits EPA from using funds to assign less than full credit for automobile emissions inspection programs unless EPA determines, based on data collected from at least two full cycles of the program, that less than full credit is appropriate.

Explanation of the appropriations language.—In testimony before the Commerce Committee, GAO has questioned the quantitive basis for EPA's assumption that "test and repair" I&M programs should receive only 50 percent of the credit awarded to centralized programs. The appropriations language would prohibit EPA from assigning less than full credit unless less than full credit is justified by actual data from the operation of a "test and repair" system.

IV. REFINERY MACT

The appropriations bill provides that "none of the funds appropriated under this heading may be used to develop, propose, promulgate, issue, enforce, or to set or enforce compliance deadlines or issuance schedules for maximum achievable control technology standards pursuant to section 112(d) of the Clean Air Act, as amended, for the category proposed to be regulated at Vol. 59, Federal Register, No. 135, page 36130, dated July 15, 1994, and for purposes of this provision, section 304 of the Clean Air Act shall not apply".

The Clean Air Act requires EPA to identify and enforce "maximum achievable control technology" (MACT) standards for a number of industries, including refineries. MACT standards are designed to limit the emission of Hazardous Air Pollutants (HAPs). For existing sources, the standards are to be no less stringent than "the average emission limitation achieved by the best performing 12 percent of existing sources." For new sources, the MACT standards are based on "best controlled similar source."

EPA is under a court-ordered deadline to issue MACT for refineries by July 28, 1995. EPA is preparing to adopt a definition of MACT for refineries which would, according to the National Petroleum Refiners Association (NPRA), result in the shutdown of seven small refineries. This language would prevent EPA from finalizing a MACT standard for refineries for one year, thereby giving the Commerce Committee time to assess whether EPA is exercising its authority properly and whether there are statutory problems with Title III of the 1990 Clean Air Act Amendments which need to be corrected.

At a June 29, 1995 hearing of the Oversight and Investigations Subcommittee, the NPRA argued that the Refinery MACT standard was flawed because:

EPA relied on data from the early 1980's, instead of available 1993 data on industry equipment leaks. This data was used to estimate the benefits that would be expected from the regulation.

In designing its regulation, EPA used a "worst case scenario" which assumed that some population lives within 150 feet from the center of every refinery in the country. This assumption served to skew risk assessments.

Even with flawed data and risk assessments, NPRA argued that EPA's own analysis of the rule demonstrated that up to 7 refineries would close due to the regulation and that the regulation would cost $800 million over five years while reducing baseline cancer incidence by 0.33 persons per year. NPRA argued that such a risk approached zero and was not cost effective as compared to other risks facing society ($31,000/yr cost effectiveness for death averted for improved traffic signs, $101,000/yr. For upgraded guard rails versus $333,300,000/yr for the Refinery MACT rule).

V. RISK MANAGEMENT PLANS FOR THE OIL AND GAS INDUSTRY

The appropriations bill provides that: none of the funds appropriated under this heading shall be obligated or expended to take any action to extend the risk management plan requirements under section 112(r) of the Clean Air Act, as amended, to the domestic oil and gas exploration and production and natural gas processing industry.

Section 112(r) of the Clean Air Act requires certain sources of toxic air emissions to prepare a risk management plan to prevent accidental releases of such emissions. This section of the Clean Air Act was added by the 1990 Clean Air Act Amendments and was intended to address "Bhopal-type" releases where human health and the environment are threatened.

EPA issued a list of substances subject to 112(r) regulations in January, 1994. On March 13, 1995, EPA issued a supplemental notice to the regulation which discussed several different approaches, including a "tiered" regulation of sources which essentially varies the level of effort depending on the level of risk. At present, these regulations have not been issued in final form.

EPA is interpreting certain provisions to require risk management plans for separate oil and gas wells, instead of for groups of oil and gas wells. Oil and gas producers contend that this could result in costly equipment being mandated for remote exploration and production facilities. Oil and gas producers estimate that 112(r) requirements could cost the oil and gas exploration industry $7 to $12 billion in the first year.

Effect of Appropriations Language

The language is intended to prevent any application of risk management plan requirements to the oil and gas exploration, processing and natural gas production industry. The key element of this amendment is the definition of "oil and gas exploration and production and natural gas processing industry." This language was altered between the subcommittee and full Appropriations Committee consideration. At the subcommittee level, the language read, "oil and gas exploration, processing and production industry." Mr. Lewis offered an amendment at the full Appropriations Committee to alter the language to its current form.

"Oil and gas exploration and production" involves such things as rigs and test equipment, usually found in remote locations. The definition also appears to cover the "Christmas tree" constructed to remove oil and gas for production. While there is some uncertainty, field plants for production may additionally fall under the definition; while major production plants may not.

With the specification of "gas processing industry," however, some have argued that refineries now may be included within the prohibition on funds. That is, some may argue that the appropriations language prevents requiring 112(r) plans not only for remotely located exploration and production activities, but larger plants which can be located in industrial and more populated areas.

According to the Appropriations Committee report, this language is necessary "so that Congress will have the opportunity to determine if the Agency has overstepped their regulatory bounds with respect to this action."

VI. HAZARDOUS WASTE COMBUSTION MACT

The appropriations language provides that: "none of the funds appropriated under this heading may be used to issue or enforce any requirement not otherwise authorized under existing law or regulation with respect to combustion of hazardous waste prior to promulgation of final regulations pursuant to a

rulemaking proceeding under the Administrative Procedure Act or to impose or enforce any requirement or condition of a permit, including the use of an indirect risk assessment, or to deny a permit pursuant to section 3005(c)(3) of the Resource Conservation and Recovery Act, as amended, unless the Environmental Protection Agency follows the procedures governing the use of authority under such section which it has set forth at 56 Fed. Reg. 7154, note 8, February 21, 1991: Provide further, That none of the funds appropriated under this heading may be used to issue or enforce any regulatory standard for maximum achievable control technology (MACT) for hazardous waste combustion under any statute other than the Clean Air Act, as amended, issue any such standard without first determining that in calculating the MACT floor emission levels for existing sources under section 112(d)(3) of the Clean Air Act, as amended, one-half of the currently operating facilities in the group of sources that make up the floor pool for that category or subcategory actually achieve the MACT floor levels for all of the hazardous air pollutants to be regulated".

After the Love Canal crisis, Congress made the determination to discourage the further land disposal of certain kinds of hazardous waste. EPA made the determination that combustion of hazardous waste was the best alternative for the disposal of most organic hazardous waste. Hazardous waste combustion occurs by two basic methods: (1) as input to hazardous waste incinerators; and (2) as fuel substitutes for boilers and industrial furnaces, including cement kilns.

Hazardous waste combustion units are already stringently regulated by two different but similar sets of regulations under RCRA. (Subpart O regulates incinerators: boilers and industrial furnaces (BIFs) are regulated under the BIF rule. Both sets of rules impose stringent emission limitations and other requirements "as necessary to protect human health and the environment." In addition, hazardous waste combustion units are subject to regulation under Section 112 of the Clean Air Act dealing with Hazardous Air Pollutants. That section requires EPA to propose a Maximum Achievable Control Technology (MACT) for major sources of certain hazardous air pollutants. EPA is required to make its RCRA and Air Act limits for these units consistent to the extent practicable. This has been generally referred to as the "combustion strategy".

Problem

Congress was very specific about how EPA was to determine the floor for MACT standards. EPA was to set the floor at the average of the top twelve percent of *existing* source facilities. EPA appears to be setting a standard that is not based on existing sources, even though in recent testimony before the Oversight and Investigations Subcommittee, Ms. Nichols stated that such standards were to be based on existing facilities. EPA also appears to be setting a MACT standard for hazardous waste combustion that improperly commingles authority between Clean Air Act and RCRA authority.

In addition, EPA has been conditioning RCRA permits on requirements that have not been subject to the full notice and rulemaking under the terms of the Administrative Procedure Act. Thus, EPA has used its permitting authority to achieve what it refuses to subject to actual regulatory development.

Appropriations language

Arguably, the language requires that EPA do only what it is already required to do. The language prohibits EPA from: (1) the use of permit conditions without site specific findings; (2) the setting of MACT standards under any authority other than the Clean Air Act; (3) the setting of a MACT standard without making the required finding that certain facilities are achieving the standard.

VII. OPERATING PERMITS

The appropriations bill provides that "none of the funds appropriated under this heading may be used to promulgate, implement, or enforce sections 502(d)(2), 502(d)(3), or 502(i)(4) of the Clean Air Act, as amended, against a State which is involved in litigation regarding provisions of Title V of the Clean Air Act, as amended."

This language would prohibit EPA from promulgating, implementing or enforcing the operating permits requirements against any State which is involved in litigation regarding provisions of operating permits title. This prohibition in intended to apply in Virginia—and in any other State—where deadlines have not been met for submittal of an operating permits program, approval of a state operating permits program by EPA, or imposition of a federal operating permits program (upon failure of a state to submit or gain approval of its own program).

The Commonwealth of Virginia submitted its operating permits program to EPA for approval on November 19, 1993. EPA disapproved the Commonwealth's proposed program on December 5, 1994 because of one alleged deficiency: EPA said the Commonwealth's "citizen suit" provision was not broad enough. Virginia has sued EPA over this assertion.

Because Virginia does not have an approved operating permits program, the Commonwealth will become subject to sanctions (withholding of highway funds and offsets) on November 15, 1995. In addition, EPA would be required to implement an operating permits program for Virginia by November 15, 1995. This means that after November 15, 1995, Virginia businesses could be required to apply for permits from EPA's Regional Office in Philadelphia.

The appropriations language prohibits EPA from imposing sanctions on Virginia and from promulgating, implementing or enforcing a federal operating permits program in Virginia and in any other State which is currently involved in litigation with EPA on operating permits issues. Currently, 14 States (and 30 localities) have operating permit programs which have been approved by EPA. Thus, a number of States are still subject to uncertainties concerning what should be in their operating permits program.

In addition, EPA is presently proposing significant changes to the Title V program. Although the Agency issued a final rule to implement Title V in July, 1992, challenges to the rule forced proposed modifications in August, 1994. These modifications themselves were heavily criticized and resulted in a January 25, 1995 decision to work a new proposal. Most recently, the Agency issued a "White Paper" on Title V (issued 7/10/95) which proposed further reforms. Thus, some have referred to Title V as a regulatory "moving target." Although the general intent of revisions is to correct past deficiencies, states and the regulated community are uncertain as to what the final elements of the Title V permits program will be, especially with regard to modifications made to a source subject to a permit.

Mr. STOKES. Mr. Chairman, I yield such time as he may consume to the gentleman from North Carolina [Mr. WATT].

Mr. WATT of North Carolina. Mr. Chairman, I rise in strong support of the amendment under consideration.

Mr. STOKES. Mr. Chairman, I yield such time as he may consume to the gentleman from Massachusetts [Mr. OLVER].

Mr. OLVER. Mr. Chairman, I rise in strong support of the Boehlert-Stokes amendment.

Mr. STOKES. Mr. Chairman, I yield myself 30 seconds.

Mr. Chairman, many of us have observed, during the debate, that the American people value the environmental goals of clean water, clean air, and reductions in hazardous materials. The public support has been strong for many years and we fully expect it to continue.

My colleagues should not be fooled by the rhetoric of the opposing side. There will be a price to pay for our actions today.

Mr. Chairman, these riders in the life of the Clean Water Act put numerous special interest loopholes in the Clean Air Act and block efforts to keep poisons out of our drinking water. This is not what the Americans want or deserve. Let true reforms go forward.

Mr. Chairman, I yield 3 minutes to the gentleman from Michigan [Mr. BONIOR], the distinguished minority whip.

Mr. BONIOR. Mr. Chairman, I think the gentleman from New Jersey [Mr. SAXTON] said it well. He said, "My uncle used to tell us you cannot eat the fish and you cannot go in the water."

Mr. Chairman, I think all of us who have spoken today have had similar experiences in our district one time or another; certainly those of us from the Great Lakes and those along the Chesapeake. I have listened to the gentleman from New Jersey [Mr. SAXTON]; I have listened to the gentleman from Delaware [Mr. CASTLE]; the gentleman from Maryland [Mr. GILCHREST], the gentleman from Michigan [Mr. LEVIN], on my side of the aisle; the gentleman from New York [Mr. BOEHLERT].

Mr. Chairman, for more than two decades this country has had a bipartisan commitment to protecting the environment. We have done so because we recognize that as a nation, our economy, our jobs, our tourism, our health depend upon keeping our land safe and our water clean.

But we have a bill before us today that rolls back environmental safeguards in 17 different ways. Let me give you an example.

Mr. Chairman, when I was a kid, I used to ride my bike and go swimming during the summer in Lake St. Clair. Last year the kids in my district could not swim in the lake because bacteria levels had reached dangerously high levels. Beaches closed. Businesses lost millions of dollars.

When we looked into what caused the problem, we found that untreated raw

sewage was being dumped directly into the water supply because aging sewer systems could not handle the demands of a larger population, permits were issued and they were not being enforced. In some cases, the State had to let permits actually lapse for as many as 20 years.

Mr. Chairman, we know our district is not alone in this. We have heard that today on the floor. All over America, local communities need help. But instead of helping local governments, this bill takes away the tools they need to do the job.

It freezes all new wastewater treatment projects. It kills the loan funds set up to help local communities build safe drinking water facilities. It sets up a hollow permit process in which new sewage permits can be issued, but they cannot be enforced.

This bill is the sewer equivalent of opening the prison door, throwing away the key and firing the guard. Raw sewage will be left to roam free through our water supply, and we may not even know that it is there until it is too late, like in Milwaukee where 104 people were killed as a result of the parasite Cryptosporidium.

Mr. Chairman, it is time we returned some common sense and concern for our communities into this debate and that is why I am supporting the Stokes-Boehlert amendment. Even if we adopt this amendment, this will not cure what I think is a fatally flawed bill, because it will still cut funds. This bill will cut funds needed to keep raw sewage out of our water. It will still cut funds we need to keep our drinking water safe, and it will still cut funds we need to help our local communities keep our environment clean.

Mr. Chairman, I urge my colleagues to support this amendment, but defeat this bill.

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

Mr. Chairman, I am not disappointed in this process; I am offended by it. Do my colleagues know what this bill says, these 17 riders? Among other things, they say that none of the funds appropriated may be used for any proposed national primary drinking water regulation for arsenic. This bill prevents action to control raw sewage overflow in our urban areas. This bill would put a halt to regulation dealing with toxic emissions from oil refineries.

Is it any wonder that every single group in America concerned about the environment, every single group in America concerned about our families is watching what we are doing here and they are going to remember what we do here?

Mr. Chairman, many of my colleagues, for whom I have great respect, have defended these riders and they have argued that they are necessary to send a signal. They want to send a signal to the Senate to get moving on some of the legislation pending over there. They want to send a signal to the bureaucrats in the Environmental Protection Agency to maybe adjust the way they do business.

Mr. Chairman, I think we ought to send a signal. I think we ought to send a signal to the American people that we care about the air they breathe; we care about the water they drink; we are concerned about their environment.

Vote "yes" for America.

Mr. LEWIS of California. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, this is a very, very significant vote. I would like to dispel the underlying assumption that those Members who have risen in opposition to this proposal are opposed to clean drinking water or they do not want the air to be clean.

Mr. Chairman, one of the most important things that ever happened in my life in public affairs was in the late 1960's when the country discovered the word "environment." We began a movement to progressively move in the direction of improving our air and doing something about clean water.

The EPA came out of some of that work. But the reality is, over the years this agency has gone to such excess that today we are losing public support for that important environmental movement.

I was the chairman of an air quality committee in California. In that capacity I was the author of the toughest environmental laws in the country relating to air. I wrote the legislation that created what is recognized as the leading agency in terms of air quality in the country.

At the same time, I had to deal with the EPA and its constant process of developing regulations beyond the law, its willingness to put regulation on top of regulation for the sake of it. It is now time for us to step back and insist that this agency get its act together and reflect the will of the people and the will of the Congress. Otherwise, Mr. Chairman, we are going to lose all of the support that we have developed over these years for significant and important environmental law.

□ 1315

That is why, ladies and gentlemen, we have this list of people and organizations strongly opposing this amendment today, the following groups: the National Federation of Independent Business, the National Association of Counties, the National Association of Flood and Storm Water Managers, people who are concerned about flood and storm waters, the National League of Cities, the National Association of State Departments of Agriculture, the American Farm Bureau Federal Federation, the U.S. Chamber of Commerce, Concerned Citizens for Property Rights, the National Association of Home Builders, the National Association of Realtors, the National Rural Electrical Cooperative Association. And the list goes on.

But we have an agency, the EPA, out of control. Ladies and gentlemen, the language in this bill comes with the support of virtually all of the chairmen of the committees of jurisdiction. Without any doubt, we are moving in the direction of attempting to send a clear message to EPA. It is time for us to redirect this Agency so it makes sense, so the public can once again support this very important work.

Mr. LEVIN. Mr. Chairman, the five Great Lakes contain 95 percent of the fresh surface water in the United States.

Fresh surface water for drinking, for fishing, and recreation for millions of Americans.

And for the last 9 years, the States bordering the Great Lakes have worked together to find new ways to reduce toxic chemicals dumped into the lakes.

Two years from now, the result of this work, this bipartisan eight-State effort known as the Great Lakes Water Quality Initiative, will be done. And we will actually begin to: cut the amount of mercury dumped into the lakes; cut discharges of lead; and cut dioxin levels, and those of 19 other toxics in the five Great Lakes of the United States.

But today, the majority party wants none of that. Tucked into their bill is a Republican plan to begin throwing all that work out the window, leaving the Great Lakes at the mercy of those who dump mercury, and lead, and dioxin, into drinking water.

Mr. Speaker, these are dangerous chemicals. These chemicals pose a risk to human health. These chemicals will be controlled unless the majority kills this initiative.

Let me give you an example.

Today, the level of toxics like mercury and PCB's is so high in Lake Michigan that women of child-bearing age, pregnant women, and young children are advised not to eat more than one fish meal per month. Studies link even small amounts of these chemicals to increased risk of cancer in adults and birth defects in children.

The Centers for Disease Control have just released a study showing that children who eat Great Lake fish have: four times the amount of PCB's and three times more DDT in their bodies; lower IQ's; and growth stunts and lingering development problems.

Imagine the future if we continue to allow polluters to dump mercury and PCB's into the Great Lakes—with untold human toll, huge medical and educational costs—and yet, under the Republican proposal, the EPA would be barred from even providing advice to States as they develop their water quality programs.

That's why I rise in support of the Stokes-Boehlert amendment. The amendment is needed to strike irresponsible provisions of this bill that would block the implementation and enforcement of our Nation's most important environmental laws.

The Great Lakes are an irreplaceable treasure that should be protected. Let's not roll

back a decade of progress. Support the Great Lakes. Support the Stokes-Boehlert amendment.

Ms. NORTON. Mr. Chairman, I rise in strong support of the Stokes-Boehlert amendment to H.R. 2099, the VA–HUD–independent agencies appropriations for fiscal year 1996. The proposed riders cripple the ability of EPA to protect our environment. This is not just a problem for EPA. The effects of this legislation will fall mainly on our constituents.

Exxon and Exxon Shipping paid $250 million in penalties for the *Valdez* spill. This was the most devastating environmental disaster of our Nation's history. How can we even consider legislation that would immunize those who may be responsible for future atrocities?

Supporters of H.R. 2099 claim that the riders remove unnecessary costs on American industry, but industries such as fishing and tourism depend on clean, swimmable, and fishable waters.

There is agreement on the need for environmental reform, but this bill is a backdoor attempt to repeal environmental statutes against the public interests and all without adequate public discussion.

I urge my colleagues' strong support of the Stokes-Boehlert amendment.

Mrs. KENNELLY. Mr. Chairman, I rise in strong support of the Stokes-Boehlert amendment.

If we pass this bill as is, we will make it easier for polluters to get away without paying for their accidents.

We will make it easier for dangerous bacteria to infect our water, as it did in Milwaukee 2 years ago, killing over 100 people.

We will make it easier for lead and arsenic to contaminate our drinking water, causing immeasurable harm to our children.

We will make it easier for sewage to back up onto our streets.

We will make it easier for carcinogenic pesticides to attach themselves to our food.

And worst of all, we will make it easy for the forces of pollution to get their way without proper debate, and without hearings in the open light of day. The appropriations process is not the place to make major policy changes that the majority of Americans rightfully oppose.

If you want to gut our environmental protection laws, and if you want to make it easier for polluters to pollute, then let's have that debate out in the open, where it belongs. Let the American people know—in no uncertain terms—you oppose clean air and clean water. But for the sake of our families, our children, and our communities, don't try to sneak these dangerous riders through.

The Stokes-Boehlert amendment restores a little sanity to the process. It will let the American people know that their environmental laws will not be gutted in secret.

I urge my colleagues to support the Stokes-Boehlert amendment.

I yield back the balance of my time.

Mr. OLVER. Mr. Chairman, I strongly support the amendment offered by my colleagues, Mr. STOKES and Mr. BOEHLERT.

I am firmly opposed to the legislative riders provisions of H.R. 2099. Prohibiting the EPA from enforcing or implementing regulations under the Clean Air and Clean Water Acts, as well as limiting the scope of the Delaney clause, is a direct threat to our environment, as well as the health and safety of the American people.

These riders represent a backdoor attempt by the Republican majority to ease environmental protections in order to increase the profit margins of their big business friends. No hearings were held by the legislating committees, there was no public debate over these dramatic changes in environmental practices. By simply inserting these riders into appropriations legislation, which is blatantly against House tradition, the majority hopes to endanger our environment without informing the public of their intentions.

I recognize that some changes must be made in the regulatory process. However, I believe that careful review of specific laws is needed—not neutralization of a whole spectrum of laws which protect human health, safety, and our fragile environment.

If these provisions remain in this legislation, it will roll back 25 years of environmental protections—laws which have made our water safe, our air and water cleaner, saved the natural habitats of hundreds of plants and animals, preserved our wetlands, and made our food safe and free from harmful pesticides.

I urge my colleagues to support the Stokes-Boehlert amendment.

The CHAIRMAN. All time has expired.

The question is on the amendment offered by the gentleman from Ohio [Mr. STOKES].

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

RECORDED VOTE

Mr. STOKES. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 212, noes 206, not voting 16, as follows:

[Roll No. 599]

AYES—212

Abercrombie
Ackerman
Andrews
Baldacci
Barrett (WI)
Bass
Becerra
Beilenson
Bentsen
Bereuter
Bevill
Bishop
Boehlert
Bonior
Borski
Boucher
Brown (CA)
Brown (FL)
Brown (OH)
Bryant (TX)
Cardin
Castle
Clay
Clayton
Clement
Clyburn
Coleman
Collins (IL)
Conyers
Costello
Coyne
DeFazio
DeLauro
Dellums
Deutsch
Diaz-Balart
Dicks
Dingell
Dixon
Doggett
Dooley
Doyle
Durbin
Ehlers
Ehrlich
Engel
English
Eshoo
Evans
Farr
Fattah
Fawell
Fazio
Fields (LA)
Flake
Foglietta
Forbes
Ford
Fox
Frank (MA)
Franks (CT)
Franks (NJ)
Frost
Furse
Gejdenson
Gephardt
Gibbons
Gilchrest
Gillmor
Gilman
Gonzalez
Gordon
Goss
Green
Greenwood
Gutierrez
Hamilton
Harman
Hastings (FL)
Hefner
Hinchey
Hoke
Holden
Horn
Houghton
Hoyer
Jackson-Lee
Jacobs
Jefferson
Johnson (CT)
Johnson (SD)
Johnson, E. B.
Kanjorski
Kaptur
Kelly
Kennedy (MA)
Kennedy (RI)
Kennelly
Kildee
Kleczka
Klink
Klug
LaFalce
Lantos
LaTourette
Lazio
Leach
Levin
Lewis (GA)
Lipinski
LoBiondo
Lofgren
Longley
Lowey
Luther
Maloney
Manton
Markey
Martinez
Martini
Mascara
Matsui
McCarthy
McDermott
McHale
McNulty
Meehan
Meek
Menendez
Mfume
Miller (CA)
Mineta
Mink
Moran
Morella
Murtha
Nadler
Neal
Oberstar
Obey
Olver
Orton
Owens
Pallone
Pastor
Payne (NJ)
Pelosi
Peterson (FL)
Pomeroy
Porter
Quinn
Ramstad
Rangel
Reed
Regula
Richardson
Rivers
Ros-Lehtinen
Rose
Roukema
Roybal-Allard
Rush
Sabo
Sanders
Sanford
Sawyer
Saxton
Scarborough
Schiff
Schroeder
Schumer
Scott
Serrano
Shaw
Shays
Skaggs
Slaughter
Smith (NJ)
Spratt
Stark
Stokes
Studds
Stupak
Taylor (MS)
Thompson
Thornton
Thurman
Torkildsen
Torres
Torricelli
Towns
Tucker
Upton
Velazquez
Vento
Visclosky
Ward
Waters
Watt (NC)
Waxman
Weldon (PA)
White
Williams
Wilson
Wise
Wolf
Woolsey
Wyden
Wynn
Yates
Young (FL)
Zimmer

NOES—206

Allard
Archer
Armey
Bachus
Baesler
Baker (CA)
Baker (LA)
Ballenger
Barcia
Barr
Barrett (NE)
Bartlett
Barton
Bilbray
Bilirakis
Bliley
Blute
Boehner
Bonilla
Bono
Brewster
Browder
Brownback
Bryant (TN)
Bunn
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Camp
Canady
Chabot
Chambliss
Chapman
Chenoweth
Christensen
Chrysler
Clinger
Coble
Coburn
Collins (GA)
Combest
Condit
Cooley
Cox
Cramer
Crane
Crapo
Cremeans
Cubin
Cunningham
Danner
Davis
de la Garza
Deal
DeLay
Dickey
Doolittle
Dornan
Dreier
Duncan
Dunn
Edwards
Emerson
Ensign
Everett
Ewing
Fields (TX)
Flanagan
Foley
Fowler
Frelinghuysen
Frisa
Funderburk
Gallegly
Ganske
Gekas
Geren
Goodlatte
Goodling
Graham
Gunderson
Gutknecht
Hall (TX)
Hancock
Hansen
Hastert
Hastings (WA)
Hayes
Hayworth
Hefley
Heineman
Herger
Hilleary
Hilliard
Hobson
Hoekstra
Hostettler
Hunter
Hutchinson
Hyde
Inglis
Johnson, Sam
Jones
Kasich
Kim
King
Kingston
Knollenberg
Kolbe
LaHood
Latham
Laughlin
Lewis (CA)
Lewis (KY)
Lightfoot
Lincoln
Linder
Livingston
Lucas
Manzullo
McCollum
McCrery
McDade
McHugh
McInnis
McIntosh
McKeon
Metcalf
Mica
Miller (FL)
Minge
Molinari
Mollohan
Montgomery
Moorhead
Myers
Myrick
Nethercutt
Neumann
Ney
Nussle
Ortiz
Oxley
Packard
Parker
Paxon
Payne (VA)
Peterson (MN)
Petri
Pickett
Pombo
Portman
Poshard
Pryce
Quillen
Radanovich
Rahall
Riggs
Roberts
Roemer
Rogers
Rohrabacher

Roth	Souder	Traficant
Royce	Spence	Vucanovich
Salmon	Stearns	Waldholtz
Schaefer	Stenholm	Walker
Seastrand	Stockman	Walsh
Sensenbrenner	Stump	Wamp
Shadegg	Talent	Watts (OK)
Shuster	Tate	Weldon (FL)
Sisisky	Tauzin	Weller
Skeen	Taylor (NC)	Whitfield
Smith (MI)	Tejeda	Wicker
Smith (TX)	Thomas	Young (AK)
Smith (WA)	Thornberry	Zeliff
Solomon	Tiahrt	

NOT VOTING—16

Bateman	Johnston	Reynolds
Berman	Largent	Skelton
Collins (MI)	McKinney	Tanner
Filner	Meyers	Volkmer
Hall (OH)	Moakley	
Istook	Norwood	

□ 1336

The Clerk announced the following pairs:

On this vote:

Mrs. Meyers of Kansas for, with Mr. Skelton against.

Mr. Filner for, with Mr. Largent against.

Mr. Johnston of Florida for, with Mr. Istook against.

Mr. BLUTE changed his vote from "aye" to "no."

Mr. GREENWOOD changed his vote from "no" to "aye."

So the amendment was agreed to.

The result of the vote was announced as above recorded.

PERSONAL EXPLANATION

Mr. ISTOOK. Mr. Chairman, I was unavoidably absent from voting on rollcall Nos. 596, 597, 598, and 599. Had I been present, I would have voted "no" on all of them.

Mr. WATT of North Carolina. Mr. Chairman, I rise today in strong support of the Stokes-Boehlert amendment and in strong opposition to the attempts to insert 17 unauthorized legislative provisions into the VA-HUD and independent agencies appropriations bill for fiscal year 1996.

I am deeply concerned about the attacks being waged on the legislative process. This amendment is not only about preserving environmental, clean water and clean air laws but about safeguarding the integrity and proper functioning of the legislative process. None of the 17 legislative provisions in this bill has been reviewed or recommended by the authorizing committees with jurisdiction over those Federal programs.

Historically, appropriations bills deal with money and do not include legislative provisions. However, this bill ignores this history and violates this process. It represents an outright attack on the integrity of the legislative process we normally follow in this House.

There are good, compelling reasons that the House established authorizing committees and appropriating committees. The authorizing committees are charged with responsibility for taking the time to study, deliberate, review, and write laws which create and implemented Federal programs. The appropriating committees are charged with recommending levels of funding and appropriating funds to carry out programs. The legislative provisions in this bill represent a gross intrusion into the jurisdiction of the authorizing committees.

This bill circumvents the process. The Stokes-Boehlert amendment helps correct this abuse and circumvention. I, therefore, encourage my colleagues to support the amendment.

The CHAIRMAN. Are there further amendments to title III?

Mrs. THURMAN. Mr. Chairman, I move to strike the last word to enter into a colloquy with the gentleman from California [Mr. LEWIS] at this time.

Mr. Chairman, I would like to enter into a colloquy regarding an issue that is vital to the interests of veterans in Florida and many other States. The Department of Veterans Affairs, as one of a series of reforms, was supposed to allocate funds to its facilities so that veterans have reasonably similar access to VA care without regard to the State in which they reside. The goal of this provision was to give veterans greater equity of access than they now have. Has the committee had a concern about this issue generally and about the amount of resources furnished to the State of Florida?

Mr. LEWIS of California. Mr. Chairman, will the gentlewoman yield?

Mrs. THURMAN. I yield to the gentleman from California.

Mr. LEWIS of California. Mr. Chairman, I say to the gentlewoman that the committee has long been concerned about the VA's resource methodologies, and knows that Florida's veterans have long been frustrated about uneven access to VA care, particularly in contrast to the ease with which they received VA care in other parts of the country.

Mrs. THURMAN. Mr. Chairman, I understand that the total VA health care expenditures in Florida—for fiscal year 1994—are approximately the same as total expenditure levels in Illinois and Pennsylvania, for example, even though Florida's veteran population is 620,000 greater than that of Illinois and 330,000 greater than Pennsylvania's.

I understand that the VA health care system underwent a reorganization several years ago to reduce the number of regional offices from seven to four and that one of the perceived benefits of the proposed reorganization was that it would help achieve greater equity of access. Isn't it true that equity of access still remains an unmet goal even as VA moves to reorganize again?

Mr. LEWIS of California. The gentlewoman is correct.

Mrs. THURMAN. Then I also understand that VA has acknowledged the problem and instituted a resource-allocation system that is intended to make adjustments to facilities based on their increases in workload. Am I correct in understanding, however, that that system still leaves States like Florida shortchanged because it simply makes marginal adjustments in prior-year funding levels?

Mr. LEWIS of California. That is my understanding, and I very much appreciate the gentlewoman's raising these questions to this level of concern.

Mrs. THURMAN. Mr. Chairman, my reason for doing this also is to put the veterans, VA's, on notice that we are watching the allocation of these dollars, and we are concerned about these dollars and that it should be that the services are going to our veterans and there should be parity among States, not allocated on some outdated system.

Mr. LEWIS of California. I very much appreciate what the gentlewoman is trying to do.

□ 1345

Mr. DE LA GARZA. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I take this time to advise the distinguished subcommittee chairman that I follow up on the colloquy which he just had with the distinguished gentlewoman from Florida. I want to add that we have the exact same problem in Texas and particularly in south Texas, where we are 25 miles away from a VA hospital.

Although we have a clinic that is doing its best, the allocations are not favorable because in the wintertime, we have an influx of veterans from the midwestern States. The allocation gives their States the amount but the services are rendered in another State.

I would like to apprise the distinguished gentleman of that fact and would hope that he would work with us in trying to arrive at an equitable solution.

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

Mr. DE LA GARZA. I yield to the gentleman from California.

Mr. LEWIS of California. Mr. Chairman, I very much appreciate my friend, Mr. DE LA GARZA, for bringing his concerns to our attention. There is little doubt that inequitable distribution is a problem that we must work out. In the meantime, shortage of resources results in great pressure, but I think the point the gentleman makes is very important. And the southwest, of course, is of special importance to the gentleman.

Mr. DE LA GARZA. Mr. Chairman, I thank the gentleman. I appreciate the work he has done within the constraints of the budget. But nonetheless, somehow we need to arrive at some equitable solution to these problems, and I thank him for his cooperation.

AMENDMENT OFFERED BY MR. FIELDS OF LOUISIANA

Mr. FIELDS of Louisiana. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Mr. FIELDS of Louisiana: Page 50, strike line 16 and all that follows through page 51, line 2, and insert the following:

"CORPORATION FOR NATIONAL AND COMMUNITY SERVICE

"NATIONAL AND COMMUNITY SERVICE PROGRAMS

"OPERATING EXPENSES

"For necessary expenses for the Corporation for National and Community Service in carrying out the programs, activities, and initiatives under the National and Community Service Act of 1990 (Public Law 103-82), $817,476,000.

"OFFICE OF INSPECTOR GENERAL

"For necessary expenses of the Office of Inspector General in carrying out the provisions of the Inspector General Act of 1978 (5 U.S.C. App.), $2,000,000.".

Page 71, line 5, after the dollar amount, insert the following: "(reduced by $819,476,000)".

Mr. FIELDS of Louisiana. Mr. Chairman, I will not use the entire 5 minutes.

Mr. LEWIS of California. Mr. Chairman, I reserve a point of order on the amendment.

The CHAIRMAN. The reservation is not timely. The gentleman from Louisiana had embarked upon debate.

Mr. LEWIS of California. Mr. Chairman, I was trying to get the Chair's attention, but the Committee was not in order.

Mr. FIELDS of Louisiana. Mr. Chairman, I am going to insist that the point of order is not timely. I will not proceed but for a few minutes, if the distinguished chairman would allow me.

The CHAIRMAN. First, the Committee will be in order. The gentleman from California makes a good point about the Committee's not being in order. The Chair will maintain order.

The gentleman from California [Mr. LEWIS] was on his feet. Only the disorder of the Committee prevented the Chair from noticing the gentleman.

The point of order is reserved.

Mr. FIELDS of Louisiana. Mr. Chairman, what is the ruling of the Chair? It is my understanding that the ruling of the Chair was that the gentleman's point of order was not timely.

The CHAIRMAN. The Chair has ruled that due to the noise in the Chamber, the Chair did not notice the gentleman from California [Mr. LEWIS] was on his feet seeking recognition. The reservation was timely. The gentleman raised a proper concern of the House not being in order.

Mr. LEWIS of California. Mr. Chairman, I am reserving that right. I do not wish to interfere with the gentleman's right to proceed.

Mr. FIELDS of Louisiana. Mr. Chairman, I would like to bring some attention to an issue that is very important to me as a young Member of this Congress and as a Member who had the opportunity to go to college and participate in various programs to pay my way and finance my education.

This bill totally eliminates the national service program. I feel it is very important to the young people of this country to have a program like the national service program because this program actually goes at those individual students who are caught in the middle. Their parents are caught in the middle. They make a little bit too much money to qualify for government assistance to send their kids to college but do not make enough money to where they can afford to send their kids to college on their own.

The year before last, the President came up with a unique idea. That idea was a program called national service that would give young people an opportunity to earn their way through college by participating in a nonprofit organization and not only during their college career but also give them an opportunity to pay for their college tuition or pay for their student loans even after they graduate from college. So I feel that this program is a very, very vital program. It is a good program.

This amendment is a very simple amendment. All it does is to take $819 million from NASA. I do have a great deal of respect for the NASA program, but I could not find money anywhere else. This amendment had to be budget neutral in order for it to be in order.

Therefore, I took $819 million out of the NASA budget and put this money into the national service program so that we will not turn our backs on the tens of thousands of young people all across this country who are dependent on this program to get their college education.

This is a very simple amendment. That is all the amendment does. I am not going to insist on a vote on this amendment. But I would like to tender it to the Members because I do not think that this debate ought to end on a bill that does not include national service. At some point in this debate, it probably will not happen on this floor, but I would hope at some point, be it in conference committee or be it in the Senate, somebody put the young people of this country before us and not eliminate a program that is serving a very vital need to young people all across this country.

I thank the chairman and members of the committee. I have no speakers because I do not request a recorded vote on this amendment.

The CHAIRMAN. Does the gentleman from California [Mr. LEWIS] insist on his point of order?

Mr. LEWIS of California. No, Mr. Chairman.

I withdraw my reservation of a point of order.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Louisiana [Mr. FIELDS].

The amendment was rejected.

AMENDMENT OFFERED BY MR. DURBIN

Mr. DURBIN. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Mr. DURBIN: Page 59, line 3, insert before the period the following: ": *Provided further*, That any limitation set forth under this heading on the use of funds shall not apply when it is made known to the Federal official having authority to obligate or expend such funds that the limitation would restrict the ability of the Environmental Protection Agency to protect humans against exposure to arsenic, benzene, dioxin, lead, or any known carcinogen".

The CHAIRMAN. Pursuant to the order of the Committee of Thursday, July 27, on this amendment, the gentleman from Illinois [Mr. DURBIN] will be recognized for 20 minutes, and a Member in opposition will be recognized for 20 minutes.

The Chair recognizes the gentleman from Illinois [Mr. DURBIN].

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

Mr. Chairman, this is an amendment which is offered by myself, the gentleman from Texas [Mr. WILSON], the gentleman from Delaware [Mr. CASTLE], and the gentleman from New York [Mr. BOEHLERT]. We will evenly divide the time on our side, the 20 minutes that has been allocated to us.

Let me try to explain the simplicity of this amendment. We all know of the strength and indestructibility of the human body. But we also know that if we as humans are exposed—we are all aware of the indestructibility in many instances and strength of the human body. But we also know that there are certain substances which our bodies can be exposed to which can increase the risk of disease and death.

One of the most dangerous categories is a category known as carcinogens, substances which when we are exposed to them over a period of time increase the likelihood that we will contract cancer or some other fatal disease.

The Environmental Protection Agency, at the Federal level, takes a look at the thousands of substances which we were exposed to as Americans to investigated by the Environmental Protection Agency. They divide these substances into hundreds which they believe cause cancer. Then they subdivide those cancer-causing substances into three areas: known causes of cancer, probable causes of cancer, and suspected causes of cancer.

This amendment only addresses known causes of cancer and lead, lead, of course, being particularly dangerous to young children. So what we are doing is to narrow the scope of this activity of the EPA, saying that under no

circumstances will this bill in any of its provisions stop this agency from protecting Americans from the unseen hazards in our water and air, which can cause cancer to our families. To me, it is nothing short of incredible that we are having this debate today.

Who in the last election stood up and said, I want less government, I want the EPA out of the business of protecting us from cancer-causing substances? I venture a guess, no one said that. We count on the EPA to make certain that we are not exposed to arsenic, benzene, dioxin, lead, and other known carcinogens.

Yet it is necessary to offer this amendment. We just had an important vote on the floor on 17 riders to this bill which would have challenged the premise as to whether the EPA has the right to assert that jurisdiction. The purpose of this amendment, which the gentleman from Texas [Mr. WILSON] and I offer, is to state clearly and unequivocally the EPA has this authority, no matter what else is put in the bill.

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

Mr. DURBIN. I yield to the gentleman from Texas.

Mr. WILSON. Mr. Chairman, the gentleman understands as I do that there are roughly 200 carcinogens that are suspected in the world. They are in three categories: known carcinogens, probable carcinogens, and suspected carcinogens. The smallest category are known carcinogens. That is only 10 percent of them.

This amendment only directs itself to the known cancer-causing toxins.

Mr. DURBIN. Absolutely. Mr. Chairman, that is why the amendment should be so clear and noncontroversial. If you want to stand for the proposition that the EPA should not protect our families from cancer-causing substances, then vote "no" on this amendment. If you believe that they should protect us from these unseen dangers in water and air, vote "yes." Simple and easy.

So why is it complicated today? Because certain lobbyists and special interest groups want to play fast and loose with cancer-causing standards and lead contamination. They want to fudge a little. They want to change the standard. They can make more money if they do. Should we let them? I do not think so. That is why I am offering the amendment.

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

The CHAIRMAN. Is there a Member opposed to the amendment?

Mr. LEWIS of California. Mr. Chairman, I am opposed to the amendment.

The CHAIRMAN. The gentleman from California [Mr. LEWIS] is recognized for 20 minutes.

Mr. LEWIS of California. Mr. Chairman, I yield such time as he might consume to the gentleman from Texas [Mr. BARTON].

□ 1400

Mr. BARTON of Texas. Mr. Chairman, we have heard a great deal today about what should and should not be in an appropriations bill. We have heard about the necessity for hearings and for slow deliberations and actions. This particular amendment that the gentleman from Texas and the gentleman from Illinois are offering should not be added to this bill.

This is really a fight between waste incinerators and cement kilns that burn hazardous waste as part of the cement making process. I have some charts that I would like to show the committee. I want to walk you through very quickly and explain what we are talking about.

A cement kiln typically burns at a Fahrenheit of over 3,500 degrees. A typical waste incinerator typically burns at a Fahrenheit of 2,500 degrees. The time that it takes in the cement kiln is 6 to 10 seconds, and in the hazardous waste incinerator approximately 3 seconds.

When you look at how much action is generated in the cement kiln, it is an order of magnitude of greater than 100,000 times. In the waste incinerator it is about 10,000 times. The cement kiln is much larger than the waste incinerator. The bottom line is if we put 5 percent of the fuel source as hazardous waste material into a cement kiln and burn it at 3,500 degrees Fahrenheit as opposed to 100 percent of the material being in a waste incinerator at 2,700 degrees Fahrenheit, the cement kiln totally destroys it.

Now, let us look at the regulations on the two. Now, these are regulations under RCRA for cement kilns regulated by EPA under RCRA subpart H. Under waste incinerators, under subpart O. There is nothing that is regulated under RCRA for waste incinerators that is not regulated under cement kilns. In fact, cement kilns have more regulations than the waste incinerators do.

If you will notice here the row on metals, cement kilns do have regulations on metals. Waste incinerators do not. You can go on down the list.

I have in my congressional district a town named Midlothian, TX. This town has three cement kilns, and the State of Texas and the EPA, for the last 10 years, have been constantly in Midlothian, TX, attempting to find that something wrong has been done; that some of these cement kilns, and two of the three do burn hazardous waste, have somehow polluted the air or have polluted the atmosphere.

They have held hearings in Midlothian, TX. They have done repeated studies. The State of Texas has done an animal study. EPA is now trying to recreate that animal study. They have yet to find any instance of any harm being done to man, woman, child or animal or the air in Midlothian, TX, because some of the cement kilns are burning this hazardous material.

We need to vote "no" on this amendment. As you can tell by looking at this chart, there are more than sufficient regulations both on an interim status and, once EPA certifies, on a permanent status. There is no need for this particular amendment.

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

Mr. BARTON of Texas. I yield to the gentleman from Illinois for a question.

Mr. DURBIN. The question is this: Our amendment simply says if your cement kiln should emit arsenic, benzene, dioxin, lead or a known carcinogen, the EPA can regulate it. Now, which of those chemicals do you emit from your cement kiln that you do not want the EPA to regulate?

Mr. BARTON of Texas. Under current regulations they are all being regulated today.

Mr. DURBIN. Then why does the gentleman oppose the amendment?

Mr. BARTON of Texas. Because there is no need for it. There is absolutely no need for it. It is very counterproductive.

I see my good friend, the gentleman from Texas [Mr. WILSON], smiling like the cat that ate the canary, so I am sure he is going to take issue with that.

Mr. DURBIN. Mr. Chairman, I yield 2 minutes to my colleague and friend, the gentleman from Texas [Mr. WILSON], the cosponsor of the amendment.

Mr. WILSON. Mr. Chairman, it is hard to know where to start exactly here, but the first thing we need to understand is who does the regulating. Now, there are 24 or 25 cement kilns in the United States. There is not a single RCRA permit for any of these cement kilns. There is a RCRA permit for every commercial incinerator in the United States. Therefore, we are very concerned that these cement kilns emit an inordinate amount of, particularly, arsenic and lead.

I have given an example of the Continental Cement Co. in Hanover, MO, in 1993, which the EPA standard for arsenic emission is .4 parts per million, and the actual emission of this plant is 97 parts per million. The EPA's standard for lead is 400 parts per million, and the actual emission is 2,700 parts per million. Now, those figures simply speak for themselves.

The cement kilns are the only incinerators and, indeed, the only industry in the country that is exempt from the Resource Conservation and Recovery Act. What my opponents are trying to do is to have America step down from existing technology. The real proof of the pudding is that 66 percent of these companies are foreign owned. They are

owned in France, they are owned in Switzerland, they are owned in Germany, and they are owned in England. In those countries of ownership, they do not allow toxic waste to be burned in cement kilns.

In truth, they are treating the United States as a Third World country. They are making the profit and they are sending us the toxics. This is a simple amendment and I urge a "aye" vote.

Mr. LEWIS of California. Mr. Chairman, I yield myself such time as I may consume to just make a fundamental point regarding this amendment.

Mr. Chairman, it is very appealing to have language in an amendment that says that the agency shall be able to protect humans against exposure to arsenic, benzene, dioxin, lead or any other carcinogen. The problem is while it is very simple and very straightforward and obviously not deceiving, there are trace minerals of that kind in any variety of materials that might be disposed of by a variety of technologies.

This language says that when it becomes known to a Federal official, that there's a trace of arsenic, suddenly we give this agency leave to do anything they want to do in spite of Federal direction.

It is a very, very serious amendment that goes way beyond what this simple language would suggest. It is a desire on the part of a few to give EPA a free hand in a subject area that could have dramatic effect upon our economy. Further, it is designed in no small part to give a bigger share of the marketplace to a certain kind of process relating to getting rid of some kind of toxic wastes versus another piece of the marketplace that has another technology. To say the least, this is a serious amendment. I want the whole House to have an opportunity to consider this amendment.

At this point in time, Mr. Chairman, I am not sure we have enough time today to accomplish that.

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

PARLIAMENTARY INQUIRY

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

The CHAIRMAN. The gentleman will state it.

Mr. DURBIN. Mr. Chairman, the last comment made by the gentleman from California, chairman of the subcommittee, suggested that we would not bring this to closure and debate and vote today. It is my understanding with the time limitation that the chair announced that we can conclude this before 3 p.m. which I understood was the time when we wished to adjourn.

The CHAIRMAN. The Chair would put the question in the ordinary course following the debate on the amendment.

Mr. DURBIN. Mr. Chairman, I yield 3 minutes to the gentleman from Delaware [Mr. CASTLE], a cosponsor of the amendment.

Mr. CASTLE. I thank the gentleman from Illinois for yielding me the time.

Mr. Chairman, I would just like to say it has been sort of a strange day here today. We had an earlier amendment—and sometimes it is hard to separate the sides here—we had an exemption for oil with respect to air pollution but we did not for the chemical industry.

Now we have a situation in which we are dealing with several competing industries, we are dealing with a hazardous waste incineration cement kiln industry but we also have another industry, the commercial hazardous waste incineration industry, which has to live under different standards. Essentially this amendment would allow the cement kiln industry to escape stringent dioxin emission standards that other hazardous waste combusters must comply with and do so willingly because they want to, of course, have safe environmental practices.

It is very strange to me. I do not know why we are doing it. According to data suppled to the EPA by the cement kiln industry itself, in almost all cases the concentrations of heavy metals from 12 hazardous waste burning cement kilns exceeded superfund site actions levels in soil. Thus the creation of more Superfund sites will be virtually guaranteed. This would not only add to Federal cleanup costs but would also unnecessarily increase air and ground water pollution imperiling public health.

The commercial hazardous waste incineration industry, the other side of this, has been a leader in investing in advanced pollution control technologies. This will cease, if cement kilns, many of which are foreign owned, are provided regulatory relief that widens their competitive advantage over commercial incinerators. The United States would thus have to dispose of dangerous toxic and carcinogenic chemical wastes using antiquated highly polluting cement kiln technology.

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

Mr. CASTLE. I yield to the gentleman from Texas.

Mr. WILSON. Mr. Chairman, my good friend the gentleman from California earlier stated that of any of these carcinogens, that there were traces to be found, but I would like to ask the gentleman a question: If the Superfund standard for arsenic is .4 parts per million, would the gentleman consider 97 parts per million excessive or a trace?

Mr. CASTLE. I would consider that excessive, sir.

Mr. WILSON. If the gentleman will yield further, if the Superfund standard is 400 parts per million of lead, would the gentleman consider 2,700 parts per million of lead to be excessive and not a trace?

Mr. CASTLE. I would.

Mr. WILSON. Well, it is consistent all down the line of the emissions of these products.

Mr. CASTLE. Mr. Chairman, reclaiming my time, we know that Europe is moving away from using cement kilns to burn toxic waste. The hazardous waste cement kiln industry wants to move to the United States. That is incredible to me, that they are not allowing this in Europe now and now they want to move all of this to the United States. Then we in Congress are going to take the additional step of allowing them to be exempted from laws that others who do the same thing would not be exempted from. This will cost 6,000 jobs in the commercial hazardous waste industry because it will become economically nonviable. Obviously it has a huge impact on our economy as well as a huge environmental impact across the United States of America.

It is for all these reasons that I support this amendment. I would urge everybody in Congress to join us in supporting the amendment.

Mr. LEWIS of California. Mr. Chairman, I yield 2 additional minutes to the gentleman from Texas [Mr. BARTON].

Mr. DURBIN. Mr. Chairman, I yield 1 minute to the gentleman from Texas [Mr. BARTON].

The CHAIRMAN. The gentleman from Texas is recognized for 3 minutes.

Mr. BARTON of Texas. Mr. Chairman, I just feel compelled to correct the record. Under existing RCRA regulations, waste incinerators, according to the information I have, are not regulated at all for metal disposal. Under RCRA regulations, cement kilns are.

The gentleman from Delaware just spoke about dioxin regulation. I want to read something from the EPA. It says:

> According to EPA combustion emissions technical resource document, dioxin emissions from commercial hazardous waste incinerators are 2.2 times more toxic than those from cement kilns. All cement kilns are in compliance with stringent dioxin emission standards found in the EPA's BIF regulation, which is boiler, industrial and furnace regulation. Hazardous waste incinerators have no similar regulations.

I want to read something else from EPA Section Chief Paul Godholdt. It says:

> Some people say that incinerators are more highly regulated than cement kilns, but in most cases that's not true. Cement kilns are more highly regulated.

That was on July 3, 1994.

> EPA has defended the boiler, industrial furnace rules in Federal court as protective of human health and the environment.

This is an inside-baseball argument between two industries, one that uses waste totally in its furnaces, the incineration industry, and the other uses 5 percent of its fuel source from hazardous waste material and destroys it 99.99 percent.

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

Mr. BARTON of Texas. I yield to the gentleman from Texas.

□ 1515

Mr. WILSON. My colleague from Texas stated that the cement kilns were regulated by RCRA.

Mr. Chairman, I did not know until we got into this debate what RCRA was, but RCRA is the Resource Conservation and Recovery Act.

Mr. BARTON of Texas. Mr. Chairman, the gentleman is correct.

Mr. WILSON. Mr. Chairman, I think it will come as a surprise to the gentleman to know that there is not a single cement kiln that has an RCRA license. All commercial incinerators have RCRA licenses.

Mr. BARTON of Texas. Mr. Chairman, that is because they are operating under interim regulations. As soon as the EPA certifies the permanent regulations, they will get those permits. That is my information.

Mr. WILSON. They might and they might not. But if the riders that were put on the bill earlier, that were knocked out by a very narrow vote, were allowed to stand, then it would be extremely difficult for the EPA to go through the permit process.

Mr. BARTON of Texas. My sources are from the EPA, and I just read them, and I can quote you page numbers, dates, chapter, and verse.

Mr. WILSON. Mr. Chairman, I would respond by saying that if I said my sources were from the EPA, the gentleman would say, there they go again, lying to the Congress.

Mr. BARTON of Texas. Mr. Chairman, I think there are some who question the EPA as a source, but in this particular debate, I think they are relevant.

Mr. LEWIS of California. Mr. Chairman, I yield 7 minutes to the gentleman from Texas [Mr. CHAPMAN].

Mr. CHAPMAN. Mr. Chairman, I want to make two points here. One is what I think this amendment is trying to do.

Mr. Chairman, we talk in terms of special interests that unbelievably overload the incineration of toxic wastes in favor of commercial incinerators, who, I may say, have been in the business longer than those that burn toxic waste in the making of cement and in other boiler activities.

Mr. Chairman, the other thing that is important to understand, though, I think, is by moving forward with this amendment, what the proponents of the amendment are doing is allowing EPA to overstep its legal authority, violate the terms of the Clean Air Act, and allow them not to follow their own regulations.

Mr. Chairman, this is about an agency, as I said earlier, which has decided it does not have to follow the law Congress has set down, nor does it have to follow its own regulations.

In promulgating the processes by which they propose to license these combustion facilities, EPA is changing the law and violating its own rules. That is what this is about.

We can talk about cement kilns versus commercial incineration, and if we talk about that, we can talk about who burns what, and how bad is it and what happens to it.

The truth is that both facilities, both kinds of facilities, must meet stringent EPA regulation and must destroy these toxins to 99.99-percent efficiency.

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

Mr. CHAPMAN. I yield to the gentleman from Illinois.

Mr. DURBIN. Mr. Chairman, I might say to the gentleman, this is an important debate and relates to a rider, which has now been removed from the bill, on cement kilns. But the amendment that we are debating does not mention cement kilns. The amendment that we are debating says, "The EPA shall have the authority to protect us against arsenic, benzene, dioxin, lead, and known carcinogens."

Does the gentleman object to that premise?

Mr. CHAPMAN. The amendment addresses a restrictive rider that has now been removed. The gentleman's amendment we both know is moot. I do not know why we are engaged in this debate, other than to engage in this discussion, but the House has passed an amendment that makes your amendment moot.

Here we find ourselves as proponents, going forward on an amendment that is already going to have no force and effect because it releases limitations which have been previously released by the last vote in this House.

Let us be honest, the issue here is about giving the commercial incineration industry a market advantage over the cement industry. That is what this issue is about. If the gentleman will be forthright, the gentleman will have to acknowledge that the truth is, the cement industry is more highly regulated than the commercial incinerator industry. The cement industry has standards they must meet that the commercial incineration industry does not meet, and the cement industry has to follow more stringent regulations than does the other.

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

Mr. CHAPMAN. I yield to the gentleman from Texas.

Mr. WILSON. Mr. Chairman, was the gentleman on the floor when we discussed the fact that not a single cement kiln in the country is licensed by RCRA, by the Resource Conservation and Recovery Act, and that all of the commercial incinerators are?

Mr. CHAPMAN. Mr. Chairman, every single cement plant in America is operating under a permit issued by the EPA.

Mr. WILSON. But not by RCRA.

Mr. CHAPMAN. Of course, they are licensed. It is difficult for me to understand why the gentleman, who until a few minutes ago did not know what RCRA was, would come in here now and suggest to me that you are some kind of an environmentalist.

Mr. WILSON. I am a fast study.

Mr. CHAPMAN. I see that you are.

Reclaiming my time, Mr. Chairman, if the gentleman is a fast study, the gentleman knows that every cement plant in America is operating under a permit from the EPA more stringent than any commercial incineration facility. That is what this debate is really all about.

The debate is about the EPA following its own rules, following its own guidelines. What it is about is telling EPA to follow the law. Nothing more; nothing less. It is about EPA following their own regulations. Nothing more; nothing less.

Mr. BARTON of Texas. Mr. Chairman, will the gentleman yield?

Mr. CHAPMAN. I yield to the gentleman from Texas.

Mr. BARTON of Texas. Mr. Chairman, I know there is confusion, and the body hates to see Texans confused among each other. We are all from Texas, and I know it is discombobulating, but I want to try to clarify this one more time: The standard that cement kilns are currently regulated under is an interim standard under RCRA, promulgated by EPA, and it is a tough standard.

The distinguished gentleman from Lufkin did not like me using the EPA as a source. Well, I am chastised by that. I am now going to use the Congressional Research Service, which should have more repute in this body.

This is CRS environmental policy analyst, Linda Schreio, S-C-H-R-E-I-O. She has found that the BIF rule under RCRA includes identical standards to the incinerator rule in terms of the efficiency required for pollution removal. She says,

> The BIF rule is more protective than the incinerator rule in 3 key areas: Total hydrocarbon emissions, specific emission standards for 12 metals of concern, and additional dioxin requirements including the requirement to conduct site-specific risk assessments for dioxin.

She further states,

> The commercial incinerator rules contain no similar standards, even for dioxin.

And then she says,

> The interim status under the BIF rule is a tough standard.

Now, I hope that puts to rest that cement kilns are not regulated. And if they are, they are regulated less stringently. I am quoting in this case the Congressional Research Service.

Mr. CHAPMAN. Mr. Chairman, I appreciate the comments of the gentleman, because if there is an insinuation here that cement kilns somehow

have been getting a free ride from EPA, from CRS, and the honest facts are that is just not the case.

They are not only regulated; they are regulated more stringently than the commercial incineration industry. They do a better job of destroying the toxins that law requires be destroyed and they do so in a way that is saving industry, the taxpayers, and consumers in this country money, and they are doing it in a way that makes our environment cleaner.

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

Mr. CHAPMAN. I yield to the gentleman from Texas.

Mr. WILSON. Mr. Chairman, if that is the case, I would ask the gentleman simply, since 65 percent of these kilns are owned in Europe, why do the Europeans not allow this practice to occur?

Mr. CHAPMAN. Mr. Chairman, I am glad the gentleman brings that because the Europeans do allow it.

I say to the gentleman from Texas [Mr. WILSON] that the technology was developed in Germany and they are in Germany, they are in France, and they are in England. In fact, there is a consortium in Europe working as we speak today, probably to put in place the same kinds of standards that we have through our EPA here.

But the truth is that there has been a misstatement that this is a technology that does not exist. It does exist. It is in existence in Europe and there are European incinerators, European kilns, that are doing this technology just as we do it here and with just as safe results.

Mr. WILSON. Mr. Chairman, I would like to say that my information is that that is not correct.

Mr. CHAPMAN. The gentleman's information is incorrect.

Mr. DURBIN. Mr. Chairman, I yield myself 1 minute.

Mr. Chairman, if my colleagues are struggling to follow this debate between the cement kiln industry and the industrial incinerator industry, what they are doing is burning toxic waste, and they want to know how much they can emit from their smokestacks and there is a battle within these two industries.

I do not have a horse in this race, and this amendment really does not address that issue. This amendment gets down to what I think people in the gallery watching, and Members I hope, believe is the bottom line. When it is all said and done, no matter who wins or who regulates, is my family at risk or not? Is something coming out of that smokestack which can hurt me and my children? That is all we want to know.

The Durbin-Wilson amendment says the bottom line is the EPA should use one standard: Protect Americans from exposure to arsenic, benzene, dioxin, lead, and known cancer-causing substances. What is the debate here? Do we want to say they should not protect us? Why, of course they should.

These industries can work it out somewhere else. The Durbin-Wilson amendment is the bottom line as to what we expect from any agency which is dedicated to protecting public health.

Mr. Chairman, I yield 2 minutes to the gentleman from Indiana [Mr. VISCLOSKY].

Mr. VISCLOSKY. Mr. Chairman I rise in strong support of the Wilson-Durbin amendment. The EPA should have a clear mandate from Congress in cases where human health is at stake.

Mr. Chairman, I was especially concerned about the refinery air toxins rider that was included in the underlying legislation. I recognize this rider has been stripped out of the bill, but I think it is important for the House to take a clear stand on the issue.

Mr. Chairman, I remain concerned about carcinogens from the petroleum refinery industry. Petroleum refineries are one of the largest sources of cancer-causing emissions, primarily benzene, which causes leukemia.

It may not mean much to some Members, but the people of the 1st District of Indiana must continue to live under a cloud of over 1 million pounds of toxic refinery emissions per year.

In the 1980's the people of northwest Indiana watched as the Clean Air Act took effect; our skies lost the steady red glow of the old steel mills. We continue to make progress, but we have a long way to go. However, my constituents appreciate the progress made under the Clean Air Act, and their lives are better because of it.

Mr. Chairman, we still have a long way to go to make sure that the air is truly safe for our citizens, and I ask my colleagues not to turn the clock back.

Do not leave any doubt about EPA's mandate to protect the people of Indiana's 1st District or the people of this Nation from cancer-causing pollutants. Please support the Wilson-Durbin amendment.

The CHAIRMAN. The gentleman from Indiana [Mr. VISCLOSKY] yields back 30 seconds.

Mr. DURBIN. Mr. Chairman, I yield 1 minute to the gentleman from New York [Mr. BOEHLERT].

Mr. BOEHLERT. Mr. Chairman, I have been on the floor quite a bit today, so I do not need to repeat all of what I have said, but I am a concerned legislator; I am a concerned family man; I am a concerned citizen; and I am proud to be a Republican.

Mr. Chairman, there are a number of people who share those same characteristics on our side of the aisle, deeply committed to doing what is right by the American family with respect to environmental legislation. There are a number of my colleagues on the Democratic side who are equally concerned about the American family and sensitive environmental issues.

Do I want my constituents, the people I care for, do I want my family, the people I love, too, exposed to lead and arsenic and dioxin and benzene and known carcinogens? The answer is clearly "no."

□ 1430

I think this is a sensible amendment. I think it has earned our support.

We have had a spirited debate today on a high level, a high plane. I want to commend all of my colleagues for their participation. I want to thank the gentleman from Illinois [Mr. DURBIN] for allowing me the opportunity to participate with him, my colleague, the gentleman from Texas [Mr. WILSON], my colleague, the gentleman from Delaware [Mr. CASTLE] in supporting this amendment.

Mr. DURBIN. Mr. Chairman, I yield myself 30 seconds.

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

Mr. DURBIN. I yield to the gentleman from North Carolina.

Mr. ROSE. Mr. Chairman, I thank the gentleman for yielding.

The EPA, at the end of the Bush administration, ruled that tobacco secondhand smoke was a class A carcinogen, just as dangerous as chlorine and benzene. Would this amendment now give the EPA the right to control secondhand tobacco smoke all the way down to zero tolerance?

Mr. DURBIN. No. This amendment does not seek to impose any new or expanded standard, but to establish the continuing jurisdiction of the EPA even in terms of protecting us against the chemicals that are enumerated.

Mr. ROSE. I thank the gentleman.

Mr. LEWIS of California. Mr. Chairman, I yield 3 minutes to the gentleman from Texas [Mr. BARTON].

Mr. BARTON of Texas. Mr. Chairman, I would like to ask the gentleman from Illinois a question about his amendment, and I would like the gentleman's attention, the gentleman from Illinois.

In the amendment, as I read it, it says that any limitation set forth under this heading on the use of funds shall not apply when it is made known to the Federal official having authority to obligate or expend such funds that the limitation would restrict the ability of the EPA to protect humans against exposure to arsenic, benzene, dioxin, lead, or any known carcinogen.

My question is: When it is made known, who makes it known? How do they make it known? At what level do they have to make it known? If my 13-year-old daughter, Kristin, sends a letter to the administrator of the EPA, does that give them authority to violate existing Federal law?

This sets no standards. If I read this correctly, if we pass this amendment,

the EPA, if anybody on the street says they have got a concern, they can violate the existing standards in existence and go out and regulate to the nth degree.

Would the gentleman from Illinois answer that question?

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

Mr. BARTON of Texas. I yield to the gentleman from Illinois.

Mr. DURBIN. Unless the children of the gentleman from Texas are chemists and can detect levels of arsenic in water and want to report it to a Federal agency, I do not think he has to worry about that.

Mr. BARTON of Texas. It does not say. It just says "if made known."

Mr. DURBIN. If the gentleman will yield, this is language which we are now using every day in appropriations bills. I think the gentleman is aware of the fact that the EPA is not going to take a rumor or a suspicion and act on it.

Mr. BARTON of Texas. At what level? I mean, there needs to be a standard. My suggestion would be, and I hope it does not pass, in report language we need to definitely define that because you have got an open-ended standard there.

Mr. DURBIN. If the gentleman will yield further, we are using the same standard currently available. We are not expanding the jurisdiction nor changing the standards of the EPA. We are saying that as to these specific dangerous chemicals and carcinogenic substances, they have the right to protect us.

Mr. BARTON of Texas. Reclaiming my time, with all due respect to the distinguished authors of the amendment, that is not what it says.

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

Mr. BARTON of Texas. I yield to the gentleman from Texas.

Mr. CHAPMAN. Let me make sure Members of the House understand what this amendment says, because I misunderstood, I guess, either the gentleman from North Carolina or the gentleman from Illinois when he said this would not affect the regulation of secondhand smoke, which has been called a known carcinogen.

The gentleman correctly points out, and it is true, that we have used this "when it is made known" standard in the Committee on Appropriations, and I will say to the gentleman from Texas, it is so your 13-year-old daughter can write a letter to EPA and make it known to them her concerns and under this amendment that would trigger EPA's authority to do what this says, and what this says is that they can use all of their abilities to protect against human exposure to, among other things, known carcinogens.

I would ask the gentleman from Illinois if he drafted this amendment, is he aware that, in fact, it would authorize and expand EPA's jurisdiction to manage these risks down to a zero tolerance, a zero tolerance? That is chemically impossible to do.

Mr. BARTON of Texas. That is exactly right.

Mr. CHAPMAN. Chemically impossible to do in direct violation of all environmental laws of the country.

I would ask the gentleman from Illinois, does he disagree that is the clear language in his amendment?

The CHAIRMAN. The gentleman from California [Mr. LEWIS] has 1 minute remaining, and the gentleman from Illinois [Mr. DURBIN] has 4½ minutes remaining.

Ms. PELOSI. Mr. Chairman, I rise today to express my support for the amendment offered by Congressmen DURBIN and WILSON. This amendment will ensure that the EPA continue to protect Americans from exposure to numerous toxins, including arsenic, benzene, and dioxin lead. These chemicals pose serious health problems to Americans of all ages.

Just this week, the Washington Post reported the results of a study which indicated that carcinogens, neurotoxins, and other chemicals were found in various name brand baby foods selected at random from across the country.

This study underscores the need for us to remain vigilant when it comes to protecting our environment and the health of our youngest citizens. We need to maintain the critical safety net which protects the health and safety of all our citizens.

I urge my colleagues to support the Durbin-Wilson amendment protecting our children and families against toxic substances.

Mr. RUSH. Mr. Chairman, I rise today in support of community development banks which are left unfunded in this VA, HUD and Independent Agency appropriations bill. I have a long history with the creation of the Community Development Financial Institutions program. I want to commend my colleague from Massachusetts, Mr. KENNEDY, and the chairman of the subcommittee, Mr. LEWIS, who agreed to work toward a continued funding level for CDFI's during the House and Senate conference on appropriations.

I am proud to support these types of community investment programs as I did during passage of the Community Development Banking and Financial Institutions Act of 1993. I was pleased that November, to be a part of a comprehensive community development banking effort that can truly make a difference between stagnation and salvation for thousands of disinvested urban, rural and suburban communities across our Nation.

CDFI programs do make a difference. They help increase the confidence of the residents, business owners and workers in targeted communities that their own fortunes and opportunities are on the rise. Equally as important is the need to convince outside investors that low-income communities merit their consideration as a solid investment for their money.

Those who benefit from the CDFI fund will be left in the lurch without this program. Without this funding, many of the benefits for underserved people, such as minorities and women, would not be felt. Lack of access to capital is the No. 1 reason these individuals struggle. The fund will also target the working class and middle-income neighborhoods threatened by decline. Without the fund, traditionally underserved and middle-class communities will fall further behind.

Currently, there are more than 300 CDFI's in 45 States that manage over $1 billion in capital. Many of these CDFI's specialize in small business start-up assistance, providing very small micro loans for low-income people seeking to become self-employed. This new approach is vital to creating economic opportunity.

We need innovative long-term solution to help our communities survive. The CDFI's have a comprehensive strategy that will empower local communities and increase access to credit and investment capital, these are the seeds needed to grow an economically healthy nation.

It is my hope that CDFI's will receive strong consideration for complete funding during the House and Senate conference on appropriations.

Mrs. COLLINS of Illinois. Mr. Chairman, I rise in support of the Kennedy amendment to strike the language in the bill that prohibits HUD from developing rules relating to the application of the Fair Housing Act to the business of property insurance.

As many in this Chamber know, I have devoted considerable efforts over the past two Congresses to bring an end to the terrible practice of insurance redlining. As the chairwoman of a subcommittee with jurisdiction over insurance, I have worked with the industry to bring an end to these practices.

In the last Congress, the House of Representatives voted overwhelmingly in favor of my bill to develop a database on insurance sales practices in large cities. I was pleased by the support of Members on both sides of the aisle, as well as the insurance industry.

This bill unfortunately takes a tremendous step backwards in the area of fair housing. The bill prohibits HUD from taking any action to implement the Fair Housing Act with respect to homeowners' insurance. HUD is currently working to develop proposed rules to clarify what property insurance practices constitute illegal discrimination.

HUD has been trying to work with the insurance industry on these proposed rules and has even suggested doing a negotiated rulemaking. This amendment stops this activity in its tracks. It assumes that the rules will be unreasonable, or perhaps that there is no concern over insurance redlining in violation of the Fair Housing Act.

In the last Congress I strongly supported giving Commerce, not HUD, the responsibility to gather data. However, I have always believed that HUD has the responsibility to enforce fair housing laws, including redlining. With the current efforts to dismantle the Department of Commerce, it is even more important not to disarm HUD in its responsibility to prevent redlining.

We know that there are unprecedented efforts in this Congress to attack affirmative action. This bill goes one step further by attacking antidiscrimination laws. There has always been a consensus in this House that there

should be no discrimination in housing. This bill says that the House of Representatives no longer cares about discrimination.

We must remove this offensive provision and reaffirm our support for fair housing laws and an end to insurance redlining. Vote "yes" on the Kennedy amendment.

Mr. BENTSEN. Mr. Chairman, I rise in strong support of this amendment to restore funding for the Small Business Administration's Office of Advocacy. I congratulate Chairman MEYERS and ranking Member LAFALCE of the Small Business Committee for offering this amendment. This is a bipartisan, pro-small business amendment that deserves the support of this House.

The Office of Advocacy is Congress' insurance policy to guarantee that our small business policy accomplishes two things: it encourages entrepreneurship and small business creation and it does not impose unreasonable regulatory burdens on those entrepreneurs. This office performs these functions through regulatory intervention, research, information gathering, and serving as a grass root network for small business owners.

Virtually all small business trade organizations have high praise for the office, especially under the leadership of the current director, Jere Glover. The delegates of the recent White House Conference on Small Business were so impressed with the Office of Advocacy that they recommended to the President that this office be made permanent. They also recommended that it be given the additional responsibility of tracking and reporting on progress made on the Conference recommendations. Small business owners trust and value the Office of Advocacy—that is the best endorsement for the Meyers-LaFalce amendment.

Small businesses don't have big bucks to spend in powerful law firms to represent their interests before government regulators. The Office of Advocacy provides that service for small businesses across this Nation.

Jere Glover and the Office of Advocacy has been effective champions for small business interests, even when this has meant disagreeing with the administration or opposing actions and policies of other Federal agencies. The Office of Advocacy is the small business owner's best friend in Government. We hear a lot of talk about the need to make government more business-friendly. Today we can turn that talk into action by voting for the Meyers-LaFalce amendment. I urge support for this amendment.

Mr. LAZIO of New York. Mr. Chairman, I would like to commend the Appropriations Committee for completing action on the VA/HUD appropriations package.

In particular, I am pleased that one of the legislative provisos contained in the appropriations bill gives the Housing and Community Opportunity Subcommittee, of which I am the chair, the tools to enact legislation which will restructure HUD's insured multifamily rental housing programs. The combination of report language and $4.9 billion in funding enables HUD to begin the process of assisting families in a cost-effective manner that stays within the confines of the budget resolution adopted this year.

It is important to note that without major reforms, this program could end up consuming virtually all of HUD's $19.4 billion budget. Other programs like Community Development Block Grants, HOME, housing for vulnerable populations, and public housing will be swallowed up. Given the importance of these other programs to building and sustaining strong communities and neighborhoods, I view the reform of the multifamily program as a major step towards changing the mission of this Department. Restructuring this portfolio must occur soon before the costs to the Federal Government become even larger.

Currently, I am working on a comprehensive housing bill which will provide HUD with the authority it needs to lower the long-term costs of restructuring this portfolio. What has surprised me during this drafting process is the magnitude, complexity, and duplication of housing laws in general. The laws are filled with redtape and burdensome regulations written during the last 40 years. These laws must be completely and comprehensively overhauled—a process which I will not undertake in a frivolous manner despite the rhetoric of yesterday. My legislation will enhance the health, safety, and economic well-being of families, neighborhoods, and rural areas. It will encourage innovative uses of resources which are now rendered useless because of bureaucracy and legislative micromanagement. I look forward to sharing my efforts very soon.

Once again, I would like to congratulate the chairmen of the full committee and subcommittee for setting in motion this much needed reform to HUD.

Mr. POMEROY. Mr. Chairman, I rise today in very reluctant opposition to the amendment offered by the gentleman from Pennsylvania, [Mr. FOGLIETTA].

I am troubled by the deep cut this bill makes in mass transit operating assistance. However, I am unable to support the Foglietta amendment to restore $135 million for mass transit because the amendment is paid for with funds taken from the Airport and Airway Trust.

The Airport and Airway Trust Fund is a dedicated trust fund supported by the flying public for investment in our aviation infrastructure. I am a cosponsor of legislation to take the aviation and other transportation trust funds off-budget to ensure that they are used for their intended purpose. I cannot support an amendment that would divert aviation trust funds for non-aviation use.

However, I remain sincerely committed to restoring funds for mass transit operating assistance. I am hopeful that the Senate will support the President's budget request for mass transit, and I will work to sustain a higher level of funding in conference. In addition, I intend to work with the authorizing committee to seek greater flexibility in the use of mass transit grants—allowing smaller cities and towns to use a greater proportion of their transit funding for operating expenses.

I reluctantly urge my colleagues to oppose the Foglietta amendment.

Mrs. COLLINS of Illinois. Mr. Chairman, the VA–HUD appropriations bill we have before us today has to be one of the cruelest, most disturbing, misguided, and callous pieces of legislation that has ever been considered by this House. I strongly oppose it and vigorously urge its defeat.

Nowhere is the real agenda of the Republican Party, or the skewed philosophy driving the "Contract on America," made clearer than in H.R. 2099—stick it to struggling, disempowered poor and lower-income citizens in order to pay for massive tax breaks for rich folks and corporate fat cats. Make no bones about it Mr. Chairman, this bill is not about balancing the budget or cutting so-called waste from any department or agency. It is about hurting the most vulnerable in our society, about taking the most from those with the least, about redistributing vital and necessary Federal support from the poor, the children, the elderly, and the veterans to the rich and privileged. Nothing could be more despicable, illogical, extreme, or unfair.

At a critical time in our country when reports show that the demand for decent, affordable housing for both individuals and families continues to grow while the supply of such units is dropping, the Appropriations Committee turns its back, closes its eyes, and covers its ears to the problem. H.R. 2099 guts the HUD budget by 25 percent, nearly $6 billion. While some will come to this floor today to praise these foolish cuts, let me tell you that my constituents and I see little to smile about.

To begin with, the committee's decision to slash homeless assistance grants by 50 percent will result in a $20 million loss to my city of Chicago in fiscal year 1996, leaving 3,325 fewer persons with the day care and job training services that would provide them an opportunity to get off the streets and into employment. In addition, these reductions translate into 320 fewer units of transitional and permanent housing for the homeless. But as I said, this is just the beginning, Mr. Chairman.

Believe it or not, H.R. 2099 sees fit to raise rents on the poorest public and assisted housing residents in order to pay for $1.6 billion in cuts to HUD operating and modernization subsidies also included in this legislation. Talk about a double whammy. Not only will rents increase, but tenants will get nothing for it.

Under this bill the vast majority of public housing and section 8 residents in Illinois will be forced to pay on average $828 more in rent annually. A struggling AFDC family of three will have to cough up $552 more. Where will this money magically come from? How will these cuts not result in more women and kids on the streets scrambling to survive, especially given other planned Gingrich Republican cuts to education, Head Start, child nutrition and school lunches, and the like?

On top of all this nonsense, the development of affordable rental housing for individuals with special needs, such as older Americans, persons with disabilities, and those with HIV and AIDS will be severely undermined. The Appropriations Committees decision to rip nearly $500 million away from initiatives designed to assist those with special concerns leaves 95 fewer seniors in Chicago with access to elderly housing and 493 fewer individuals suffering from HIV or AIDS with a roof over their heads. Where is the logic?

Mr. Chairman, my city of Chicago and HUD are wrestling with how best to tackle certain pressing problems which beset the Chicago Housing Authority. This situation calls for greater attention to and respect for the rights and needs of public housing residents. Unfortunately, H.R. 2099 greatly imperils these efforts.

However, the draconian cuts to the HUD budget are not the only reasons to oppose this drastic bill. Incredibly, H.R. 2099 goes further in slicing the EPA budget by 32 percent, or $2.3 billion, and includes legislative riders to strictly limit or prohibit the EPA from enforcing or implementing provisions of the Clean Water and Clean Air Acts as well as food pesticide, toxic emissions, and water quality standards. In so doing, the health and safety of all Americans are immediately threatened. But what's new Mr. Chairman, these 200 plus days of the 104th Congress have been punctuated by GOP special interests winning out over the public well-being.

Finally, H.R. 2099 decimates veterans' health by slashing VA medical care by $250 million, deletes funding for community development banks which provide desperately needed financial support to underserved communities, and eliminates the President's community service program which provides thousands of young Americans with an opportunity to attend college and secure their futures. At the same time H.R. 2099 provides over $2 billion to fully fund the space station. Apparently, the Gingrich Republicans would rather float taxpayer dollars into a black hole above the Earth than deal with the needs and concerns of the real people down here on the ground.

I urge my colleagues to reject this ill-conceived legislation.

Ms. ESHOO. Mr. Chairman, I rise in strong support of the Stokes/Boehlert amendment.

The VA–HUD bill drives a stake through the heart of our Nation's environmental laws. The new majority apparently doesn't think cutting EPA's budget by 34 percent is enough—they've weighed the bill down with restrictions on EPA spending which ties their hands in implementing and enforcing critically important programs for the protection of the American people.

The riders on the bill would prohibit EPA from spending any money on programs which protect wetlands, control polluted runoff, prevent raw sewage from being discharged into our waters, implement the 1990 Clean Air Act amendments, and then proceed with new standards for arsenic and radioactive pollutants in our drinking water.

Mr. Chairman, more than 35 million people would be exposed to significant levels of arsenic in their drinking water, heightening cancer risks across our Nation.

And while the Republicans are proposing that EPA's ability to protect the health of American citizens be decimated, they are giving special favors and granting exemptions to environmental laws to their friends in the oil and gas industry and cement kiln operators.

The Stokes/Boehlert amendment strips the appropriations bill of these legislative riders and enables the EPA, with the limited resources it has left, to implement the laws that the American people want, need and support which protect their air, water, and overall health.

I thank the gentlemen for offering this amendment and urge my colleagues to support it.

Mr. ARMEY. Mr. Chairman, I move that the Committee do now rise.

PARLIAMENTARY INQUIRY

Mr. DURBIN. Parliamentary inquiry, Mr. Chairman.

The CHAIRMAN. The gentleman will state his parliamentary inquiry.

Mr. DURBIN. Mr. Chairman, as I understand it, we have an agreement as to the length of debate on this amendment and the written understanding which was given to both sides says we shall continue to take amendments and vote until 3 p.m. today. It is 2:35. Why are you trying to stop us from taking that rollcall on this amendment?

The CHAIRMAN. The Chair would state that the gentleman is not asking a parliamentary inquiry.

Mr. DURBIN. Let me ask it in parliamentary terms.

Did the Chair not rule it would continue the business of the House under the ordinary rules until 3 p.m.?

The CHAIRMAN. The Chair must entertain a privileged motion.

The question is on the motion offered by the gentleman from Texas [Mr. ARMEY].

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

RECORDED VOTE

Mr. ARMEY. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 258, noes 148, not voting 28, as follows:

[Roll No. 600]

YEAS—258

Allard
Archer
Armey
Bachus
Baesler
Baker (CA)
Baker (LA)
Ballenger
Barcia
Barr
Barrett (NE)
Bartlett
Barton
Bass
Bereuter
Bevill
Bilbray
Bilirakis
Bliley
Blute
Boehlert
Boehner
Bonilla
Bono
Browder
Brownback
Bryant (TN)
Bunn
Bunning
Burr
Burton
Buyer
Callahan
Camp
Canady
Castle
Chabot
Chambliss
Chapman
Chenoweth
Christensen
Chrysler
Clay
Clinger
Coble
Coburn
Collins (GA)
Combest
Condit
Conyers
Cooley
Cox
Cramer
Crane
Crapo
Cubin
Cunningham
Davis
Deal
DeLay
Diaz-Balart
Dickey
Doolittle
Dreier
Duncan
Dunn
Ehlers
Ehrlich
Emerson
English
Everett
Ewing
Fawell
Fields (LA)
Fields (TX)
Flanagan
Foley
Forbes
Fowler
Fox
Franks (CT)
Franks (NJ)
Frelinghuysen
Frisa
Funderburk
Gallegly
Ganske
Gekas
Geren
Gilchrest
Gillmor
Gilman
Goodlatte
Goodling
Gordon
Goss
Graham
Greenwood
Gunderson
Gutierrez
Gutknecht
Hall (TX)
Hancock
Hansen
Hastert
Hastings (WA)
Hayes
Hayworth
Hefley
Heineman
Herger
Hilleary
Hobson
Hoekstra
Hoke
Holden
Horn
Hostettler
Houghton
Hunter
Hutchinson
Hyde
Inglis
Jacobs
Jefferson
Johnson (CT)
Johnson, Sam
Jones
Kanjorski
Kasich
Kelly
Kim
King
Kingston
Klink
Klug
Knollenberg
Kolbe
LaHood
Latham
LaTourette
Laughlin
Lazio
Leach
Lewis (CA)
Lewis (KY)
Lightfoot
Linder
Livingston
LoBiondo
Lucas
Manzullo
Martinez
Martini
McCollum
McCrery
McDade
McHugh
McInnis
McIntosh
McKeon
Metcalf
Mica
Miller (CA)
Miller (FL)
Molinari
Montgomery
Moorhead
Moran
Morella
Murtha
Myers
Myrick
Nethercutt
Neumann
Ney
Norwood
Nussle
Orton
Oxley
Packard
Parker
Paxon
Peterson (FL)
Peterson (MN)
Petri
Pombo
Porter
Portman
Pryce
Radanovich
Ramstad
Regula
Riggs
Rivers
Roberts
Rogers
Rohrabacher
Ros-Lehtinen
Roth
Roukema
Royce
Salmon
Sanford
Saxton
Scarborough
Schaefer
Schiff
Seastrand
Sensenbrenner
Shadegg
Shaw
Shays
Shuster
Sisisky
Skeen
Smith (MI)
Smith (NJ)
Smith (TX)
Smith (WA)
Solomon
Souder
Spence
Stearns
Stenholm
Stump
Stupak
Talent
Tate
Tauzin
Taylor (MS)
Thomas
Thornberry
Thornton
Tiahrt
Torkildsen
Traficant
Upton
Volkmer
Vucanovich
Waldholtz
Walker
Walsh
Wamp
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
White
Whitfield
Wicker
Williams
Wilson
Wolf
Young (AK)
Young (FL)
Zeliff
Zimmer

NAYS—148

Abercrombie
Ackerman
Andrews
Baldacci
Barrett (WI)
Becerra
Beilenson
Bentsen
Bishop
Bonior
Borski
Boucher
Brown (CA)
Brown (FL)
Brown (OH)
Bryant (TX)
Cardin
Clayton
Clement
Coleman
Collins (IL)
Costello
Coyne
Danner
de la Garza
DeFazio
DeLauro
Dellums
Deutsch
Dicks
Dingell
Dixon
Doggett
Dooley
Doyle
Durbin
Edwards
Engel
Ensign
Eshoo
Evans
Farr
Fattah
Fazio
Flake
Foglietta
Ford
Frank (MA)
Frost
Furse
Gejdenson
Gephardt
Gibbons
Gonzalez
Green
Hamilton
Harman
Hastings (FL)
Hefner
Hilliard
Hinchey
Hoyer
Jackson-Lee
Johnson (SD)
Johnson, E. B.
Kaptur
Kennedy (MA)
Kennedy (RI)
Kennelly
Kildee
Kleczka
Lantos
Levin
Lewis (GA)
Lincoln
Lipinski
Lofgren
Lowey
Luther
Maloney
Manton
Markey
Mascara
Matsui
McCarthy
McDermott
McHale
Meek
Menendez
Mfume
Mineta
Minge
Mink
Mollohan
Nadler
Neal
Oberstar
Obey
Olver
Ortiz
Owens
Pallone
Pastor
Payne (NJ)
Payne (VA)
Pelosi
Pomeroy
Poshard
Rahall
Rangel
Reed
Richardson
Roemer
Rose
Roybal-Allard
Rush
Sabo
Sanders
Sawyer
Schroeder
Schumer
Scott
Serrano
Skaggs
Slaughter
Spratt
Stark
Stockman
Stokes
Studds
Tejeda
Thompson
Thurman
Torres
Torricelli
Towns
Tucker
Velazquez
Vento
Visclosky
Ward
Waters
Watt (NC)
Waxman
Wise
Woolsey
Wyden
Wynn

NOT VOTING—28

Bateman
Berman
Brewster
Calvert
Clyburn
Collins (MI)
Cremeans
Dornan
Filner

Hall (OH)	McNulty	Reynolds
Istook	Meehan	Skelton
Johnston	Meyers	Tanner
LaFalce	Moakley	Taylor (NC)
Largent	Pickett	Yates
Longley	Quillen	
McKinney	Quinn	

□ 1501

Mrs. KENNELLY, Mr. WATT of North Carolina, Ms. FURSE, Mr. SCHUMER, and Mrs. LOWEY changed their vote from "aye" to "no."

So the motion was agreed to.

The result of the vote was announced as above recorded.

Accordingly, the Committee rose; and the Speaker pro tempore (Mr. LAHOOD) having assumed the chair, Mr. COMBEST, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 2099) making appropriations for the Departments of Veterans Affairs and Housing and Urban Development, and for sundry independent agencies, boards, commissions, corporations, and offices for the fiscal year ending September 30, 1996, and for other purposes, had come to no resolution thereon.

PERSONAL EXPLANATION

Mr. FILNER. Mr. Chairman, I was unavoidably detained from voting, and had I been here, I would have voted on rollcall 596 "yes," rollcall 597 "yes," rollcall 598 "no," rollcall 599, "yes," and rollcall 600 "no."

LEGISLATIVE PROGRAM

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

Mr. GEPHARDT. Mr. Speaker, I have asked to proceed for 1 minute to inquire about the schedule for next week.

I yield to the distinguished majority leader, the gentleman from Texas [Mr. ARMEY] to inquire about the schedule for the rest of today and next week.

Mr. ARMEY. Mr. Speaker, I thank the gentleman for yielding to me.

We can advise all Members that there will be no more recorded votes today. The House will convene with special orders and upon the completion of special orders we will recess subject to the call of the Chair for the purpose of allowing the Committee on Rules to file rules later in the day.

There will be no more legislative business, nor votes today.

On Monday, July 31, the House will meet at 10:30 a.m. for morning hour and 12 p.m. for legislative business. We tentatively plan to consider two bills under suspension of the rules: H.R. 2017, the District of Columbia Highway Relief Act, is tentative, and legislation extending the expiration date of the Middle East Peace Facilitation Act of 1994.

We then plan to complete the VA-HUD appropriations bill on Monday evening.

Today we would plan on moving S. 21, the Bosnia and Herzegovina Self-Defense Act, which is subject to a rule. Members should be advised that there will be no recorded votes taken before 5 p.m. on Monday.

The balance of the week the House will meet at 10 a.m. for legislative business to consider the fiscal year 1996 Labor-HHS appropriation bill, subject to a rule, and H.R. 1555, the Communications Act of 1995, also subject to a rule.

We hope to complete legislative business and have Members on their way home for the August district work period by no later than 3 p.m. on Friday.

Mr. GEPHARDT. Mr. Speaker, I noted in his statement that the gentleman is planning at least tentatively to bring up the Bosnia legislation, S. 21, probably on Tuesday. I strongly hope, for what it is worth, that that is the case. We believe that this is obviously an important piece of legislation. We may or may not have an alternative, but we believe, even if we do not, that this legislation demands 4 or 5 hours of debate so that Members can be heard on it. It is of obvious importance for the country.

Then on Tuesday, obviously, I would hope that the gentleman would go ahead with the Labor-HHS bill and try to bring it to a fairly reasonably speedy conclusion. We have been working with the minority, as the gentleman knows, in trying to figure out how to do that on that bill.

Then the rest of the week could be given over to the telecommunications bill and would give it adequate time to be finished before the end of the week. If the Department of Defense appropriations bill could be figured out, that might also be able to be accomplished.

Mr. ARMEY. Mr. Speaker, I thank the gentleman for his observations. I think the gentleman outlines pretty nearly the way things are expected to go. I think all those suggestions are extremely meritorious. I would project as far as that there would be very little change from the program as the gentleman has outlined.

Mr. GEPHARDT. Obviously, with this much business, I take it we could let Members predict that we would be here into the evening most evenings of next week.

Mr. ARMEY. Mr. Speaker, I want to thank the gentleman for the observation. I think that is a fairly reliable prediction. I can, though, with even more certainty predict that they will be on their leave for their August work recess by 3 on Friday, August 4. That is, or course, the most important objective we have for the week's schedule.

Mr. GEPHARDT. I know how strongly the gentleman feels about that time and that date and how strongly all our colleagues feel about that time and that date. So we can safely predict without any qualification that we are going to leave on that time and that date; is that correct?

Mr. ARMEY. The gentleman is absolutely correct.

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

Mr. GEPHARDT. I yield to the gentleman from Minnesota.

Mr. SABO. Mr. Speaker, I would just suggest to the two leaders that there is a longtime traditional event on Tuesday evening whose time was cleared with the leadership months ago.

Mr. ARMEY. Mr. Speaker, if the gentleman will continue to yield, what the gentleman refers to is of course something that we on our side look forward to with great anticipation, and we will certainly accommodate the schedule for this important event.

Mr. GEPHARDT. Mr. Speaker, we have got a pressing schedule next week. If the gentleman would like to stipulate that we win the game and you lose, we would be happy to do that. Then we would not even need to play.

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

Mr. GEPHARDT. I yield to the gentleman from Mississippi.

Mr. MONTGOMERY. Mr. Speaker, I would like to pay a compliment to the majority leader, if that would be all right.

Mr. ARMEY. Mr. Speaker, absolutely.

Mr. MONTGOMERY. Mr. Speaker, I thank the gentleman very much for giving us the opportunity yesterday to go the Korean Memorial dedication. It worked out very well.

Then I would like to also comment, I hope the gentleman would consider from 9 to 9 that we have been talking about for a number of weeks now. I think it has a lot of merit, instead of coming in at 10, coming in at 9 and getting out at 9. We did set time limits for this past week and it worked pretty well. So I hope the majority leader would consider this proposal.

Mr. ARMEY. Mr. Speaker, if the gentleman will continue to yield, I want to thank the gentleman from Mississippi for his suggestion. I want to also agree. The gentleman from Mississippi has observed that time limits and debate, the flow of things did work well last week. But in all due respect, the credit for that goes to the floor managers that we have had working on the bills and the cooperation they have gotten from the membership, and with that kind of spirit of cooperation I think our floor managers will have a similar success next week.

Mr. FAZIO of California. Mr. Chairman, will the gentleman yield?

Mr. GEPHARDT. I yield to the gentleman from California.

Mr. FAZIO of California. Mr. Speaker, I see sitting next to the majority leader the gentleman from California, Chairman PACKARD. I assume he is about to file the legislative branch

conference report. Could the gentleman tell us whether he expects that to come before us next week and when that might be?

Mr. ARMEY. Mr. Speaker, yes, we would try to find a way to put that on the floor and see if we can move it along next week.

Mr. FAZIO of California. Does the gentleman think it might be Wednesday, Thursday, before it would come to the floor? I am seeking a little information about timing.

Mr. ARMEY. Mr. Speaker, I would hope maybe Wednesday.

Mr. FAZIO of California. I thank the gentleman.

Mr. GEPHARDT. I thank the gentleman.

CONFERENCE REPORT ON H.R. 1854, LEGISLATIVE BRANCH APPROPRIATIONS ACT, 1996

Mr. PACKARD submitted the following conference report and statement on the bill (H.R. 1854) making appropriations for the legislative branch for the fiscal year ending September 30, 1996, and for other purposes:

CONFERENCE REPORT (H. REPT. 104–212)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 1854) "making appropriations for the Legislative Branch for the fiscal year ending September 30, 1996, and for other purposes," having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 4, 5, 6, 7, 15, 28, 29, 31, 37, 39, 42, 43, 44, 50, 51, 52, 53, and 54.

That the House recede from its disagreement to the amendments of the Senate numbered 3, 13, 17, 19, 20, 21, 23, 24, 26, 30, 33, 36, 38, 45, 46, and 47, and agree to the same.

Amendment numbered 1:

That the House recede from its disagreement to the amendment of the Senate numbered 1, and agree to the same with an amendment, as follows:

Retain the matter proposed, amended as follows:

Delete the sentence beginning "$31,889,000." on line 15 and ending on line 18 of page 3 of the engrossed amendments of the Senate to the bill H.R. 1854; and the Senate agree to the same.

Amendment numbered 2:

That the House recede from its disagreement to the amendment of the Senate numbered 2, and agree to the same with an amendment, as follows:

In lieu of the matter stricken and the matter inserted by said amendment, insert: *For salaries and expenses of the Joint Committee on Printing, $750,000, to be disbursed by the Secretary of the Senate*; and the Senate agree to the same.

Amendment Numbered 8:

Restore the matter stricken by said amendment, amended to read as follows:

ADMINISTRATIVE PROVISION

SEC. 112. Section 310 of the Legislative Branch Appropriations Act, 1990, (2 U.S.C. 130e) is amended—

(1) by striking out "Clerk" and inserting in lieu thereof "Sergeant at Arms"; and

(2) by striking out "Librarian of Congress" and inserting in lieu thereof "Architect of the Capitol".

And the Senate agree to the same.

Amendment numbered 9:

That the House recede from its disagreement to the amendment of the Senate numbered 9, and agree to the same with an amendment, as follows:

In lieu of the matter proposed by said amendment, insert:

OFFICE OF COMPLIANCE

For salaries and expenses of the Office of Compliance, as authorized by section 305 of Public Law 104–1, the Congressional Accountability Act of 1995 (2 U.S.C. 1385), $2,500,000, of which $500,000 shall be transferred from the amount provided for salaries and expenses of the Office of Compliance under the headings "HOUSE OF REPRESENTATIVES", "Salaries and Expenses", and "Salaries, Officers, and Employees".

And the Senate agree to the same.

Amendment numbered 10:

That the House recede from its disagreement to the amendment of the Senate numbered 10, and agree to the same with an amendment, as follows:

In lieu of the matter proposed by said amendment, insert:

OFFICE OF TECHNOLOGY ASSESSMENT

SALARIES AND EXPENSES

For salaries and expenses necessary to carry out the orderly closure of the Office of Technology Assessment, $3,615,000, of which $150,000 shall remain available until September 30, 1997. Upon enactment of this Act, $2,500,000 of the funds appropriated under this heading in Public Law 103–283 shall remain available until September 30, 1996: Provided, That none of the funds made available in this Act shall be available for salaries or expenses of any employee of the Office of Technology Assessment in excess of 17 employees except for severance pay purposes.

ADMINISTRATIVE PROVISIONS

SEC. 113. Upon enactment of this Act all employees of the Office of Technology Assessment for 183 days preceding termination of employment who are terminated as a result of the elimination of the Office and who are not otherwise gainfully employed may continue to be paid by the Office of Technology Assessment at their respective salaries for a period not to exceed 60 calendar days following the employee's date of termination or until the employee becomes otherwise gainfully employed whichever is earlier. Any day for which a former employee receives a payment under this section shall be counted as federal service for purposes of determining entitlement to benefits, including retirement, annual and sick leave earnings, and health and life insurance. A statement in writing to the Director of the Office of Technology Assessment or his designee by any such employee that he was not gainfully employed during such period or the portion thereof for which payment is claimed shall be accepted as prima facie evidence that he was not so employed.

SEC. 114. Notwithstanding the provisions of the Federal Property and Administrative Services Act of 1949, as amended, or any other provision of law, upon the abolition of the Office of Technology Assessment, all records and property of the Office, (including the Unix system, all computer hardware and software, all library collections and research materials, and all photocopying equipment) shall be under the administrative control of the Architect of the Capitol. Not later than December 31, 1995, the Architect shall submit a proposal on how to transfer such records and property to appropriate support agencies of the Legislative Branch which request such transfer, and shall carry out such transfer subject to the approval of the Committees on Appropriations of the House of Representatives and the Senate.

And the Senate agree to the same.

Amendment numbered 11:

That the house recede from its disagreement to the amendment of the Senate numbered 11, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment, insert: *$24,288,000*; and the Senate agree to the same.

Amendment numbered 12:

That the House recede from its disagreement to the amendment of the Senate numbered 12, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment, insert: *232*; and the Senate agree to the same.

Amendment numbered 14:

That the House recede from its disagreement to the amendment of the Senate numbered 14, and agree to the same with an amendment, as follows:

In lieu of the number proposed by said amendment, insert: *115*; and the Senate agree to the same.

Amendment numbered 16:

That the House recede from its disagreement to the amendment of the Senate numbered 16, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment, insert: *$22,882,000*; and the Senate agree to the same.

Amendment numbered 18:

That the House recede from its disagreement to the amendment of the Senate numbered 18, and agree to the same with an amendment, as follows:

In lieu of the matter proposed by said amendment, insert: *Provided, That hereafter expenses, based on full cost recovery, for flying American flags and providing certification services therefor shall be advanced or reimbursed upon request of the Architect of the Capitol, and amounts so received shall be deposited into the Treasury*; and the Senate agree to the same.

Amendment numbered 22:

That the House recede from its disagreement to the amendment of the Senate numbered 22, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment, insert: *$83,770,000*; and the Senate agree to the same.

Amendment numbered 25:

That the House recede from its disagreement to the amendment of the Senate numbered 25, and agree to the same with an amendment, as follows:

In lieu of the matter stricken and inserted by said amendment, insert: *$211,664,000*; and the Senate agree to the same.

Amendment numbered 27:

That the House recede from its disagreement to the amendment of the Senate numbered 27, and agree to the same amendment, as follows:

In lieu of the sum proposed by said amendment, insert: *$6,812,000*; and the Senate agree to the same.

Amendment numbered 32:

That the House recede from its disagreement to the amendment of the Senate numbered 32, and agree to the same with an amendment, as follows:

In lieu of the matter proposed by said amendment, insert:

SEC. 209.(a) The purpose of this section is to reduce the cost of information support for the Congress by eliminating duplication among systems which provide electronic access by Congress to legislative information.

(b) As used in this section, the term "legislative information" means information, prepared

within the legislative branch, consisting of the text of publicly available bills, amendments, committee hearings, and committee reports, the text of the Congressional Record, data relating to bill status, data relating to legislative activity, and other similar public information that is directly related to the legislative process.

(c) Pursuant to the plan approved under subsection (d) and consistent with the provisions of any other law, the Library of Congress or the entity designated by that plan shall develop and maintain, in coordination with other appropriate entities of the legislative branch, a single legislative information retrieval system to serve the entire Congress.

(d) The Library shall develop a plan for creation of this system, taking into consideration the findings and recommendations of the study directed by House Report No. 103-517 to identify and eliminate redundancies in congressional information systems. This plan must be approved by the Committee on Rules and Administration of the Senate, the Committee on House Oversight of the House of Representatives, and the Committees on Appropriations of the Senate and the House of Representatives. The Library shall provide these committees with regular status reports on the development of the plan.

(e) In formulating its plan, the Library shall examine issues regarding efficient ways to make this information available to the public. This analysis shall be submitted to the Committees on Appropriations of the Senate and the House of Representatives as well as the Committee on Rules and Administration of the Senate, and the Committee on House Oversight of the House of Representatives for their consideration and possible action.

And the Senate agree to the same.

Amendment numbered 34:

That the House recede from its disagreement to the amendment of the Senate numbered 34, and agree to the same with an amendment, as follows:

Restore the matter stricken by said amendment, amended to read as follows:

ADMINISTRATIVE PROVISION

SEC. 210. The fiscal year 1997 budget submission of the Public Printer to the Congress for the Government Printing Office shall include appropriations requests and recommendations to the Congress that—

(1) are consistent with the strategic plan included in the technological study performed by the Public Printer pursuant to Senate Report 104-114;

(2) assure substantial progress toward maximum use of electronic information dissemination technologies by all departments, agencies, and other entities of the Government with respect to the Depository Library Program and information dissemination generally; and

(3) are formulated so as to require that any department, agency, or other entity of the Government that does not make such progress shall bear from its own resources the cost of its information dissemination by other than electronic means.

And the Senate agree to the same.

Amendment numbered 35:

That the House recede from its disagreement to the amendment of the Senate numbered 35, and agree to the same with an amendment, as follows:

In lieu of the matter stricken and inserted by said amendment, insert: *3,800 workyears by the end of fiscal year 1996*; and the Senate agree to the same.

Amendment numbered 40:

That the House recede from its disagreement to the amendment of the Senate numbered 40, and agree to the same with an amendment, as follows:

In lieu of the first section number proposed in said amendment, insert: *212*; and the Senate agree to the same.

Amendment numbered 41:

That the House recede from its disagreement to the amendment of the Senate numbered 41, and agree to the same with an amendment, as follows:

In lieu of the first section number proposed in said amendment, insert: *213*; and the Senate agree to the same.

Amendment numbered 48:

That the House recede from its disagreement to the amendment of the Senate numbered 48, and agree to the same with an amendment, as follows:

In lieu of the section number proposed by said amendment, insert: *310*; and the Senate agree to the same.

Amendment numbered 49:

That the House recede from its disagreement to the amendment of the Senate numbered 49, and agree to the same with an amendment, as follows:

In lieu of the first section number proposed in said amendment, insert: *311*; and the Senate agree to the same.

Amendment numbered 55:

That the House recede from its disagreement to the amendment of the Senate numbered 55, and agree to the same with an amendment, as follows:

In lieu of the matter proposed by said amendment, insert:

SEC. 312. Such sums as may be necessary are appropriated to the account described in subsection (a) of section 415 of Public Law 104-1 to pay awards and settlements as authorized under such subsection.

SEC. 313. (a) The Sergeant at Arms of the House of Representatives shall have the same law enforcement authority, including the authority to carry firearms, as a member of the Capitol Police. The law enforcement authority under the preceding sentence shall be subject to the requirement that the Sergeant at Arms have the qualifications specified in subsection (b).

(b) The qualifications referred to in subsection (a) are the following:

(1) A minimum of five years of experience as a law enforcement officer before beginning service as the Sergeant at Arms.

(2) Current certification in the use of firearms by the appropriate Federal law enforcement entity or an equivalent non-Federal entity.

(3) Any other firearms qualification required for members of the Capitol Police.

(c) The Committee on House Oversight of the House of Representatives shall have authority to prescribe regulations to carry out this section.

SEC. 314. Notwithstanding any other provision of law, effective September 1, 1995, the Committee on House Oversight of the House of Representatives shall have authority—

(1) to combine the House of Representatives Clerk Hire Allowance, Official Expenses Allowance, and Official Mail Allowance into a single allowance, to be known as the "Members' Representational Allowance"; and

(2) to prescribe regulations relating to allocations, expenditures, and other matters with respect to the Members' Representational Allowance.

And the Senate agree to the same.

RON PACKARD,
BILL YOUNG,
CHARLES H. TAYLOR,
DAN MILLER,
ROGER F. WICKER,
BOB LIVINGSTON,
VIC FAZIO,
RAY THORNTON,
JULIAN C. DIXON,
DAVID R. OBEY,
Managers on the Part of the House.

CONNIE MACK,
R.F. BENNETT,
MARK O. HATFIELD,
PATTY MURRAY,
BARBARA A. MIKULSKI,
Managers on the Part of the Senate.

JOINT EXPLANATORY STATEMENT OF THE COMMITTEE ON CONFERENCE

The managers on the part of the House and the Senate at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 1854) making appropriations for the Legislative Branch for the fiscal year ending September 30, 1996, and for other purposes, submit the following joint statement to the House and Senate in explanation of the effect of the action agreed upon by the managers and recommended in the accompanying conference report.

TITLE I—CONGRESSIONAL OPERATIONS

SENATE

Amendment No. 1: Appropriates $426,919,000 for the operations of the Senate, rescinds $63,544,724.12 of previously appropriated Senate funds, and contains several administrative provisions. At the request of the managers on the part of the Senate, the conferees agreed to amend the Senate amendment. Inasmuch as the amendment relates solely to the Senate and in accord with long practice under which each body concurs without intervention, the managers on the part of the House, at the request of the managers on the part of the Senate, have receded to the Senate amendment, as amended.

JOINT ITEMS

JOINT COMMITTEE ON PRINTING

Amendment No. 2: Appropriates $750,000 for the Joint Committee on Printing instead of $750,000 equally divided between the House and Senate authorizing committees as proposed by the House and $1,164,000 as proposed by the Senate.

JOINT COMMITTEE ON TAXATION

Amendment No. 3: Appropriates $5,116,000 as proposed by the Senate instead of $6,019,000 as proposed by the House.

CAPITOL POLICE BOARD

CAPITOL POLICE

SALARIES

Amendment No. 4: Appropriates $70,132,000 for the salaries and related personnel expenses of the Capitol Police as proposed by the House instead of $69,825,000 as proposed by the Senate.

Amendment No. 5: Provides $34,213,000 to the Sergeant at Arms of the House of Representatives, to be disbursed by the Clerk of the House, as proposed by the House instead of $33,906,000 as proposed by the Senate.

GENERAL EXPENSES

Amendment No. 6: Appropriates $2,560,000 for general expenses of the Capitol Police as proposed by the House instead of $2,190,000 as proposed by the Senate.

CAPITOL GUIDE SERVICE AND SPECIAL SERVICES OFFICE

Amendment No. 7: Appropriates $1,991,000 for the combined activities of the Capitol Guide Service and the Special Services Office as proposed by the House instead of $1,628,000 for the Capitol Guide Service and $363,000 for the Special Services Office as proposed by the Senate. The conferees direct that future year budget requests of the combined operation maintain a distinction between these separate services. The conferees also acknowledge the importance of the services provided to Members, staff, and public visitors by the Special Services Office and the

dedication of the small, but highly proficient and motivated staff. This will continue the independent status of the Office.

Amendment No. 8: Restores language proposed by the House and stricken by the Senate amended to reconstitute the membership of the Special Services Board with the same membership as the Capitol Guide Board.

OFFICE OF COMPLIANCE

Amendment No. 9: Appropriates $2,500,000, of which $500,000 shall be transferred from funds in the Act appropriated for an Office of Compliance within the House of Representatives, for the Office of Compliance, a joint House-Senate activity authorized by the Congressional Accountability Act, instead of $2,500,000 as proposed by the Senate. The funds remaining in the House bill may be redirected for salaries and expenses of the Office of Fair Employment Practices.

OFFICE OF TECHNOLOGY ASSESSMENT

SALARIES AND EXPENSES

Amendment No. 10: Appropriates $3,615,000, a reappropriation of $2,500,000, and 60 days of severance pay for the close-out costs of the Office of Technology Assessment as proposed by the Senate. The conferees agreed to a clarifying amendment to the severance pay provision inserted by the Senate. This section provides a severance package for employees whose federal service is terminated as a result of the elimination of the OTA. Although the employee's service with the federal government will have been terminated, the period for which an employee receives payment under this section will be considered as creditable service for all purposes, including determining retirement benefits, accrual of annual and sick leave, entitlement to health benefits, etc. The conferees also have amended the Senate provision regarding records and property disposal to provide that such items shall be under the administrative control of the Architect of the Capitol. Not later than December 31, 1995, the Architect of the Capitol shall propose a transfer of these items. Such transfer shall be made to legislative branch support agencies, subject to the approval of House and Senate Appropriations Committees.

CONGRESSIONAL BUDGET OFFICE

SALARIES AND EXPENSES

Amendment No. 11: Appropriates $24,288,000 for salaries and expenses of the Congressional Budget Office instead of $23,188,000 as proposed by the House and $25,788,000 as proposed by the Senate. The conferees direct that the CBO comply with the requirements of the unfunded mandates workload out of the funds provided. If necessary, program analysis priorities should be adjusted to accommodate this directive.

Amendment No. 12: Limits full-time equivalent positions to 232 instead of 219 as proposed by the House and 244 as proposed by the Senate.

Amendment No. 13: Deletes $1,100,000 appropriated in the House bill for the unfunded mandates workload as proposed by the Senate. Funds are provided for this workload in amendment 11.

Amendment No. 14: Changes a section number.

ARCHITECT OF THE CAPITOL

OFFICE OF THE ARCHITECT OF THE CAPITOL

SALARIES

Amendment No. 15: Appropriates $8,569,000 for the salaries of the Office of the Architect of the Capitol as proposed by the House instead of $8,876,000 as proposed by the Senate.

CAPITOL BUILDINGS AND GROUNDS

CAPITOL BUILDINGS

Amendment No. 16: Appropriates $22,882,000 for Capitol buildings instead of $22,832,000 as proposed by the House and $23,132,000 as proposed by the Senate. These funds include the items in the Senate bill less $250,000 for security related functions which are not provided.

Amendment No. 17: Makes $2,950,000 available until expended for Capitol buildings as proposed by the Senate instead of $3,000,000 as proposed by the House.

Amendment No. 18: Provides that expenses, based on full cost recovery, of the flag office shall be advanced or reimbursed and amounts so received shall be deposited into the Treasury instead of crediting these amounts to this appropriation as proposed by the Senate. The conferees direct that the Architect of the Capitol propose a reprogramming that will provide the funds necessary to operate the flag office. The conferees also direct that the Architect make a proposal in the fiscal year 1997 budget request that would transfer these activities in whole or in part to a private entity, while retaining the practice of a Congressional officer who will 'certify' the special status of the flag.

SENATE OFFICE BUILDINGS

Amendment No. 19: Appropriates $41,757,000 for Senate office buildings, of which $4,850,000 shall remain available until expended, as proposed by the Senate. Inasmuch as the amendment relates solely to the Senate and in accord with long practice under which each body concurs without intervention, the managers on the part of the House, at the request of the managers on the part of the Senate, have receded to the Senate amendment.

CAPITOL POWER PLANT

Amendment No. 20: Appropriates $31,518,000 for the Capitol Power Plant as proposed by the Senate instead of $32,578,000 as proposed by the House.

LIBRARY OF CONGRESS

CONGRESSIONAL RESEARCH SERVICE

SALARIES AND EXPENSES

Amendment No. 21: Appropriates $60,084,000 for salaries and expenses of the Congressional Research Service as proposed by the Senate instead of $75,083,000 as proposed by the House.

GOVERNMENT PRINTING OFFICE

CONGRESSIONAL PRINTING AND BINDING

Amendment No. 22: Appropriates $83,770,000 for Congressional printing and binding instead of $88,281,000 as proposed by the House and $85,500,00 as proposed by the Senate. The conferees have agreed to a partial restoration above the House allowance of $1,706,000 in funds for the printing of documents for Congressional use, $1,415,000 for GPO detailees, and $1,050,000 for paper copies of the serial set, as well as the base cut of $2,882,000 made in the Senate allowance. The conferees have deleted $5,800,000 provided by the House to reimburse the Superintendent of Documents for Congressional documents printed for distribution to depository libraries. Instead, these funds have been provided in the Superintendent of Documents appropriation, conforming with current practice. The conferees direct the Public Printer, in consultation with the Joint Committee on Printing, to administer these funds and find further opportunities to reduce unnecessary Congressional printing.

Amendment No. 23: Deletes language proposed by the House and stricken by the Senate that would have included Senators in the funding limitation on paper copies of the permanent edition of the Congressional Record.

TITLE II—OTHER AGENCIES

BOTANIC GARDEN

CONSERVATORY RENOVATION

Amendment No. 24: Deletes $7,000,000 provided without fiscal year limitation together with a limitation of cost provided by the House and stricken by the Senate for the renovation of the Botanic Garden Conservatory.

LIBRARY OF CONGRESS

SALARIES AND EXPENSES

Amendment No. 25: Appropriates $211,664,000 for salaries and expenses, Library of Congress, instead of $193,911,000 as proposed by the House and $213,164,000 as proposed by the Senate. The conferees have restored $17,753,000 above the House allowance, including funding for the American Folklife Center. These funds include $3,000,000 for the National Digital Library project.

ADMINISTRATIVE PROVISIONS

Amendment No. 26: Provides an obligational authority ceiling for reimbursable and revolving fund activities at the Library of Congress $99,412,000 as proposed by the Senate instead of $86,912,000 as proposed by the House.

Amendment No. 27: Provides $6,812,000 for non-expenditure transfer activities in support of parliamentary development instead of $5,667,000 as proposed by the House and $7,295,000 as proposed by the Senate. The additional funds are provided for activities in support of parliamentary development in Albania and Slovakia.

Amendment No. 28: Deletes language inserted by the Senate limiting funding for parliamentary development to activities funded by the Agency for International Development.

Amendment No. 29: Deletes language inserted by the Senate which adds Egypt to the country list included in the program in support parliamentary development.

Amendment No. 30: Deletes a provision inserted by the House and stricken by the Senate that amends section 206 of the Legislative Branch Appropriations Act, 1994, that limits obligations for gift and trust funds in excess of $100,000 to the amounts provided in annual or supplemental appropriations Acts beginning with fiscal year 1997. The conferees believe that Congress must retain oversight over gift and trust fund obligations and their impact on Library of Congress programs. These funds are becoming significant supplements to core programs of the Library of Congress and are being used to fund, along with appropriated funds, projects such as the National Digital Library.

To ensure Congressional oversight of gift and trust fund activities, the Committee directs the Library to include a new informational section in their budget submission documents which represents a combined justification for those appropriation-funded projects which are augmented by major gift and trust fund activities. These justifications should be similar to those of the Cataloging Distribution Service and the Copyright Office which are funded by appropriation and revenue receipts and should include an estimate of resources and full-time-equivalents necessary to accomplish the project. Furthermore, the Library is directed to notify the Appropriations Committees of any major new gift and trust fund activities not included in the annual budget justification or major changes to existing gift and

trust fund programs. A major gift or trust fund activity is defined as any single account of $100,000 or more. A threshold of $100,000 for any single activity will exempt certain funds established for special purposes such as the purchase of a rare manuscript, sponsorship of an exhibit, or other instances where the traditional gift and trust fund accountability is suitable. The conferees believe that full disclosure of project plans, resource commitments, and long term cost implications, regardless of funding source, will mitigate the need for a legislative limitation in appropriations acts. If this method proves unwieldy or otherwise insufficient, an appropriations limitation will still be available to the Congress. In any case, the intent is not to redirect the use of donated funds to other purposes, but to ensure that core Library of Congress project activities are consistent with public policy and that the Congress retains the means to carry out its responsibility to oversee the activities of this most important program.

Amendment No. 31: Deletes a Senate provision authorizing the Library to offer retirement incentives to employees throughout fiscal year 1996.

Amendment No. 32: Changes a section number and authorizes the Library of Congress to develop a plan, subject to approval, for the creation of a single legislative information retrieval system to serve the entire Congress, to examine issues regarding efficient ways to make this information available to the public, and to develop such a system, subject to play approval. The conference agreement amends the Senate provision to condition the development of the system based on appropriate approvals, and to include the Committees on Appropriations in the plan approval procedure. The conferees wish to point out that there are commercial sources of comparable systems and data bases, as well as several data bases and data creation, processing, and distribution systems extant in the legislative branch that should be evaluated in the issue analysis and plan development phases.

GOVERNMENT PRINTING OFFICE

OFFICE OF SUPERINTENDENT OF DOCUMENTS

SALARIES AND EXPENSES

Amendment No. 33: Appropriates $30,307,000 for salaries and expenses, Superintendent of Documents, as proposed by the Senate instead of $16,312,000 as proposed by the House.

Amendment No. 34: Deletes a House provision stricken by the Senate which would have amended section 1903 of Title 44, and inserts a provision directing the Public Printer to include in the fiscal year 1997 budget submission a proposal for the depository library program that will result in conversion of this program to electronic format. The Public Printer is directed to propose a means to create cost incentives for publishing agencies, including the Congress, to migrate from print-on paper products to electronic format. The conferees direct that the Public Printer and Superintendent of Documents consult with the Joint Committee on Printing, House and Senate document publishing managers, and appropriate executive branch officials in the development of the fiscal year 1997 budget program. The conferees also do not intend that the study directed in the Senate report or the plan regarding electronic format should interfere with the activities of the authorizing committees to consider legislation amending title 44, U.S. Code, or any legislative initiative which will improve the Federal printing program.

GOVERNMENT PRINTING OFFICE REVOLVING FUND

Amendment No. 35: Limits the full-time equivalent employment at the Government Printing Office to 3,800 by the end of the fiscal year instead of 3,550 as proposed by the House and 3,900 by the end of the fiscal year as proposed by the Senate.

GENERAL ACCOUNTING OFFICE

SALARIES AND EXPENSES

Amendment No. 36: Appropriates $374,406,000 for salaries and expenses, General Accounting Office as proposed by the Senate instead of $392,864,000 as proposed by the House. The conferees direct that the General Accounting Office downsizing plan made necessary by the level of funding provided incorporate privatization of administrative activities to the maximum extent and utilize the services of private accounting firms, and other private sector experts in carrying out audit, financial analysis, and program evaluation activities. The conferees direct that the fiscal year 1997 budget proposal contain a separate section which documents this policy, together with comparisons to current practices.

Amendment No. 37: Deletes a provision inserted by the Senate providing an advance appropriation for fiscal year 1997 of $338,425,400, and $6,100,000 of reimbursement received. The conferees agree that the intent is to achieve a 25% reduction over the two year period of fiscal years 1996 and 1997.

ADMINISTRATIVE PROVISIONS

Amendment No. 38: Changes a heading as proposed by the Senate.

Amendment No. 39: Restores a provision proposed by the House and stricken by the Senate which transfers claims and judgments activities to the executive branch effective June 30, 1996.

Amendment No. 40: Changes a section number and amends section 732 of Title 31, giving authority to the Comptroller General to establish reduction in force regulations for GAO as proposed by the Senate.

Amendment No. 41: Changes a section number and amends section 753 of Title 31, removing from the GAO Personnel Appeals Board their authority to stay a reduction in force as proposed by the Senate.

Amendment No. 42: Deletes a provision inserted by the Senate giving the General Accounting Office authority to offer incentives to employees who retire or resign on or before September 30, 1995. The authority is contained in H.R. 1944, the fiscal year 1995 emergency supplemental and rescissions Act.

TITLE III—GENERAL PROVISIONS

Amendment No. 43: Restores a provision proposed by the House and stricken by the Senate which transfers personnel and unexpended balances for security equipment design and installation from the Architect of the Capitol to the Capitol Police.

Amendment No. 44: restores a section number.

Amendment No. 45: Adds a subsection inserted by the Senate regarding the Administrative Conference of the United States. The conference agreement complies with the intent of the Congressional Accountability Act to study the application of certain laws to the General Accounting Office, Library of Congress, and the Government Printing Office. In the event the Administrative Conference is not funded, the conference agreement provides that the study will be undertaken by the Office of Compliance.

Amendment No. 46: Deletes a provision proposed by the House and stricken by the Senate that would have authorized the Provost Marshall at Ft. Meade to police the 100 acre parcel assigned to the Legislative Branch.

Amendment No. 47: Deletes a provision proposed by the House and stricken by the Senate that would have transferred the Botanic Garden to the Secretary of Agriculture.

Amendment No. 48: Changes a section number.

Amendment No. 49: Changes a section number and inserts a Senate provision amending Public Law 101-302 regarding Senate artwork.

Amendment No. 50: Deletes a sense of the Senate provision relating to members of the Senate press galleries.

Amendment No. 51: Deletes a Senate legislative provision regarding the selection of Federal Government contractors.

Amendment No. 52: Deletes a sense of the Senate provision regarding the Senate legislative schedule.

Amendment No. 53: Deletes a provision stating findings and sense of the Senate provision regarding the war in Bosnia.

Amendment No. 54: Deletes a Senate legislative provision repealing section 3303 and amending section 2302(b)(2) of Title 5, regarding prohibitions against political recommendations relating to Federal employment.

Amendment No. 55: Deletes a legislative provision inserted by the Senate regarding reductions in facility energy costs and inserts three provisions: 1. to specify the law enforcement authority of the House Sergeant at Arms; 2. to clarify the existing authority of the Committee on House Oversight to consolidate or combine representational allowances of Members of the House of Representatives and to prescribe regulations with regard to allocation and expenditure of such allowances; and 3. to establish an account to pay awards and settlements as authorized under section 415 of the Congressional Accountability Act of 1995. The conferees direct that the Architect of the Capitol, the Librarian of Congress, the Public Printer, and the Comptroller General include in their fiscal year 1997 budget submissions proposals to achieve reductions in facility energy costs. The conferees are aware that the Architect of the Capitol has an extensive energy retrofit program in effect, which has been fully coordinated with the Congress and the Committees on Appropriations. Those savings may be included within the required proposal.

CONFERENCE TOTAL—WITH COMPARISONS

The total new budget (obligational) authority for the fiscal year 1996 recommended by the Committee of Conference, with comparisons to the fiscal year 1995 amount, the 1996 budget estimates, and the House and Senate bills for 1996 follow:

New budget (obligational) authority, fiscal year 1995	$2,390,554,700
Budget estimates of new (obligational) authority, fiscal year 1996	2,617,614,000
House bill, fiscal year 1996	1,725,698,000
Senate bill, fiscal year 1996	2,190,370,000
Conference agreement, fiscal year 1996	2,184,856,000
Conference agreement compared with:	
New budget (obligational) authority, fiscal year 1995	−205,698,700
Budget estimates of new (obligational) authority, fiscal year 1996	−432,758,000

House bill, fiscal year 1996	+459,158,000
Senate bill, fiscal year 1996	−5,514,000

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SUMMARY TABLE TO ACCOMPANY CONFERENCE REPORT ON H.R. 1854

Mr. PACKARD. Mr. Speaker, I submit the following summary table to accompany the conference report on H.R. 1854, the fiscal year 1996 legislative branch appropriations bill.

FY 1996 LEGISLATIVE BRANCH APPROPRIATIONS BILL (H.R. 1854)

	FY 1995 Enacted	FY 1996 Estimate	House	Senate	Conference	Conference compared with enacted
TITLE I - CONGRESSIONAL OPERATIONS						
SENATE						
Mileage and Expense Allowances						
Mileage of the Vice President and Senators	60,000	60,000				-60,000
Expense allowances:						
Vice President	10,000	10,000		10,000	10,000	
President Pro Tempore of the Senate	10,000	10,000		10,000	10,000	
Majority Leader of the Senate	10,000	10,000		10,000	10,000	
Minority Leader of the Senate	10,000	10,000		10,000	10,000	
Majority Whip of the Senate	5,000	5,000		5,000	5,000	
Minority Whip of the Senate	5,000	5,000		5,000	5,000	
Chairman of the Majority Conference Committee	3,000	3,000		3,000	3,000	
Chairman of the Minority Conference Committee	3,000	3,000		3,000	3,000	
Subtotal, expense allowances	56,000	56,000		56,000	56,000	
Representation allowances for the Majority and Minority Leaders	30,000	30,000		30,000	30,000	
Total, Mileage and expenses allowances	146,000	146,000		86,000	86,000	-60,000
Salaries, Officers and Employees						
Office of the Vice President	1,513,000	1,549,000		1,513,000	1,513,000	
Office of the President Pro Tempore	457,000	469,000		325,000	325,000	-132,000
Offices of the Majority and Minority Leaders	2,195,000	2,246,000		2,195,000	2,195,000	
Offices of the Majority and Minority Whips	656,000	672,000		656,000	656,000	
Conference committees	1,992,000	2,040,000		1,992,000	1,992,000	
Offices of the Secretaries of the Conference of the Majority and the Conference of the Minority	384,000	394,000		360,000	360,000	-24,000
Policy Committees				1,930,000	1,930,000	+1,930,000
Office of the Chaplain	192,000	201,000		192,000	192,000	
Office of the Secretary	12,961,000	13,260,000		12,128,000	12,128,000	-833,000
Office of the Sergeant at Arms and Doorkeeper	32,739,000	35,399,000		31,879,000	31,889,000	-850,000
Offices of the Secretaries for the Majority and Minority	1,197,000	1,225,000		1,047,000	1,047,000	-150,000
Agency contributions and related expenses	17,052,000	18,386,000		15,500,000	15,500,000	-1,552,000
Total, salaries, officers and employees	71,338,000	75,841,000		69,717,000	69,727,000	-1,611,000
Office of the Legislative Counsel of the Senate						
Salaries and expenses	3,381,000	3,543,500		3,381,000	3,381,000	
Office of Senate Legal Counsel						
Salaries and expenses	936,000	985,000		936,000	936,000	
Expense Allowances of the Secretary of the Senate, Sergeant at Arms and Doorkeeper of the Senate, and Secretaries for the Majority and Minority of the Senate: Expenses allowances	12,000	12,000		12,000	12,000	
Contingent Expenses of the Senate						
Senate policy committees	2,574,000	2,672,000				-2,574,000
Inquiries and investigations	78,112,000	78,863,000		66,395,000	66,395,000	-11,717,000
Expenses of United States Senate Caucus on International Narcotics Control	348,000	379,000		305,000	305,000	-43,000
Secretary of the Senate	1,966,500	1,966,500		1,266,000	1,266,000	-700,500
(By transfer)	(7,000,000)					(-7,000,000)
Sergeant at Arms and Doorkeeper of the Senate	74,894,000	72,234,000		61,347,000	61,347,000	-13,547,000
Miscellaneous items	7,429,000	7,429,000		6,644,000	6,644,000	-785,000
Senators' Official Personnel and Office Expense Account	206,542,000	222,663,000		204,029,000	204,029,000	-2,513,000
Office of Senate Fair Employment Practices	889,000	890,000		778,000	778,000	-111,000
Settlements and Awards Reserve	1,000,000	1,000,000		1,000,000	1,000,000	
Stationery (revolving fund)	13,000	13,000		13,000	13,000	
Official Mail Costs						
Expenses	11,000,000	36,300,000		11,000,000	11,000,000	
Total, contingent expenses of the Senate	384,767,500	424,409,500		352,777,000	352,777,000	-31,990,500
Total, Senate	460,580,500	504,937,000		426,909,000	426,919,000	-33,661,500
HOUSE OF REPRESENTATIVES 1/						
Payments to Widows and Heirs of Deceased Members of Congress						
Gratuities, deceased Members	267,200					-267,200
Salaries and Expenses						
House Leadership Offices						
Office of the Speaker	1,444,000	1,600,000	1,478,000	1,478,000	1,478,000	+34,000
Office of the Majority Floor Leader	1,220,764	1,114,000	1,470,000	1,470,000	1,470,000	+249,236
Office of the Minority Floor Leader	1,445,413	1,525,000	1,480,000	1,480,000	1,480,000	+34,587

1/ Enacted and request reflect current organization of House funding.

FY 1996 LEGISLATIVE BRANCH APPROPRIATIONS BILL (H.R. 1854)

	FY 1995 Enacted	FY 1996 Estimate	House	Senate	Conference	Conference compared with enacted
Office of the Majority Whip	1,121,649	1,357,000	928,000	928,000	928,000	-193,649
Office of the Minority Whip	897,000	946,000	918,000	918,000	918,000	+21,000
Speaker's Office for Legislative Floor Activity	277,000	376,000	376,000	376,000	376,000	+99,000
House Republican Conference	1,506,587	1,628,000	1,083,000	1,083,000	1,083,000	-423,587
House Republican Steering Committee	200,000	205,000	664,000	664,000	664,000	+464,000
Nine minority employees	1,024,000	1,144,000	1,127,000	1,127,000	1,127,000	+103,000
House Democratic Steering and Policy Committee	1,153,587	1,226,000	1,181,000	1,181,000	1,181,000	+27,413
House Democratic Caucus	553,000	607,000	566,000	566,000	566,000	+13,000
Subtotal, House Leadership Offices	10,843,000	11,728,000	11,271,000	11,271,000	11,271,000	+428,000
Members' Representational Allowances						
Expenses	351,217,000	389,100,000	360,503,000	360,503,000	360,503,000	+9,286,000
Committee Employees						
Standing Committees, Special & Select (except Appropriations)	112,805,000	125,749,000	78,629,000	78,629,000	78,629,000	-34,176,000
Committee on Appropriations (including studies & investigations)	22,531,000	23,044,000	16,945,000	16,945,000	16,945,000	-5,586,000
Subtotal, Committee employees	135,336,000	148,793,000	95,574,000	95,574,000	95,574,000	-39,762,000
Salaries, Officers and Employees						
Office of the Clerk	15,270,000	16,811,000	13,807,000	13,807,000	13,807,000	-1,463,000
Office of the Sergeant at Arms	2,736,000	3,049,000	3,410,000	3,410,000	3,410,000	+674,000
Office of the Chief Administrative Officer	69,725,000	65,132,000	53,556,000	53,556,000	53,556,000	-16,169,000
Office of Inspector General	295,000	7,125,000	3,954,000	3,954,000	3,954,000	+3,659,000
Office of Compliance		2,130,000	858,000	858,000	858,000	+858,000
Transfer to Joint Items, Office of Compliance					(-500,000)	(-500,000)
Office of the Chaplain	124,000	128,000	126,000	126,000	126,000	+2,000
Office of the Parliamentarian	983,000	1,240,000	1,180,000	1,180,000	1,180,000	+197,000
Office of the Parliamentarian	(669,000)	(835,000)	(775,000)	(775,000)	(775,000)	(+106,000)
Compilation of precedents of the House of Representatives	(314,000)	(405,000)	(405,000)	(405,000)	(405,000)	(+91,000)
Office of the Law Revision Counsel of the House	1,630,000	1,870,000	1,700,000	1,700,000	1,700,000	+70,000
Office of the Legislative Counsel of the House	4,400,000	4,592,000	4,524,000	4,524,000	4,524,000	+124,000
Other authorized employees	504,000	675,000	618,000	618,000	618,000	+114,000
Former Speakers' staff	(290,000)	(447,000)	(447,000)	(447,000)	(447,000)	(+157,000)
Technical assistant, Office of the Attending Physician	(161,000)	(171,000)	(171,000)	(171,000)	(171,000)	(+10,000)
Drivers	(53,000)	(57,000)				(-53,000)
Subtotal, Salaries, Officers and Employees	95,667,000	102,752,000	83,733,000	83,733,000	83,733,000	-11,934,000
Allowances and Expenses						
Supplies, materials, administrative costs and Federal tort claims	3,453,000	2,695,000	1,213,000	1,213,000	1,213,000	-2,240,000
Official mail (committees, leadership, administrative and legislative offices)			1,000,000	1,000,000	1,000,000	+1,000,000
Reemployed annuitants reimbursements	1,279,000	2,451,000	68,000	68,000	68,000	-1,211,000
Government contributions	129,895,000	138,698,000	117,541,000	117,541,000	117,541,000	-12,354,000
Miscellaneous items	778,000	778,000	658,000	658,000	658,000	-120,000
Subtotal, Allowances and expenses	135,405,000	144,622,000	120,480,000	120,480,000	120,480,000	-14,925,000
Total, salaries and expenses	728,468,000	796,995,000	671,561,000	671,561,000	671,561,000	-56,907,000
Total, House of Representatives	728,735,200	796,995,000	671,561,000	671,561,000	671,561,000	-57,174,200
JOINT ITEMS						
Joint Economic Committee	4,090,000	4,265,000	3,000,000	3,000,000	3,000,000	-1,090,000
Joint Committee on Printing	1,370,000	1,414,000		1,164,000	750,000	-620,000
Transfer to House Oversight Committee			375,000			
Transfer to Senate Committee on Rules and administration			375,000			
Joint Committee on Taxation	6,019,000	6,460,000	6,019,000	5,116,000	5,116,000	-903,000
Office of the Attending Physician						
Medical supplies, equipment, expenses, and allowances	1,335,000	1,260,000	1,260,000	1,260,000	1,260,000	-75,000
Capitol Police Board						
Capitol Police						
Salaries:						
Sergeant at Arms of the House of Representatives	33,463,000	34,643,000	34,213,000	33,906,000	34,213,000	+750,000
Sergeant at Arms and Doorkeeper of the Senate	35,919,000	37,381,000	35,919,000	35,919,000	35,919,000	
Subtotal, salaries	69,382,000	72,024,000	70,132,000	69,825,000	70,132,000	+750,000
General expenses	2,000,000	2,190,000	2,560,000	2,190,000	2,560,000	+560,000
Subtotal, Capitol Police	71,382,000	74,214,000	72,692,000	72,015,000	72,692,000	+1,310,000
Capitol Guide and Special Services Office	1,991,000	2,093,000	1,991,000		1,991,000	
Capitol Guide Service				1,628,000		
Special Services Office				363,000		
Subtotal	1,991,000	2,093,000	1,991,000	1,991,000	1,991,000	

FY 1996 LEGISLATIVE BRANCH APPROPRIATIONS BILL (H.R. 1854)

	FY 1995 Enacted	FY 1996 Estimate	House	Senate	Conference	Conference compared with enacted
Statements of Appropriations			30,000	30,000	30,000	+30,000
Office of Compliance				2,500,000	2,000,000	+2,000,000
Transfer from House of Representatives Office of Compliance					(500,000)	(+500,000)
Total, Joint items	86,187,000	89,706,000	85,742,000	87,076,000	86,839,000	+652,000
OFFICE OF TECHNOLOGY ASSESSMENT						
Salaries and expenses	21,970,000	23,195,000		3,615,000	3,615,000	-18,355,000
CONGRESSIONAL BUDGET OFFICE						
Salaries and expenses	23,188,000	25,788,000	24,288,000	25,788,000	24,288,000	+1,100,000
ARCHITECT OF THE CAPITOL						
Office of the Architect of the Capitol						
Salaries	9,103,000	9,823,000	8,569,000	8,876,000	8,569,000	-534,000
Travel (limitation on official travel expenses)	(20,000)	(20,000)	(20,000)	(20,000)	(20,000)	
Contingent expenses	100,000	100,000	100,000	100,000	100,000	
Subtotal, Office of the Architect of the Capitol	9,203,000	9,923,000	8,669,000	8,976,000	8,669,000	-534,000
Capitol Buildings and Grounds						
Capitol buildings	22,797,000	28,085,000	22,832,000	23,132,000	22,882,000	+85,000
Sec. 310 (purchasing x-ray & metal detectors)	(2,015,000)					(-2,015,000)
Capitol grounds	5,270,000	6,084,000	5,143,000	5,143,000	5,143,000	-127,000
Senate office buildings	47,619,000	52,537,000		41,757,000	41,757,000	-5,862,000
House office buildings	41,364,000	46,054,000	33,001,000	33,001,000	33,001,000	-8,363,000
Capitol Power Plant	36,637,000	41,062,000	36,578,000	35,518,000	35,518,000	-1,119,000
Offsetting collections	-3,200,000	-3,200,000	-4,000,000	-4,000,000	-4,000,000	-800,000
Net subtotal, Capitol Power Plant	33,437,000	37,862,000	32,578,000	31,518,000	31,518,000	-1,919,000
Subtotal, Capitol buildings and grounds	150,487,000	170,622,000	93,554,000	134,551,000	134,301,000	-16,186,000
Total, Architect of the Capitol	159,690,000	180,545,000	102,223,000	143,527,000	142,970,000	-16,720,000
LIBRARY OF CONGRESS						
Congressional Research Service						
Salaries and expenses	60,084,000	65,913,000	75,083,000	60,084,000	60,084,000	
GOVERNMENT PRINTING OFFICE						
Congressional printing and binding	89,724,000	91,624,000	88,281,000	85,500,000	83,770,000	-5,954,000
Total, title I, Congressional Operations	1,630,158,700	1,778,703,000	1,047,178,000	1,504,060,000	1,500,046,000	-130,112,700
TITLE II - OTHER AGENCIES						
BOTANIC GARDEN						
Salaries and expenses	3,230,000	10,370,000	3,053,000	3,053,000	3,053,000	-177,000
Conservation renovation			7,000,000			
(By transfer)	(4,000,000)					(-4,000,000)
Subtotal	3,230,000	10,370,000	10,053,000	3,053,000	3,053,000	-177,000
LIBRARY OF CONGRESS						
Salaries and expenses	210,164,000	231,580,000	193,911,000	213,164,000	211,664,000	+1,500,000
Authority to spend receipts	-7,869,000	-7,869,000	-7,869,000	-7,869,000	-7,869,000	
Net subtotal, Salaries and expenses	202,295,000	223,711,000	186,042,000	205,295,000	203,795,000	+1,500,000
Copyright Office, salaries and expenses	27,456,000	32,983,000	30,818,000	30,818,000	30,818,000	+3,362,000
Authority to spend receipts	-17,411,000	-19,877,000	-19,830,000	-19,830,000	-19,830,000	-2,419,000
Net subtotal, Copyright Office	10,045,000	13,106,000	10,988,000	10,988,000	10,988,000	+943,000
Books for the blind and physically handicapped, salaries and expenses	44,951,000	47,583,000	44,951,000	44,951,000	44,951,000	
Furniture and furnishings	5,825,000	5,825,000	4,882,000	4,882,000	4,882,000	-943,000
Total, Library of Congress (except CRS)	263,116,000	290,225,000	246,863,000	266,116,000	264,616,000	+1,500,000
ARCHITECT OF THE CAPITOL						
Library Buildings and Grounds						
Structural and mechanical care	12,483,000	19,929,000	12,428,000	12,428,000	12,428,000	-55,000

FY 1996 LEGISLATIVE BRANCH APPROPRIATIONS BILL (H.R. 1854)

	FY 1995 Enacted	FY 1996 Estimate	House	Senate	Conference	Conference compared with enacted
GOVERNMENT PRINTING OFFICE						
Office of Superintendent of Documents						
Salaries and expenses	32,207,000	30,307,000	16,312,000	30,307,000	30,307,000	-1,900,000
Revolving fund	.....	15,420,000	.....	.....	.....	.....
Subtotal, Office of Superintendent of Documents	32,207,000	45,727,000	16,312,000	30,307,000	30,307,000	-1,900,000
GENERAL ACCOUNTING OFFICE						
Salaries and expenses	450,360,000	481,060,000	401,264,000	382,806,000	382,806,000	-67,554,000
Offsetting collections	-7,000,000	-8,400,000	-8,400,000	-8,400,000	-8,400,000	-1,400,000
Subtotal	443,360,000	472,660,000	392,864,000	374,406,000	374,406,000	-68,954,000
GAO use of collections (formerly receipts)	6,000,000	.....	.....	.....	.....	-6,000,000
Total, General Accounting Office	449,360,000	472,660,000	392,864,000	374,406,000	374,406,000	-74,954,000
Total, title II, Other agencies	760,396,000	838,911,000	678,520,000	686,310,000	684,810,000	-75,586,000
Grand total	2,390,554,700	2,617,614,000	1,725,698,000	2,190,370,000	2,184,856,000	-205,698,700
TITLE I - CONGRESSIONAL OPERATIONS						
Senate	460,580,500	504,937,000	.....	426,909,000	426,919,000	-33,661,500
House of Representatives	728,735,200	796,995,000	671,561,000	671,561,000	671,561,000	-57,174,200
Joint items	86,187,000	89,706,000	85,742,000	87,076,000	86,839,000	+652,000
Office of Technology Assessment	21,970,000	23,195,000	.....	3,615,000	3,615,000	-18,355,000
Congressional Budget Office	23,188,000	25,788,000	24,288,000	25,788,000	24,288,000	+1,100,000
Architect of the Capitol	159,690,000	180,545,000	102,223,000	143,527,000	142,970,000	-16,720,000
Library of Congress: Congressional Research Service	60,084,000	65,913,000	75,083,000	60,084,000	60,084,000	.....
Congressional printing and binding, Government Printing Office	89,724,000	91,624,000	88,281,000	85,500,000	83,770,000	-5,954,000
Total, title I, Congressional operations	1,630,158,700	1,778,703,000	1,047,178,000	1,504,060,000	1,500,046,000	-130,112,700
TITLE II - OTHER AGENCIES						
Botanic Garden	3,230,000	10,370,000	10,053,000	3,053,000	3,053,000	-177,000
Library of Congress (except CRS)	263,116,000	290,225,000	246,863,000	266,116,000	264,616,000	+1,500,000
Architect of the Capitol (Library buildings and grounds)	12,483,000	19,929,000	12,428,000	12,428,000	12,428,000	-55,000
Government Printing Office (except congressional printing and binding)	32,207,000	45,727,000	16,312,000	30,307,000	30,307,000	-1,900,000
General Accounting Office	449,360,000	472,660,000	392,864,000	374,406,000	374,406,000	-74,954,000
Total, title II, Other agencies	760,396,000	838,911,000	678,520,000	686,310,000	684,810,000	-75,586,000
Grand total	2,390,554,700	2,617,614,000	1,725,698,000	2,190,370,000	2,184,856,000	-205,698,700
Scorekeeping adjustments	52,448,000	92,300,000	75,500,000	34,255,277	32,755,277	-19,692,723
Total mandatory and discretionary	2,443,002,700	2,709,914,000	1,801,198,000	2,224,625,277	2,217,611,277	-225,391,423
Mandatory	92,217,200	92,300,000	75,500,000	92,300,000	92,300,000	+82,800
Discretionary	2,350,785,500	2,617,614,000	1,725,698,000	2,132,325,277	2,125,311,277	-225,474,223

ADJOURNMENT TO MONDAY, JULY 31, 1995

Mr. PACKARD. Mr. Speaker, I ask unanimous consent that when the House adjourns today, it adjourn to meet at 10:30 a.m. on Monday next for morning hour debates.

The SPEAKER pro tempore (Mr. LAHOOD). Is there objection to the request of the gentleman from California?

There was no objection.

DISPENSING WITH CALENDAR WEDNESDAY BUSINESS ON WEDNESDAY NEXT

Mr. PACKARD. Mr. Speaker, I ask unanimous consent that the business in order under the Calendar Wednesday rule be dispensed with on Wednesday next.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

AMENDMENTS TO THE PERISHABLE AGRICULTURAL COMMODITIES ACT, 1930

Mr. POMBO. Mr. Speaker, I ask unanimous consent for the immediate consideration in the House of the bill (H.R. 1103) entitled "Amendments to the Perishable Agricultural Commodities Act, 1930".

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

Mr. DE LA GARZA. Mr. Speaker, reserving the right to object, I yield to the distinguished gentleman from California [Mr. POMBO].

Mr. POMBO. Mr. Speaker, I thank the gentleman from Texas for yielding to me.

Mr. Speaker, the House Committee on Agriculture was pleased to unanimously report H.R. 1103 as amended to the House on June 28, 1995, with the recommendation that it do pass.

H.R. 1103 is a collaborative effort between the House Committee on Agriculture, USDA, the fruit and vegetable and retail industry to modernize, streamline, and strengthen the Perishable Agricultural Commodities Act.

Briefly, H.R. 1103 includes provisions to phase retailers and grocery wholesalers out of the license fee payment in 3 years, establish a one-time administrative fee for new retailers and grocery wholesalers, increase license fees for those remaining in the program from $400 to $550, and allow USDA to adjust future license fees under rulemaking authority, implement a paperless system to administer the PACA trust, add new language requiring USDA to receive a written complaint before pursuing an investigation, require the department to inform the subject about the status of the investigation no later than 100 days after the initial notification, adjust administrative penalties and establish civil penalties under PACA, continue current fees for informal and formal reparation complaints, clarify the status of collateral fees and misbranding violations and, finally, amend responsibly connected provisions of PACA.

CBO estimates that USDA's total spending for PACA activities will be reduced under H.R. 1103.

I would like to thank the industry, USDA, House Committee on Agriculture counsel, and the Office of Legislative Counsel for sharing generous amounts of their time, effort, and expertise in assisting the committee in reaching this very important goal.

□ 1515

I urge passage of H.R. 1103. To the ranking member of the Committee on Agriculture, I would like to thank the gentleman very much for all the work that he has put into this issue over the years.

Mr. EWING. Mr. Speaker, the House Agriculture Committee was pleased to unanimously report H.R. 1103 as amended to the House on June 28, 1995, with the recommendation that it do pass.

H.R. 1103 is a collaborative effort between the House Agriculture Committee, USDA, and the fruit, vegetable, and retail industry to modernize, streamline, and strengthen the Perishable Agricultural Commodities Act.

Briefly H.R. 1103 includes provisions to:

Phase retailers and grocery wholesalers out of license fee payment in 3 years.

Establish a one-time administrative fee for new retailers and grocery wholesalers.

Increase license fees for those remaining in the program from $400 to $550 and allow USDA to adjust future license fees under rulemaking authority.

Implement a paperless system to administer the PACA trust.

Add new language requiring USDA to receive a written complaint before pursuing an investigation.

Require the Department to inform the subject about the status of the investigation no later than 180 days after initial notification.

Adjust administrative penalties and establish civil penalties under PACA.

Continue current fees for informal and formal reparation complaints.

Clarify the status of collateral fees and misbranding violations, and finally, amend responsibly connected provisions of PACA.

CBO estimates that USDA's total spending for PACA activities will be reduced under H.R. 1103.

I would like to thank the industry, USDA, House Agriculture Committee Counsel, and the Office of Legislative Counsel for sharing generous amounts of your time, effort, and expertise in assisting the committee in reaching this very important goal.

Most important, I would like to give special thanks to Mr. POMBO and Mr. BOEHNER for their leadership in bringing this issue to resolution.

I urge passage of H.R. 1103.

Mr. FARR, Mr. Speaker, I rise to support H.R. 1103 in the strongest possible terms. This bill, which amends and strengthens the Perishable Agricultural Commodities Act—or PACA for those in the know, is one of the most important Federal agricultural programs for the farmer's of California's central cost. And, Mr. Speaker, it does not cost the taxpayer a dime.

PACA, which was first enacted in 1930, ensures that growers, packers, and produce dealers are paid in a timely manner for their produce without recourse to costly and timeconsuming court litigation. Produce dealers and retailers must get a license from the USDA to market produce and their license fees support the program.

PACA is absolutely crucial for perishable fruits and vegetables such as strawberries or lettuce which are only marketable for a short time before they spoil. Almost every dollar of the $2.4 billion per year in agricultural production in my district is directly tied to the protections in PACA—it is as crucial to central coast specialty crop growers as the wheat and corn programs are to mid-western farmers. So I am very happy that the House is taking up this bill today that ensures a strong PACA program well into the next century.

I want to point out that this legislation includes an important provision for domestic flower growers. Fresh-cut flowers are every bit as perishable as lettuce, grapes, or other produce. But they are not included in PACA's protections. This legislation will require the USDA to work with the flower industry to study the feasibility of including flowers within PACA.

I want to thank the Chairman ROBERTS and Mr. DE LA GARZA for their hard work in bringing this bill to the floor. I also want to thank my Subcommittee Chairman EWING and friend Mr. POMBO for their hard work in bringing all sides of the produce industry together in agreement on this legislation. Finally, I want to thank Mr. Keith Pitts and Ms. Stacey Carry of the Agriculture Committee staff who given so much of their time to move this legislation forward.

So if you enjoy artichokes, strawberries, lettuce, tomatoes, or any other of the 160 fresh produce crops that my district produces, I urge you to support this legislation.

Mr. DE LA GARZA. Mr. Speaker, further reserving the right to object, I yield to our distinguished colleague, the gentleman from North Carolina [Mr. ROSE].

Mr. ROSE. Mr. Speaker, I compliment the chairman of the subcommittee and the gentleman from California [Mr. POMBO] for the hard work that they put into passage of this bill. On our side of the aisle, there are a great many people who are very anxious to see this legislation passed. Two of the hardest workers on this bill were the gentlewoman from Florida [Mrs. THURMAN] and the gentleman from California [Mr. FARR]. They are not here now because I told them we were not going to bring this up today. They can have me to blame for that. I thought it was going to come up Monday. I compliment the gentleman from

California [Mr. POMBO] for his compromise and his great negotiating efforts. I am delighted to see the bill come to the floor for hopefully an uncontested passage.

Mr. Speaker, I rise in strong support of this legislation which is the result of intense and, at times, difficult negotiations between the several members of the fresh fruit and vegetable community. This consensus agreement, like all compromises, required substantial give and take within the industry. However, the effectiveness and the solvency of the PACA Program have been preserved by this agreement.

Like many other commodity programs, the PACA Program well serves the needs of the American farmer and the American consumer at no cost to the Federal Treasury. By the passage of this legislation, the Congress will preserve a valuable program that guarantees our Nation's food security and delivers wholesome and affordable farm commodities to America's families. I encourage my colleagues on both sides of the aisle to remember the importance of food security and all our commodity programs when we begin work on the farm bill this fall.

In closing, I thank Chairman EWING for his efforts to usher this bill through the House Committee on Agriculture. Similarly, I thank Mr. POMBO, Ms. THURMAN, and Mr. FARR for the extraordinary efforts they made to bring this agreement to fruition.

Mr. DE LA GARZA. Mr. Speaker, this bill is the culmination of difficult negotiations to reform PACA. I want to commend Members, staff, USDA, and all the stakeholders for their commitment to reform, and their commitment to an efficient and effective PACA Program.

This bill will assure the continuation of a strong PACA Program, to protect the buyers and sellers of fruits and vegetables and to benefit the American consumer. It will guarantee the fiscal integrity of the PACA and give authority to the Secretary of Agriculture to adjust fees as necessary.

A new fee structure will be imposed on the program by this bill, and although retailers and wholesalers will no longer be required to pay license fees after 3 years, everyone will still be required to obtain a PACA license and will still be subject to all of the provisions of the PACA Program. Additional needed reforms are made by the bill, including the authority for paperless trusts, which will reduce paperwork and program costs.

All parties to this agreement have assured us that they will continue to support it when it reaches the Senate. I expect it to be handled expeditiously by the Senate, and signed by the President, and I urge my colleagues to support this critical legislation.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore (Mr. LAHOOD). Is there objection to the request of the gentleman from California?

There was no objection.

The Clerk read the bill, as follows:

H.R. 1103

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

SECTION 1. DEFINITIONS.

(a) Section 1(b)(6) of the Perishable Agricultural Commodities Act, 1930 (7 U.S.C. 499a) is hereby amended to read as follows:

"(b)(6) The term 'dealer' means any person engaged in the business of buying or selling in wholesale or jobbing quantities, including for resale at retail, as defined by the Secretary, any perishable agricultural commodity in interstate or foreign commerce, except that (A) no producer shall be considered a 'dealer' in respect to sales of any such commodity of his own raising; and (B) no person buying any commodity other than potatoes for canning and/or processing within the State where grown shall be considered a 'dealer' whether or not the canned or processed product is to be shipped in interstate or foreign commerce, unless such product is frozen or packed in ice or consists of cherries in brine, within the meaning of paragraph (4) of this section. Any person not considered as a 'dealer' under clauses (A) or (B) may elect to secure a license under the provisions of section 499c of this title, and in such case and while the license is in effect such person shall be considered as a 'dealer'."

(b) Section 1 of the Perishable Agricultural Commodities Act, 1930 (7 U.S.C. 499a) is hereby amended to add a new subsection (b)(11) and a new subsection (b)(12), to read as follows:

"(11) The terms 'collateral fees and expenses' mean any promotional allowances, rebates, service or materials fees paid or provided, directly or indirectly, in connection with the distribution or marketing of any perishable agricultural commodity.

"(12) The term 'producer' means any person who raises perishable agricultural commodities for sale of those commodities in wholesale or jobbing quantities, under the producer's own brands or labels, as defined by the Secretary.".

SEC. 2. UNFAIR TRADE PRACTICES.

(a) Section 2(1) of the Perishable Agricultural Commodities Act, 1930 (7 U.S.C. 499b) is hereby amended to read as follows:

"(1) For any commission merchant, dealer, broker, or producer to engage in or use any unfair, unreasonable, discriminatory, or deceptive practice in connection with the weighing, counting, or in any way determining the quantity of any perishable agricultural commodity received, bought, sold, shipped, or handled in interstate or foreign commerce;".

(b) Section 2(4) of the Perishable Agricultural Commodities Act, 1930 (7 U.S.C. 499b) is hereby amended to read as follows:

"(4) For any commission merchant, dealer, broker, or producer to make, for a fraudulent purpose, any false or misleading statement in connection with any transaction involving any perishable agricultural commodity which is received in interstate or foreign commerce by such commission merchant, or bought or sold, or contracted to be bought, sold or consigned, in such commerce by such dealer, or the purchase or sale of which in such commerce is negotiated by such broker; or to fail or refuse truly and correctly to account and make full payment promptly in respect of any transaction in any such commodity to the person with whom such transaction is had; or to fail to disclose the grant or receipt of any collateral fee or expense in connection with any cost-plus transaction in any such commodity to the person with whom such transaction is had; or to fail, without reasonable cause to perform any specification or duty, express or implied, arising out of any undertaking in connection with any such transaction; or to fail to maintain the trust as required under section 499e(c) of this title;".

(c) Section 2(5) of the Perishable Agricultural Commodities Act, 1930 (7 U.S.C. 499b) is hereby amended to read as follows:

"(5) For any commission merchant, dealer, broker, or producer to misrepresent by word, act, mark, stencil, label, statement, or deed, the character, kind, grade, quality, quantity, size, pack, weight, condition, degree of maturity, or State, country, or region of origin of any perishable agricultural commodity received, shipped, sold, or offered to be sold in interstate or foreign commerce: *Provided*, That any commission merchant, dealer, broker, or producer who has violated—

"(A) any provision of this paragraph may, with the consent of the Secretary, admit the violation or violations; or

"(B) any provision of this paragraph relating to a misrepresentation by mark, stencil, or label shall be permitted by the Secretary to admit the violation or violations if such violation or violations are not repeated or flagrant;

and pay, in the case of a violation under either clause (A) or (B) of this paragraph, a monetary penalty not to exceed $2,000 in lieu of a formal proceeding for the suspension or revocation of license, any payment so made to be deposited in the Treasury of the United States as miscellaneous receipts: *Provided further*, That a person other than the first licensee handling misbranded perishable agricultural commodities shall not be held liable for a violation of this paragraph by reason of the conduct of another if that person did not have knowledge of the violation or lacked the ability to correct the violation;".

(d) Section 2(6) of the Perishable Agricultural Commodities Act, 1930 (7 U.S.C. 499b) is hereby amended to strike the words "any commission merchant, dealer, or broker," and in lieu thereof insert the words "any commission merchant, dealer, broker, or producer,".

(e) Section 2(7) of the Perishable Agricultural Commodities Act, 1930 (7 U.S.C. 499b) is hereby amended to strike the words "any commission merchant, dealer, or broker," and in lieu thereof insert the words "any commission merchant, dealer, broker, or producer,".

SEC. 3. LICENSE FEES.

Section 3(b) of the Perishable Agricultural Commodities Act, 1930 (7 U.S.C. 499c(b)) is amended to read as follows:

"Any person desiring any such license shall make application to the Secretary. The Secretary may by regulation prescribe the information to be contained in such application and to be furnished thereafter. Upon filing the application, and annually thereafter, the applicant shall pay such fees, both individually and in the aggregate, as the Secretary determines, upon rulemaking pursuant to 5 U.S.C. section 553, are necessary to meet the reasonably anticipated expenses for administering this chapter and section 491, 493 to 497 of this title. For fiscal year 1996, such individual license fee shall not exceed $500, plus $200 for each branch or additional business facility operated by the applicant in excess of nine such facilities, as determined by the Secretary. For fiscal year 1996, total annual fees for any applicant shall not exceed $2,000 in the aggregate. No retailer shall be required to pay a license fee until the invoice cost of its purchases of perishable agricultural commodities in any calendar year are in excess of $400,000. The Secretary shall provide by regulation that persons operating subsidiary organizations may consolidate those organizations on the license of the parent organization. Such fee, when collected,

shall be deposited in the Treasury of the United States as a special fund, without fiscal year limitation, to be designated as the 'Perishable Agricultural Commodities Act Fund' which shall be available for all expenses necessary to the administration of this chapter, and sections 491, 493 to 497 of this title, referred to above. License fees paid into such fund by persons designated as 'retailers' by the Secretary shall not exceed more than 25 percent of all fees collected in any fiscal year. Any reserve funds in the Perishable Agricultural Commodities Act Fund may be invested by the Secretary in insured or fully-collateralized interest-bearing accounts or, at the discretion of the Secretary, by the Secretary of the Treasury in United States Government debt instruments. Any interest earned on such reserve funds shall be credited to the Perishable Agricultural Commodities Act Fund and shall be available for the same purposes as the fees deposited in such fund. The amount of money accumulated and on hand in the special fund at the end of any fiscal year shall not exceed 33 percent of the projected budget for the next following fiscal year. Financial statements prescribed by the Director of the Office of Management and Budget for the last completed fiscal year, and as estimated for the current and ensuing fiscal years, shall be included in the budget as submitted to the Congress annually.".

SEC. 4. ISSUANCE OF LICENSE.

Section 4(a) of the Perishable Agricultural Commodities Act, 1930 (7 U.S.C. 499d(a)) is amended to read as follows:

"(a) Whenever an applicant has made application and paid any applicable fee, the Secretary, except as provided elsewhere in this chapter, shall issue to such applicant a license, which shall entitle the licensee to do business as a commission merchant and/or dealer and/or broker unless and until it is suspended or revoked by the Secretary in accordance with the provisions of this chapter, or is automatically suspended under section 499g(d) of this title, but said license shall automatically terminate on any anniversary date thereof unless the application has been made and any applicable fee has been paid: *Provided*, That notice of the necessity of application and paying any applicable fee shall be mailed at least thirty days before the anniversary date: *Provided further*, That if the application is not made and any applicable fee is not paid by the anniversary date the licensee may obtain a renewal of that license at any time within thirty days by making application and paying any applicable fee provided in section 499c(b) of this title, plus $5, which shall be deposited in the Perishable Agricultural Commodities Act fund provided for by section 499c(b) of this title: *Provided further*, That the license of any licensee shall terminate upon said licensee, or in case the licensee is a partnership, a partner being discharged as a bankrupt, unless the Secretary finds upon examination of the circumstances of such bankruptcy, which he shall examine if requested to do so by said licensee, that such circumstances do not warrant such termination.".

SEC. 5. LIABILITY TO PERSON INJURED.

(a) Section 5 of the Perishable Agricultural Commodities Act, 1930 (7 U.S.C. 499e(a)) is hereby amended to strike the words "any commission merchant, dealer, or broker," and in lieu thereof insert the words "any commission merchant, dealer, broker, or producer,".

(b) Section 5 of the Perishable Agricultural Commodities Act, 1930 (7 U.S.C. 499e(c)(3)) is hereby amended to add at the end thereof the following: "The Secretary of Agriculture shall require persons who do not pay license fees under section 499c of this title to pay a filing fee for each notice of intent to preserve trust benefits filed pursuant to section 499e of this title. For fiscal year 1996, such filing fee shall be set at $20. Thereafter, such fee shall be set by the Secretary upon rulemaking pursuant to 5 U.S.C. section 553, in order to meet the reasonably anticipated expenses for administering direct and indirect costs for such persons' participation in proceedings under this chapter.".

SEC. 6. COMPLAINT AND INVESTIGATION.

(a) Section 6(a) of the Perishable Agricultural Commodities Act, 1930 (7 U.S.C. 499f(a)) is hereby amended to designate existing section (a) as section (a)(1), and to strike the words "any commission merchant, dealer, or broker," and in lieu thereof insert the words "any commission, merchant, dealer, broker, or producer," in the two instances in which it appears in that subsection.

(b) Section 6(a) of the Perishable Agricultural Commodities Act, 1930 (7 U.S.C. 499f(a)) is hereby amended to add at the end thereof a new subsection (a)(2), a new subsection (a)(3), and a new subsection (a)(4), to read as follows:

"(2) The Secretary shall require all persons, other than Federal employees acting within the scope of their official duties, who submit informal complaints to the Secretary under this section, alleging a violation of section 2 of the Act (7 U.S.C. 499b), to include a filing fee. For licensed persons that have also paid an annual license fee, such filing fee shall be $60 per petition. For all other persons, such fee shall be $100 per petition. If the Secretary determines under section 6(a) of the Act (7 U.S.C. 499f(a)), that the facts contained in a petition described in such section warrant further action, the person or persons submitting the petition shall submit to the Secretary a further filing fee. For licensed persons that have also paid an annual license fee, such filing fee shall be $300 per petition. For all other persons, other than Federal employees acting within the scope of their official duties, such fee shall be $500 per petition. The Secretary may not forward a copy of a complaint to the commission merchant, dealer, broker, or producer involved until after the Secretary receives the required filing fees.

"(3) In determining the amount of damages incurred by a prevailing party in a formal reparation proceeding under section 7 of this Act (7 U.S.C. 499g), the Secretary shall assess the amount of filing fees against the losing party: *Provided*, That a prevailing party shall have any filing fees paid by it refunded as part of any formal reparation award.".

(c) Section 6(b) of the Perishable Agricultural Commodities Act, 1930 (7 U.S.C. 499f(b)) is hereby amended to strike the words "any commission merchant, dealer, or broker," and in lieu thereof insert the words "any commission merchant, dealer, broker, or producer," in two instances in which it appears in that subsection.

(d) Section 6(d) of the Perishable Agricultural Commodities Act, 1930 (7 U.S.C. 499f(d)) is hereby amended to strike the words "any commission merchant, dealer, or broker," and in lieu thereof insert the words "any commission merchant, dealer, broker, or producer".

SEC. 7. GROUNDS FOR SUSPENSION OR REVOCATION OF LICENSE; CIVIL PENALTIES.

(a) Section 8(a) of the Perishable Agricultural Commodities Act, 1930 (7 U.S.C. 499h(a)) is hereby amended to strike the words "any commission merchant, dealer, or broker," and in lieu thereof insert the words "any commission merchant, dealer, broker, or producer".

(b) Section 8 of the Perishable Agricultural Commodities Act, 1930 (7 U.S.C. 499h) is hereby amended to add a new subsection (b) to read as follows:

"(b) Whenever the Secretary determines, as provided by section 499f of this title, that any commission merchant, dealer, broker, or producer has violated section 499b, 499h(c), or 499h(d) of this title, the Secretary may assess a monetary penalty not to exceed $2,000 for each violative transaction or each day the violation continues, to be deposited in the Treasury of the United States as miscellaneous receipts.".

(c) Section 8 of the Perishable Agricultural Commodities Act, 1930 (7 U.S.C. 499h) is hereby amended by redesignating existing subsection (b) as subsection (c), existing subsection (c) as subsection (d), and existing subsection (d) as subsection (e).

(d) Redesignated section 8(e) of the Perishable Agricultural Commodities Act, 1930 (7 U.S.C. 499h(e)) is hereby amended to strike the words "any commission merchant, dealer, or broker," and in lieu thereof insert the words "any commission merchant, dealer, broker, or producer".

SEC. 8. PRESERVATION OF BUSINESS REPUTATION.

Section 13 of the Act (7 U.S.C. 499m) is hereby amended to add a new subsection (g), to read as follows:

"(g) The Secretary is directed, during the course of any investigation or inquiry under this title, to take due account of preservation of the business reputation of any person under investigation.".

SEC. 9.

Section 15 of the Perishable Agricultural Commodities Act, 1930 (7 U.S.C. 499o) is hereby amended to redesignate the existing provisions as subsection (a), and to add a new subsection (b) and a new subsection (c), to read as follows:

"(b) REPORT AND INVESTIGATION.—The Secretary shall investigate and issue a report on industry practices requiring or soliciting collateral fees and expenses by or to any commission merchant, dealer, broker, or producer in connection with any transaction in perishable agricultural commodities. Such report shall be made to the House Committee on Agriculture and the Senate Committee on Agriculture, Nutrition, and Forestry, within one hundred and eighty days of enactment of this legislation.

"(c) DISCLOSURE OF COLLATERAL FEES AND EXPENSES; RULEMAKING.—If the investigation and report required by this section conclude that such practices conform to the laws of the United States, the Secretary shall promulgate regulations regarding the sufficiency of disclosure by or to any commission merchant, dealer, broker, or producer, of the grant or receipt of any collateral fee or expense in connection with any cost-plus transaction in perishable agricultural commodities: *Provided*, That disclosure shall be considered sufficient if it is conspicuously made on the face of the invoice or in any underlying contract covering the transaction: *Provided further*, That no commission merchant, dealer, broker, or producer, nor any individual responsibly connected with any such commission merchant, dealer, broker, or producer shall be the subject to any licensure, reparation, or trust enforcement proceeding under this chapter for any act or omission concerning the disclosure of any collateral fee or expense, taken or required to be taken prior to the effective date of regulations required under this subsection.".

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SEC. 10. LIABILITY OF LICENSEES FOR ACTS AND OMISSIONS OF AGENTS.

Section 16 of the Perishable Agricultural Commodities Act, 1930 (7 U.S.C. 499p) is hereby amended to strike the words "any commission merchant, dealer, or broker," and in lieu thereof insert the words "any commission merchant, dealer, broker, or producer," in the two instances in which it appears in that section.

SEC. 11. REVIEW OF PROCEDURES AND POLICIES.

The Perishable Agricultural Commodities Act, 1930 is hereby amended by adding at the end thereof the following new section (7 U.S.C. 499t):

"REVIEW OF POLICIES AND PROCEDURES.

"(a) The Secretary is directed to conduct an annual review of enforcement procedures, policies, and priorities regarding reparation proceedings, disciplinary complaints, and the operation of the trust, as well as proceedings under section 499h(c), to identify opportunities for efficiency and cost reduction in such proceedings. The Secretary shall invite public participation and input into such review.

"(b) The Secretary is directed to submit, to the House Committee on Agriculture and the Senate Committee on Agriculture, Nutrition, and Forestry, no later than September 30 of each year, a projection of enforcement priorities for the next twelve months. The Secretary is further directed to submit, to the House Committee on Agriculture and the Senate Committee on Agriculture, Nutrition, and Forestry, no later than September 30 of each year in which a biennial review is conducted, a report containing the results of its review and recommendations based on such results. Such biennial report shall describe reparation proceedings, disciplinary complaints, and the operation of the trust during the previous twenty-four months.".

SEC. 12. EFFECTIVE DATE.

This Act shall be effective upon enactment.

COMMITTEE AMENDMENT IN THE NATURE OF A SUBSTITUTE

The SPEAKER pro tempore. The Clerk will report the committee amendment in the nature of a substitute.

The Clerk read as follows:

Committee amendment in the nature of a substitute:

Strike out all after the enacting clause and insert:

H.R. 1103

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

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "Perishable Agricultural Commodities Act Amendments of 1995".

(b) TABLE OF CONTENTS.—The table of contents of this Act is as follows:

Sec. 1. Short title; table of contents.
Sec. 2. Addition of definitions of retailer and grocery wholesaler.
Sec. 3. Gradual elimination of annual license fee for retailers and grocery wholesalers that are dealers.
Sec. 4. Establishment and alteration of license fees for commission merchants, dealers (other than retailers and grocery wholesalers), and brokers.
Sec. 5. Increase in penalties for operating without a license and increase in late renewal fee.
Sec. 6. Statutory trust on commodities and sale proceeds.
Sec. 7. Authority of Department of Agriculture regarding possible violations.
Sec. 8. Filing and handling fees for reparation complaints.
Sec. 9. Consideration of collateral fees and expenses.
Sec. 10. Clarification of misbranding prohibition.
Sec. 11. Imposition of civil penalty in lieu of license suspension or revocation.
Sec. 12. Extension of sanctions to persons responsibly connected to a commission merchant, dealer, or broker.

SEC. 2. ADDITION OF DEFINITIONS OF RETAILER AND GROCERY WHOLESALER.

Section 1(b) of the Perishable Agricultural Commodities Act, 1930 (7 U.S.C. 499a(b)), is amended by adding at the end the following new paragraphs:

"(11) The term 'retailer' means a person that is a dealer engaged in the business of selling any perishable agricultural commodity at retail.

"(12) The term 'grocery wholesaler' means a person that is a dealer primarily engaged in the full-line wholesale distribution and resale of grocery and related nonfood items (such as perishable agricultural commodities, dry groceries, general merchandise, meat, poultry, and seafood, and health and beauty care items) to retailers. However, such term does not include a person described in the preceding sentence if the person is primarily engaged in the wholesale distribution and resale of perishable agricultural commodities rather than other grocery and related nonfood items.".

SEC. 3. GRADUAL ELIMINATION OF ANNUAL LICENSE FEE FOR RETAILERS AND GROCERY WHOLESALERS THAT ARE DEALERS.

(a) ELIMINATION OF ANNUAL FEES OVER THREE-YEAR PERIOD.—Subsection (b) of section 3 of the Perishable Agricultural Commodities Act, 1930 (7 U.S.C. 499c), is amended—

(1) by inserting "(1) APPLICATION FOR LICENSE.—" before the start of the first sentence and adjusting the margin to conform to paragraph (3);

(2) by striking the third and fourth sentences;

(3) by inserting "(5) PERISHABLE AGRICULTURAL COMMODITIES ACT FUND.—" before the start of the fifth sentence and adjusting the margin to conform to paragraph (3);

(4) by striking the last sentence; and

(5) by inserting before paragraph (5) (as so designated) the following new paragraphs:

"(3) ONE-TIME FEE FOR RETAILERS AND GROCERY WHOLESALERS THAT ARE DEALERS.—During the three-year period beginning on the date of the enactment of the Perishable Agricultural Commodities Act Amendments of 1995, a retailer or grocery wholesaler making an initial application for a license under this section shall pay the license fee required under subparagraph (A), (B), or (C) of paragraph (4) for license renewals in the year in which the initial application is made. After the end of such period, a retailer or grocery wholesaler making an initial application for a license under this section shall pay an administrative fee equal to $100. In either case, a retailer or grocery wholesaler paying a fee under this paragraph shall not be required to pay any fee for renewal of the license for subsequent years.

"(4) GRADUAL ELIMINATION OF ANNUAL FEES FOR RETAILERS AND GROCERY WHOLESALERS THAT ARE DEALERS.—In the case of a retailer or grocery wholesaler that holds a license under this section as of the date of the enactment of the Perishable Agricultural Commodities Act Amendments of 1995, payments for the renewal of the license shall be made pursuant to the following schedule:

"(A) For anniversary dates occurring during the one-year period beginning on the date of the enactment of the Perishable Agricultural Commodities Act Amendments of 1995, the licensee shall pay a renewal fee in an amount equal to 100 percent of the applicable renewal fee (subject to the $4,000 aggregate limit on such payments) in effect under this subsection on the day before such enactment date.

"(B) For anniversary dates occurring during the one-year period beginning at the end of the period in subparagraph (A), the licensee shall pay a renewal fee in an amount equal to 75 percent of the amount paid by the licensee under subparagraph (A).

"(C) For anniversary dates occurring during the one-year period beginning at the end of the period in subparagraph (B), the licensee shall pay a renewal fee in an amount equal to 50 percent of the amount paid by the licensee under subparagraph (A).

"(D) After the end of the three-year period beginning on the date of the enactment of the Perishable Agricultural Commodities Act Amendments of 1995, the licensee shall not be required to pay any fee if the licensee seeks renewal of the license.".

(b) STYLISTIC AMENDMENTS.—Such section is further amended—

(1) by striking the section heading and "SEC. 3. (a)" and inserting the following:

"SEC. 3. LICENSES.

"(a) LICENSE REQUIRED; PENALTIES FOR VIOLATIONS.—";

(2) in subsection (b), by inserting "APPLICATION AND FEES FOR LICENSES.—" after "(b)"; and

(3) in subsection (c), by inserting "USE OF TRADE NAMES.—" after "(c)".

SEC. 4. ESTABLISHMENT AND ALTERATION OF LICENSE FEES FOR COMMISSION MERCHANTS, DEALERS (OTHER THAN RETAILERS AND GROCERY WHOLESALERS), AND BROKERS.

(a) DISCRETION OF SECRETARY TO ESTABLISH AND ALTER FEES.—Section 3(b) of the Perishable Agricultural Commodities Act, 1930 (7 U.S.C. 499c(b)), is amended by inserting after paragraph (1), as designated by section 3(a)(1), the following new paragraph:

"(2) LICENSE FEES.—Upon the filing of an application under paragraph (1), the applicant shall pay such license fees, both individually and in the aggregate, as the Secretary determines necessary to meet the reasonably anticipated expenses for administering this Act and the Act to prevent the destruction or dumping of farm produce, approved March 3, 1927 (7 U.S.C. 491–497). Thereafter, the licensee shall pay such license fees annually or at such longer interval as the Secretary may prescribe. The Secretary shall take due account of savings to the program when determining an appropriate interval for renewal of licenses. The Secretary shall establish and alter license fees only by rulemaking under section 553 of title 5, United States Code, except that the Secretary may not alter the fees required under paragraph (3) or (4) for retailers and grocery wholesalers that are dealers. Effective on the date of the enactment of the Perishable Agricultural Commodities Act Amendments of 1995 and until such time as the Secretary alters such fees by rule, an individual license fee shall equal $550 per year, plus $200 for each branch or additional business facility operated by the applicant in excess of nine such facilities, as determined by the Secretary, subject to an annual aggregate limit of $4,000 per licensee. Any increase in license fees prescribed by the Secretary under this paragraph shall not take effect unless the Secretary determines that, without such increase, the funds on hand as of the end of the fiscal year in which the increase takes effect will be less than 25 percent of the projected budget to administer such Acts for the next fiscal year. In no case may a license fee increase by the Secretary take effect before the

end of the three-year period beginning on the date of the enactment of the Perishable Agricultural Commodities Act Amendments of 1995.".

(b) REPEAL OF CURRENT CAP ON RESERVE FUNDS.—Paragraph (5) of such section, as designated by section 3(a)(3), is amended by striking the sentence that begins with "The amount of money".

(c) CONFORMING AMENDMENTS REGARDING THIS SECTION AND SECTION 3.—Section 4(a) of such Act (7 U.S.C. 499d(a)) is amended—

(1) in the matter preceding the provisos, by striking "any anniversary date thereof unless the annual fee has been paid" and inserting "the anniversary date of the license at the end of the annual or multiyear period covered by the license fee unless the licensee submits the required renewal application and pays the applicable renewal fee (if such fee is required)";

(2) in the first proviso, by striking "the necessity of paying the annual fee" and inserting "the necessity of renewing the license and of paying the renewal fee (if such fee is required)"; and

(3) in the second proviso, by striking "annual fee" and inserting "renewal fee (if required)".

SEC. 5. INCREASE IN PENALTIES FOR OPERATING WITHOUT A LICENSE AND INCREASE IN LATE RENEWAL FEE.

(a) LICENSE PENALTIES.—Section 3(a) of the Perishable Agricultural Commodities Act, 1930 (7 U.S.C. 499c(a)), as amended by section 3(b)(1), is further amended—

(1) by striking "$500" and inserting "$1,000"; and

(2) by striking "$25" both places it appears and inserting "$250".

(b) LATE FILING FEES.—Section 4(a) of the Perishable Agricultural Commodities Act, 1930 (7 U.S.C. 499d(a)), as amended by section 4(c), is further amended in the second proviso by striking "plus $5" and inserting "plus $50".

SEC. 6. STATUTORY TRUST ON COMMODITIES AND SALE PROCEEDS.

(a) REPEAL OF SECRETARIAL NOTIFICATION REQUIREMENT.—Paragraph (3) of section 5(c) of the Perishable Agricultural Commodities Act, 1930 (7 U.S.C. 499e(c)), is amended in the first sentence by striking "and has filed such notice with the Secretary".

(b) CLARIFICATION OF CONTENT OF NOTIFICATION.—Such paragraph is further amended by inserting after the first sentence the following new sentence: "The written notice to the commission merchant, dealer, or broker shall set forth information in sufficient detail to identify the transaction subject to the trust.".

(c) ADDITIONAL METHOD OF NOTIFICATION FOR LICENSEES.—Such section is further amended—

(1) by redesignating paragraph (4) as paragraph (5); and

(2) by inserting after paragraph (3) the following new paragraph:

"(4) In addition to the method of preserving the benefits of the trust specified in paragraph (3), a licensee may use ordinary and usual billing or invoice statements to provide notice of the licensee's intent to preserve the trust. The bill or invoice statement must include the information required by the last sentence of paragraph (3) and contain on the face of the statement the following: 'The perishable agricultural commodities listed on this invoice are sold subject to the statutory trust authorized by section 5(c) of the Perishable Agricultural Commodities Act, 1930 (7 U.S.C. 499e(c)). The seller of these commodities retains a trust claim over these commodities, all inventories of food or other products derived from these commodities, and any receivables or proceeds from the sale of these commodities until full payment is received.'.".

SEC. 7. AUTHORITY OF DEPARTMENT OF AGRICULTURE REGARDING POSSIBLE VIOLATIONS.

(a) DISCIPLINARY VIOLATIONS.—Subsection (b) of section 6 of the Perishable Agricultural Commodities Act, 1930 (7 U.S.C. 499f), is amended to read as follows:

"(b) DISCIPLINARY VIOLATIONS.—Any officer or agency of any State or Territory having jurisdiction over commission merchants, dealers, or brokers in such State or Territory and any other interested person (other than an employee of an agency of the Department of Agriculture administering this Act) may file, in accordance with rules prescribed by the Secretary, a written notification of any alleged violation of this Act by any commission merchant, dealer, or broker. In addition, any official certificates of the United States Government or States or Territories of the United States and trust notices filed pursuant to section 5 shall constitute written notification for the purposes of conducting an investigation under subsection (c). The identity of any person filing a written notification under this subsection shall be considered to be confidential information. The identity of such person, and any portion of the notification to the extent that it would indicate the identity of such person, are specifically exempt from disclosure under section 552 of title 5, United States Code (commonly known as the Freedom of Information Act), as provided in subsection (b)(3) of such section.".

(b) GROUNDS AND PROCESS OF INVESTIGATIONS.—Subsection (c) of such section is amended to read as follows:

"(c) INVESTIGATION OF COMPLAINTS AND NOTIFICATIONS.—

"(1) COMMENCING OR EXPANDING AN INVESTIGATION.—If there appears to be, in the opinion of the Secretary, reasonable grounds for investigating a complaint made under subsection (a) or a written notification made under subsection (b), the Secretary shall investigate such complaint or notification. In the course of the investigation, if the Secretary determines that violations of this Act are indicated other than the alleged violations specified in the complaint or notification that served as the basis for the investigation, the Secretary may expand the investigation to include such additional violations.

"(2) ISSUANCE OF COMPLAINT BY SECRETARY; PROCESS.—In the opinion of the Secretary, if an investigation under this subsection substantiates the existence of violations of this Act, the Secretary may cause a complaint to be issued. The Secretary shall have the complaint served by registered mail or certified mail or otherwise on the person concerned and afford such person an opportunity for a hearing thereon before a duly authorized examiner of the Secretary in any place in which the subject of the complaint is engaged in business. However, in complaints wherein the amount claimed as damages does not exceed $30,000, a hearing need not be held and proof in support of the complaint and in support of respondent's answer may be supplied in the form of depositions or verified statements of fact.

"(3) SPECIAL NOTIFICATION REQUIREMENTS FOR CERTAIN INVESTIGATIONS.—Whenever the Secretary initiates an investigation on the basis of a written notification made under subsection (b) or expands such an investigation, the Secretary shall promptly notify the subject of the investigation of the existence of the investigation and the nature of the alleged violations of this Act to be investigated. Not later than 180 days after providing the initial notification, the Secretary shall provide the subject of the investigation with notice of the status of the investigation, including whether the Secretary intends to issue a complaint under paragraph (2), terminate the investigation, or continue or expand the investigation. The Secretary shall provide additional status reports at the request of the subject of the investigation and shall promptly notify the subject of the investigation whenever the Secretary terminates the investigation.".

(c) INCREASE IN THRESHOLD FOR SHORTENED PROCEDURE CASES.—Subsection (d) of such section is amended by striking "$15,000" both places it appears and inserting "$30,000".

(d) STYLISTIC AMENDMENTS.—Such section is further amended—

(1) by striking the section heading and "SEC. 6." and inserting the following:

"SEC. 6. COMPLAINTS, WRITTEN NOTIFICATIONS, AND INVESTIGATIONS.";

(2) in subsection (d), by inserting "DECISIONS ON COMPLAINTS.—" after "(d)"; and

(3) in subsection (e), by inserting "BOND REQUIRED FOR CERTAIN COMPLAINTS.—" after "(e)".

SEC. 8. FILING AND HANDLING FEES FOR REPARATION COMPLAINTS.

(a) PERMANENT FILING AND HANDLING FEES.—Section 6(a) of the Perishable Agricultural Commodities Act, 1930 (7 U.S.C. 499f(a)), is amended—

(1) by striking "(a)" and inserting the following:

"(a) REPARATION COMPLAINTS.—

"(1) PETITION; PROCESS.—"; and

(2) by adding at the end the following new paragraph:

"(2) FILING AND HANDLING FEES.—A person submitting a petition to the Secretary under paragraph (1) shall include a filing fee of $60 per petition. If the Secretary determines under paragraph (1) that the facts contained in the petition warrant further action, the person or persons submitting the petition shall submit to the Secretary a handling fee of $300. The Secretary may not forward a copy of the complaint to the commission merchant, dealer, or broker involved until after the Secretary receives the required handling fee. The Secretary shall deposit fees submitted under this paragraph into the Perishable Agricultural Commodities Act Fund provided for by section 3(b). The Secretary may alter the fees specified in this paragraph by rulemaking under section 553 of title 5, United States Code.".

(b) INCLUSION OF HANDLING FEE IN CALCULATION OF DAMAGES.—Section 5(a) of such Act (7 U.S.C. 499e(a)) is amended by inserting after "damages" the following: "(including any handling fee paid by the injured person or persons under section 6(a)(2))".

(c) CONFORMING AMENDMENT TO TEMPORARY FEE AUTHORITY.—Public Law 103–276 (7 U.S.C. 499f note) is repealed.

SEC. 9. CONSIDERATION OF COLLATERAL FEES AND EXPENSES.

(a) DEFINITION.—Section 1(b) of the Perishable Agricultural Commodities Act, 1930 (7 U.S.C. 499a(b)), is amended by inserting after paragraph (12), as added by section 2, the following new paragraph:

"(13) The term 'collateral fees and expenses' means any promotional allowances, rebates, service or materials fees paid or provided, directly or indirectly, in connection with the distribution or marketing of any perishable agricultural commodity.".

(b) USE OF DEFINITION.—Section 2 of such Act (7 U.S.C. 499b) is amended—

(1) by striking "commerce—" in the matter before paragraph (1) and inserting "commerce:";

(2) by striking the semicolon at the end of each paragraph and inserting a period; and

(3) in paragraph (4), by adding at the end the following new sentence: "However, this paragraph shall not be considered to make the good faith offer, solicitation, payment, or receipt of collateral fees and expenses, in and of itself, unlawful under this Act.".

SEC. 10. CLARIFICATION OF MISBRANDING PROHIBITION.

Section 2(5) of the Perishable Agricultural Commodities Act, 1930 (7 U.S.C. 499b(5)), is amended—

(1) by striking "commerce: Provided, That" and inserting "commerce. However,"; and

(2) by adding at the end the following new sentence: "A person other than the first licensee handling misbranded perishable agricultural commodities shall not be held liable for a violation of this paragraph by reason of the conduct of another if the person did not have knowledge of the violation or lacked the ability to correct the violation.".

SEC. 11. IMPOSITION OF CIVIL PENALTY IN LIEU OF LICENSE SUSPENSION OR REVOCATION.

Section 8 of the Perishable Agricultural Commodities Act, 1930 (7 U.S.C. 499h), is amended by adding at the end the following new subsection:

"(e) ALTERNATIVE CIVIL PENALTIES.—In lieu of suspending or revoking a license under this section when the Secretary determines, as provided by section 6, that a commission merchant, dealer, or broker has violated section 2 or subsection (b) of this section, the Secretary may assess a civil penalty not to exceed $2,000 for each violative transaction or each day the violation continues. In assessing the amount of a penalty under this subsection, the Secretary shall give due consideration to the size of the business, the number of employees, and the seriousness, nature, and amount of the violation. Amounts collected under this subsection shall be deposited in the Treasury of the United States as miscellaneous receipts.".

SEC. 12. EXTENSION OF SANCTIONS TO PERSONS RESPONSIBLY CONNECTED TO A COMMISSION MERCHANT, DEALER, OR BROKER.

(a) EXCEPTION TO DEFINITION.—Section 1(b)(9) of the Perishable Agricultural Commodities Act, 1930 (7 U.S.C. 499a(b)(9)), is amended by adding at the end the following new sentence: "A person shall not be deemed to be responsibly connected if the person demonstrates by a preponderance of the evidence that the person was not actively involved in the activities resulting in a violation of this Act and that the person either was only nominally a partner, officer, director, or shareholder of a violating licensee or entity subject to license or was not an owner of a violating licensee or entity subject to license which was the alter ego of its owners.".

(b) EXTENSION OF EMPLOYMENT SANCTION.—Section 8(b) of such Act (7 U.S.C. 499h(b)) is amended by adding at the end the following new sentence: "The Secretary may extend the period of employment sanction as to a responsibly connected person for an additional one-year period upon the determination that the person has been unlawfully employed as provided in this subsection.".

(c) CONFORMING AMENDMENT REGARDING LICENSING SANCTION.—Section 4 of such Act (7 U.S.C. 499d) is amended—

(1) in subsection (b), by inserting "is prohibited from employment with a licensee under section 8(b) or" after "with the applicant," in the matter preceding subparagraph (A); and

(2) in subsection (c), by adding at the end the following new sentence: "The Secretary may not issue a license to an applicant under this subsection if the applicant or any person responsibly connected with the applicant is prohibited from employment with a licensee under section 8(b).".

Amend the title so as to read: "A bill to amend the Perishable Agricultural Commodities Act, 1930, to modernize, streamline, and strengthen the operation of the Act.".

Mr. POMBO (during the reading). Mr. Speaker, I ask unanimous consent that the committee amendment in the nature of a substitute be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

The SPEAKER pro tempore. The question is on the committee amendment in the nature of a substitute.

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

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The title of the bill was amended so as to read: "A bill to amend the Perishable Agricultural Commodities Act, 1930, to modernize, streamline, and strengthen the operation of the Act.".

GENERAL LEAVE

Mr. POMBO. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on H.R. 1103, the bill just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

CONTINUATION OF NATIONAL EMERGENCY WITH RESPECT TO IRAQ—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 104–104)

The SPEAKER pro tempore laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, without objection, referred to the Committee on International Relations and ordered to be printed.

To the Congress of the United States:

Section 202(d) of the National Emergencies Act (50 U.S.C. 1622(d)) provides for the automatic termination of a national emergency unless, prior to the anniversary date of its declaration, the President publishes in the *Federal Register* and transmits to the Congress a notice stating that the emergency is to continue in effect beyond the anniversary date. In accordance with this provision, I have sent the enclosed notice, stating that the Iraqi emergency is to continue in effect beyond August 2, 1995, to the *Federal Register* for publication.

The crisis between the United States and Iraq that led to the declaration on August 2, 1990, of a national emergency has not been resolved. The Government of Iraq continues to engage in activities inimical to stability in the Middle East and hostile to United States interest in the region. Such Iraqi actions pose a continuing unusual and extraordinary threat to the national security and vital foreign policy interests of the United States. For these reasons, I have determined that it is necessary to maintain in force the broad authorities necessary to apply economic pressure on the Government of Iraq.

WILLIAM J. CLINTON.

THE WHITE HOUSE, *July 28, 1995.*

SUSPENSION OF MALDIVES FROM GENERALIZED SYSTEM OF PREFERENCES PROGRAM AND DESIGNATION OF MOLDOVA FOR PURPOSES OF GSP PROGRAM—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 104–105)

The SPEAKER pro tempore laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, without objection, referred to the Committee on Ways and Means and ordered to be printed.

To the Congress of the United States:

The Generalized System of Preferences (GSP) program offers duty-free treatment to specified products that are imported from designated beneficiary developing countries. The program is authorized by title V of the Trade Act of 1974, as amended.

Pursuant to title V, I have determined that Maldives should be suspended from the GSP program because it is not making sufficient progress in protecting basic labor rights. I also have decided to designate Moldova as a beneficiary developing country for purposes of the GSP program because I have determined that Moldova satisfies the statutory criteria.

This notice is submitted in accordance with the requirements of section 502(a)(1) and 502(a)(2) of the Trade Act of 1974.

WILLIAM J. CLINTON

THE WHITE HOUSE, *July 28, 1995.*

REMOVAL OF NAME OF MEMBER AS COSPONSOR OF H.R. 1289

Mrs. SCHROEDER. Mr. Speaker, I ask unanimous consent that my name be removed as a cosponsor of the bill, H.R. 1289, the Newborn Infant HIV Notification Act.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Colorado?

There was no objection.

THE NEED FOR AN INDEPENDENT COUNSEL

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

Mrs. SCHROEDER. Mr. Speaker, we began this week hearing about how the House had found money for a protocol officer, the new Miss Manners. Many of us really questioned that. But we end this week with a whole raft of newspaper articles that are in the paper today saying that people are very concerned the House Ethics Committee is risking the charge of a coverup, in re the charges against the Speaker.

My colleagues, if we can find money for a protocol officer but we cannot find money for an independent counsel, the people are not going to accept it. What is this? It is like pouring perfume on a garbage dump.

The people out there want us to get to the bottom of this, and they do not want some excuses about: Oops, we bungled it; oops, we made a little mistake; oh, my goodness, we are going to have to back away from this. This will not be acceptable.

I really hope this body reads the newspaper articles and many of the columnists calling for an independent counsel and moves forward.

Mr. Speaker, I include for the RECORD the following article:

[From the USA Today, July 28, 1995]

GINGRICH ETHICS SCANDAL DEMANDS OUTSIDE COUNSEL

(By Barbara Raynolds)

"It's vital that the ethics committee hire outside counsel. The trust of the public will accept no lower standard."

That was Newt Gingrich in 1988, leading the charge against House Speaker Jim Wright for an ethically questionable book-publishing deal. Within two months after Gingrich filed a complaint, the House ethics committee unanimously agreed to hire an independent counsel.

Ironically, Thursday it was Gingrich who had to appear before the ethics panel because of a book deal. He signed a contract with HarperCollins to write a book about his plans for revitalizing America. HarperCollins is owned by media mogul Rupert Murdoch, who could benefit mightly from legislation now before Congress; and Gingrich could earn millions from him in royalties.

Despite that conflict, Gingrich sense calls for an independent counsel are "ridiculous."

The Murdoch deal is challenged in one of five ethics complaints filed by Democratic opponents. One has languished for 10 months. At a closed meeting in May, the five GOP members on the 10-member ethics panel voted down an outside counsel, according to a Washington Post report.

Is Gingrich above scrutiny? Allegations against him are serious. At the heart of the ethics charges is GOPAC, the powerful political action committee Gingrich used to train and bankroll GOP candidates. "Since 1986, it has raised about $17 million, but he refuses to show us where it all came from and how it was spent," says House Democratic Whip David Bonior, D-Mich., who filed two complaints.

A complaint by Ben Jones, who ran against Gingrich in last year's election, alleges that, with GOPAC's help, two tax-exempt foundations organized a college course to advance the speaker's political mission. Tax-exempts aren't allowed to engage in partisan political activity. The complaint also says congressional staff helped prepare the course material.

What's wrong with that? If true, it means taxpayers helped subsidize a politically partisan course. And much of the course material is included in Gingrich's best seller, To Renew America.

Other issues not in formal ethics complaints also deserve scrutiny. Gingrich has touted his reading program, "Earning by Learning," which raises money from private contributors and gives $2 to school kids for each book they read. "The money goes to the kids," Gingrich said in a televised lecture. Yet a Wall Street Journal article last week disclosed that 90 percent of the money last year actually went to Gingrich's official biographer, who runs the program, and two other professors.

Republicans on the panel, of course, have little interest in probing their leader. But there may be hope. Rep. Nancy Johnson, R-Conn, whom Gingrich appointed panel chair, is under pressure at home to get things moving. A recent poll in her state shows 78 percent of voters want an independent counsel; 85 percent want open hearings.

The ethics panel should do both, and the hearings should be televised. What Gingrich said about restoring public trust in 1988 is still true today.

SUPPORT MEDICARE

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

Mr. VENTO. Mr. Speaker, Medicare is in trouble. It is in trouble all right because the Republicans are in control. The fact is that they do not share the commonsense values in terms of maintaining the commitment to quality health care for older Americans.

Medicare is about to celebrate its 30th anniversary this week. The celebration should be a positive one, but it has a very sour note because the fact of the matter is that the commitment is not there today in 1995 with the Republicans and with the majority in this Congress to support Medicare.

They did not support it when it was initiated. They do not support it today. They are busy looking for excuses to take apart Medicare. The reason for that, of course, is to provide a big tax cut for their wealthy friends.

The fact of the matter is we should be supporting Medicare, not tearing it apart.

Mr. Speaker, it is ironic that as we celebrate the 30th anniversary of the Medicare, drastic cutbacks are being planned for the program.

Before Medicare was enacted 46 percent of seniors had health insurance. Today, because of Medicare, 97 percent of seniors have health insurance. And today, we face a difficult fight in order to preserve a promise that means everything to the security of all Americans.

Republicans are proposing to save the program by cutting $270 billion. Seniors will have to pay an additional $3,400 over the next 7 years in health care costs. Some life saver this new GOP majority. The GOP in effect destroys the Medicare Program to save it. These added costs will be a tremendous burden to seniors trying to make it on a fixed income.

Ironically, these additional costs would not even go to the portion of Medicare which has been projected to become insolvent in 7 years. The reality is that these cuts are meant to pay for $245 billion in tax breaks for the most wealthy Americans.

Instead of sacrificing the health of the seniors of this country to provide a bonus to the wealthiest in America—many of whom don't seek such tax breaks—it is crucial for older Americans and for all Americans that we remain focused on ensuring that Medicare has a bright future and is around for the celebration of its 50th anniversary.

SPECIAL ORDERS

The SPEAKER pro tempore. Under the Speaker's announced policy of May 12, 1995, and under a previous order of the House, the following Members will be recognized for 5 minutes each.

MEDICARE

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Colorado [Mrs. SCHROEDER] is recognized for 5 minutes.

Mrs. SCHROEDER. Mr. Speaker, one of the things that we are facing this weekend is the 30th birthday of Medicare. Many of us have been trying to talk about this issue in quiet voices because we think 30 years old is not old enough for Medicare. We would like to see it survive and survive in a very healthy mode.

One of the things that we found out yesterday was the gentleman who put together the "Harry and Louise" commercials and did everything they could to derail, and did derail, health care reform, was given a lecture that somebody taped, so we were able to hear it yesterday.

The point of the lecture was what to do to scare people about Medicare so they would stampeded, and you could raid that little piggy bank to use it for the tax cuts that the other side wants to use it for. As we watched, almost everything we heard on that tape is coming true today.

What I am trying to say is that on the 30th anniversary of Medicare's birthday, that people should be very mindful of what is going on. There are big, big, big economic interests circling around Medicare that cannot wait to get their little mitts on it.

First of all, there are a lot of people talking about if you really cut it and you try to find a way to downsize this whole thing, the first trick will be to lure the healthy out, to transfer them out into the private sector. That is why I think so many private insurance companies have been willing to fund this group that is going to go out and say "Oh, we have got to change Medicare to save Medicare."

You know what will happen and I know what will happen. They will lure those healthy people out but the minute that they get sick, I will bet you no one will get an insurance policy that guarantees renewal no mater what their health condition. You can lure them out, make money on them, and the minute they get sick, boom, transfer them back over to the Federal Government or cut them off and leave them hanging out there, That is where I think we have to look to see where it is that we are going.

When this lecture was given that we got to hear yesterday, they were saying that the only way you could get people to change the status quo was to scare them, scare them to death, and so we see people waving these reports around that the Medicare trust fund is in trouble. No one will ever stipulate that it has not got some problems. Yes, it has got some problems, and this side of the aisle has been dealing with those problems year after year after year.

The way we deal with them is you look at the number of beneficiaries, you look at the cost of the care, you try to see if there is anything you can do to streamline, get the waste out or whatever, and then any savings you get, you plow it back into that trust fund.

The question I have to those waving this report saying how much trouble Medicare is in, how terrible it is going to be if we do not do something, the question I have for them is then why are they proposing that they should take $270 billion out, not plowing it back in, but taking it out? If it is already in trouble, where is the scenario where just removing the funds is going to make it healthier? I think it only puts it on a faster downhill trend, but I think they are hoping people only hear parts of the message and do not think it all the way through to the end.

As we get ready to celebrate this birthday, and I guess one of the reasons I feel so strongly about this birthday is it is the same birthday as mine, but as we get ready to celebrate this birthday for the 30th anniversary of Medicare, I am saying to people, please listen carefully. Please ask questions about why some companies will put so much money up, to do everything they can to agree to take all this money out of Medicare.

Maybe it is because they think they are going to be enriched if they can get that to happen, that they are going to make some money out of it. I really rather doubt that they are putting all this money up for this big PR effort because they are doing it just in the name of good government or just as a charitable contribution or something they would like to do for older folks. I think we really have to pierce the veil of those kind of entities and find out who is standing behind them and find out if they stand to be enriched if these things transpire.

I think playing with people's trust funds is just too scary. Ther are too many problems and too many people who really distrust the Federal Government to add this to their list of things that make them angry. Most people like Medicare. Let us hope it is still in as good a shape as it is now on its next birthday.

SAVING MEDICARE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Washington [Mr. METCALF] is recognized for 5 minutes.

Mr. METCALF. Mr. Speaker, this week marks the 30th anniversary of Medicare. Over the past 30 years, this program has provided essential health care coverage to many seniors. Yet today Medicare faces imminent bankruptcy.

President Clinton's own Social Security and Medicare boards of trustees, which include three appointed Cabinet members, issued their annual report this last April. I have a copy right here. In this report, they indicated that the Hospital Insurance Trust Fund will be able to pay benefits for only about 7 more years. By the year 2002, seniors who depend on this program as their primary source of health care will lose coverage unless we act now to protect Medicare.

Let me share the conclusion from this report. This is President Clinton's report, his trustees:

> We 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 program's financing methods, benefit provisions and delivery mechanisms.

I have heard little or nothing from the minority party as to how to fix it. They have criticized the Republicans but they have not offered any specific methods to fix this problem.

We have two options: We can either do nothing and allow Medicare to face bankruptcy or we can strengthen, simplify and save Medicare.

□ 1530

We must strengthen this program by making it financially sound and safe.

Mr. Speaker, the current growth of Medicare is unsustainable. Instead of continuing to increase spending at 10 or 11 percent each year, we must slow the growth to about 7 percent. Even under this plan, spending for each beneficiary will increase from $4,800 per year to $6,400 by the year 2002.

We must simplify this program and make it easier for seniors to use. We must reduce fraud and abuse in Medicare. We must give seniors the right to choose their own health plan. We must go beyond the scare tactics. If we take immediate action now, we can save Medicare.

Mr. Speaker, this is indeed the 30th birthday of Medicare. We on this side of the aisle say "Happy Birthday" and many more.

TRIBUTE ON THE 50TH ANNIVERSARY OF THE NATIONAL PRESS PHOTOGRAPHERS ASSOCIATION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California [Mr. HORN] is recognized for 5 minutes.

Mr. HORN. Mr. Speaker, for the past half century the members of the National Press Photographers Association have shared memorable, moving, and information images with our Nation and the world. In the process, they have documented the last half of the 20th century with photographs and pictures that have made us smile and others that have wrenched our hearts.

Who can forget the sight of man's first step on the Moon or the jubilance of the United States hockey team's victory over the sport-dominating Soviet Union in the 1930 Olympics; the newly widowed Jacqueline Kennedy holding the hand of a young John F. Kennedy, Jr.; and, especially memorable, the five marines and the Navy corpsman raising the American flag on Iwo Jima?

These images and so many more like them have defined our perceptions of history. They are the press photographers' gifts to all of us.

To provide us with these memories, press photographers have often accepted great physical risks—even the possibility of death—to be the eyes and ears of the American public and the public throughout the world. Their dedication is to be admired.

On the 50th anniversary of the National Press Photographers Association, I join with this Nation in saying, "Thank you for all that you have given us."

In the true spirit of the National Press Photographers Association, members have been working to ensure that we continue to be the recipients of the informative and instructional nature of their work, especially in times of disaster and emergency.

Through their experience, they know of the necessity for a harmonious working relationship between the public safety and the journalistic communities so that accurate, even lifesaving information, can be passed on very quickly to the waiting public. It is through this goal that the National Press Photographers Association created the "National Media Guide for Emergency & Disaster Incidents" which has been just published.

Laws can easily be based on this document, and we will be very carefully looking at them at the national level. I would hope that State legislatures would also look at the guidelines that have been made available for the use of police chiefs, sheriffs, and other law enforcement officers.

They have brought together, with the collaboration of over 100 media and public safety representatives throughout the United States, this National Media Guide, which reflects the best public information procedures from police, fire, and other emergency providers across America. It is a compilation of guidelines developed by highly experienced individuals, which ensure that journalists and public safety officials can work quickly and efficiently to keep the public informed in disaster situations.

I am delighted that Bob Riha, Jr., a photographer for USA Today in the West, who lives in Long Beach, is the cochair of the National Press Photographers Association Police-Fire-Press Relations Committee. He is joined, as cochair, by David Handschuh, staff photographer with the New York Daily News.

By working together, these leaders of the photographers, the media, the public safety representatives can all help benefit and enhance our images and the public information possibilities in the case of emergencies and disasters. This Nation has had many in recent years. Earthquakes, floods, fires, tornadoes, typhoons, you name it, we have had them all. There is a need for such guidelines, when it comes to saving lives and property.

Mr. Chairman, I salute this effort. I congratulate the National Press Photographers Association for its continuing efforts to keep the public informed. Theirs is a community spirit that is enviable and a dedication to duty that is an inspiration. What they have provided for us is a basis for law that will assure that the public's right to know is fulfilled in this land.

Mr. Speaker, I attach a summary of the "National Media Guide" whose ideas should interest Federal and State legislators and those public officials involved in the media coverage of the emergency activities related to a disaster.

NATIONAL MEDIA GUIDE FOR EMERGENCY & DISASTER INCIDENTS

FOREWORD

Throughout the United States, public safety agencies have standard operating procedures to guide operations during emergencies and disasters. Some of these identify policies and procedures to use when news media are at the scene of an incident. Laws and policies will vary agency to agency and jurisdiction to jurisdiction to jurisdiction. Media access laws and procedures used in California or New York, may not be legal or utilized in other states. When media representatives are denied access to an emergency or disaster scene, the flow of information to the public is restricted. During certain emergencies, such as hazardous materials incidents, the flow of information to the public could be a matter of life or death.

In 1994, the National Press Photographers Association (NPPA) appointed photo-journalists Bob Riha, Jr., in Long Beach and David Handschuh in New York as Co-Chairs of NPPA's Police-Fire-Press Relations Committee. Their assignment was to write a guidance document for journalists and public safety officials to use during emergencies. NPPA is a non-profit professional organization of more than 10,000 members worldwide including news photographers, television camera operators, freelance photographers and editors.

OBJECTIVES

The objectives of the National Media Guide are to:

Establish Standard Operating Procedures nationally for media & public safety representatives that respond to emergency and disaster incidents—taking into consideration specific needs both sides have to do their jobs effectively.

Establish media access guidelines and criteria for media access to emergency, investigation and crime scene areas.

Education media representatives & public safety officials on proper media access procedures and address problem areas and give solutions to those problems.

Develop a guidebook which could be used at journalism colleges & universities including public safety training academies to educate 'rookie' journalists & officials on how to work with each other during emergencies.

Develop a guidance document to assist Public Information Officers.

NATIONAL MEDIA GUIDE

The National Media Guide for Emergency & Disaster Incidents is a 90-page document that contains guidelines for media and public safety representatives that respond to emergency & disaster incidents. The guidebook contains guidelines for media representatives, local agencies, state agencies and the Federal Government. It was written with contributions from over 100 media and public safety representatives nationwide. Advisors contacted for this document came from all regions of the United States including: Hawaii, California, Washington, Nevada, New Mexico, Colorado, Minnesota, Texas, Kentucky, Florida, New York, Utah, Iowa, Arizona, Idaho, Montana, Maryland, Indiana and New Hampshire.

TOPICS

The National Media Guide for Emergency & Disaster Incidents contains information on many subjects including:

Media Identification, Barrier Tape Guidelines, Command Post/Media Information Centers, Private Property Considerations, Wildland Fire Incidents, National Transportation Safety Board Incidents, Undercover Incidents, Media and The Military, Federal Emergency Management Agency, Media Vehicle Identification, Media Access Photo Sites, Media Access, Hazardous Materials Incidents, Special Weapons/Tactics Team, Bomb Squad Incidents, Media Aircraft Guidelines, Media Access into Indian Lands, U.S. Department of Justice.

CONCLUSION

The National Media Guide points out that:

Nationally, only California and Ohio have Statutory Laws for media access into emergency & disaster scenes. California has PC409.5(D); Ohio has PC2917.13(B).

Media representatives are identified by possessing a media identification card issued by local law enforcement agency or an identification card issued by the media organization. Authorized media representatives work for bona-fide, news gathering media organizations. Public safety agencies should have a policy of accepting media identification issued from agencies outside their immediate jurisdiction.

Coordination with the media, especially radio and television are essential in informing the public during emergencies and major disasters. Use of media notification sources can assist 1st responders at the scene in dispersing emergency instructions and information in the shortest amount of time.

Training is needed for journalists, public safety representatives and Public Information Officers that respond to emergency and disaster incidents within the United States.

The public has a Right-To-Know and demands information during emergencies.

TRADE DEFICIT

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Ohio [Ms. KAPTUR] is recognized for 5 minutes.

Ms. KAPTUR. Mr. Speaker, tonight, in the few minutes allocated, I would like to talk a bit about why our people, the American people, are working harder, but in fact, they are finding that their dollar buys less.

They are working longer hours, more hours; some families 2 and 3 jobs, and yet when they go to pay the bills at the end of the week, or at the end of the month, the dollar just does not stretch as far as it used to stretch. In fact, both Newsweek and Time magazines have had tremendous articles in the last month on wages in America and what is happening to the American family as a result.

Today, Mr. speaker, the Commerce Department announced very disappointing economic statistics for our country: basically, that the economy is stuck dead in the water. There was a story on the front page of the New York Times today which I am going to put in the RECORD that reads in the first paragraph that the economy really had extremely paltry growth in the second quarter, and we, as a country, are stuck at the 50-yard line. We just cannot seem to move forward.

The article also talks about the stagnation of wages and the job insecurity felt by millions and millions of our American families. One wonders why we do not hear more about it here in Washington because this is the reality of what our friends and neighbors are living with every day.

Mr. Speaker, tonight I want to talk a little bit about what I call the "trade drag" on our economy, the trade deficit drag that is really helping to hold down the ability of our people's wages to grow. If we think about the car races we might see at the Indianapolis 500, where they have to slow down and that big parachute comes out the back, and even a car that is going 150, 200 miles an hour stops almost in place. That is how a trade deficit works in terms of the ability of this economy to move forward.

Over the last decade, our Nation has lost over $1 trillion, $1 trillion of economic growth, to other places in the world. We have been amassing gigantic trade deficits, more imports coming in here than our trade deficits, more imports coming in here than our exports going abroad, and that has created pressure on the companies and the workers in our country because of low wages and working conditions.

There is no environmental enforcement in these other places around the world where these goods come from, and all of a sudden we find our workers in competition with the lowest-wage workers in the world in the most undemocratic places we could ever imagine living in.

Let us look at some of the results of that. If we take a look at this year

alone, we expect that we will have $184 million more of merchandise coming in here than we are sending off shore through our exports.

This year we will have an increase over last year, when that deficit was $166 billion. When we figure every billion translates into 20,000 lost jobs in this country, all of a sudden we begin to think about things that are happening in our own communities back home and we begin to understand the dynamic of what is happening in 1,000, 2,000, 5,000, 10,000 places across this country where we are essentially exporting abroad our manufacturing productivity and importing goods from low-wage places around the world.

We were told that NAFTA, the agreement with Mexico, would be a good thing for America. I would sure like to see some of the proponents get back on television; we have not heard a word from them lately because, in fact, the numbers are working exactly in reverse.

If we look at the figures of both the United States and Mexico, prior to NAFTA signing we always sent more exports down there than imports were coming in from Mexico. But just in May of this year, we had a $1.6 million deficit with Mexico. That is just in 1 month; that is over 25,000 jobs. We have lost one plant a day to Mexico since NAFTA was signed.

Mr. Speaker, our trade deficit with Mexico this year is expected to reach over $20 billion. That is an exact reversal of the trade figures prior to the signing of NAFTA. In fact, we are also amassing gigantic trade deficits with Canada for the first time. It is projected this year to be over $14 billion. So as a result of NAFTA, this year, the United States-Mexico-Canada combined, we will have over $34 billion trade deficit just with those two countries.

Mr. Speaker, part of the reason for the fiscal drag on the people of this country is that our trade policies are absolutely backward and do not benefit our people here at home.

Mr. Speaker, I submit the following for the RECORD:

[From the New York Times, July 27, 1995]

CLINTON AND THE ECONOMY

(By David E. Sanger)

WASHINGTON, July 27.—On Friday morning, the Commerce Department will issue a figure that until very recently the White House was dreading: an accounting of the economy's paltry growth in the second quarter of the year, a grim statistic that for much of the year looked as if it would be the first step off a steep cliff.

The number will likely be around five-tenths of a percent, a long, long fall from the economy's spectacular performance last year. But now there is a growing consensus among economists and traders that the figure will likely be the year's worst and that a rebound is already under way.

They are basing their optimism on the usual hodgepodge mix of home sales, the pace of exports, inventory levels and other straws in the economic wind that recently suggest that the worst is probably over. At the White House, officials are already declaring that the much talked-about "soft landing" has arrived.

The second-quarter figure is coming out at a time that the second quarter seems no longer relevant," Treasury Secretary Robert E. Rubin, who has predicted publicly for several months that the rebound would start in the second half of the year, said today. "The question now is how strongly do we resume growth."

The political import of all this is lost on no one in Washington: It has been more than 40 years since a Democratic incumbent ran for the Presidency with the economy seemingly strong, inflation under control and unemployment off the front page. Against all the speculation just a few months ago, Bill Clinton now looks as though he may break the spell.

What that means in concrete political terms—the first primary is still seven months away—is anyone's guess. Even if the economy does bounce back in the coming months, it is far from clear that there will be corresponding political gains for Mr. Clinton.

Growth was strong and inflation was low last November, and the result was a Republican seizure of both the House and the Senate. In the postwar era, growth had to average more than 4.6 percent in the year leading up to an election for a Presidential incumbent to be re-elected.

And the stagnation of wages and the job insecurity felt by millions of Americans remain a major economic problem, and an even bigger political one, a point Mr. Rubin and other Administration officials acknowledge.

But an economy in downturn as the primaries approach seemed probable just a few months ago, and Mr. Clinton's economic advisers are delighting in the fact that the business cycle seems unlikely to give the Republicans any fresh ammunition.

"This gives tremendous momentum to the Clinton re-election candidacy," Secretary of Commerce Ronald H. Brown, the former chairman of the Democratic National Committee who until a few months ago was considered a likely candidate to run the campaign, said in his office today. "We ought to take the quotes from all those guys on the Hill who were predicting doom and gloom and throw them back in their faces."

The Republicans, of course, will retort that the man who brought about the soft landing was not Bill Clinton but one of their own: Alan Greenspan, chairman of the Federal Reserve. Last year he was regularly portrayed by the White House as the lurking force of evil in the economy, raising interest rates last year to head off inflation.

On several occasions the White House forgot its stated policy of never arguing in public with the Federal Reserve, carping about its approach and saying that it would cost jobs and growth. More than a few times Mr. Rubin had to call his colleagues in the Cabinet and ask them, politely, to shut up.

Now, after a considerable amount of revisionist thinking, Mr. Greenspan has become something of an economic hero in the White House. The interest-rate increases are now viewed in a kinder light, in part because they choked off inflation but especially because rates began to come down again last month.

Suddenly the most likely successor to Alan Greenspan, whose term runs out next March, is Alan Greenspan. (The reality is that probably no one else could get confirmed: The Republican leaders of the Senate would probably hold up the nomination of any other candidate until after the next election.)

Certainly not all the news has been good, and anyone wanting to construct a pessimistic outline for the months ahead has plenty to work with. In May, personal income declined slightly, the first fall since January 1994. In June, a leading index of manufacturing purchases declined for the second consecutive month, after nearly two years of growth. Car sales plunged alarmingly in the spring, leaving the chief executives of the Big Three shaken. Mortgage applications are down, even though interest rates have dropped nearly two points in eight months. the savings rate continues to fall.

Some economists maintain that any good news is simply a delay of the inevitable. "If the economy survives 1995 without a recession, next year will offer no respite from hazards," the Jerome Levy Economics Institute at Bard College wrote last week in one of the blitz of newsletter analyses that has preceded Friday's report on gross domestic product. "The probability of a recession beginning either this year or next is 60 percent."

If so, Mr. Clinton could find himself in exactly the condition he managed to exploit brilliantly against George Bush.

But inflation seems increasingly unlikely to be an issue as the election approaches; it is not only down in this country but around the world. The job market has remained surprisingly strong, an impression bolstered today when the Government announced a large decline in claims for unemployment benefits. Retail sales are up, though much of that comes from huge promotions that car makers are using after they were caught by surprise by slow sales early in the year.

There are three major issues that seem to bother the Administration's top official when they talk about the economy: What will happen to personal income, whether a showdown with the Republicans over the budget sends the markets into a tailspin and what happens if the country's export boom suddenly dries up.

All the economic indicators in the country can turn up, but if income stays stagnant, Mr. Clinton's advisers agree, he will be unable to convince voters that much has changed, "It's the problem the President works on the most," Mr. Rubin said today, referring to proposals in his budget for training and education. "Because median real wages have not behaved well, too many Americans can't feel in their own lives what has happened in the economy."

The second concern is that the battle over the budget will bring the Government to a standstill in October, with all kinds of hard-to-predict economic fallout. "We've had the Government close for a day or two in the past; but what we are worried about is something much longer and worse," a top Administration official said recently. "And it is unclear who would be blamed for that, Bill Clinton or Newt Gingrich."

And the third concern is that the hidden miracle of the economy—exports—will finally cool off. Just how much exports are rising is a matter of how you measure, but the trend is pointing to a 15 percent increase over last year, fueled by the weak dollar. That is a remarkable achievement at any time, but particularly when the country's No. 2 and No. 3 trading partners, Japan and Mexico, are in the most dire economic trouble they have suffered in years.

Whether the country's economic growth can be sustained even if the domestic economy slows further, then, depends in large

part on keeping up a huge flow of goods to Europe and Southeast Asia. And that means depending on economies over which Mr. Clinton has virtually no control.

"What no one has noticed in the past year or so is that now fully 50 percent of our exports go to the Pacific Basin," said Mickey Kantor, the United States trade representative and another potential candidate to run Mr. Clinton's compaign. "That is why we have such a critical interest in continuing the market openings there and building those relationships."

But Asia is also where the United States has its biggest trade deficits, and they, too, have widened over the year. That could be the wedge the Republicans turn to first.

REFLECTIONS ON THE DEDICATION OF THE KOREAN WAR MEMORIAL

The SPEAKER pro tempore. Under the Speaker's announced policy of May 12, 1995, the gentleman from California [Mr. KIM] is recognized for 60 minutes as the designee of the majority leader.

Mr. KIM. Mr. Speaker, yesterday afternoon I joined with Presidents Clinton and Kim Yong-sam of Korea as well as with hundreds of thousands of Korean war veterans, their familes and friends in dedicating the Korean War Memorial on The Great Mall in Washington, DC.

For me, this was a most emotionally moving experience. At the time of the Korean War, I was a young boy in Seoul, Korea, trying to survive the horrors of the war. Now, 42 years later at the dedication of the memorial, I am a U.S. Congressman from California. This seems so unreal, so unbelievable.

But, as I stood there looking at the memorial, yesterday, I know this is real because this is America and only in America can such incredible things happen. Perhaps it was Washington's notoriously hot and humid weather that made me feel faint during the ceremony—but I think it could have been 10 below zero and I still would have felt overcome with pride and joy.

The Korean war is often called the forgotten war. While those of us who lived through it will never forget, I think I see why so many others have.

You see, Mr. Speaker, it is because we were successful in Korea. It was indeed a true successful story. That why it was almost forgotten. On June 25, 1950, North Korea launched its surprise attack and by August had pushed American and South Korean troops into a small pocket surrounding the southern-most port of Pusan.

But, rather than give up, the United States made a bold landing and counter-attack at Inchon that same September, thereby defeating any chance of Communist victory.

This was a victory for liberty over tyranny. Many people have forgotten that the rescue of Korea was not just an American and South Korean operation.

Twenty-seven nations, under the blue flag of the United Nations, fought to defend the U.N.'s charter principles of freedom and self-determination for Korea. And they were successful.

Just across the reflecting pool from the Korean War Memorial is the Vietnam War Memorial. While the Korean war may be the forgotten war, we still anguish over the conflict in Vietnam.

It is true that over 10 years of fighting in Southeast Asia resulted in 55,000 American deaths and 2,000 still missing in action. I give the highest honor to these sacrifices.

But it is also true that in just 3 years of vicious combat, 54,000 Americans died in Korea and over 8,000 remain missing.

Why the concentration on Vietnam at the expense of Korea? Just as many gave the ultimate sacrifice in Korea. Is it because we won in Korea?

Is is because those who protested against our brave troops in the 1960's and 1970's now feel guilty about their actions and fear that acknowledging our victory in Korea will weaken their arguments against our involvement in Vietnam?

I don't know. But, I do know that international freedom and liberty did win in Korea. And, it is past time that this victory be fully recognized.

The ultimate sacrifices made by these brave Americans and others during the Korean war were not made in vain. While the war in Korea may have left the entire peninsula looking like a wasteland back in 1953, look at how the southern half—with American help and protection—rebuilt into a strong, vibrant free-market democracy.

As President Kim said in this very Chamber just 2 days ago, "This is the story of the Republic of Korea, a country which began with nothing but bare hands and courage and managed to achieve democratization and industrialization in a short period of time, a country now proudly marching out toward the world and into the future."

Today, South Korea continues to pay back that help to the United States. South Korea is America's sixth largest trading partner with bilateral trade exceeding $40 billion this year alone—and the balance is tilted in favor of the United States as America has a trade surplus with Korea.

Now, compare the prosperity and success of South Korea with the misery and poverty in Communist North Korea. Despite all the Marxist propaganda claiming North Korea to be a people paradise, in reality it is a land where only two meals a day are eaten because there is not enough food for three. Despite a 40-year program for self-sufficiency, the North must accept rice from its self-described enemy, the South. There is no freedom in the North as "big brother" watches every move every person makes.

Economically, politically and morally, the North is bankrupt. Only through tyranny and massive military mobilization are the Communists in the North able to stay in power. The differences between the North and South are very well defined.

Yes, Mr. Speaker, we—the forces of freedom—did win the Korean war and we're winning the peace, too, with our policy of peace through strength on the peninsula.

Near the apex of the Korean War Memorial, across from the American flag, is the inscription "Freedom Is Not Free". That simple, four word phrase is so very meaningful.

Clearly, from looking around the memorial and reflecting on the sacrifices it represents, we can appreciate this phrase in the political-military context. But, the phrase "Freedom Is Not Free" has another everyday meaning, too.

Let me tell you a true story about a little boy named Jay Kim. The year was 1950 and Seoul, the capital of Korea, had been overrun and occupied by the Communists. Life was dangerous and miserable.

Because my family was educated, we were branded "enemies of the people". Most of our possessions were confiscated and my father was forced to go into hiding.

Others, like my adopted brother, were hunted down, lined up against the wall and executed.

They made the younger boys, including me, watch. I was so scared but I'll never forget the way he looked at me and gave me a brave, little smile, and then they shot him.

I was left to care for my mother—always wondering would the next bullet be for us?

Then came the liberation of Seoul. In retreat, the Communists tried to destroy everything. They lit our houses on fire and threatened to kill anyone who tried to extinguish the flames. We took the risk and tried to save what little we had.

As I was rushing back and forth carrying things from the burning house, I heard people shouting that the Marines were coming. I was so overjoyed I dropped everything and ran into the street, despite the gunfire.

There were tears in my eyes and I screaming with excitement that these brave soldiers had come to save our lives.

One of the marines—he seemed so big—smiled and gave me some spearmint chewing gum. Communist sniper fire rang out and the marine sheltered me from the danger. I can still smell his sweat and feel the press of his hand keeping me down out of the line of fire.

With the sniper neutralized, the marine smiled and moved on to save some other poor little soul like me. I watched him until he left my sight—this angel in a marine uniform who had come to deliver me from the hell we were in.

I knew from that very day, that I wanted to be an American. America

represented so much hope, opportunity, freedom, and goodness.

Who else but Americans would come thousands of miles from their homes and risk their lives to save some nameless little boy like me?

After serving in the Korean Army, I was one of the lucky 1 in 1,000 to be able to come to the United States. I had very little money and spoke no English.

But, I had determination. Spirit was the one thing the Communists could not take away from us and I was not going to miss the incredible opportunities America presented.

I worked hard—very hard. A day only has 24 hours, but mine seemed to have 30. I went to college and worked at the same time. My wife, who joined me a year after I came to California, did the same and we started a family. I was a janitor, cleaned up after a supermarket butcher, and washed dishes. I took any job I could find to feed my family.

I didn't know about any Government assistance programs then.

And, even if I had, I wouldn't be qualified for such Government subsidy program anyway. Times were tough, but they were nothing like the war. I knew that in America hard work would pay off. It did—and it still does today. Hard work always pays in America. Through hard work and determination I came from the ashes of Seoul to the United States Congress. Only in America can this happen.

But, as the inscription on the memorial reminds us, "Freedom is Not Free." Earlier today in this very Chamber, I listened to a lot of heated debate about the role of the Federal Government in housing. A few weeks ago it was welfare.

Big government, mandating all kinds of expensive one-size-fits-all programs reduces freedom of opportunity. It makes the American dream subject to Government regulations and bureaucratic delays.

Rather than depend on the Government, people must be responsible for their own lives. Those who work hard and take advantage of the opportunities in this country will succeed.

Rather than look for a free ride, they should be working hard to restore their pride.

Freedom from want, freedom from poverty, and freedom from illiteracy cannot be achieved through endless, free Government handouts. I know from personal experience that it is tough being poor. I hated being poor.

But, instead of blaming someone else and demanding more Government handouts, I worked hard, determined to achieve success.

Yes, I had some lousy jobs I did not like. The hours were long and the pay was poor. But, I labored hard and got an education and started my own business. I was able to buy a nice house and pay back my country by serving the public in Congress.

I did not ask for a free handout to achieve this. I only asked for the freedom to pursue the great opportunities this country provides. The rest was up to me.

That's what the American spirit is all about. That's what is reflected, so very clearly by the Korean War Memorial. Unselfish sacrifice, teamwork, pride, and courage. Mr. Speaker, I strongly urge all of my colleagues and the American public to take the time to visit this new memorial. It is a most moving and rewarding experience.

It reminds us of why America truly is the greatest country on Earth. I'm so proud I'm American.

□ 1545

SIEZE THE OPPORTUNITY: CONTINUE B-2 BOMBER PRODUCTION

The SPEAKER pro tempore (Mr. FOX of Pennsylvania). Under the Speaker's announced policy of May 12, 1995, the gentleman from Washington [Mr. DICKS] is recognized for 60 minutes as the designee of the minority leader.

Mr. DICKS. Mr. Speaker, tonight I rise to address my colleagues and the American people on what I consider to be the most important defense decision that will be made by this Congress in this decade. This summer, the Congress will case a deciding vote on one of our most critical issues facing the future of our Nation's defense capability. What is at stake is nothing less than the future of the Nation's only bomber industrial base and our ability to not only fight and win two major regional conflicts, as our current war fighting plans require, call for, but to deter such conflicts from arising in the first place.

During the time of diminished resources and diminished threats, we are confronting the temptation to abandon efforts at maintaining our technological superiority. In the case of the B-2 Stealth bomber, seven former defense secretaries have issued a strong warning that such a move would risk one of the key factors that will allow us to meet future defense requirements. This is a warning that the President and Congress should not ignore, in my judgment.

I have long been convinced, as have many in Congress, that the wise move at this time would be to harness the giant technological advances represented by the B-2's design and its capabilities in order to meet the new and difficult conventional power projection requirements. The wisdom lies not only in retaining the newest and least vulnerable of all the weapons we have already paid for, but also in the economic reality of defense downsizing.

When you have fewer and fewer weapons and forces, there must be an even greater premium on technological superiority. Herein lies the essential reasoning for last year's congressionally led effort to build at least an additional 20 Stealth bombers, a force consistent with recommendations of several comprehensive defense studies, one done by Rand in Los Angeles, and on bomber requirements and with the recommendations of the seven Defense Secretaries made to President Clinton in January.

Simply put, 20 B-2's do not represent enough bomber capability to meet our Nation's future needs, even when supplemented by B-52's and B-1's. In conventional war, time plays the central role in guiding choices and measuring success. The significance of this maxim is magnified by the single most intriguing "what if" question of the Persian Gulf war: What if Saddam Hussein had not stopped at the Kuwaiti border and quickly proceeded into Saudi Arabia and elsewhere at a time when the United States and Allied forces in the region were minimal? Though we remember clearly the great victory of 500,000 allied troops over Saddam's Republican Guard, we should remember that we had nearly 6 months with which to ship troops and materiel into the gulf.

If Saddam's military advance had been immediate through Kuwait into Saudi Arabia, there is no doubt the cost both in terms of dollars expended and lives lost would have been much more severe on all of the allied nations, including the United States, in order to expel him. We cannot base our military capabilities on the assumption that we will have a long period to build up forces and unimpeded access to in-theater basing.

We were very fortunate in the gulf that the Saudi Arabian people had airbases, had port facilities. But if that had not been the case, we would have been faced with a much more daunting challenge.

If the B-2 currently in production could have been deployed to the Persian Gulf, as Saddam Hussein was threatening to invade Kuwait, I believe the Iraqi dictator would have had a much more difficult decision to make before crossing the border into Kuwait. With a fully equipped fleet of Stealth bombers, the President could have launched a strike force of B-52's from either Whiteman Air Force Base or Diego Garcia, and with one aerial refueling they could have engaged Saddam's prized Republican Guard.

In a Rand study, a simulation was conducted utilizing B-2's against one of Saddam's advancing armored divisions, consisting of approximately 750 combat vehicles.

□ 1600

The B-2's, armed with sensor-fused weapons known as skeet conventional munitions; they are currently in production and now coming into the inventory; managed to destroy 46 percent of those 750 combat vehicles, not only

halting the armored division's advance, but inflicting so much damage that the division could not be reconstituted, and the people at Rand, I asked them had there ever been any other combination of conventional weapons that could stop a mobile division in the field, and their answer was, "Congressman, there is no other combination of conventional weapons that could have stopped a moving division."

Extending the Persian Gulf scenario, which is clearly the type of conflict most representative of our national security challenges in the years ahead, we should look at how we would repel the invading Iraqi forces if Saddam had not given us a 5-month head start. We know the advantage of Stealth fighters, the F-117's with smart weapons, gave us when the allied attack actually began, but without the long-range Stealth-bomber capability in the early August days of the Iraqi advance, what assets would we have used?

The answer is an expensive one, and this is the one that this administration is proposing to the Congress and one that I think is very, very foolish. With the existing fleet of bombers, primarily B-52's that are now as old as their pilots' fathers, expensive standoff weapons would have been used capable only of hitting a fixed target rather than being able to engage moving divisions. Each of these cruise missiles would have cost 1.2 million, and usually an airplane would carry somewhere between 12 and 16 of them, and the cost of the conventional munitions such as the ones that would be on the B-2, which could penetrate against fixed targets, are about $20,000, and the cost of the skeet munitions, which I mentioned earlier, are about one-fourth the cost of a load of these expensive standoff cruise missiles, and remember that those skeet munitions, these are little pucklike weapons with a parachute. They come down over the battlefield, hit the tanks, the Bradleys, all the vehicles as they come into the country. Those would cost about a fourth versus the load of cruise missiles, but of course the cruise missiles do not have any capability against a mobile target, and the two most important things were the advancing division and actually the movement of Scud missiles. We were unable to detect those Scud missiles during the gulf war, and find them and destroy them. The B-2, or the Block 30 upgrade, would give us a new capability with better intelligence to find those Scud missiles, and if those Scud missiles had had chemical, or biological, or nuclear weapons, the outcome of the war in the gulf could have been vastly different.

Now where B-2's are stealthy, survivable, and able to operate autonomously, nonstealth-bomber aircraft require significant protection including air escorts, fighters, and electronic jammers, and that is why I put this chart down here to show you the value of stealth.

On the far side is a package of airplanes. I think it is about 76 aircraft that would use nothing but dumb bombs. Then you have a package of airplanes using precision weapons, and then you got to the stealthy F-117's, and the major difference is that these nonstealthy aircraft were unable to go into the most heavily defended areas. They were forced to come back out, as General Horner has testified, and then, before we had gained total air superiority in the gulf, we used the F-117's, and eight of them were able to be used to go in and knock out these surface-to-air missiles and do it in a very timely way, and what happened also was that our pilots in these stealthy airplanes survived. They were not shot down even though they were going in against the most heavily defended areas.

And the comparison is, and here they have two B-2's because the Air Force never sends just one airplane, it always has two, but one B-2 is equivalent to these airplanes and to all of these stealthy aircraft—I mean nonstealthy aircraft in terms of their capability to attack these targets, and remember the standard package on the far right. All those 76 planes were turned back. They could not get the job done. So stealth worked, we saved money, because we were able to use less-expensive weapons. They did not use the standoff weapons, and we were able to have all of our pilots survive. That is the value of this revolutionary technology.

Now the saving comes not only in dollars, but in lives, and both, as I mentioned, are significant. In dollars we reduce the cost of weapons alone in the gulf scenario from approximately $2.24 billion per day for the expensive standoff weapons to about $300 million per day by utilizing the radar-evading capabilities of the stealth, and 1 week's savings during such a conflict could pay for nearly 20 additional B-2's. Even more important is the lifesaving ability of utilizing a much smaller attacking force of aircraft that can operate undetected in hostile airspace. The B-2 can provide us with conventional deterrence, but if deterrence fails, it can help us win wars more quickly and with fewer losses.

Mr. Speaker, I yield to my distinguished colleague, the chairman of the Subcommittee on Procurement of the Committee on National Security, and one of the real experts on defense and national security matters in the House. I yield to the gentleman from San Diego.

Mr. HUNTER. Mr. Speaker, I thank the gentleman for that tribute, and let me just say that he has been a real expert in the area of national security as one of the leaders in the Committee on Appropriations in the Defense Subcommittee, and he made a really important point, Mr. DICKS, and that is the point that you can deter wars by having lots of air power early in the war, and all of the studies, even the studies in which conclusions were drawn adverse to B-2's by the political elements in the administration, said that bombers can stop armor, and that means that when Saddam Hussein or others who have a desire to take territory that does not belong to them fire up their tanks and put them in third gear, the only way you can stop that armor quickly is with heavy bomber attacks. You cannot sail that carrier task force into that place where you can make those short, 200- or 150-mile sorties off the carrier deck. You cannot airlift and sealift all your troops over in a very short period of time. The one thing you know you can do without permission from anybody in the world is take your bombers off from the United States of America, maybe relay them at the Deigo Garcia, or maybe, if you have another friendly airstrip around the world, and we have fewer of them now than we had a few years ago, you could take those bombers, and you can stop that armor attack, and having the ability to do that is a very, very important thing.

Mr. DICKS. Mr. Speaker, we have never had that kind of capability before because the B-52's and the B-1's only drop dumb bombs. They do not have the capability to drop smart conventional weapons.

Now we hope to do that someday in the future on the B-1. I support that.

Also, the gentleman, another important point to think about here is if that division is moving, it is going to have air defense capabilities. Russian air defenses have proliferated all over the world, and so, if you came in with the B-52, or the B-1's, or any other nonstealthy airplane, they would be shot down.

Mr. HUNTER. If the gentleman would continue to yield, the gentleman has really made the key point for those who appreciate stealth. We developed stealth because we lost 2,200 aircraft in Vietnam. We discovered that Russian-made SAM missiles were so effective that they could be taken to any Third World nation, at that point Vietnam, along with a short training course, and in a short period of time surface-to-air missiles could be effectively operating against the best conventional aircraft that we had.

Now that lesson was driven home to us a few weeks ago in Bosnia when our F-16 pilot strayed over an area that had an old Russian SAM missile that we overlooked, and that SAM missile went up and got that F-16 at over 20,000 feet. We decided to develop stealth because we were losing pilots at an enormous rate, our pilots are important to us, our aircraft are important to us,

and, you know, probably the development of radar is considered to be probably the most important military invention of this century. Will the ability to evade radar—to be invisible to radar is probably the second most important military invention of this century, and we are threatening to throw away that enormous discovery if we stop the B–2 line.

Mr. DICKS. And the gentleman is so correct. Think about our history in World War II. If the Germans had had a stealthy bomber force, they would have potentially defeated England. I mean it was the fact that those planes were not stealthy and radar was able to detect them that allowed during the Battle of London, you know, for their fighters in those days and their air defense system to function. I mean a stealthy airplane in those days could have been devastating to the effort in World War II.

And also one other thing about this. We went through this whole thing about the vulnerability of battleships, and, what was it, Billy Mitchell finally flew over and dropped down a bag of flour on the battleship, and all of a sudden the battleship admirals had to admit that they were vulnerable to air attack. It is the same mind set here. These nonstealthy airplanes are vulnerable to being shot down, and that means, as you suggested with Captain O'Grady, that we are going to lose those lives, and that is why the revolution of stealth is so important. You can go into those heavily defended targets, knock out the surface-air-missiles, gain air superiority, and then you can use your nonstealthy equipment.

Mr. HUNTER. OK, the gentleman has hit a very important point to every American, and that is called bring the crews back, bring your aircrews back. If you take that group of 75 aircraft, conventional aircraft, that are required to do the same job at the same 16 named points as one B–2 can hit, can cover, and two B–2's if you want to do it redundantly, that flotilla of conventional aircraft carriers about 147 crewmen.

Mr. DICKS. That is right.

Mr. HUNTER. So you have 147 crewmen at risk to hit the same targets where, if you use one B–2, you have two crewmen at risk, and, if you use two B–2's, you have four crewmen at risk, and the second point the gentleman made is really, really important when you went back to World War II.

You know we were developing a nuclear weapon. Well, Adolf Hitler was developing a nuclear weapon, and we beat him to the punch, and they were very close to having their heavy-water experiments successfully converted at the time when we really closed in on the Third Reich. Similarly, the Nazis were building jet engines, and they were developing jet aircraft. The last aircraft, I believe it was the last one, that Chuck Yeager shot down with a propeller-driven aircraft was a German Jet. But we had a President, Franklin Delano Roosevelt, and I say this as a Republican. He was a Democrat President who every time his inventors and his scientists came to him and said, "Mr. President, we have something that will make this country stronger militarily," he would say, "Do it, because the lives and safety of our people depend on it. Don't ever reject technology. You can't turn the clock back because the other guy is not turning the clock back."

If we reject this stealth technology that would bring back our pilots alive, this will be the first time in this century where we as Congress have told our pilots and their families, "You know we could have protected you. We could have kept you safe from that SAM missile, but we didn't do it because we thought it was too expensive."

Mr. DICKS. It is because we cannot make any decisions about roles and missions, and it is not just this administration that has failed to be able to sort things out. The Bush administration with Cheney and Powell failed, as have Perry and Shalikashvili failed, to address the value of this and make room for this in the defense budget. In my judgment it is a disgrace to our country that, if we say that we are going to use B–52's after the year 2000 that are going to be 50 to 60 years old, have a huge radar cross-section, and they are going to get shot down. I mean I do not know how we explain to these kids that we are going to go put them in harm's way when we have got a better way to go, and it is not that expensive.

And the other thing that just bothers me so much in this whole thing is that the B–1B's, and I supported them, I did not like them at first, I thought the B–2's were better, but the B–1B's cannot penetrate either without being shot down because they are not stealthy, so we are going to wind up with a bomber force after the year 2000 where we have the B–52's that cannot penetrate, the B–1B's that cannot penetrate, and we are only going to have 20 stealth bombers, and the gentleman knows so well all the respected studies have said, Rand has said, Jasper, Welsh, and Colin Powell told me at the White House a few months ago that he recommended 50 to Cheney, that what we need to have a capable bomber force for future challenges is somewhere between 40 and 60 bombers, and the gentleman has been in the Congress for many years and has risen to a point of major authority. Can you ever remember in modern history seven Secretaries of Defense writing a President and saying, "Please don't stop this program?" I mean, if that is not a repudiation of the Defense Department and its inability to sort our priorities, I do not know what is.

□ 1615

Mr. DICKS. Those seven Secretaries of Defense, including Harold Brown, whom the current Secretary of Defense worked for, they have said that this is such an important issue that we should continue the production of this and get enough of it now.

The other problem with this, if we do not do it now, and come back to it in 5 years, it will cost 6 to 10 billion just to reopen the line. We will have wasted all the money we have invested in this and then we will not get any airplanes. Now we can get them for 15.3 for another 20 airplanes. To not do it at this juncture is, I think, the most serious mistake we will have made in the two decades I have been involved in defense policy on Capitol Hill.

Mr. HUNTER. Would the gentleman yield?

Mr. DICKS. I yield to my distinguished friend.

Mr. HUNTER. The gentleman has made a great point. Seven former Secretaries of Defense wrote this President in a very, very serious vein and said do not stop this program. The President has decided to ignore them. Recently, Dick Cheney sent out a second letter that was distributed to Members of the House, and I think all of us, you and I especially, who are good friends of Dick and remember being with him, and it was a joy to serve with him on the House floor, remember his wisdom in many, many areas of defense. He is strongly for this bomber.

One reason he is for it is Dick Cheney was a realist. He was a man who did not say a lot. I can remember him making very few speeches on the House floor, but one thing he said stuck in my mind. He said, "There will be another war, and we cannot control that. We can control whether we are prepared for it or not."

When the gentleman said, How can we make such a dumb mistake as to cut down our bomber force down to such a low level? I will tell the gentleman how it came about that we came up with this dumb idea, and now that General Lowe is a civilian and not controlled by President Clinton, he says it every day, and he wrote a letter to us even while he was in the uniform saying you would take enormous risks. We had an administration looking at this little bitty bomber force, smaller than it has ever been in our modern history and saying, How can we stretch this thing between two wars?

America has to be ready for two wars because if we get engaged in the Middle East, we cannot presume that our adversaries in North Korea, for example, are not going to jump in the fray knowing that we are occupied and tied up in one place. We have to be prepared to handle two wars at the same time, and the Clinton administration was faced with this. How do you stretch

this small bomber force between two wars?

I understand some staff guy came up and said, I tell you what we will do, and it was probably a guy with no military experience, and he said, we will just swing the bombers back and forth between the wars.

Now, you ask General Lowe, what if you swing the bombers out of one war theater, let us say Korea to go to the Middle East, because you desperately need them in the Middle East, and your adversary, who sees them going and leaving decides to mount a heavy armor attack. I asked General Lowe what would happen. He said, "You could take big casualties." Big casualties mean American men and women, soft bodies, coming home in body bags.

There may be a time in our history when somebody looks back to say, who made this crazy idea that you could swing bomber forces back and forth between wars with no problems, and they will point to some staff guy who stood up at a meeting with the way to save money, and who probably had no military experience. I know no uniformed people who will say that that is a smart idea.

Mr. DICKS. The other problem is, those bombers, those B-52's, which we will have 66 of, and the 90-plus B-1B's, they cannot go into those heavily defended targets because they will get shot down. They have extroardinarily limited capability.

The other problem we have is that today, off of our aircraft carriers, we do not have a stealthy airplane. That means that those attack aircraft, the F-18's, have only a limited capability to go to the deep targets early in a war situation. Now we are reduced to only having 50 F-117's, and, literally, only 16 of the 21 B-2's would ever be available at any one time. Then we are going to chop off our stealth capability. Now, that is the biggest mistake that has been made, and I want to just even the score up here, that decision was made during the previous administration, and, as Cheney has pointed out, it was a political reality that Chairman Aspin at that time kind of put forward.

It was a political reality. We did the best we could in the circumstances. Now, however, with a new Congress, and a Congress that is putting more money into defense, we have an opportunity to take some of that additional money and invest it in keeping alive this stealth technology.

This is enormous value. We are buying something that will save American lives. We are buying something that will get the job done. If we had 60 bombers of these B-2's, and put 20 at Diego Garcia, 20 at Guam, and 20 at Whiteman Air Force Base, and loaded them up with smart conventional submunitions, like the centrifuge weapon where we had this division killing capability, I think you would deter North Korea, Iran, and Iraq.

Think about this. If Saddam had known, and if we had demonstrated that we had this capability and Saddam had known it, and let us say he might have been deterred, first of all, but let us say he was not and he came in, and we flew the B-2's in over that moving division, and, with those smart submunitions, destroyed that division. Do you know what it cost us to go out there and fight that war and move all that equipment from Europe and America out there? That cost $10 billion just to get the equipment out there, and then we had to spend $60 billion with our allies to win the war.

We have in our own potential the capability of possessing something that could have stopped it from happening in the first place so that not one single American life would have been lost. None of our kids would have come home with these chemical diseases and other problems that they have had because we had something that we could have used that would have gotten the job done.

In my whole career in Congress, I have never been more disappointed in any decision. It is a shame. It is an absolute shame that this is on the verge of happening. I just hope that the gentleman from California, and I and our colleagues, when they search out the truth here, will listen to the seven former Secretaries of Defense, listen to General Horner, who conducted the air war in the gulf, who said if he had had the B-2 he would have used it, because in the first couple days of the war, the F-117's flew 2.5 percent of the sorties but knocked out 32 percent of the targets.

Stealth works and it makes it possible for our kids to survive. And we proved it. It is proven.

Mr. HUNTER. If the gentleman would yield on that point, and I think it is important that our colleagues understand this, that when you go in, as we did in Desert Storm, and you have that package of conventional aircraft there, one of the first packages that we sent in to cover a number of targets in Desert Storm was a package of some 38 aircraft.

Now, we sent in 38 aircraft, and I think half of the aircraft, four of the aircraft that actually dropped the bombs on the enemy targets, were A-6 aircraft, and the other four aircraft were British Tornadoes. So you had four bomb dropping aircraft. Then, to accompany all those aircraft and support them, you had 30 support aircraft. The 30 support aircraft did all kinds of stuff.

Some of the support aircraft had to jamb enemy radar so they could not put SAM's on them. There were other support aircraft to suppress the SAM's themselves, to destroy surface to air missile sites. Then we had other aircraft there to engage enemy aircraft, so that if the enemy painted you with their radar and sent up interceptors, you could hold off the interceptors.

We had to send out 38 planes just to get 8 planes that would actually drop bombs on the target. Now, when you send in your stealth aircraft, you do not send any of these support aircraft in with them. In fact, if you sent in a support aircraft with them that was conventional, that did not have stealth, the enemy aircraft would paint the escort plane.

We found out that we actually knocked out targets on a 36-to-1 ratio, stealth aircraft over conventional aircraft. And I would tell the gentleman that Mr. KASICH admits that, who is a good friend of both of ours and is a proponent of this amendment to kill B-2. He says, Do not worry about that, because we have all those conventional aircraft, so we can send in the groups of 38 and 40 and 50. I have news for our friend. We have cut down the Air Force now in the last 3 years from 24 air wing equivalents to 13. We have cut the conventional Air Force almost in half.

When Mr. KASICH reaches out for all those support aircraft, all those EA-6B's and all those A-6 aircraft, and all the tankers and all the other aircraft that he says we can afford to risk, they have been sent to the bone yard. We will have to go out to Arizona, pull them out of the bone yard, fire them up or get them back from military sales because they are gone.

Mr. DICKS. The gentleman is so correct.

I want to talk to my colleague a little bit about the money involved in this. Before my good friend got here I mentioned the fact that there is a great difference in the cost of the weapons. The administration says we will use standoff weapons, cruise missiles. Those standoff cruise missiles cost $1.2 million per missile. The cost of the bombs on the B-2—they are JDAMS, as the weapon of choice—cost $20,000. So 20 times 16 is, what, $320,000. That is one-fourth the cost of one missile.

There is an enormous difference because they can fly in over the targets and drop those 16 bombs. Now, the cost of the centrifuge weapon—and I will explain this, too. This is a new revolutionary conventional submunition. A B-2 would carry 36 of these bombs. Each bomb has 40 bomblets. So you are talking about 1,400 little bomblets from each plane. They are like a skeet and on the top of it you have a little parachute and you come in over the moving division. This thing will cover like 2,100 yards by 9 miles deep, and a moving division, you fly in and drop these things down. It hits the tanks and the vehicles and according to the Rand study it will knock out 46 percent of the mechanized vehicles.

So it is a much less expensive weapon than what we will have to use. The ones coming off the B-52 and the B-1's

can only go to a fixed target. They have no capability against a mobile division moving in the field. The B–2 gives you the ability to attack the mobile division coming in and also to go into the heavily defended areas with 16 2,000-pound bombs.

Remember the gulf war the first day. It was the F–15 Eagle or the F–117 that dropped one of those 2,000-pound bombs right down the elevator shaft of the opposing air commander's building. This is a revolution that is going on out here.

I know what my friend and colleague and I are worried about is that here America will turn its back on the technology that gives it the advantage for the future and we are not going to buy enough of it when the line is open out in California to have a credible bomber force for the future. We can save money during this. We can use the B–2's and use much less expensive weapons than the standoff cruise missiles that are much more expensive and not nearly as effective. I would yield to my colleague if he wants to comment on that.

Mr. HUNTER. I thank the gentleman for making that point, because you have made the precise point about one of the biggest threats that we have, and that is in the post-cold-war world discovering one day that somebody like a Saddam Hussein has fired up his armor forces, his tanks, and is moving across an international line. It is very, very difficult to stop him quickly.

Now, Saddam Hussein, as Colin Powell said, was a character right out of central casting. He let us build up other forces to the point where we overwhelmed him. But the thing that you want to do——

Mr. DICKS. Which had to be one of the dumbest military moves in the history of warfare.

Mr. HUNTER. Absolutely. We built up this massive force, but what you want to do to really save casualties and to deter that enemy from really crossing that international line is to get air power in and stop the armor, destroy the tanks.

This munitions and submunitions that my friend Mr. DICKS has described is the way our technicians and our scientists have figured out to stop heavy armor advances without having to throw a lot of American boys, a lot of soft bodies and infantry divisions out there in harm's way.

□ 1630

American air power is a way to save lives. This is a real breakthrough in American air power.

If the gentleman will continue to yield, I think of one other example. When we hit Mr. Qadhafi in Libya after he had assassinated Americans, and we had proof of that, and we struck him in Tripoli, we decided we were going to do that partly with naval projection, and we moved a lot of naval ships into the Gulf of Sidra, right outside the Gulf of Sidra.

Mr. DICKS. Two carrier battle groups.

Mr. HUNTER. Which cost us about $6 billion in capital investment. Then when we flew those F–111's, those conventional aircraft, out of Great Britain, first there was a big political debate over whether they should even let us fly out of Great Britain because they were afraid of Libya. Finally, Maggie Thatcher, God bless her, let them fly out.

Then France told us we could not fly the aircraft over France so we had to go around the perimeter of France, and we loose one of those aircraft. Probably one reason we lost it was just simple fatigue on the part of the pilots, because they had to do all these silly things because of international politics.

If we had flown one B–2 aircraft out of the United States, we could have done the same job as that entire carrier battle group that had a $6 billion capital investment.

I am for carrier battle groups and I am for force projection in a number of ways. But the point is that one thing we can always rely on its being able to fly out of airfields in the United States, and if you have got a bomber that will make it all the way and hit the target, you have quick reaction time, and that means deterrence.

American mothers and fathers who do not want their youngsters to have to go out there and be part of an infantry division that stops a frontal assault believe in deterrence. Americans believe in deterrence. That is why the American people have always believed in the nuclear deterrent. That is why they have always allowed us to build these pretty ugly looking machines, because they did not want to have to fight the war. If you have enough B–2's, you will not have to fight some wars.

Mr. DICKS. On that point, what it says to me is that we are in a very different world in the post-cold-war era. We face terrorists, we face people like Qadhafi. We have situations like North Korea, Iran, Iraq where there is peril out there that has already been demonstrated. We have also seen that sometimes, even with our nuclear deterrent, because people do not think we will use it, that someone like Saddam invades.

But the revolution here in technology, with precision-guided munitions and these smart submunitions and a bomber with long range and stealth, means that we now have a conventional capability that if deterrence fails we can destroy that man's divisions, and he has got to take that into account because he knows we could use that capability unlike nuclear weapons where the American people do not want to use them unless the survival of the country is at stake. I think it is this compact kind of weapon that we need for the future.

As the gentleman and I both know, we have gone through a major reduction in defense spending. People forget that in 1985, if we took today's dollars, we were spending about $350 billion on defense. We have cut it down to $250 billion. The gentleman is an expert on procurement. We have reduced the procurement budget from $135 billion down to $40 billion. Yes, the Republican Congress is putting a little bit of money back into defense, and that helps.

Mr. HUNTER. God bless them.

Mr. DICKS. And I support that aspect of it, especially because we need a little bit more money in there for procurement. But we have already reduced defense spending by 37 percent. We need to have a technological advantage in order to be able to prevail in the future with a much smaller force. What the B–2 allows us to do is keep America secure for the future, because even though we have got a smaller Army, a smaller Navy, a smaller Air Force, we still would have a highly credible force.

Another point is, we are going to have fewer air bases abroad. That is why having a bomber that can go one-third of the way around the world with one aerial refueling is really a revolutionary capability.

I had a hearing the other day with Brent Scowcroft. I said, "Tell me about the 3 days before the war started."

He said, "NORM, people always say we are going to have actionable warning time. Well, there was not any actionable warning time because the intelligence community was telling us that Saddam was preparing to invade, but all the leaders in the gulf were saying he would not do it, so we did not do anything. We did not take any steps."

For this administration, for the Cominsky study to say that there is going to be 14 days of actionable warning time so we can move 800 tactical aircraft to the gulf in order to stop the guy from coming in is laughable. It is a joke.

When in the history of this country have we had 14 days of actionable warning time? We certainly did not have it at Pearl Harbor, we certainly did not have it in the Korean war, and we certainly did not have it in the war in the gulf.

What this country needs is the ability within a matter of hours to interdict an invading division, whether it is in Korea or in the gulf or anywhere else, and stop it with long-range bombers that are stealthy and survivable, that will get the job done. This is a revolutionary potential.

To stop it prematurely, to not get enough, there is not one study that says 20 of these bombers is enough. Every study that has been done says you need somewhere between 40 and 60 so you can get the sortie rates up, so

you can use the whole potential of them. Then you can have a smaller bomber force, get rid of some of the older planes to take care of life cycle costs, and there are many ways we can finance it.

The gentleman from California is an old pro up here. You have been on the Hill as long as I have. I went back to our staff on the defense appropriations subcommittee and I said, "How much do we cut out of that budget every year in low-priority items?"

For the last 2 years, even when the budgets are down, with a $250 billion budget being sent up here, the professional staff of the Committee on Appropriations with the chairman and the ranking member have cut out $3.5 billion a year, in just things you do not need to do, that are not important, low priority, and can be put to the side. All we are asking in order to keep this thing going, to keep this line open, is about $2 billion a year in Air Force procurement.

Mr. HUNTER. If the gentleman will yield, that is roughly 5 percent of the procurement budget. We spend between $20 and $30 billion a year just for professional shoppers in the Department of Defense.

Mr. DICKS. It is a joke that we have reduced procurement from $145 billion down to $40 billion and we still have as many people over there as we have had in the past. I commend the gentleman for his initiative to try and reduce the number of those people, because that saving can also help us pay for the B-2.

But remember something: I think, and can the gentleman think, I do not think there is one thing in this budget in procurement that I can think of that has more defense potential capability for this country than the B-2. So how can anyone say, "We cannot afford it"? But we are going to buy a bunch of other things that are not real important, that are not stealthy, that cannot get the job done, but we are going to buy them because we have already made up our budgetary mind to say, "We have this much for the Army, the Navy, and the Air Force and we can't make any hard decisions on roles and missions and we can't face the reality." It reminds me of those old admirals in the Navy who were defending the battleships. They just did not get it. This is the future. Stealth technology is the future. We are about to end this line in California and it will go down as the greatest mistake in the history of this country from a military perspective. It ranks with not being prepared for World War II.

Mr. HUNTER. If the gentleman will yield further, the gentleman asked me what type of decision this would be if we decided to cut the B-2 bomber and eliminate it. I think that if we decide with this great technology, this ability to evade radar, having this technology in hand and giving it away, stopping it and terminating it, would be just as dumb as if in 1941 when we looked at our defense budget, we looked at all the things we were doing in 1941 and 1942 and we made a determination to stop spending money on radar.

Radar was the greatest military invention of this century, the invention of the atomic bomb notwithstanding. The ability to evade that radar, to evade losing 2,200 pilots like we did in Vietnam, or 2,200 planes shot down, to evade having to watch your pilots being paraded by our adversaries on international television, to be able to bring your aircraft back so they can run another sortie, to give that away is just as dumb as if in 1941 some staff guy had said, "Hey, I've got a great way to save money with the 1941 defense budget. Let's stop spending money on radar. It is one of those whiz bang things, and I think we need to have more horses in the cavalry."

Mr. DICKS. "We'll do it with standoff capabilities."

The gentleman has asked me and I wanted to put up this chart. This is a chart that shows the letter that was written by seven former Secretaries of Defense, including Harold Brown, who is the father of stealth technology, and let me read it to my colleague.

Mr. HUNTER. Do not forget Dick Cheney, the guy who won Desert Storm.

Mr. DICKS. Right. Let me read this letter. I think the American people need to know what the President received on January 4. I want to tell the names here: Mel Laird, Jim Schlesinger, Donald Rumsfeld, Harold Brown, Caspar Weinberger, Frank Carlucci, and Dick Cheney.

DEAR MR. PRESIDENT: We are writing you to express our concern about the impending termination of the B-2 bomber production line. After spending over $20 billion to develop this revolutionary aircraft, current plans call for closing out the program with a purchase of only twenty bombers. We believe this plan does not adequately consider the challenges to U.S. security that may arise in the next century, and the central role that the B-2 may play in meeting those challenges.

At present the nation's long-range bomber force consists primarily of two aircraft: the B-52 and the B-1. The 95 B-52's are all over thirty years old, and their ability to penetrate modern air defenses is very doubtful. The 96 B-1's were procured as an interim bomber until B-2's were available.

Even after all twenty B-2's are delivered, the inventory of long-range bombers will total barely 200 aircraft. This is not enough to meet future requirements, particularly in view of the attrition that would occur in a conflict and the eventual need to retire the B-52's. As the number of forward-deployed aircraft carriers declines and the U.S. gradually withdraws from its overseas bases, it will become increasingly difficult to use tactical aircraft in bombing missions. It therefore is essential that steps be taken now to preserve an adequate long-range bomber force.

The B-2 was originally conceived to be the nation's next generation bomber, and it remains the most cost-effective means of rapidly projecting force over great distances. Its range will enable it to reach any point on earth within hours after launch while being deployed at only three secure bases around the world. Its payload and array of munitions will permit it to destroy numerous time-sensitive targets in a single sortie. And perhaps most importantly, its low-observable characteristics will allow it to reach intended targets without fear of interception.

The logic of continuing low-rate production of the B-2 thus is both fiscal and operational. It is already apparent that the end of the Cold War was neither the end of history nor the end of danger. We hope it also will not be the end of the B-2. We urge you to consider the purchase of more such aircraft while the option still exists.

Mr. HUNTER. Could the gentleman recite the names of the people once again who signed that letter?

Mr. DICKS. I will be glad to do it. Melvin Laird, former member of the Subcommittee on Defense of the Committee on Appropriations; Jim Schlesinger, former Secretary of Defense, Secretary of Energy, head of the CIA; Donald Rumsfeld; Harold Brown; Caspar Weinberger; Frank Carlucci, and our good friend and former colleague Dick Cheney who was involved in the decision with Les Aspin to go to 20. He has now written us a letter saying he only did it because the political realities of the time were such. But he signed this letter that we need to keep this low-rate production.

There is a major industrial base problem. I come from the State of Washington. The great Boeing Co. is in my State.

I went to them and I said, "Tell me, if the Congress kills this, and we have to do it again, how long do you think it would take us to build a B-3?"

They said, "It would take 15 years, from start to finish."

I said, "How would it differ from the B-2?"

They said, "It wouldn't differ from the B-2. We would have basically built the same airplane. We build a plane that has long-range, enormous carrying capability and is stealthy and would look a lot like the B-2."

Mr. HUNTER. If the gentleman will yield further, let us explain that for a minute.

People need to know that in the old days, when we built these conventional bombers, they were not a lot different from the domestic aircraft that we build, so we could go to the gentleman, who is one of the greatest representatives that area has ever had in Washington, my colleague, and go to his hometown and talk to the Boeing management and Boeing workers, we could have gone back in the 1950's and the 1960's and said, "We need a new bomber line and can you change your jigs and your tooling a little bit and build us a bomber," and they say, "Yeah, we can do it," because the conventional bombers were not that much different from conventional aircraft, the type you use for commercial airlines.

□ 1645

If you have got a picture of that B-2 bomber, everybody knows it looks like a bat. It is very, very different from anything. I have got a poster that has got it on this side, if the gentleman would put that up for us. I have a poster right here.

The B-2 looks different and is different from any conventional aircraft by a very, very wide margin. So the suppliers, if you look at that bat-shaped aircraft and all the different composites and components and things that allow it to evade radar, you do not want your commercial aircraft to evade radar, you want them to use radar because you want your flight control people to know where that plane is at all times. So it is a totally unique, different aircraft.

We did not do what we did in the 1940s and 1950s and 1960s and go to our domestic aircraft companies and tell them to reconfigure their domestic production line a little bit, just like Rosie the Riveter did in World War II, and make a bunch of war planes. We have a very unique set of suppliers that make the thousands and thousands of various components that comprise a B-2 bomber.

If we close down that line, those people and a lot of them are small businesses, are going to go off and do other things. And if we get on the phone and call them up 10 years from now and say, It looks like we made a mistake; we need more B-2's, it is going to be enormously expensive to get that line started up again.

Mr. DICKS. General Skantze, who was one of our best procurement people in the history of the Air Force wrote me a letter, a very strong statement saying:

There are no bomber engineering design teams left at Rockwell or Boeing. Nor can you assemble them overnight, nor do they come up with a sophisticated design in less than 2 or 3 years at best. Building Boeing 747's is no more like building B-2's than building Cadillacs is like building M1A2's.

Ask the Boeing people who build the After Center Section and the Outboard (Wing) Sections of the B-2. The Aft Center Section of the B-2 begins manufacturing and parts fabrication; assembly of bulkheads, skins, panels, and beams. Then it goes into sub assembly of spars, carry through assembly, keel beams, upper panels and ribs. Most of this work involves careful layups of special composite materials. The final assembly goes through clean, seal, paint, installation, test, and preparation for shipment.

Most of this is very sophisticated composite work and assembly with tolerance of thousandths of an inch. The process takes 37.5 months. When this assembly comes together with the Outboard Section, the Intermediate Sections, and the Forward Center Section at the B-2 final assembly at Palmdale, California, the buildup goes through an excruciatingly accurate mating process to ensure the careful laser-measured joining preserves the aircraft outer mold line, which is fundamental to the very low radar signature.

The resulting total flow time from the B-2 from lead time to rollout is currently 6 years.

Mr. HUNTER. If the gentleman will yield, I want to say to the gentleman he has made a tremendous presentation for B-2, and I hope that all Members of the House, whether they are here or in their offices, have been watching this.

I have two colleagues that have a colloquy to do. They are two strong B-2 supporters, so I am going to break off my comments at this time. I want to thank the distinguished gentleman from Washington, who is a conservative Democrat who stands for a strong national defense and he has done a great service in trying to keep American air power alive. We appreciate you.

Mr. DICKS. I want to say one final thing. This is a bipartisan effort and the support for the B-2 has always been bipartisan. I just hope that the people who are watching C-SPAN all over this country will let their Members know and then tell them what they think about this.

This is not just some pork barrel project. This is the future security of our country. I enjoy working with the gentleman from California [Mr. HUNTER], because I know he too cares about the future of our country; he too has seen too many body bags come home and know we have a way to prevent that, to save American lives, and to have a less expensive program. Because we can have fewer people in the military if we have this technological superiority and we can save money for the taxpayers; we can save American lives in future conflicts, and we can, I hope, some day have a conventional deterrent in the B-2 that will prevent a future war. Then everyone will recognize why we fought so hard to try and save this capability.

Mr. Speaker, I submit the following:

JANUARY 4, 1995.

The PRESIDENT,
The White House, Washington, DC.

DEAR MR. PRESIDENT: We are writing you to express our concerns about the impending termination of the B-2 bomber production line. After spending over $20 billion to develop this revolutionary aircraft, current plans call for closing out the program with a purchase of only twenty bombers. We believe this plan does not adequately consider the challenges to U.S. security that arise in the next century, and the central role that the B-2 may play in meeting those challenges.

At present the nation's long-range bomber force consists primarily of two aircraft: the B-52 and the B-1. The 95 B-52's are all over thirty years old, and their ability to penetrate modern air defenses is very doubtful. The 96 B-1's were procured as an interim bomber until B-2's were available.

Even after all twenty B-2's are delivered, the inventory of long-range bombers will total barely 200 aircraft. This is not enough to meet future requirements, particularly in view of the attrition that would occur in a conflict and the eventual need to retire the B-52's. As the number of forward-deployed aircraft carriers declines and the U.S. gradually withdraws from its overseas bases, it will become increasingly difficult to use tactical aircraft in bombing missions. It therefore is essential that steps be taken now to preserve an adequate long-range bomber force.

The B-2 was originally conceived to be the nation's next generation bomber, and it remains the most cost-effective means of rapidly projecting force over great distances. Its range will enable it to reach any point on earth within hours after launch while being deployed at only three secure bases around the world. Its payload and array of munitions will permit it to destroy numerous time-sensitive targets in a single sortie. And perhaps most importantly, its low-observable characteristics will allow it to reach intended targets without fear of interception.

The logic of continuing low-rate production of the B-2 thus is both fiscal and operational. It is already apparent that the end of the Cold War was neither the end of history nor the end of danger. We hope it also will not be the end of the B-2. We urge you to consider the purchase of more such aircraft while the option still exists.

MELVIN LAIRD.
JAMES SCHLESINGER.
DONALD RUMSFELD.
HAROLD BROWN.
CASPAR WEINBERGER.
FRANK CARLUCCI.
DICK CHENEY.

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF S. 21, TERMINATING THE UNITED STATES ARMS EMBARGO ON BOSNIA AND HERZEGOVINA

Mr. DIAZ-BALART, from the Committee on Rules, submitted a privileged (Rept. No. 104-213), on the resolution (H. Res. 204) providing for consideration of the bill (S. 21) to terminate the United States arms embargo applicable to the Government of Bosnia and Herzegovina, which was referred to the House Calendar and ordered to be printed.

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF H.R. 2126, DEPARTMENT OF DEFENSE APPROPRIATIONS ACT, 1996

Mr. DIAZ-BALART, from the Committee on Rules, submitted a privileged report (Rept. No. 104-214), on the resolution (H. Res. 205) providing for consideration of bill (H.R. 2126) making appropriations for the Department of Defense for the fiscal year ending September 30, 1996, and for other purposes, which was referred to the House Calendar and ordered to be printed.

THE PROBLEM OF ELECTION FRAUD

The SPEAKER pro tempore. Under the Speaker's announced policy of May 12, 1995, the gentleman from Maryland [Mr. EHRLICH] is recognized for 60 minutes as the designee of the majority leader.

Mr. EHRLICH. Mr. Speaker, I rise today to talk about two issues. One concerns the integrity of the electoral process, and in that respect, Mr. Speaker, I want to talk about the Maryland gubernatorial election, November 8, 1994.

After my brief comments on that, I am going to engage my fine colleague from Indiana, Mr. MCINTOSH, concerning the issue of grant reform.

But, Mr. Speaker, before I get to that, I wanted to talk about the hearings this past week that the Committee on Government Reform and Oversight conducted with respect to vote fraud in America, geared primarily to the Federal motor-voter law.

Officials and advocates from around the country speak of abuses and misconduct that occurred during the balloting process. In California, Mr. Speaker, witnesses testified that noncitizens regularly voted, as did a 5-year-old child and a dog.

In Alabama, witnesses reported three briefcases containing 1,100 completed absentee ballots where hand-carried to an election board on election day. These, and similar incidents, Mr. Speaker, impugn the integrity of this country's electoral process.

This issue is particularly important to me in light of allegations of election abuse and official misconduct in Maryland during the general election of November 1994. That election, the gubernatorial election, Mr. Speaker, was decided by a very slim margin of several thousands vote. Concerned citizens from around the State began to investigate widespread reports of irregularities in the days following the election.

Besides problems with extremely lax voting security, Mr. Speaker, these investigations determined that 34,000 voters were not purged in Baltimore City in 1994 prior to the election as required by State law.

The Baltimore City elections supervisor was reminded by a deputy 7 months prior to the election that the purge had not been conducted. It was never done and that fact appears, at least at this point in time, to have been concealed from city and State election officials. The enormous implications of this official problem, I will characterize it, is apparent from the following sample facts about the November election in Maryland.

Mr. Speaker, a computer analysis done of total vote counts for each of the 408 precincts in Baltimore City using the Baltimore City Election Board electronic tape of registered voters and the certified list of votes cast on election day forwarded to the State Board of Elections revealed, Mr. Speaker, 5,929 more votes were cast in the election than individuals recorded as having appeared to have voted at the polls or by absentee ballot; 5929, Mr. Speaker.

Another analysis was done comparing the same electronic tape of registered voters in Baltimore City with thousands of abandoned housed provided by the city housing commission. This revealed a total of 667 votes cast in the election.

Furthermore, Mr. Speaker, 1,881 votes were cast from houses owned either by the mayor and city council of Baltimore or the city housing authority. There is compelling evidence, Mr. Speaker, that a total of potentially as many as 2,548 votes were cast from abandoned or unoccupied buildings in that election.

Where did these voters live, Mr. Speaker? Was there a direct correlation between the failure to purge and these terrible statistics? I think that there was. So did State Election Board officials. After these facts, and others, Mr. Speaker, were discovered the State election board made a bipartisan call for the purge to be conducted after the fact to prove that mistakes had been made.

Let me reiterate, the State Board of Elections, consisting of three Democrats and three Republicans, wanted the purge to be done to prevent similar problems from occurring in the future.

Instead, the State Attorney General's office represented the city election board against the State Election Board and convinced the court to retroactively apply the Federal motor-voter law in order to prevent any purges from being conducted. This is not the original purpose of the Federal motor-voter law, Mr. Speaker. Clearly, we in Congress are, and should be, concerned that similar problems are not repeated in other States.

Problems such as those encountered in Maryland should be corrected immediately. Vigorous investigation must be conducted to determine if there was any fraud or official misconduct or simple negligence in that election that affected the outcome, Mr. Speaker.

If there is evidence of such behavior, it should be prosecuted to the fullest extent possible. It should not and must not be condoned or ignored using the cloak of law applied retroactively.

Mr. Speaker, In conclusion, in an election there is no such thing as a little fraud or a little problem. Such behavior attacks the very foundation of our society, because it destroys the fundamental trust between the voters, our constituents, and their government. This during a time, Mr. Speaker, when we are attempting to get more people to vote and we are having problems, as you well know.

To tolerate such abuse or circumvent the laws of the land designated to protect the sanctity of the citizen's right to vote by any means possible, will only make Americans more cynical and more disinterested in this process. In Maryland, we must not let this situation happen again.

Mr. Speaker, those are my comments with respect to the integrity of the voting process. You very well know I feel very strongly about this, because of in my view some of the substantiated allegations concerning events surrounding the general election in Maryland in November.

GRANT REFORM

Mr. Speaker, there is another issue that is coming to this floor next week, and I rise to engage my friend and colleague and chairman, Mr. MCINTOSH from Indiana, in a colloquy about grant reform. Before I get into grant reform, Mr. Speaker, I would like the country to know of Mr. MCINTOSH's leadership on this issue.

I truly appreciate the leadership you have shown, Mr. MCINTOSH, my colleague and friend, concerning this very important issue and I know you have introductory comments to make.

Mr. MCINTOSH. Thank you very much, Mr. EHRLICH. I appreciate those kind remarks. Your leadership on this issue has been equally important for us. When I came here last January as a freshman, I did not have any idea that there was some vicious little cycle that was going on. It is one of Washington's best-kept secrets: That we give out billions of dollars in grants to entities that are supposed to be helping the poor, helping us clean up the environment, providing a solution to many of our social problems, but those entities take this Federal money and use it to help subsidize an incredibly extensive lobbying and political network. That political network comes back and lobbies for more spending, and so you get this vicious cycle here in Washington.

As I say, it is one of those secrets that they have tried to keep from the American people.

When I go home to my district in Indiana and I tell people what we have uncovered here in the subcommittee, and we have had two hearings on it already and plan to have more hearings in the future, they are shocked. They say, I do not believe that is happening. And when you show them the documented evidence, they are outraged that their taxpayer dollars are being used to subsidize this type of lobbying and political activity.

I would like to work with you, Mr. EHRLICH, because you have helped us write a bill to put an end to this and this is a great opportunity to tell the American public about the things we have discovered in our hearings and the way we are going to solve this problem next week with the Istook-McIntosh-Ehrlich amendment.

Mr. EHRLICH. I am glad you brought up our friend Mr. ISTOOK. He is not here today. I believe his son is returning from a 2-year mission and family obligations come first with Mr. ISTOOK, and we love him for that. He has also been a wonderful member of this team, this true team effort; not just the three of us, but our staffs and the leadership as well.

I think we would be remiss if we did not give credit where credit is due, and that is to the leadership in this House who came through for us when the chips were down to get this rider out of the Committee on Appropriations, so that next week on this floor the American people can really take advantage of a full and fair debate about an important issue.

□ 1700

Now, Mr. Chairman, I have a question for you: During our hearing today we had had a number of witnesses come forward, and those witnesses were not happy. Those witnesses, in my view, had either misread the bill or not read the bill. If they have not read the bill, I have very little sympathy for them. If they misread the bill, I think it is up to us on our side of the aisle, I mean our side of the aisle, not Republicans-Democrats, but all Republicans and all Democrats who support us in this reform effort, to explain not just to these advocates but to the American people what precisely we are doing. I understand you have some graphs with you, and I know you want to talk about those graphs.

I see a pig.

Mr. McINTOSH. Yes. Let me explain this graph here. It is titled "Welfare for Lobbyists." That is, in fact, what we have going on here. This graph represents the cycle of what happens: The taxpayer pays in taxes due to the Federal Government; they go to these grant recipients, approximately $39 billion worth of grants each year; and the grant recipients end up turning around and lobbying the Government to spend more of the taxpayer dollars.

Mr. EHRLICH. I think we need to, at this point, get it very straight for the American people. These are grant recipients, recipients of Federal dollars who are not using the grant money for the money's intended purpose. Is that correct?

Mr. McINTOSH. That is correct. In fact, let me make a distinction here, because there are a lot of grant recipients who work very hard to provide services. They set up Meals on Wheels for the elderly, they have programs to help clean up the environment, they set up programs to fight drug addiction in their communities. They use these moneys for a very good purpose. But there are other groups who take these moneys and then also have more private donations, set up a lobbying campaign.

I was, quite frankly, shocked at the hearing today to hear people who were representing some of our charitable organizations say that really what they wanted to do would be lobbyists. They were less concerned about providing the programs to help those who are unfortunate in our society and wanted to be able to come in and lobby Congress, and they wanted to be able to do that while maintaining all of these taxpayer grants.

The second chart I have there shows you the breakdown, and this statistic comes from the group themselves. This is a coalition of very large, very rich, very well-endowed nonprofit groups called the Independent Sector, and it shows where they get their funding. If you can see the chart there, you notice that they estimate just under $160 billion ends up coming from government sources. Now, that is not all of their funding. A larger portion of it comes from the private money. But $160 billion comes from the government taxpayer funding, and yet they today were out walking the halls of Congress lobbying against our proposal to say we are going to end welfare for lobbyists.

I should take a few minutes at this point to explain to the public how our proposal works. It basically says we are going to give you a choice. You can either be a grant recipient, in which case we want you to engage in social, helpful activities, helping the poor, helping the disadvantaged, helping clean the environment, helping do research; or you can be a lobbyist organization. In that case we are not going to give you taxpayer-funded grants.

Mr. EHRLICH. I really believe my colleague has hit the very bottom line with this issue, and the reason I think, we believe the American people support us, and we will get in a few minutes into the groups that support us, but the difference between doing in a tradition sense what nonprofits are supposed to do, which is help people, and the difference between actually performing the service and acting as an advocate, those lines have become skewed. That distinction is no more, in any respects.

Is that not correct?

Mr. McINTOSH. That is correct. In fact, many of them now consider themselves primarily advocates or lobbyists and engage in political activity. You know, I think we should share with folks some of the things we found out at our hearings.

The record has shown that there are numerous instances where these groups who receive grants have come to lobby congress. The most recent one that I am aware of was the American Bar Association that received $2.5 million last year in Federal grants. They were here in Washington when we were debating the flag burning amendment, standing on the steps of Capitol Hill, saying that congress should not pass an amendment to protect the flag from desecration. Now, if that is their view, I disagree with them totally, but if that is their view, they are entitled to it. But I do not think we should have a Government subsidy going to a group that comes and lobbies us on those types of issues.

Mr. EHRLICH. The reality of it is, with the law in its current shape, we can not prove or disprove where that $2.2 million poison was spent. Is that not correct?

Mr. McINTOSH. That is correct. The reporting by these organizations is nonexistent in some cases. In some cases they have one report that they turn in to the IRS because they have a tax-exempt status, but it is very, very general. It gives no detailed accounting of how the Federal moneys are spent, and, frankly, the government agencies do not know where all of their grants go. You can have a very difficult time finding out exactly how many grants that are given to each of these groups.

So, there is no accountability and money is fungible. They end up subsidizing the overhead to groups that end up engaging in this lobbying activity.

Mr. EHRLICH. I know a source of frustration for you, for myself, and the gentleman from Oklahoma [Mr. ISTOOK] has been the apparent confusion concerning the difference between laws which cover contractors and laws which cover Federal grantees, and I know you want to get into this. But I brought one of your favorite props with me today, my colleague, and what I have brought with me is laws relating to, the actual laws of the land, relating to Federal procurement. These are the laws, and these are the regulations that govern Federal contractors, and people know this, people know these laws are on the books and these regulations have been promulgated.

Yet today we have people coming before our committee and making the charge that we should include contractors in our law because there is no difference between contractors who provide a good for consideration of the Government and these nonprofit grantees, when everybody knows the difference is obvious. There is law on the books concerning contractors, but there is no law concerning grantees. That is the purpose of this bill.

Is that not correct, my colleague?

Mr. McINTOSH. The gentleman is absolutely correct. I think you make a very telling point. You have also touched upon something else that is occurring. The opponents of this legislation cannot come out and argue the merits. They cannot come out and say we need to keep our $39 billion in grants so we can be an effective, powerful Washington lobbying organization.

So, what they are going to try to do is scare people and they are going to come up with a lot of false scenarios.

Mr. EHRLICH. We have seen that strategy before, have we not?

Mr. McINTOSH. Yes, we have. We see it a lot of times. Frankly, we are going to get to the bottom and be truthful with the American people about what is going on. What they are saying, for example, is students who receive a grant to go to school might be covered by this. Well, no. Our legislation says individuals who are getting a study

grant, it is fine for them to engage in advocating whatever views they want. They are going to say that famers who receive price supports would be covered by this. Well, no, that is not a grant for research or other social activities. They are not covered by this legislation.

What we are going to do is say to very powerful, rich, well-endowed groups that spend a lot of their time walking the halls of Congress lobbying us for more Federal spending, they are covered by this law, but enough is enough. The American people are going to finally find out about this dirty little secret and put an end to it.

I think you have pointed out one of the fallacies very well, that in the case of contractors, there is established law. If that needs to be strengthened, that can be addressed by the appropriate committee. But what we have here is an entire group of people who are totally unregulated in their lobbying activities, totally unfettered, and that would be fine with me except that they are getting all of this taxpayer money that ends up subsidizing their activities.

Mr. EHRLICH. Facts are dangerous; facts are dangerous, particularly in a debate like this where demagogues can use misinformation or lack of information to their advantage.

Now, speaking of demagoguery on this issue, we have both heard the charge, the traditional charge, and I guess it has been thrown around this town quite easily over the last few years, of defunding the left, they are trying to defund the left, those mean, nasty Republicans are trying to defund the political left.

The fact is, as you know, anyone who has read this legislation would know there is defunding those who misuse public money regardless of right, left, far right, far left, or the political center. If you are the NRA, if you are the Chamber of Commerce, if you are an environmental group, it does not make any difference to us. We do not care about your philosophical direction. We care how you spend taxpayer money. I know you want to comment on this.

Mr. McINTOSH. That is exactly right. We are getting to the bottom line, which is that we are not going to have this abuse of taxpayer funds to support lobbying activities. You know, if you step back and think about it, the contrast between the groups who want to lobby and those who are out there trying to do good in society is enormous.

In my hometown of Muncie, there is the Muncie Mission, which is, as far as I know, supported completely by donations from citizens in the town of Muncie. They do not have a big lobbying outfit. They do have a building which is kind of run down. They can house up to 20 homeless people who are down on their luck, need a place to live, and they actually have a program where they, kind of like the Salvation Army, take old equipment, old household goods and have people work on them.

Mr. EHRLICH. I am not familiar with this group. Do you mean they actually help the homeless?

Mr. McINTOSH. Yes. They actually do. They are very effective. They are right in one of the worst areas of town in terms of people who have trouble and need help, and they do not come up here and lobby us in Washington. They are very quietly out there doing their mission, helping the people in my home town of Muncie, and you compare that to one of the groups we heard about in the first hearing, the Nature Conservancy, that was bragging about in one of its reports a grant that they received that was used in the State of Florida to lobby local government to successfully defeat an effort by farmers to preserve their ability to continue to grow crops on their land.

Now, to me, those are two completely different types of charitable activities, and I think if someone wants to lobby, let them do it with their own money. But do not come here to Washington and say we need Federal grants to be able to support our operations out in the countryside and we are going to lobby against what the people in local areas, like this area in Florida, may want, and we are going to use taxpayer money to help us in that effort. To me that is wrong and needs to be cut out.

Mr. EHRLICH. You have provided great leadership in securing support from a variety of groups around this country, and this is a true grassroots effort, and I know because of your efforts, particularly, and it has been a team effort, but your efforts particularly, we have groups like, and I have the letters right here, the National Taxpayers Union, Citizens for a Strong Economy, the Association of Concerned Taxpayers, the 60-Plus Association, a seniors group, and that needs to be emphasized, I believe, we have the chamber of commerce, who may actually feel the sting from this piece of legislation, yet coming forward and saying you are doing the right thing, we are with you, and that is to be commended, the Seniors Coalition, another group, the Association of Concerned Taxpayers, Americans for Tax Reform, the National Association of Manufacturers, Chairman ARCHER, the National Restaurant Association, and on and on and on and on and on, and you deserve the credit because we have started a grassroots movement. People love to talk about lobby reform. They love to talk about getting our fiscal house in order in this town. Here we are, with maybe arguably one of the more important lobbying reform measures that has hit this floor in the last decade, and we are receiving this type of support, and it must be gratifying for you.

Mr. McINTOSH. It is tremendously gratifying to see that kind of grassroots response. To be honest, a lot will be told next week when Congress comes back into session.

If voters call up their Congressmen and say, "Get rid of this welfare for lobbyists, we have had enough of taxpayer subsidies for lobbying," then this body will be able to pass this reform and send it over to the Senate.

I heard that one of the groups, the National Taxpayers Union, is actually sending out an alert to its members to call in to Members of Congress, and once they find out the facts, tell them about how terrible it is that we have been continuing this process and to support our amendment to put an end to it.

Mr. EHRLICH. When you really come down to it, the average taxpayer, the person who keeps the lights on in this country, should ask himself or herself the following question when it comes to this issue: Do the groups that I just read and that we have analyzed here have his or her best interest at heart, or is it the groups who are fighting this bill? And I know we, as the three cosponsors of this piece of legislation, will rest with that individual taxpayer because we believe that individual taxpayer and that individual constituent will make the right determination when confronted with that issue.

Mr. McINTOSH. If the gentleman would yield, let me share with you and my colleagues and the American people one of the things that happened today in our hearing on this issue, and then I must excuse myself. I have to go to an appointment.

□ 1715

But one of the witnesses was Mrs. Arianna Huffington, and she brought with her several leaders here in Washington, DC, who had been working on their own to try to combat crime, try to help in poor neighborhoods to give children a chance, try to really establish hope and good deeds in these communities that are falling apart all around us here in the Nation's Capital.

One of them she brought with her was a lady named Mrs. Hawkins. She was a black lady, retired. She started contributing her pension to set up a program where young black kids who are in danger of joining gangs, starting to use drugs, going down a path where their lives would be totally ruined, she set up a program with her own retirement money to have them come to her house after school to give them a program and an opportunity, something to do so they were not turned loose onto the streets, so they were not captured by the gangs, they were not captured by the drug dealers who wanted to corrupt them and destroy their lives, and Mrs. Hawkins is one of the noble heroes in America. She did this with her own money. She is not wealthy. It was very clear that she was a strong lady of faith, and she had contributed her retirement to set this up for young people in this country. And she said that

she is troubled that there are these groups that receive all of these taxpayer dollars who claim to be helping people, and could they not take that money, and stop lobbying, stop coming up here and giving out meals, trying to win and influence votes in the Halls of Congress and use a little bit of that money to go help the young people in this country, the people who do not have an opportunity, who need these programs, who need love, who need to be told you are important by people like Mrs. Hawkins.

So we need to engage her and people like her, and I think one of the most telling things about our grant reform proposal is that, if we can succeed in cutting off this welfare for lobbyists, we will actually have more people like Mrs. Hawkins contributing their own money, working with their own time, providing these services that are very much needed in our community.

And so we will see that charitable activity in this country actually increases and actually is directed to the people who need help, and so I am confident that not only is this the right thing to do for the taxpayers, but, based on our hearing today, this is the right thing to do to make sure that these activities to promote a good society will flourish in our country, and I thank you for giving me an opportunity to speak on this today and would welcome you, hope you can continue to inform the American people about our efforts on this.

Mr. EHRLICH. I thank my colleague as well, and your last point is really the point to leave the American people to ponder, because no longer should there be a distinction between the mission of a group and the actual work, and that fine lady we saw today does not distinguish between those two concepts, and that is why she is successful, and we really appreciate her.

Mr. MCINTOSH. I thank you for your leadership on this as a freshman colleague. You have taken the bull by the horns, and I do not think we would be here if you had not worked very, very hard to make this legislation come to fruition. I know you spent several nights working on drafting the actual text of the legislation, something that a lot of Congressmen turn over to their staff, and so you are to be commended for this hard work on this, Mr. EHRLICH.

Mr. EHRLICH. It is wonderful to work with such a great colleague, and I appreciate the time tonight.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. CRANE (at the request of Mr. ARMEY) for today until 12:30 p.m., on account of illness.

Mr. MCNULTY (at the request of Mr. GEPHARDT) for today after 1:45 p.m., on account of personal business.

Mr. YATES (at the request of Mr. GEPHARDT) for today after 2 p.m., on account of personal reasons.

Mr. MCKINNEY (at the request of Mr. GEPHARDT) for today, on account of official business in the district.

Mr. TANNER (at the request of Mr. GEPHARDT) for today after 11:30 a.m., on account of official business.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mrs. SCHROEDER) to revise and extend their remarks and include extraneous material:)

Mrs. SCHROEDER, for 5 minutes, today.

Ms. KAPTUR, for 5 minutes, today.

Mr. WISE, for 5 minutes, today.

Mr. OWENS, for 5 minutes, today.

Mr. DICKS, for 60 minutes, today.

Mr. OWENS, for 60 minutes, today.

(The following Members (at the request of Mr. POMBO) to revise and extend their remarks and include extraneous material:)

Mr. DORNAN, for 5 minutes, today.

Mr. METCALF, for 5 minutes, today.

Mr. HORN, for 5 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(Mr. FRANK of Massachusetts, and to include extraneous material, during debate on the Vento amendment to H.R. 2099 in the Committee of the Whole on Thursday, July 27, 1995.)

(The following Members (at the request of Mrs. SCHROEDER) to revise and extend their remarks and include extraneous material:)

Mr. DE LA GARZA.

Mrs. MALONEY.

Ms. NORTON.

Mr. SANDERS.

Mr. RUSH in two instances.

Mrs. SCHROEDER.

Mr. JOHNSON of South Dakota.

(The following Members (at the request of Mr. POMBO) and to include extraneous matter:)

Mr. EHLERS in two instances.

Mr. CRANE.

Mr. MARTINI.

Mr. THORNBERRY.

ADJOURNMENT

Mr. EHRLICH. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 20 minutes p.m.), under its previous order, the House adjourned until Monday, July 31, 1995, at 10:30 a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1275. A letter from the Under Secretary of Defense, transmitting a report entitled, "Report to Congress: The International Cooperative Research and Development Program," pursuant to 10 U.S.C. 2350; to the Committee on National Security.

1276. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. Act 11-119, Rock Creek Parish Cemetery Equitable Real Property Tax Relief Act of 1995, pursuant to D.C. Code, section 1-233(c)(1); to the Committee on Government Reform and Oversight.

1277. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. Act 11-120, College and University Campus Security Amendment Act of 1995, pursuant to D.C. Code, section 1-233(c)(1); to the Committee on Government Reform and Oversight.

1278. A letter from the Director, Office of Personnel Management, transmitting a report entitled, "Physicians Comparability Allowances (PCA's)," pursuant to 5 U.S.C. 5948(j); to the Committee on Government Reform and Oversight.

1279. A letter from the Secretary of Defense, transmitting a report entitled, "Plan for the Further Development and Deployment of Existing Defense Technologies in Support of the Dredging Requirements of Dual-Ports," pursuant to section 1143 of the National Defense Authorization Act, fiscal year 1995; to the Committee on Transportation and Infrastructure.

1280. A letter from the Chief, Forest Service, transmitting the Department of Agriculture's annual report of the Forest Service accomplishments, pursuant to 16 U.S.C. 1602; jointly, to the Committees on Agriculture and Resources.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. ROBERTS: Committee on Agriculture. H.R. 714. A bill to establish the Midewin National Tallgrass Prairie in the State of Illinois, and for other purposes; with an amendment (Rept. 104-191 Pt. 2). Ordered to be printed.

Mr. WALKER: Committee on Science. H.R. 1601. A bill to authorize appropriations to the National Aeronautics and Space Administration to develop, assemble, and operate the international space station; with an amendment (Rept. 104-210). Referred to the Committee of the Whole House on the State of the Union.

Mr. YOUNG of Alaska: Committee on Resources. H.R. 629. A bill to authorize the Secretary of the Interior to participate in the operation of certain visitor facilities associated with, but outside the boundaries of, Rocky Mountain National Park in the State of Colorado (Rept. 104-211). Referred to the Committee of the Whole House on the State of the Union.

Mr. PACKARD: Committee of Conference. Conference report on H.R. 1854. A bill making appropriations for the legislative branch for the fiscal year ending September 30, 1996,

and for other purposes (Rept. 104-212). Ordered to be printed.

Mr. DIAZ-BALART: Committee on Rules. House Resolution 204. Resolution providing for the consideration of S. 21, terminating the United States embargo on Bosnia and Herzegovina (Rept. 104-213). Referred to the House Calendar.

Mr. GOSS: Committee on Rules. House Resolution 205. Resolution providing for the consideration of H.R. 2126, Department of Defense appropriations for fiscal year 1996 (Rept. 104-214). Referred to the House Calendar.

TIME LIMITATION OF REFERRED BILL

Pursuant to clause 5 of rule X the following action was taken by the Speaker:

H.R. 714. Referral to the Committees on National Security and Commerce extended for a period ending not later than August 4, 1995.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ENGLISH of Pennsylvania (for himself, Mr. ENSIGN, and Mr. FRAZER):

H.R. 2138. A bill to amend the Internal Revenue Code of 1986 to provide a tax credit for investment necessary to revitalize communities within the United States, and for other purposes; to the Committee on Ways and Means.

By Mr. LAFALCE:

H.R. 2139. A bill to establish a commission to study the question of adding the Niagara River Gorge to the Wild and Scenic River System; to the Committee on Resources.

By Mrs. SCHROEDER (for herself, Mr. ACKERMAN, Mr. RAMSTAD, Mrs. MALONEY, Mr. ENGEL, Ms. NORTON, Ms. VELAZQUEZ, Mr. ROMERO-BARCELO, Mr. DELLUMS, Mr. DEFAZIO, Mr. MANTON, Mr. FROST, Ms. JACKSON-LEE, Mr. HILLIARD, Mr. EVANS, Ms. LOFGREN, Mr. WAXMAN, Mr. WYNN, Mr. FRANK of Massachusetts, Mr. UNDERWOOD, Mr. GEJDENSON, Mr. YATES, Mr. REYNOLDS, and Mr. SMITH of New Jersey):

H.R. 2140. A bill to amend title I of the Employee Retirement Income Security Act of 1974 and the Internal Revenue Code of 1986 to permit the creation or assignment of rights to employee pension benefits if necessary to satisfy a judgment against a plan participant or beneficiary for physically, sexually, or emotionally abusing a child; to the Committee on Economic and Educational Opportunities, and in addition to the Committee on Ways and Means, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. SHAYS (for himself, Mr. LUTHER, Mrs. WALDHOLTZ, Mr. BARRETT of Wisconsin, Mr. KLUG, Mr. CASTLE, Mr. MINGE, Mr. MCHALE, Mr. DEAL of Georgia, Mr. DICKEY, Mr. ZIMMER, Mr. MEEHAN, and Mr. INGLIS of South Carolina):

H.R. 2141. A bill to amend the Federal Election Campaign Act of 1971 to provide for a reduction in the limitation amount for multicandidate political committee contributions to candidates, and for other purposes; to the Committee on House Oversight.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

144. The SPEAKER presented a memorial of the Senate of the State of Texas, relative to petitioning the Secretary of Health and Human Services to award to the Texas Council on Family Violence the National Domestic Violence Hotline Grant to set up a national hotline for victims of domestic violence; to the Committee on Economic and Educational Opportunities.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 65: Mr. DELLUMS, Mr. JACOBS, and Mr. BRYANT of Tennessee.

H.R. 109: Ms. DANNER, Mr. HALL of Texas, Mr. BRYANT of Tennessee, Mr. DIAZ-BALART, and Mr. LAUGHLIN.

H.R. 303: Mr. BRYANT of Tennessee.

H.R. 427: Mr. WICKER, Mr. MANZULLO, Mr. CONDIT, and Mr. BILBRAY.

H.R. 436: Mr. HORN, Mr. STOCKMAN, and Mr. HERGER.

H.R. 528: Mr. STENHOLM.

H.R. 533: Mr. HUTCHINSON and Mr. MATSUI.

H.R. 743: Mr. CALVERT and Mr. PARKER.

H.R. 789: Mr. BAESLER.

H.R. 798: Mr. MARKEY.

H.R. 883: Mrs. SCHROEDER.

H.R. 899: Mr. TORKILDSEN, Mr. FRISA, Mr. FRANKS of Connecticut, and Mr. SCHIFF.

H.R. 995: Mr. TRAFICANT, Mr. BOEHLERT, Mr. ROYCE, Mr. DICKEY, Mr. PACKARD, and Mr. NEY.

H.R. 1000: Mr. LUTHER.

H.R. 1090: Mr. YOUNG of Florida.

H.R. 1114: Mr. COLLINS of Georgia, Mr. SHAW, and Mrs. VUCANOVICH.

H.R. 1161: Ms. EDDIE BERNICE JOHNSON of Texas.

H.R. 1162: Mr. RAMSTAD, Mr. MCKEON, and Mr. WHITFIELD.

H.R. 1172: Mr. BONILLA.

H.R. 1204: Mr. LIVINGSTON.

H.R. 1234: Mr. STUMP.

H.R. 1242: Ms. ROS-LEHTINEN and Mr. NEY.

H.R. 1309: Mr. ANDREWS, Mr. DAVIS, and Ms. WOOLSEY.

H.R. 1454: Ms. LOFGREN.

H.R. 1627: Mr. BATEMAN, Mr. CHAPMAN, Mr. MILLER of Florida, Mr. SKELTON, Mr. RIGGS, Mr. VOLKMER, Mr. MCCOLLUM, Mr. FARR, Mr. TATE, Mr. PAYNE of Virginia, Mr. HUNTER, and Mr. CRAMER.

H.R. 1707: Mr. CARDIN, Mr. KLECZKA, and Mr. LEWIS OF GEORGIA.

H.R. 1753: Mr. CLYBURN, Mr. DELLUMS, Mr. CHAPMAN, Mr. NEAL of Massachusetts, Mr. BALLENGER, Mr. HORN, Mr. QUINN, Mr. SMITH of New Jersey, Ms. DANNER, Mr. CANADY, Mr. DIAZ-BALART, Mr. JEFFERSON, and Mrs. CLAYTON.

H.R. 1872: Ms. PRYCE, Mr. BARRETT of Wisconsin, Mr. RICHARDSON, Mr. FLAKE, Mr. KLECZKA, and Mrs. KELLY.

H.R. 1885: Mr. FOX and Mr. COBLE.

H.R. 1915: Mr. KINGSTON, Mr. TAYLOR of North Carolina, Mr. ROGERS, Mr. SOLOMON, Mr. ROBERTS, Mr. EVERETT, Mr. DOOLITTLE, Mr. HEFLEY, Mr. SCHAEFER, Mr. GOSS, Mr. BUNNING of Kentucky, Mr. PARKER, Mr. TAYLOR of Mississippi, Mr. EMERSON, Mr. BOUCHER, Mr. SHUSTER, Mr. FIELDS of Texas, Mr. QUILLEN, Mr. HALL of Texas, Mr. HOEKSTRA, Mr. MCCRERY, Mr. STEARNS, Mr. BURTON of Indiana, Mr. LEWIS of Kentucky, Mr. BAKER of Louisiana, Mr. BACHUS, and Mr. LIGHTFOOT.

H.R. 1932: Mr. OBERSTAR, Mr. CALLAHAN, Mr. TATE, Mr. ROEMER, Mr. WAMP, Mr. DICKEY, and Mr. DORNAN.

H.R. 1950: Mr. LIPINSKI, Mr. KLECZKA, Mr. NADLER, and Mr. ACKERMAN.

H.R. 2013: Mr. TALENT and Mr. FILNER.

H.R. 2024: Mr. ACKERMAN and Mr. DEUTSCH.

H.R. 2026: Mr. OXLEY, Mr. MYERS of Indiana, Mr. LANTOS, Ms. RIVERS, Mr. COLEMAN, and Mr. REGULA.

H.R. 2078: Mr. MCHUGH.

H.R. 2101: Mrs. MORELLA.

H.R. 2104: Mr. UNDERWOOD.

H. Con. Res. 78: Mr. STARK, Mr. YATES, and Mr. PALLONE.

H. Res. 30: Mr. NETHERCUTT.

AMENDMENTS

Under clause 6 of rule XXIII, proposed amendments were submitted as follows:

H.R. 1555

OFFERED BY: MR. MANZULLO

AMENDMENT NO. 1: Page 50, line 23, insert "(a) PROHIBITION.—" before "No common carrier", and on page 51, after line 4, insert the following new subsection:

"(b) LIABILITY FOR CHARGES.—Any common carrier that violates the verification procedures described in subsection (a) and that collects charges for telephone exchange service or telephone toll service from a subscriber shall be liable to the carrier previously selected by the subscriber in an amount equal to all charges paid by such subscriber after such violation, in accordance with such procedures as the Commission may prescribe. The remedies provided by this subsection are in addition to any other remedies available by law.

H.R. 2099

OFFERED BY: MR. FAZIO

AMENDMENT NO. 73: Page 87, after line 25, insert the following new section:

SEC. 519. The amounts otherwise provided in this Act are revised by increasing the amount made available in title I for "DEPARTMENT OF VETERANS AFFAIRS—DEPARTMENTAL ADMINISTRATION—CONSTRUCTION, MAJOR PROJECTS", and reducing the amount made available in title III for "INDEPENDENT AGENCIES—NATIONAL SCIENCE FOUNDATION—RESEARCH AND RELATED ACTIVITIES", by $39,500,000.

H.R. 2099

OFFERED BY: MR. FAZIO

AMENDMENT NO. 74: Page 87, after line 25, insert the following new section:

SEC. 519. The amount otherwise provided in title I of this Act for "DEPARTMENT OF VETERANS AFFAIRS—DEPARTMENTAL ADMINISTRATION—CONSTRUCTION, MAJOR PROJECTS", and the amount otherwise provided in title III of this Act for "INDEPENDENT AGENCIES—NATIONAL SCIENCE FOUNDATION—RESEARCH AND RELATED ACTIVITIES" are, respectively, increased by $39,500,000 and reduced by $1,800,000.

H.R. 2099

OFFERED BY: MR. FAZIO

AMENDMENT NO. 75: Page 87, after line 25, insert the following new title:

TITLE VI—ADDITIONAL PROVISIONS

DEPARTMENT OF VETERANS AFFAIRS

DEPARTMENTAL ADMINISTRATION

CONSTRUCTION, MAJOR PROJECTS

(INCLUDING TRANSFER OF FUNDS)

For replacement of a medical facility at Travis Air Force Base, California, $39,500,000, of which amount $1,800,000 shall be derived from amounts provided in title III of this Act for "INDEPENDENT AGENCIES—NATIONAL SCIENCE FOUNDATION—RESEARCH AND RELATED ACTIVITIES".

H.R. 2099

OFFERED BY: MR. FAZIO

AMENDMENT NO. 76: Page 87, after line 25, insert the following new title:

TITLE VI—ADDITIONAL PROVISIONS

DEPARTMENT OF VETERANS AFFAIRS

DEPARTMENTAL ADMINISTRATION

CONSTRUCTION, MAJOR PROJECTS

(INCLUDING TRANSFER OF FUNDS)

For replacement of a medical facility at Travis Air Force Base, California, $39,500,000, which amount shall be derived from amounts provided in title III of this Act for "INDEPENDENT AGENCIES—NATIONAL SCIENCE FOUNDATION—RESEARCH AND RELATED ACTIVITIES".

H.R. 2099

OFFERED BY: MR. FAZIO

AMENDMENT NO. 77: Page 87, after line 25, insert the following new title:

TITLE VI—ADDITIONAL PROVISIONS

DEPARTMENT OF VETERANS AFFAIRS

DEPARTMENTAL ADMINISTRATION

CONSTRUCTION, MAJOR PROJECTS

For replacement of a medical facility at Travis Air Force Base, California, $39,500,000.

H.R. 2099

OFFERED BY: MR. FAZIO

AMENDMENT NO. 78: Page 87, after line 25, insert the following new section:

SEC. 519. The amount otherwise provided in title I of this Act for "DEPARTMENT OF VETERANS AFFAIRS—DEPARTMENTAL ADMINISTRATION—CONSTRUCTION, MAJOR PROJECTS" is increased by $39,500,000.

H.R. 2099

OFFERED BY: MR. FAZIO

AMENDMENT NO. 79: Page 87, after line 25, insert the following new section:

SEC. 519. The amount otherwise provided in title I of this Act for "DEPARTMENT OF VETERANS AFFAIRS—DEPARTMENTAL ADMINISTRATION—CONSTRUCTION, MAJOR PROJECTS" is increased, for providing amounts for replacement of a medical facility at Travis Air Force Base, California, by $39,500,000.

H.R. 2126

OFFERED BY: MR. CALLAHAN

AMENDMENT NO. 4: On page 15, at the end of line 5, insert the following: "*Provided*, That none of the funds appropriated under this heading may be used to finance housing for members or former members of the uniformed armed services of the Former Soviet Union or the Russian Federation."

H.R. 2126

OFFERED BY: MR. CALLAHAN

AMENDMENT NO. 5: Under general provisions section of the bill, add following:

SEC. . Notwithstanding any other provision of law, none of the funds provided in this Act may be used to procure vessel propellers six feet in diameter and greater unless such propellers are manufactured in the United States incorporating only castings which are poured and finished in the United States. Nor may any of the funds provided in this Act be used to procure ship propulsion shafting unless such ship propulsion shafting is manufactured in the United States: Provided, That when adequate domestic supplies are not available to meet Department of Defense requirements on a timely basis, the Secretary of the service responsible for the procurement may waive this restriction on a case-by-case basis by certifying in writing to the Committees on Appropriations that such an acquisition must be made in order to acquire capability for national security purposes.

H.R. 2126

OFFERED BY: MR. DEFAZIO

AMENDMENT NO. 6: Page 94, after line 3, insert the following new section:

SEC. 8107. None of the funds appropriated by this Act may be obligated or expended—

(1) after July 1, 1996, for the operation of Operational Support Aircraft of the Department of Defense in a number in excess of two-thirds of the number of such aircraft as of July 1, 1995; and

(2) after January 1, 1996, for the operation of helicopters by the Army and the Air Force for administrative purposes in the National Capital Area in a number in excess of two-thirds of the number of such helicopters as of July 1, 1995.

H.R. 2126

OFFERED BY: MR. DEFAZIO

AMENDMENT NO. 7: Page 94, line 3, insert the following new section:

SEC. 8017. None of the funds appropriated by this Act shall be obligated or expended for the construction, operation, or administration of any golf course or other golf facilities at Andrews Air Force Base, Maryland (other than for a golf course or golf facilities in existence on the date of the enactment of this Act).

H.R. 2126

OFFERED BY: MR. SANDERS

AMENDMENT NO. 8: Page 94, after line 3, insert the following new section:

SEC. 8107. Notwithstanding any other provision of this Act, the amount made available for the Central Intelligence Agency (other than for the Central Intelligence Agency Retirement and Disability System Fund) from the appropriations provided in this Act shall not exceed 90 percent of the amount made available for such Agency (other than for such Fund) from the appropriations provided in the Department of Defense Appropriations Act, 1995 (Pub. L. 103-335).

H.R. 2126

OFFERED BY: MR. SANDERS

AMENDMENT NO. 9: Page 94, after line 3, insert the following new section:

SEC. 8107. Notwithstanding any other provision of this Act, the amount made available for the National Foreign Intelligence Program (other than for the Central Intelligence Agency Retirement and Disability System Fund) from the appropriations provided in this Act shall not exceed 90 percent of the amount made available for such Agencies (other than for such Fund) from the appropriations provided in the Department of Defense Appropriations Act, 1995 (Pub. L. 103-335).

H.R. 2126

OFFERED BY: MR. KASICH

AMENDMENT NO. 10: Page 23, line 17, strike "$7,162,603,000" and insert "$6,669,603,000".

H.R. 2126

OFFERED BY: MR. KASICH

AMENDMENT NO. 11: Page 23, line 17, insert "(reduced by $493,000,000)" before "to remain available".

H.R. 2127

OFFERED BY: MR. GANSKE

AMENDMENT NO. 10: Page 71, strike line 7 and all that follows through page 72, line 15 (relating to certain medical training programs).

H.R. 2127

OFFERED BY: MR. GORDON

AMENDMENT NO. 11: At the end of the bill, insert after the last section (preceding the short title) the following new section:

SEC. . None of the funds made available in this Act may be used for grants to students at an institution of higher education under the Pell Grant program under subpart 1 of part A of the Higher Education Act of 1965 when it is made known to the Federal official having authority to obligate or expend such funds that such institution is ineligible to participate in a loan program under part B of title IV of such Act as a result of a default rate determination under section 435(a) of such Act.

H.R. 2127

OFFERED BY: MRS. MINK OF HAWAII

AMENDMENT NO. 12: Page 42, line 20, strike the colon and all that follows through "8003(e)" on line 22.

H.R. 2127

OFFERED BY: MRS. MINK OF HAWAII

AMENDMENT NO. 13: Page 54, strike lines 6 through 18.

H.R. 2127

OFFERED BY: MR. MORAN

AMENDMENT NO. 14: At the end of title II, insert after the last section (preceding the short title) the following section:

SEC. . Of the amount made available in this title under the heading "NATIONAL INSTITUTES OF HEALTH—BUILDINGS AND FACILITIES", $4,600,000 is transferred and made available for carrying out the activities of the Office of Alternative Medicine under section 404E of the Public Health Service Act.

H.R. 2127

OFFERED BY: MR. MORAN

AMENDMENT NO. 15: Page 41, after line 8, insert the following section:

SEC. 210. Of the amount made available in this title under the heading "CENTERS FOR DISEASE CONTROL—DISEASE CONTROL, RESEARCH, AND TRAINING", $4,600,000 is transferred and made available to the Office of the Secretary of Health and Human Services for carrying out the activities of the Office of Disease Prevention and Health Promotion under section 1701 of the Public Health Service Act.

H.R. 2127

OFFERED BY: MR. TORRES

AMENDMENT NO. 16: On page 31, line 5 strike "$146,151,000" and insert: "$139,651,000."

On page 42, line 16 after "1965" insert: "and section 418A of the Higher Education Act".

On page 42, line 16 strike "$6,014,499,000, which" and insert: "$6,024,791,000 of which $10,292,000 for section 418A of the Higher Education Act shall become available on October 1, 1995 and the remainder."

H.R. 2127

OFFERED BY: MR. TRAFICANT

AMENDMENT NO. 17: Page 50, after line 8, insert the following new item:

JACOB K. JAVITS GIFTED AND TALENTED STUDENTS

(INCLUDING TRANSFER OF FUNDS)

For the gifted and talented programs as authorized under subtitle B of title X of the Elementary and Secondary Education Act of 1965 (29 U.S.C. 8031 et seq.), to be derived from amounts provided in this Act for "OCCUPATIONAL SAFETY AND HEALTH ADMINISTRATION—SALARIES AND EXPENSES", $9,500,000.

SENATE—*Friday, July 28, 1995*

(Legislative day of Monday, July 10, 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:

Sovereign God, our help in all the ups and downs of life, all the triumphs and defeats of political life, and all the changes and challenges of leadership, You are our Lord in all seasons and for all reasons. We can come to You when life makes us glad or when it makes us sad. There is no place or circumstance beyond Your control. Wherever we go You are there waiting for us. You already are at work with people before we encounter them, You prepare solutions for our complexities, and You are ready to help us to resolve conflicts even before we ask You. And so, we claim Your promise given through Jeremiah, "Call on Me, and I will answer you, and show great and mighty things you do not know."—Jeremiah 33:3.

Lord, we want our work this day and the end of this workweek to be done in such a way that You will be able to say, "Well done, good and faithful servant." Our only goal is to please You in what we say and accomplish. Bless the Senators in the decisions they must make and the votes they will cast. Give them, and all of us who work with them, Your strength to endure and Your courage to triumph in things great and small that we attempt for the good of all. In Your holy name. Amen.

CONGRESSIONAL GIFT REFORM ACT OF 1995

The PRESIDENT pro tempore. Under the previous order, the Senate will now resume consideration of S. 1061, which the clerk will report.

The assistant legislative clerk read as follows:

A bill (S. 1061) to provide for congressional gift reform.

The Senate resumed consideration of the bill.

Pending:

McCain modified amendment No. 1872, in the nature of a substitute.

Murkowski amendment No. 1874 (to amendment No. 1872), to permit reimbursement for travel and lodging at charitable political events.

Lott amendment No. 1875 (to amendment No. 1872), to change the maximum total value of gifts that can be accepted from a single source in 1 year from $50 to $100.

AMENDMENT NO. 1874

The PRESIDENT pro tempore. Under the previous order, there will now be 10 minutes of debate on the Murkowski amendment No. 1874.

Mr. LEVIN addressed the Chair.

The PRESIDENT pro tempore. The distinguished Senator from Michigan.

Mr. LEVIN. Mr. President, the two amendments that we are going to be voting on early this morning really go to the heart of the efforts that we are making to reform gifts. And those issues are the recreational trips and the meals and the tickets which are given to Members of this body.

So while we have narrowed the differences significantly—and we have—we still are confronted with the really principal issues which have brought us to this point; and that is the recreational travel, the golf outings, the ski trips, and the tennis trips that are provided as so-called charitable travel but which is a significant recreational benefit to us. As a matter of fact, this travel is defined as substantially recreation. That is the first amendment that we will be voting on. It is the Murkowski amendment, which will be to allow that kind of recreational travel to Members of this body to be reimbursed by private interests for that travel.

What the public has seen and read and heard about are these trips that we are offered also benefit a charity. There are two beneficiaries of these trips. A charity benefits when we show up, and we benefit by being given a couple of days and nights and fancy lodging, and being given fancy meals and being paid the transportation to get there. That is a substantial gift to Members. Yes, a charity also benefits. But the price that we pay to benefit the charity is the diminution, the reduction of the public confidence in this institution by the benefit that is received by Members from this recreational travel, which is significant. It is like a paid vacation that we are given at the same time there is a charitable contribution that is also made by the corporate sponsors. And we should give it up. We simply should give it up. It has reduced public confidence in this institution.

We have transcripts of television shows that are available to Members to read if they want to see what this looks like to the general public.

So I hope we will defeat the Murkowski amendment, which is the first amendment that we will be voting on this morning.

I reserve the remainder of my time.

The PRESIDING OFFICER (Mr. MCCAIN). The Senator from Alaska.

Mr. MURKOWSKI. Mr. President, good morning. My colleagues, good morning.

Mr. President, the amendment that we are going to be voting on very shortly provides the same rules for transportation and lodging in connection with charitable events as the bill provides for political events. That is all it does. It just conforms the two—political vis-a-vis charitable events.

Mr. President, much of this debate has been about public perception, that somehow we in Washington are being bought and sold by lobbyists, PAC's, and so forth; if we spend a weekend at a charitable event which includes lobbyists, that somehow we become polluted with corruption, or so goes the myth. There have been television programs directed at this. But at the same time, there is nothing wrong with Members of this body receiving lobbyist money paying for Senators' meals, Senators' lodging, Senators' transportation at a political fundraiser in Hollywood, in Florida, and you name it.

I ask, Mr. President, are we going to sell that bill of malarkey to the American public? I do not think so. It is OK for a lobbyist's money to pay us for travel to fundraisers and PAC's but it is not OK for lobbyist money to be used for travel to an event that will benefit breast cancer screening or poor children in need of medical attention.

Mr. President, my amendment simply provides that Senators would be permitted to be privately reimbursed for the costs of lodging and transportation in connection with a charitable fundraising event, only—and I repeat "only"—if the Senate Select Committee on Ethics determines that participating in the charity event is in the interest of the Senate and in the interest of the United States.

I think we have a clear choice. Do we want to establish the same lodging and transportation rules for charitable fundraisers as we have for political fundraising, or do we want to make it harder, harder to raise money for worthy charities?

The inconsistency here is an obvious one. The rule says as proposed in the compromise that there will be no reimbursement for charity events if it is associated with recreation. Yet, make no mistake about it, Mr. President, the loophole is this: You can have a political fundraiser for yourself, reimburse Members for travel to that political

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

fundraiser and you can have a charity event, too, and have the proceeds go to the charity.

Let us not kid ourselves. What is the source of funds for these events? The source of funds is the same groups, the politicians, political action committees, the PAC's, and so forth.

Now, I had intended to offer another amendment which would have required Members to pay out of their own pocket for travel and lodging for political events like they propose now for charity events. I decided not to pursue that because in reality that belongs in the campaign reform effort which is going to be underway at some point in time, and I intend to pursue it at that time.

We are not kidding ourselves. We are not kidding the American public. We are simply involved in a bit of a charade here. A significant portion of it is worthwhile. This reform is needed. As far as eliminating reimbursement for travel and lodging associated with charitable events and still allowing for political events when the funds came from the same source is the hypocrisy the Senator from Alaska wants to point out and wants to remind all Members as they look at how they are going to vote on the Murkowski amendment.

I encourage them to recognize that significant difference. Members go out, establish a political event, reimburse other Members for travel and transportation. The source of the funds comes from the PAC's and the lobbyists. And they can put on a charity event with it. Perhaps that is what the membership wants. But I suggest the American public is going to question whether we have gone all the way here or whether we have left a loophole.

I thank the Chair, and I yield the floor.

Mr. WELLSTONE addressed the Chair.

The PRESIDING OFFICER. The time of the Senator from Alaska has expired. The Senator from Michigan has 2 minutes remaining.

Mr. LEVIN. I yield 1 minute to my friend from Minnesota.

Mr. WELLSTONE. I thank the Senator from Michigan.

Mr. President, I want my colleagues to know we went through this last night in, I think, rather extensive debate. A Senator certainly can attend charitable events, no question about it. The issue is the recreational travel. What this vote is about is just one issue, and the issue is this: It does not serve this institution well, it does not serve any of us as individual Senators well, when lobbyists pay for Senators and their spouses or their family to go on weekend golf, tennis, skiing, or fishing trips. It is inappropriate. We ought not to be taking these gifts. People in the country do not think it is right. We should not think it is right, and I certainly hope that this amendment by the Senator from Alaska will be voted down.

The PRESIDING OFFICER. The Senator from Michigan has 1 minute 2 seconds remaining.

Mr. LEVIN. I will reserve that.

Is there any time remaining on the other side?

The PRESIDING OFFICER. There is no time remaining on the other side. The Senator from Michigan is recognized.

Mr. LEVIN. Let me conclude by saying this is one of the two issues that has brought us to this point. This recreational travel is a significant gift to us. Yes, there is also a benefit to the charity, but it is the gift to us which is the issue under our gift rules.

If we are going to significantly change the way we do business, this is one of the two areas where we must make a change, the so-called recreational travel. The charities have great appeals. They should be supported; they can be supported, but they must not be supported in a way which undermines public confidence in this institution. And that is the issue which we will be voting on with the Murkowski amendment. It is the public confidence in this institution, the gifts which we get, which is the issue.

I hope this amendment will be defeated. I yield back the remainder of my time.

The PRESIDING OFFICER. All time having expired, under the previous order, the question occurs now on agreeing to amendment No. 1874 offered by the Senator from Alaska [Mr. MURKOWSKI]. The yeas and nays have been ordered. The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. LOTT. I announce that the Senator from Alaska [Mr. STEVENS] is necessarily absent.

The PRESIDING OFFICER (Mr. THOMAS). 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. 339 Leg.]

YEAS—39

Ashcroft	Dole	Johnston
Bennett	Dorgan	Lott
Bond	Gorton	Mack
Breaux	Gramm	McConnell
Bumpers	Grams	Murkowski
Burns	Gregg	Nickles
Campbell	Hatch	Nunn
Chafee	Heflin	Packwood
Coats	Helms	Pryor
Cochran	Hollings	Roth
Coverdell	Hutchison	Simpson
D'Amato	Inhofe	Smith
Dodd	Jeffords	Thurmond

NAYS—60

Abraham	Byrd	Feingold
Akaka	Cohen	Feinstein
Baucus	Conrad	Ford
Biden	Craig	Frist
Bingaman	Daschle	Glenn
Boxer	DeWine	Graham
Bradley	Domenici	Grassley
Brown	Exon	Harkin
Bryan	Faircloth	Hatfield
Inouye	Lieberman	Rockefeller
Kassebaum	Lugar	Santorum
Kempthorne	McCain	Sarbanes
Kennedy	Mikulski	Shelby
Kerrey	Moseley-Braun	Simon
Kerry	Moynihan	Snowe
Kohl	Murray	Specter
Kyl	Pell	Thomas
Lautenberg	Pressler	Thompson
Leahy	Reid	Warner
Levin	Robb	Wellstone

NOT VOTING—1

Stevens

So the amendment (No. 1874) was rejected.

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

Mr. LAUTENBERG. Mr. President, I move to table the motion.

The motion to lay on the table was agreed to.

AMENDMENT NO. 1875

The PRESIDING OFFICER. Under the previous order, the question is on agreeing to the amendment numbered 1875 offered by the Senator from Mississippi.

Debate on the amendment is limited to 10 minutes equally divided.

Mr. MCCAIN. Mr. President, I yield 1 minute to the Senator from Michigan, Senator LEVIN.

Mr. LEVIN. Mr. President, we have come this far on gift reform, and we should not turn back now on one of the central issues which are the tickets and the meals.

Mr. President, we have now made a significant decision in the area of gifts. We have come a significant way. Now we must not turn back. We really must address the question of the tickets and the meals.

We cannot be bought for $100, $50, or $20. I do not think we could be bought for $1 million.

If we will give up the tickets and the meals, the way we have now given up the recreational travel, we can contribute something. We can give something of immeasurable value to this democracy of ours. We can add to public confidence in our democratic institutions.

This public confidence has been eroded. We can help to restore it, if we will now take this step which basically addresses the tickets and the meals.

The executive branch has a $20 gift rule and a $50 total that anyone can give. This would follow the executive branch rule. If they can live under it, I believe we also can live under it. I hope this amendment is defeated.

Mr. LOTT. Mr. President, in support of the amendment, I yield our 5 minutes to the Senator from Louisiana, Senator BREAUX, so that he can make a statement on this, in support of this amendment.

We will vote to see if we have any vestiges of self-respect left.

Mr. BREAUX. I yield myself 3 minutes of my 5 minutes.

Mr. President, the issue before the Senate, I think, is very, very clear. Mr. President, and my colleagues, this legislation, make no bones about it,

makes major, dramatic changes in how we are going to conduct the daily lives of Members of this body.

Essentially, today, meals are exempt from any kind of a gift ban or limitation. We all have meals and lunches with our constituents and with people who do business here in Washington. Essentially, those events are exempt from any ban today.

This legislation, for the first time, says meals are going to be included. If that meal costs $21, Members will find themselves before the Ethics Committee, answering a charge that they have violated this rule.

I say to my colleagues that is not sound policy. The Ethics Committee has a lot of work to do. They should not be going over lunch tabs and dinner tickets, to make sure that the tab, the tax, and the tip, does not somehow add up to $21.

That is what the McCain-Wellstone bill provides for. I suggest that we, I think, are smarter than that. Our constituents are smarter than that.

Every year in my State of Louisiana, the Shreveport Chamber of Commerce comes up. They have a luncheon. They invite Senator JOHNSTON. They have a dinner. They invite myself. Next year, they will reverse the order. That meal is probably going to cost more than $20. They are having that meal for us to talk about things of interest to that city and my State.

Every year the Louisiana Municipal Association comes up and takes us out to dinner. That meal is going to cost more than $20.

I suggest to the Members of this body, as it has been said so many times before, we are not going to be bought for $21. We have to be reasonable. We have to be practical. If we vote like our constituents want us to vote, a $21 meal is not going to make the difference.

Our legislation simply says $50 for a gift limitation. You cannot take it when it adds up to over $100 in a year. Therefore, a meal that is $50—a lunch, a dinner, anything under that—is not prohibited. If you add $51, that is prohibited. The maximum would be $100 in a year.

Some say Members go to dinner every night for 365 days and they could give you $18,000 a year. If anybody goes to dinner with the same person every night for 365 some days, I suggest they are idiots and should not be in the Senate in the first place.

Under their legislation, Members could go every night for $20 and spend $7,350. Is that all right? Are we playing games with our self-respect, our ability to know what is right and what is wrong? And more importantly, to allow our constituents to know what is right and what is wrong.

I yield to the Senator from Louisiana.

Mr. JOHNSTON. Mr. President, recently I was along with some of my colleagues and was invited to hear the President of France at a one-table luncheon at the French Embassy on the subject of Bosnia principally; to the British Embassy, to hear Douglas Hurd, the Foreign Minister of Britain, speak about foreign matters in general. Both were, I thought, very important dinners. Both would clearly have exceeded the $20. Would this be prohibited under the $20 rule?

Mr. BREAUX. Any gift Members receive that is over $20, that includes a meal, would be prohibited under the legislation.

I yield to the Senator from Kentucky.

Mr. MCCONNELL. Mr. President, I want to take 1 minute to get the attention of my colleagues on an argument that was made last night, and hopefully not many were here.

That was this suggestion that my friend from Louisiana made that a Senator could go out every night for a whole year and rack up $18,000 in bills under this amendment. That is technically true. Of course, as the Senator from Louisiana pointed out, it is technically true that under the alternative Members could rack up $7,000 in bills.

The point I want Members to know is that anybody who did that would have a serious case before the Ethics Committee. The fact that it might not be a technical violation of the rule does not mean that it is proper conduct. It would be clearly improper conduct.

Some of the major cases that we have had here in the Senate in the last few years have not been technical violations of the rules. They still have been major cases. That was the case in the Keating case. It is the case with some of the charges against the Senator from Oregon—not technical violations of the rules, but still a very serious case.

I want Members to know that anybody who tried to exploit this rule, in this way, would be in very, very, serious trouble.

The PRESIDING OFFICER. The time of the Senator has expired. The other side has 3 minutes remaining.

Mr. MCCAIN. I yield 1 minute to the Senator from Wisconsin.

Mr. FEINGOLD. Mr. President, a very serious mistake of fact has been made on the floor about the bill. The last two speakers said under our bill you could take up to $7,000 a year. That is absolutely false. Under our bill, the most you could take from one individual is $50, the executive rule. Under the amendment here, it would be at least $18,500 for, obviously, a wrongdoer. That is a fact.

The difference is that the current McCain provision has an aggregate limit and the provision provided by the other side on this has no aggregate. So one person, several times a day, could give up to $50 a day and that does not count. And there is no aggregation. That is a fact. That is exactly the difference between the two, and any other suggestion means somebody has not read the difference between the amendments.

Several Senators addressed the Chair.

Mr. MCCAIN. I yield 1 minute to the Senator from Minnesota, Senator WELLSTONE.

Mr. WELLSTONE. Mr. President, if I could just get the attention of my colleagues.

Mr. President, let me just emphasize what the Senator from Wisconsin said. Fact No. 1 is that people in the country just think it is inappropriate when it comes to the meals and the tickets. They think we should let go of it. And we should, if we want to restore confidence.

Fact No. 2, this amendment says that you can go out for a meal or you can take a ticket or whatever, and as long as it is under $50 you can keep receiving the same gift from a lobbyist in perpetuity. There is no limit. There is no $100 limit.

Senators, you cannot tell people we are making a reform, you cannot tell people we are putting an end to this practice, with this kind of huge loophole. It is not credible. It will not work. This amendment is deeply flawed and is not a reform.

Mr. LOTT. Mr. President, I ask for the yeas and nays on this amendment.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

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

The PRESIDING OFFICER. The Senator has 1 minute and 20 seconds.

Mr. MCCAIN. Mr. President, this is really all about, this entire legislation is about establishing confidence. I do not think there is any doubt the American people do not believe we live like they do. I do not think there is any doubt that the confidence and esteem in which we are held is not at the level that we want it to be.

I believe if this amendment is agreed to, the perception will be that $50 a day, unrecorded, unaggregated, will indeed be a privilege that most Americans do not enjoy.

It is not really much more complicated than that. As the Senator from Michigan pointed out, can Senators be bought for $20 or $50 or $100 or $200? That is not the argument here. The argument here is whether we will live like the rest of the American people do, and that, for most citizens, is not the ability to receive as much as $50 a day in some kinds of benefits.

We believe the original legislation is far more appropriate. There are those who would argue for zero dollars. I believe what we have crafted is the appropriate method and I do not believe this is about buying and selling of Members of Congress.

Mr. President, I yield the remainder of my time.

VOTE ON AMENDMENT NO. 1875

The PRESIDING OFFICER. All time has expired. The question is on amendment 1875, offered by the Senator from Mississippi.

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 54, nays 46, as follows:

[Rollcall Vote No. 340 Leg.]

YEAS—54

Ashcroft	Faircloth	Lott
Bennett	Gorton	Lugar
Bond	Gramm	Mack
Breaux	Grams	McConnell
Brown	Grassley	Mikulski
Bryan	Gregg	Murkowski
Bumpers	Harkin	Nickles
Burns	Hatch	Nunn
Campbell	Heflin	Packwood
Chafee	Helms	Pell
Coats	Hollings	Pryor
Cochran	Hutchison	Reid
Coverdell	Inhofe	Rockefeller
Craig	Inouye	Roth
D'Amato	Johnston	Shelby
Dodd	Kassebaum	Smith
Dole	Kempthorne	Stevens
Domenici	Kerrey	Thurmond

NAYS—46

Abraham	Ford	Moynihan
Akaka	Frist	Murray
Baucus	Glenn	Pressler
Biden	Graham	Robb
Bingaman	Hatfield	Santorum
Boxer	Jeffords	Sarbanes
Bradley	Kennedy	Simon
Byrd	Kerry	Simpson
Cohen	Kohl	Snowe
Conrad	Kyl	Specter
Daschle	Lautenberg	Thomas
DeWine	Leahy	Thompson
Dorgan	Levin	Warner
Exon	Lieberman	Wellstone
Feingold	McCain	
Feinstein	Moseley-Braun	

So the amendment (No. 1875) was agreed to.

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

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

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. Under the previous order, the Senator from West Virginia, Senator BYRD, is recognized to offer an amendment on which there shall be 45 minutes of debate.

Will the Senate please be in order.

The Senator from West Virginia is recognized.

Mr. BYRD. Mr. President, I thank the Chair.

Mr. President, my time will not begin to run until I offer the amendment, and I insist upon order in the Senate.

The PRESIDING OFFICER. The Senator is correct. May we have order. Senators will please take their conversations to the Cloakroom. May we have order in the Senate.

The Senator from West Virginia.

Mr. BYRD. Mr. President, I thank the Chair.

Mr. President, I know order when I see order in the Senate, and we do not have it.

The PRESIDING OFFICER. The Senator is correct. There is no better way to describe it. We know it when we see it.

May we have order, please. The Senators on my right, find another place to converse. The Senators over here, please find another place.

The Senator from West Virginia.

Mr. BYRD. Mr. President, the gavel has only been broken once, and it was replaced with a new gavel. And it might be well perhaps even to break it again. When the Chair calls for order, the Chair should be respected. I know we are all prone to talk a little bit. We like to see our colleagues during the rollcalls. I do the same thing. But if the Chair will crack that gavel and let us know that the Chair wants order, he should have it.

I thank the Chair, and I thank my colleagues.

(Mr. COVERDELL assumed the chair).

Mr. BYRD. Mr. President, the bill before us today, S. 1061, is designed to strengthen the standing rules of the Senate regarding the acceptance of gifts by Members and staff. Accordingly, it is meant to confront the public's perception that Members of the Senate can somehow be influenced for the price of a lunch. That is really pretty silly, but nevertheless that may be the perception. I, for one, do not believe that to be true. But perception, as we all know, is sometimes overpowering.

Indeed, Marie Antoinette may never have actually said, "Let them eat cake," but the fact remains that, in 1793, the people of Paris believed that Marie Antoinette said, "Let them eat cake." So, let us not be fooled. Perception matters, and, whether we like it or not, it must be dealt with.

It is to that end, the righting of public perception, that I am offering this amendment. Quite simply, my amendment states that it is the sense of the Senate that the Judicial Conference of the United States—as the Senate is doing in relation to itself in the pending measure—should review and reevaluate its gift rules, including the acceptance of travel and travel-related expenses, and that those regulations should cover all judicial branch employees, including members of the Supreme Court.

Like the legislative branch, the judicial branch of Government cannot afford to be seen in the eyes of the public as anything less than impartial and unbiased. The great tenet of our judicial system, that all Americans enjoy "equal justice under the law," cannot be brought into question if we are to maintain a society based on the rule of law. Therefore, if it is important for the men and women who make the laws to be above reproach—and it is important—then it only makes sense that it is equally important for the men and women who interpret those laws to be similarly above reproach.

In truth, one could argue that it is even more important for the judiciary to undertake a reevaluation and strengthening of its rules since the very individuals addressed in this amendment are people who, once confirmed by the Senate, retain lifetime tenure. Federal judges do not stand for reelection every 2 years or every 6 years as do Members of the House and Senate. On the contrary, unless they are impeached in the House and convicted in the Senate, Federal judges may hold their positions for life, health permitting. Their behavior and their moral authority as adjudicators of great issues are not subject to a public vote of confidence.

Mr. President, public acceptance and support of the decisions of our courts depends entirely on an independent and impartial judiciary. The decisions of the Federal courts must not be tarnished by even the slightest hint of impropriety, because the men and women who sit in judgment are charged with deciding the most momentous questions—questions that go to the very heart of our liberties. They decide questions involving freedom of speech and freedom of religion under the first amendment. They protect our constitutional rights to due process, our rights of privacy, and our rights to the pursuit of happiness in a free and open society. And they adjudicate controversies, the impact of which may mean millions or even billions of dollars to the individuals and corporations involved. Because of that authority and extraordinary power, the judicial branch, more so than even the other two branches of government, must hold and retain the utmost confidence of the American people.

Unfortunately, Mr. President, there have been reports that some members of our Federal courts have availed themselves of trips sponsored and paid for by a corporation that was involved in litigation in those courts. I am going to read now from a March 5, 1995, newspaper story that appeared in the Minneapolis Star Tribune concerning this matter. And for the benefit of my colleagues, I have had placed on every Senator's desk a copy of this news article. I urge Senators to read the article and they will understand the importance of my amendment.

Mr. President, the Minneapolis Star Tribune article was written by Sharon Schmickle and Tom Hamburger.

The headline is: "West and the Supreme Court; Members accepted gifts and perks while acting on appeals worth millions to Minnesota firm."

And it reads as follows:

"Equal Justice Under Law." These words, chiseled above the huge bronze doors of the

Supreme Court, promise that its justices will be impartial.

Yet some parties who asked the court to review their claims against West Publishing Co. now wonder if they received equal treatment. The reason: Since 1983, West has treated seven Supreme Court justices to luxurious trips at posh resorts or hotels.

None of them saw the trips as reason to disqualify themselves from considering whether to hear five cases involving their host. In each of the five instances, the justices declined to review a lower court's decision, leaving intact a decision in favor of West.

The odds already were against West's opponents, because the high court each year agrees to hear fewer than 200 of the 5,000 or so requests for review.

Two of the West cases involved key copyright issues. And two cases were placed on lists indicating they were actively discussed at the justices' weekly conference.

All justices refused interviews, but two—Antonin Scalia and Lewis Powell, who's now retired—said in written responses that they saw nothing wrong with accepting expense-paid trips to attend meetings for what they regard as a worthy purpose. "That company [West] has been of great importance to the legal profession and to legal scholars," Powell wrote in response to the Star Tribune's inquiry.

Here's a review of the justices' trips and the West-related cases the Supreme Court considered:

1983

Byron White set the pattern for other justices. He accepted an invitation to serve on a committee to select the winner of the Edward J. Devitt Distinguished Service to Justice Award, a prize sponsored by West Publishing Co. The other committee members were Devitt and Judge Gerald Tjoflat of the 11th Circuit Court of Appeals. Each committee member was to serve for two years.

The committee could have reviewed candidates in St. Paul, where Devitt lived, or on the East Coast, where White and Tjoflat worked. Instead, they conducted their February meeting at Marriott's Rancho Las Palmas in Palm Springs, Calif. It's an appealing place—a four-star resort with tennis courts and 27 holes of golf—and West picked up the tab. The trip gave White, a former All-America halfback, a chance to have a reunion with his old football coach, Johnny (Blood) McNally, who lived nearby. Spouses were invited.

West's CEO—

Chief executive officer—

Dwight Opperman, also attended the retreat, although he did not sit in on selection-committee meetings.

1984

The group considered going to Florida for its second meeting. But after consulting White, Devitt wrote to Opperman—

The CEO for West Publishing Co.—

"He said his wife was not too enthused about Florida. We discussed San Diego, but I pointed out to him that that place is not a warm spot in January or February."

California was selected. "Dwight Opperman—

West's CEO—

has made a reservation for the 1984 meeting at Marriott's Las Palmas Hotel in Palm Springs (same as last year)," Devitt wrote to White. In the same letter, he said, "Dwight wants to have Johnny Blood McNally and his wife join us for recreation as before."

McNally, a graduate of St. John's in Collegeville, Minn., coached White when he played for the Pittsburgh Steelers. Devitt wrote McNally, inviting him and his wife to join the group for "social affairs."

A couple of weeks after the trip, paid for by West, White wrote to Devitt: "As usual, it was a pleasure to be with you even if your golf was intolerably good."

Another Supreme Court justice also benefited that year. Chief Justice Warren Burger was chosen to receive a special award from the Devitt committee. He donated his $10,000 prize to an organization that promotes interest in the law.

Lewis Powell succeeded White on the Devitt panel. "Caneel Bay is a place my wife Jo and I always have hoped to visit," Powell wrote in a 1984 letter to Devitt.

Opperman—

West Publishing Co.'s CEO—

began scheduling a fall meeting at the exclusive resort on St. John in the Virgin Islands.

Within weeks of the suggestion, Opperman wrote to the justice, saying the meeting would take place at Caneel Bay. He promised to send resort brochures and invited the Powells to stay overnight in Miami the day before the committee was to meet. The letter reminded Powell: "The Devitt Committee travels first class, of course." And it said, "I will send you a check for the air fares right away and will reimburse you for incidental expenses as you advise me."

After the trip, Powell wrote to Devitt, sending a copy to Opperman, suggesting the next meeting be held at the Breakers Hotel in Palm Beach, Fla. He said it is "on the water, superior facilities, and affording many interesting things to do and places to see—particularly for our ladies."

1985

Back in Washington, Powell and White received a list of cases that included the name "West Publishing Co." during their closed-door conference meetings at the Supreme Court.

Patrick Beary, who ran a one-man law office in Queens, N.Y., had decided to press a libel complaint against West to the nation's highest court. Beary wrote his own briefs for the case that had been thrown out by judges in lower courts. A federal appeals panel ruled that West had accurately published a court decision involving Beary and that such activity was protected by law. Beary claimed his libel case raised constitutional questions requiring the high court's review.

Beary's petition was placed on the list of requests the justices decided to discuss, suggesting that at least one justice wanted to consider it. However, it was rejected for reasons that aren't known because the court's conferences are secret.

At the time, Beary understood the rejection. Now that he knows about the trips, he's not so sure. "The justices who went on these trips may have swayed their fellows on the court not to hear the case, you know. I am entitled to my day in court and I didn't get it," he said.

1986

Three months after the court rejected Beary's petition, it was time for Powell and his wife to head to the next Devitt committee meeting, at the Breakers Hotel in Palm Beach, a hotel where double-occupancy rooms currently go for $290 to $455. They joined the Devitts, Ninth Circuit Judge James Browning and two West executives and their wives.

After the January meeting, Powell wrote Opperman [West's CEO]: "It was obvious that Jo and I enjoyed the gathering last week of the Devitt Award Committee group." He went on to praise the work of the committee, then added, "I was most favorably impressed by [West vice president] Gerry Cafesjian." In June, Powell wrote Devitt telling how much he enjoyed photos taken by Cafesjian and mailed to him after the trip. "We had several chuckles and the pictures brought back the warmest memories," the justice wrote.

Less than three weeks later, West's name again surfaced before the court.

West had resisted paying more than $160,000 in back taxes, interest and penalties that the city of Phoenix was trying to collect. It was a "business-privilege" tax that the city routinely imposed on business activity conducted within its limits. A West employee assigned to represent the company in Arizona worked out of his Phoenix home, seeking orders and answering questions about West's products. West argued that most of its business in Arizona was conducted by direct mail and that it did not actually operate an office in the city.

An Arizona appeals court agreed with West and the Supreme Court declined to hear the case. Only Justice Sandra Day O'Connor, an Arizona native, removed herself from the vote on the city's petition.

A few weeks later, Powell and White received an unexpected invitation from West. Although their two-year terms on the Devitt committee had expired, Opperman invited the justices to attend a special "advisory committee meeting."

Through an exchange of letters, they decided to meet in January at the Ritz-Carlton in Laguna Niguel, Calif. The resort, which sites on a 200-foot bluff overlooking the Pacific Ocean, has an 18-hole golf course.

A handwritten note by Devitt indicates that during the Saturday-through-Tuesday gathering, only Monday morning was devoted to committee meetings. The rest of the schedule listed "free" time, golf and dining.

1987

On Jan. 23, only days before Powell and White departed for the California resort, the court met to consider another request that it hear a case against West. It is a case that has meant more to West than any other in recent history.

The dispute involved Mead Data Central Inc., an Ohio company that had jumped into electronic publishing and threatened West's standing as a leading legal publisher. The court opinions in Mead's computerized databases referred to page numbers in West's law books. West had gone to court claiming copyright infringement and a federal judge in Minnesota had ordered Mead to stop using the numbers until the lawsuit was settled. Though preliminary, the order signaled that West's chances of winning the dispute were good.

After losing an appeal in the Eighth Circuit, Mead turned to the high court. For West and Mead, millions of dollars were riding on the decision. But the potential impact reached further. If the court decided to hear the case, it also could lay the groundwork for other publishers who were rushing into electronics.

Neither White nor Powell disqualified himself from participating in the decision, though Powell apparently thought about it. The papers of the late Justice Thurgood Marshall, on file at the Library of Congress, show that Powell apparently considered disqualifying himself, telling the clerk of the court in a letter: "Following discussion of this case at Conference today, I concluded it

was unnecessary for me to remain 'out'. Therefore please disregard my letter to you of January 22."

On Jan. 27, the court refused to hear Mead's appeal and ultimately the companies negotiated a secret settlement, reportedly requiring Mead to pay fees to West.

One week after that decision, Powell and White joined Oppeman, another West executive and former committee members for the "advisory" session at the California resort. And as they departed, Justice William Brennan, who had also participated in discussions of Mead vs. West, prepared for his own trip at West expense.

William Brennan and his wife, Mary, flew to Hawaii for the next Devitt committee gathering. They were greeted on February 7, 1987, by the Oppermans, Devitt and Fifth Circuit Judge Charles Clark at the Kahala Hilton in Honolulu.

Brennan's first encounter with the Devitt panel had come in early 1986, in the form of a letter of invitation from Devitt.

"We would very much like to have you serve on the committee," Devitt had written. "I feel sure you will enjoy it. In the past we have met for several days at the time of the Supreme Court mid-winter break in late January or early February. We have met in Palm Springs on two occasions [and] in the Virgin Islands. . . . It makes for a nice break from the routine, and the responsibilities are not too burdensome. . . . The ten of us make for a small congenial group. The arrangements are made and cared for by Mr. Opperman."

After Brennan's trip to the Kahala Hilton, Powell wrote to Devitt: "Bill Brennan returned from your recent meeting with great enthusiasm and approval of the work of the committee. His delightful wife Mary was equally enthusiastic." And Mary Brennan wrote Devitt on Supreme Court notepaper saying: "Bill and I wanted you to know how very much we enjoyed being with you in Hawaii. We had a great time, didn't we."

That summer, the Brennans and Oppermans had dinner together in Rochester, Minn., while the justice was getting a checkup at the Mayo Clinic. While in Rochester, they discussed plans for the next Devitt panel meeting. Brennan wrote Devitt shortly afterward: "February 6–9 is open for Mary and me and we can't wait."

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The Brennans traveled to Naples, Fla., in February for the next Devitt committee meeting, staying at the Ritz-Carlton.

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The Ritz-Carlton hotel in Rancho Mirage offers luxurious accommodations near some of the country's finest golf courses and the Devitt committee met there from Jan. 28–31. Devitt had set up advance golf reservations—with 10 a.m. tee times—for himself and the O'Connors, Sunday at the Mission Hills Resort and Monday at the Desert Island Country Club.

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"I re-read the brochure about the fancy hotel," Devitt wrote to O'Connor in December. "I'm sure we will have a good time there. Dwight Opperman and I talked about it at lunch yesterday."

About the time he wrote the letter, Donna Nelson, an assistant state attorney general in Austin, Texas, was writing the next petition the high court would receive asking it to hear a case against West.

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Five days after the court rejected the Texas petition (apparently without disqualification by any member), O'Connor flew to Los Angeles to meet Opperman, Devitt and the others at the Bel Air Hotel.

After the trip, Devitt wrote to O'Connor: "We were all very happy to have John [her husband] with us at Bel-Air. He is a wonderful Irishman."

Later, O'Connor wrote to Devitt telling him "it was a great treat" to serve on the award committee and sent him photographs of the visit to California.

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That spring, Opperman wrote Stevens asking whether the justice and his wife, Maryan, preferred golf or tennis. Stevens wrote back: "It was most thoughtful of you to accommodate us. In response to your inquiry, we are both interested in tennis and golf."

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Stevens, his wife and other committee members met with the West executives in January at the Ritz-Carlton in Naples. Judge William J. Holloway Jr., who also attended, said judges were provided with suite accommodations courtesy of West. A receipt shows that Devitts' room charge was $700 a night.

Meanwhile, in Washington, the court had received a fifth request to hear a case against West. Arthur D'Amario, a photographer from Rhode Island, had an altercation with security guards outside a rock concert at the Providence Civic Center and was convicted of simple assault. When his appeal was denied by the Rhode Island Supreme Court, West received a copy of the opinion as part of the material it routinely gathers for its books.

D'Amario tried to stop West from publishing the opinion, alleging it was libelous and would infringe on his privacy rights. Lower courts had ruled that they could not enjoin West from publishing an official court decision. D'Amario petitioned the Supreme Court to hear the case.

D'Amario did not know until last month that justices considering his case had been entertained by West. "I think they have a duty to notify the petitioner of a conflict of interest like this whether or not they think that the potential conflict affects their judgment," he said. "If I had known this, I might have raised an ethics complaint at the time."

D'Amario's petition came before the court's conference two months after Stevens returned from the Florida trip. The justices denied the petition on March 18.

D'Amario's petition marks the end of the requests the court has received since 1982 to hear cases against West. But the trips continued.

In May, Devitt wrote Stevens about plans for the January 1992 meeting of the committee. "We will probably meet either in some Caribbean spot or on a boat trip out of some Florida port."

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Indeed, they did find a warm port. Stevens and his wife joined the committee for a January meeting in Nassau, the Bahamas, at Paradise Island Resort & Casino.

Another judge on the committee, Holloway of the 10th Circuit Court of Appeals in Oklahoma City, reported on his disclosure form that West provided "lodging, food, entertainment and miscellaneous courtesies."

Devitt died March 2. Few records about the committee meetings after his death are available.

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Antonin Scalia was the next justice to make a West-paid trip.

In January 1993, Scalia and his wife attended a Devitt committee meeting in Los Angeles, according to his financial disclosure form. Scalia had written to Devitt in August 1991 that he and his wife, Maureen, "look forward to a warm meeting place—though we will leave the selection to you."

Scalia did not list a value for the trip. However, another judge attending that session, Seventh Circuit Court Judge William Bauer, listed the value of the three days of West-sponsored lodging and travel at $7,700.

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The Star Tribune was unable to determine where the Devitt committee met to make its decisions in 1994.

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Anthony Kennedy is the newest justice to join the Devitt committee. He attended his first meeting as a panelist in January at the posh Four Seasons hotel in New York City.

Kennedy joined the group after the court decided against hearing appeals in the Texas and D'Amario cases, and no West cases have come before the court since then.

Kennedy declined to release his correspondence concerning the Devitt committee. But Richard Arnold, chief judge of the Eighth Circuit, released letters he received from Opperman describing arrangements for the meeting:

"The committee and spouses usually eat dinner as a group. If there is some restaurant you especially want to try let me know," Opperman wrote to Arnold in October.

"There will be time for the theater and museums. I would like to know your interests so we can accommodate them."

The official business of the committee was taken care of in two three-hour meetings during the trip that lasted Jan. 22–25, Arnold said.

Mr. President, what we have here appears to be convincing evidence that West Publishing, through its chief executive officer, was providing free trips to members of the Federal judiciary, many times to the poshest of resorts, at the same time that West was involved in litigation before those courts. In instance after instance, as this story has documented, it appears that the impartiality of the judiciary could have been called into question, thus undermining the confidence which the American people place in that branch of government.

Let me stress here that I do not believe any Federal judge, any more than any Member of Congress, is easily susceptible to influence as a result of travel taken in connection with an awards-selection committee. But just as the bill now before the Senate is meant to address very real concerns with regard to the public's perception of the legislative branch, so, too, my amendment is meant to encourage the Judicial Conference to address such concerns within the judicial branch.

For those Senators who may not be familiar with the rules and regulations promulgated by the Judicial Conference, let me quote briefly from section 5 of those regulations. That section, dealing with the acceptance of gifts, states, in part:

A judicial officer or employee shall not accept a gift from anyone except for a gift incident to a public testimonial, notes, tapes, and other source materials supplied by publishers on a complimentary basis for official use or an invitation to the officer or employee and a family member to attend a bar-related function or an activity devoted to the improvement of the law, the legal system, or the administration of justice.

My concern, Mr. President—especially in light of the newspaper article I have just read—and thus the basis for my amendment, is that the language in section 5 of the regulations of the Judicial Conference may allow too much latitude and thus jeopardize the appearance of impartiality of the judiciary.

If we agree that there is a crisis of confidence in this country regarding the most sacred institutions of our Government, and that that crisis must be addressed, then I think we must agree that no branch of Government can ignore the challenge to look inward and reevaluate its rules of conduct—not the legislative branch, not the executive branch, and certainly not the judicial branch. We must all accept the responsibility for addressing public perception by strengthening our internal rules in an effort to put very valid concerns about improper conduct to rest, however unfounded those concerns may be. Mr. President, my amendment will say to the Federal judiciary that it, too, should join the legislative and executive branches in undertaking that task.

AMENDMENT NO. 1878 TO AMENDMENT NO. 1872

(Purpose: To express the sense of the Senate with respect to the regulation of the acceptance of gifts by the judicial branch)

Mr. BYRD. I urge my colleagues to support my amendment, which I now send to the desk. I ask that such time as I have already used be charged against the time under my control on the amendment, reserving only 5 minutes for my further control.

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

The clerk will report.

The legislative clerk read as follows:

The Senator from West Virginia [Mr. BYRD] proposes an amendment numbered 1878 to amendment No. 1872.

At the appropriate place in the amendment, insert the following:

SEC. . GIFTS IN THE JUDICIAL BRANCH.

It is the sense of the Senate that the Judicial Conference of the United States should review and reevaluate its regulations pertaining to the acceptance of gifts and the acceptance of travel and travel-related expenses and that such regulations should cover all judicial branch employees, including members and employees of the Supreme Court of the United States.

The PRESIDING OFFICER. Who yields time?

The Chair recognizes the Senator from West Virginia.

Mr. BYRD. Mr. President, I ask unanimous consent to have printed in the RECORD the news article to which I have referred, March 5, 1995, Metro Edition, Minneapolis Star Tribune, so that the RECORD will show that I have read the article word for word, offering no interpretations of it on my part, with the exception of, from time to time, reidentifying a name for clarification for the reader or listener.

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

[From the Minneapolis Star Tribune, Mar. 5, 1995]

WEST AND THE SUPREME COURT; MEMBERS ACCEPTED GIFTS AND PERKS WHILE ACTING ON APPEALS WORTH MILLIONS TO MINNESOTA FIRM

(By Sharon Schmickle and Tom Hamburger)

"Equal Justice Under Law." These words, chiseled above the huge bronze doors of the Supreme Court, promise that its justices will be impartial.

Yet some parties who asked the court to review their claims against West Publishing Co. now wonder if they received equal treatment. The reason: Since 1983, West has treated seven Supreme Court justices to luxurious trips at posh resorts or hotels.

None of them saw the trips as reason to disqualify themselves from considering whether to hear five cases involving their host. In each of the five instances, the justices declined to review a lower court's decision, leaving intact a decision in favor of West.

The odds already were against West's opponents, because the high court each year agrees to hear fewer than 200 of the 5,000 or so requests for review.

Two of the West cases involved key copyright issues. And two cases were placed on lists indicating they were actively discussed at the justices' weekly conference.

All justices refused interviews, but two—Antonin Scalia and Lewis Powell, who's now retired—said in written responses that they saw nothing wrong with accepting expense-paid trips to attend meetings for what they regard as a worthy purpose. "That company [West] has been of great importance to the legal profession and to legal scholars," Powell wrote in response to the Star Tribune's inquiry.

Here's a review of the justices' trips and the West-related cases the Supreme Court considered:

1983

Byron White set the pattern for other justices. He accepted an invitation to serve on a committee to select the winner of the Edward J. Devitt Distinguished Service to Justice Award, a prize sponsored by West Publishing Co. The other committee members were Devitt and Judge Gerald Tjoflat of the 11th Circuit Court of Appeals. Each committee member was to serve for two years.

The committee could have reviewed candidates in St. Paul, where Devitt lived, or on the East Coast, where White and Tjoflat worked. Instead, they conducted their February meeting at Marriott's Rancho Las Palmas in Palm Springs, Calif. It's an appealing place—a four-star resort with tennis courts and 27 holes of golf—and West picked up the tab. The trip gave White, a former All-American halfback, a chance to have a reunion with his old football coach, Johnny (Blood) McNally, who lived nearby. Spouses were invited.

West's CEO, Dwight Opperman, also attended the retreat, although he did not sit in on selection-committee meetings.

1984

The group considered going to Florida for its second meeting. But after consulting White, Devitt wrote to Opperman: "He said his wife was not too enthused about Florida. We discussed San Diego, but I pointed out to him that that place is not a warm spot in January or February."

California was selected. "Dwight Opperman has made a reservation for the 1984 meeting at Marriott's Las Palmas Hotel in Palm Springs (same as last year)," Devitt wrote to White. In the same letter, he said, "Dwight wants to have Johnny Blood McNally and his wife join us for recreation as before."

McNally, a graduate of St. John's in Collegeville, Minn., coached White when he played for the Pittsburgh Steelers. Devitt wrote McNally, inviting him and his wife to join the group for "social affairs."

A couple of weeks after the trip, paid for by West, White wrote to Devitt: "As usual, it was a pleasure to be with you even if your golf was intolerably good."

Another Supreme Court justice also benefited that year. Chief Justice Warren Burger was chosen to receive a special award from the Devitt committee. He donated his $10,000 prize to an organization that promotes interest in the law.

Lewis Powell succeeded White on the Devitt panel. "Caneel Bay is a place my wife Jo and I always have hoped to visit," Powell wrote in a 1984 letter to Devitt.

Opperman begun scheduling a fall meeting at the exclusive resort on St. John in the Virgin Islands.

Within weeks of the suggestion, Opperman wrote to the justice, saying the meeting would take place at Caneel Bay. He promised to send resort brochures and invited the Powells to stay overnight in Miami the day before the committee was to meet. The letter reminded Powell: "The Devitt Committee travels first class, of course." And it said, "I will send you a check for the air fares right away and will reimburse you for incidental expenses as you advise me."

After the trip, Powell wrote to Devitt, sending a copy to Opperman, suggesting the next meeting be held at the Breakers Hotel in Palm Beach, Fla. He said it is "on the water, superior facilities, and affording many interesting things to do and places to see—particularly for our ladies."

1985

Back in Washington, Powell and White received a list of cases that included the name "West Publishing Co." during their closed-door conference meetings at the Supreme Court.

Patrick Beary, who ran a one-man law office in Queens, N.Y., had decided to press a libel complaint against West to the nation's highest court. Beary wrote his own briefs for the case that had been thrown out by judges in lower courts. A federal appeals panel ruled that West had accurately published a court decision involving Beary and that such activity was protected by law. Beary claimed his libel case raised constitutional questions requiring the high court's review.

Beary's petition was placed on the list of requests the justices decided to discuss, suggesting that at least one justice wanted to consider it. However, it was rejected for reasons that aren't known because the court's conferences are secret.

At the time, Beary understood the rejection. Now that he knows about the trips, he's not so sure. "The justices who went on these trips may have swayed their fellows on the court not to hear the case, you know. I am entitled to my day in court and I didn't get it," he said.

1986

Three months after the court rejected Beary's petition, it was time for Powell and his wife to head to the next Devitt committee meeting, at the Breakers Hotel in Palm Beach, a hotel where double-occupancy rooms currently go for $290 to $455. They joined the Devitts, Ninth Circuit Judge James Browning and two West executives and their wives.

After the January meeting, Powell wrote Opperman: "It was obvious that Jo and I enjoyed the gathering last week of the Devitt Award Committee group." He went on to praise the work of the committee, then added, "I was most favorably impressed by [West vice president] Gerry Cafesjian." In June, Powell wrote Devitt telling how much he enjoyed photos taken by Cafesjian and mailed to him after the trip. "We had several chuckles and the pictures brought back the warmest memories," the justice wrote.

Less than three weeks later, West's name again surfaced before the court.

West had resisted paying more than $160,000 in back taxes, interest and penalties that the city of Phoenix was trying to collect. It was a "business-privilege" tax that the city routinely imposed on business activity conducted within its limits. A West employee assigned to represent the company in Arizona worked out of his Phoenix home, seeking orders and answering questions about West's products. West argued that most of its business in Arizona was conducted by direct mail and that it did not actually operate an office in the city.

An Arizona appeals court agreed with West and the Supreme Court declined to hear the case. Only Justice Sandra Day O'Connor, an Arizona native, removed herself from the vote on the city's petition.

A few weeks later, Powell and White received an unexpected invitation from West. Although their two-year terms on the Devitt committee had expired, Opperman invited the justices to attend a special "advisory committee meeting."

Through an exchange of letters, they decided to meet in January at the Ritz-Carlton in Laguna Niguel, Calif. The resort, which sits on a 200-foot bluff overlooking the Pacific Ocean, has an 18-hole golf course.

A handwritten note by Devitt indicates that during the Saturday-through-Tuesday gathering, only Monday morning was devoted to committee meetings. The rest of the schedule listed "free" time, golf and dining.

1987

On Jan. 23, only days before Powell and White departed for the California resort, the court met to consider another request that it hear a case against West. It is a case that has meant more to West than any other in recent history.

The dispute involved Mead Data Central Inc., an Ohio company that had jumped into electronic publishing and threatened West's standing as a leading legal publisher. The court opinions in Mead's computerized databases referred to page numbers in West's law books. West had gone to court claiming copyright infringement and a federal judge in Minnesota had ordered Mead to stop using the numbers until the lawsuit was settled. Though preliminary, the order signaled that West's chances of winning the dispute were good.

After losing an appeal in the Eighth Circuit, Mead turned to the high court. For West and Mead, millions of dollars were riding on the decision. But the potential impact reached further. If the court decided to hear the case, it also could lay the groundwork for other publishers who were rushing into electronics.

Neither White nor Powell disqualified himself from participating in the decision, though Powell apparently thought about it. The papers of the late Justice Thurgood Marshall, on file at the Library of Congress, show that Powell apparently considered disqualifying himself, telling the clerk of the court in a letter: "Following discussion of this case at Conference today, I concluded it was unnecessary for me to remain 'out'. Therefore please disregard my letter to you of January 22."

On Jan. 27, the court refused to hear Mead's appeal and ultimately the companies negotiated a secret settlement, reportedly requiring Mead to pay fees to West.

One week after that decision, Powell and White joined Opperman, another West executive and former committee members for the "advisory" session at the California resort. And as they departed, Justice William Brennan, who had also participated in discussions of Mead vs. West, prepared for his own trip at West expense.

William Brennan and his wife, Mary, flew to Hawaii for the next Devitt committee gathering. They were greeted on Feb. 7, 1987, by the Oppermans, Devitt and Fifth Circuit Judge Charles Clark at the Kahala Hilton in Honolulu.

Brennan's first encounter with the Devitt panel had come in early 1986, in the form of a letter of invitation from Devitt.

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The official business of the committee was taken care of in two three-hour meetings

during the trip that lasted Jan. 22-25, Arnold said.

Mr. BYRD. Mr. President, I also ask unanimous consent to have printed in the RECORD, "Regulations of the Judicial Conference of the United States under title III of the Ethics Reform Act of 1989 Concerning Gifts."

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

REGULATIONS OF THE JUDICIAL CONFERENCE OF THE UNITED STATES UNDER TITLE III OF THE ETHICS REFORM ACT OF 1989 CONCERNING GIFTS

Authority: Ethics Reform Act of 1989, Pub. L. No. 101-194, §§301 and 303, 103 Stat. 1716, 1745-1747 (1989), as amended by Pub. L. No. 101-280, amending 5 U.S.C. §7351 and adding new §7353 to 5 U.S.C. These regulations are promulgated by the Judicial Conference of the United States under the authorities of 5 U.S.C. §§7351(c), 7353(b)(1) and (d)(1)(C).

§1. Purpose and Scope.

(a) These regulations implement 5 U.S.C. §§7351 and 7353, which prohibit the giving, solicitation, or acceptance of certain gifts by officers and employees of the judicial branch and provide for the establishment of such reasonable exceptions to those prohibitions as the Judicial Conference of the United States finds appropriate.

(b) Nothing in these regulations alters any other standards or Codes of Conduct adopted by the Judicial Conference of the United States.

(c) Any violation of any provision of these regulations will make the officer or employee involved subject to appropriate disciplinary action.

§2. Definition of "Judicial Officer or Employee."

In these regulations, a "judicial officer or employee" means a United States circuit judge, district judge, judge of the Court of International Trade, judge of the Court of Federal Claims, judge and special trial judge of the Tax Court, judge of the Court of Veterans Appeals, bankruptcy judge, magistrate judge, commissioner of the Sentencing Commission, and any employee of the judicial branch other than an employee of the Supreme Court of the United States or the Federal Judicial Center.

§3. Definition of "Gift."

"Gift" means any gratuity, entertainment, forbearance, bequest, favor, the gratuitous element of a loan, or other similar item having monetary value but does not include: (a) modest items of food and refreshments, such as soft drinks, coffee and donuts, offered for present consumption other than as part of a meal; (b) greeting cards and items with little intrinsic value, such as plaques, certificates, and trophies, which are intended solely for presentation; (c) rewards and prizes given to competitors in contents or events, including random drawings, that are open to the public.

§4. Solicitation of Gifts by a Judicial Officer or Employee.

(a) A judicial officer or employee shall not solicit a gift from any person who is seeking official action from or doing business with the courts (or other employing entity), or from any other person whose interests may be substantially affected by the performance or nonperformance of the judicial officer or employee's official duties, including in the case of a judge any person who has come or is likely to come before the judge.

(b) A judicial officer or employee shall not solicit a contribution from another officer or employee for a gift to an official superior, make a donation as a gift to an official superior, or accept a gift from an officer or employee receiving less pay than himself or herself. This paragraph does not prohibit a judicial officer or employee from collecting voluntary contributions for a gift, or making a voluntary gift, to a official superior for a special occasion such as marriage, anniversary, birthday, retirement, illness, or under other circumstances or ordinary social hospitality.

§5. Acceptance of Gifts by a Judicial Officer or Employee, Exceptions.

A judicial officer or employee shall not accept a gift from anyone except for—

(a) a gift incident to a public testimonial, books, tapes, and other resource materials supplied by publishers on a complimentary basis for official use, or an invitation to the officer or employee and a family member to attend a bar-related function or an activity devoted to the improvement of the law, the legal system, or the administration of justice;

(b) a gift incident to the business, profession or other separate activity of a spouse or other family member of an officer or employee residing in the officer's or employee's household, including gifts for the use of both the spouse or other family member and the officer or employee (as spouse or family member), provided the gift could not reasonably be perceived as intended to influence the officer or employee in the performance of official duties or to have been offered or enhanced because of the judicial employee's official position;

(c) ordinary social hospitality;

(d) a gift from a relative or friend, for a special occasion, such as a wedding, anniversary or birthday, if the gift is fairly commensurate with the occasion and the relationship;

(e) a gift from a relative or close personal friend whose appearance or interest in a case would in any event require that the officer or employee take no official action with respect to the case;

(f) a loan from a lending institution in the regular course of business on the same terms generally available to persons who are not officers or employees;

(g) a scholarship or fellowship awarded on the same terms and based on the same criteria applied to other applicants; or

(h) in the case of a judicial officer or employee other than a judge or a member of a judge's personal staff, a gift (other than cash or investment interests) having an aggregate market value of $50 or less per occasion, provided that the aggregate market value of individual gifts received from any one person under the authority of this subsection shall not exceed $100 in a calendar year;

(i) any other gift only if:

(1) the donor has not sought and is not seeking to do business with the court or other entity served by the judicial officer or employee; or

(2) in the case of a judge, the donor is not a party or other person who has come or is likely to come before the judge or whose interests may be substantially affected by the performance or nonperformance of his or her official duties; or

(3) in the case of any other judicial officer or employee, the donor is not a party or other person who has had or is likely to have any interest in the performance of the officer's or employee's official duties.

§6. Additional Limitations.

Notwithstanding the provisions of section 5, no gift may be received by a judicial officer or employee in return for being influenced in the performance of an official act or in violation of any statute or regulation, nor may a judicial officer or employee accept gifts from the same or different sources on a basis so frequent that a reasonable person would be led to believe that the public office is being used for private gain.

§7. Disclosure Requirements.

Judicial officers and employees subject to the Ethics in Government Act of 1978 and the instructions of the Financial Disclosure Committee of the Judicial Conference of the United States must comply with the Act and the instructions in disclosing gifts.

§8. Advisory Opinions.

The Committee on Codes of Conduct of the Judicial Conference of the United States is authorized to render advisory opinions interpreting Title III of the Ethics Reform Act of 1989 (5 U.S.C. 7351 and 7353) and these regulations. Any person covered by the Act and these regulations may request an advisory opinion by writing to the Chairman of the Committee on Codes of Conduct, in care of the Administrative Office of the United States Courts, Washington, D.C. 20544.

§9. Disposition of Prohibited Gifts.

(a) A judicial officer or employee who has received a gift that cannot be accepted under these regulations should return any tangible item to the donor, except that a perishable item may be given to an appropriate charity, shared within the recipient's office, or destroyed.

(b) A judicial agency may authorize disposition or return of gifts at Government expense.

COMMENTARY

All officers and employees of the judicial branch hold appointive positions. Title III of the Act thus applies to all officers and employees of the judicial branch. However, the Judicial Conference has delegated its administrative and enforcement authority under the Act for officers and employees of the Supreme Court of the United States to the Chief Justice of the United States and for employees of the Federal Judicial Center to its Board. For this reason, the definition of "judicial officer or employee" does not include every judicial officer or employee whose conduct is governed by Title III. For purposes of Title III and these regulations, employees of the Tax Court and the Court of Veterans Appeals are employees of the judicial branch.

These regulations do not repeal the gift provisions of the Codes of Conduct heretoforce promulgated by the Judicial Conference. The scope of the gift provisions of the Codes exceeds that of these regulations and the statute, however, in that they impose certain responsibilities on an officer or employee with respect to the receipt of gifts by members of the officer's or employee's family residing in his or her household.

Section 5 of these regulations is based upon Canon 5C(4) of the Code of Conduct for United States Judges.

Reimbursement or direct payment of travel expenses, including the cost of transportation, lodging, and meals, may be a gift and, if so, its acceptance is governed by these regulations. A judge or employee may receive as a gift travel expense reimbursement for the judge or employee and one relative incident to the judge's attendance at a bar-related function or at an activity devoted to the improvement of the law, the legal system, or the administration of justice. A report of the payment of travel expenses as a gift or otherwise may be required on the Financial Disclosure Report.

A judge covered by the Judicial Councils Reform and Judicial Conduct and Disability Act of 1980 (28 U.S.C. §§332(d)(1), 372(c)) who violates these regulations shall be subject to discipline as provided in that Act. Any other judicial officer or employee who violates these regulations shall be subject to discipline in accordance with existing customary practices.

NOTES

1. The "Regulations of the Judicial Conference of the United States Under Title III of the Ethics Reform Act of 1989 Concerning Gifts" were adopted on May 18, 1990, by the Judicial Conference, through its Executive Committee.

2. On August 15, 1990, the Judicial Conference, through its Executive Committee, amended these regulations to implement the prohibition against gifts to superiors as required by the Ethics Reform Act of 1989, 5 U.S.C. §7351.

3. At its March 1991 session, the Judicial Conference amended these regulations to include procedures for requesting advisory opinions from the Committee on Codes of Conduct interpreting Title III and these regulations.

4. These regulations were amended by the Judicial Conference at its September 1991 session to cover the Tax Court and the Sentencing Commission, exclude compensation for teaching received by senior judges from the 15% cap on outside earned income, and make certain minor technical corrections.

5. The Judicial Conference amended these regulations at its March 1992 session to cover judges and employees of the Court of Veterans Appeals.

6. At its September 1994 session, the Judicial Conference renumbered these regulations and revised them to include a new definition of the term "gift;" a new section 4(a) prohibiting the solicitation of gifts; revised sections 4(b), 5(b), and 6 incorporating general limitations on the acceptance of gifts; a new section 5(h) permitting most employees to accept gifts of minimal value; and a new section 9 regarding the return or disposal of gifts that may not properly be accepted.

Mr. McCAIN addressed the Chair.

Mr. BYRD. Mr. President, I yield to the distinguished Senator.

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

Mr. McCAIN. Mr. President, have the yeas and nays been ordered? Did the Senator from West Virginia want the yeas and nays?

The PRESIDING OFFICER. They have not.

Mr. McCAIN. Does the Senator from West Virginia seek the yeas and nays?

Mr. BYRD. Yes.

Mr. McCAIN. Mr. President, I ask for the yeas and nays on the Byrd amendment.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. McCAIN. Mr. President, I ask unanimous consent to send to the desk an amendment by Senator STEVENS that has been accepted by both sides. I realize this amends the unanimous consent procedure that has been agreed to by both sides. The amendment states the Rules Committee would be allowed to accept gifts on behalf of the Senate.

The PRESIDING OFFICER. Is there objection?

Mr. BYRD. Mr. President, I have no objection, but shall we yield back the time on my amendment first?

Mr. McCAIN. Mr. President, I yield all time on this side on the Byrd amendment.

I will take up the Stevens amendment after the vote on the Byrd amendment.

Mr. BYRD. Mr. President, I yield my time and I thank the distinguished Senator from Arizona.

VOTE ON AMENDMENT NO. 1878

The PRESIDING OFFICER. All time is yielded back. The question is on the amendment.

The clerk will call the roll.

The bill clerk called the roll.

Mr. LOTT. I announce that the Senator from Oklahoma [Mr. INHOFE] and the Senator from Alaska [Mr. MURKOWSKI] are necessarily absent.

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

The result was announced—yeas 75, nays 23, as follows:

[Rollcall Vote No. 341 Leg.]

YEAS—75

Abraham	Feingold	McCain
Akaka	Ford	McConnell
Ashcroft	Frist	Mikulski
Baucus	Glenn	Moseley-Braun
Bennett	Grassley	Murray
Bond	Gregg	Nickles
Boxer	Harkin	Nunn
Bradley	Hatfield	Pell
Breaux	Helms	Pressler
Bryan	Hollings	Pryor
Bumpers	Hutchison	Reid
Burns	Inouye	Robb
Byrd	Jeffords	Rockefeller
Campbell	Johnston	Sarbanes
Coats	Kennedy	Shelby
Cohen	Kerrey	Simon
Conrad	Kerry	Simpson
Coverdell	Kohl	Smith
Daschle	Kyl	Snowe
DeWine	Lautenberg	Specter
Dodd	Leahy	Stevens
Dole	Levin	Thomas
Dorgan	Lieberman	Thurmond
Exon	Lott	Warner
Faircloth	Lugar	Wellstone

NAYS—23

Biden	Feinstein	Kempthorne
Bingaman	Gorton	Mack
Brown	Graham	Moynihan
Chafee	Gramm	Packwood
Cochran	Grams	Roth
Craig	Hatch	Santorum
D'Amato	Heflin	Thompson
Domenici	Kassebaum	

NOT VOTING—2

Inhofe	Murkowski

So the amendment (No. 1878) was agreed to.

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

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

The motion to lay on the table was agreed to.

Mr. McCAIN. Madam President, I ask unanimous consent that I be allowed to offer an amendment on behalf of Senator STEVENS on behalf of the Rules Committee. The amendment would clarify that the Rules Committee is authorized to accept gifts on behalf of the Senate. It is my understanding this amendment is acceptable to both sides.

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

AMENDMENT NO. 1879

(Purpose: To allow the Rules Committee to accept gifts on behalf of the Senate)

Mr. McCAIN. Madam President, I have an amendment at the desk. I ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report the amendment.

The assistant legislative clerk read as follows:

The Senator from Arizona [Mr. McCAIN], for Mr. STEVENS, proposes an amendment numbered 1879.

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

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

The amendment is as follows:

At the end of the substitute amendment, add the following:

SEC. 3. ACCEPTANCE OF GIFTS BY THE COMMITTEE ON RULES AND ADMINISTRATION.

The Senate Committee on Rules and Administration, on behalf of the Senate, may accept a gift if the gift does not involve any duty, burden, or condition, or is not made dependent upon some future performance by the United States. The Committee on Rules and Administration is authorized to promulgate regulations to carry out this section.

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

So the amendment (No. 1879) was agreed to.

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

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

The motion to lay on the table was agreed to.

Mr. FORD. Madam President, the next item on the agenda, I believe, is the so-called Rockefeller amendment?

The PRESIDING OFFICER. The Senator is correct.

Mr. FORD. I have been advised that Senator ROCKEFELLER will not offer that amendment. Therefore, I ask unanimous consent that the amendment and the time assigned to it be vitiated.

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

Mr. FORD. I thank the Chair.

AMENDMENT NO. 1880

The PRESIDING OFFICER. Under the previous order, the Senator from Minnesota [Mr. WELLSTONE] is recognized to offer an amendment on which there shall be 1 hour of debate equally divided.

Mr. WELLSTONE. I thank the Chair.

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Madam President and my colleagues, many of whom I know have travel plans, I think we have now come to a very good, solid agreement so I do not think we will need an hour for debate. I think we can do this in just a few minutes.

The amendment that I am sending to the desk makes a great deal of sense. What we are going to do in this amendment is we will have—this goes back to a debate we had just about an hour ago in this Chamber.

Anything under $10 is de minimis, and that does not count toward the aggregate. Then anything above $10 counts toward what will be an aggregate limit that Senators cannot go beyond, in terms of receiving meals or any kind of gift from any lobbyist or other special interest. Likewise, we can keep the $50; anything over $50 cannot be accepted.

So, Madam President, I think we are back on the reform track. The concern that some of us had about the prior amendment—and frankly, I say this to my good friend from Louisiana, I think this was more just a misunderstanding—we did not really see an aggregate limit and saw it as being very open-ended, in which case gifts could be given and gifts could be received in perpetuity, as long as they were under $50. This may have been an honest confusion. Now we have an amendment that brings us together. It sets some very reasonable standards. I know the Senator from Arizona wants to speak. I send this amendment to the desk.

The PRESIDING OFFICER. The clerk will report the amendment.

The assistant legislative clerk read as follows:

The Senator from Minnesota [Mr. WELLSTONE], for himself, Mr. FEINGOLD, Mr. LAUTENBERG, Mr. MCCAIN and Mr. LEVIN, proposes an amendment numbered 1880.

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

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

The amendment is as follows:

Strike paragraph 1(a) and insert in lieu there of the following:

"1. (a)(1) No Member, officer, or employee of the Senate shall knowingly accept a gift except as provided in this rule.

"(2) A Member, officer, or employee may accept a gift (other than cash or cash equivalent) which the Member, officer, or employee reasonably and in good faith believes to have a value of less than $50, and a cumulative value from one source during a calendar year of less than $100. No gift with a value below $10 shall count towards the $100 annual limit." No formal recordkeeping is required by this paragraph, but a Member, officer, or employee shall make a good faith effort to comply with this paragraph.

Mr. WELLSTONE. I reserve the remainder of my time.

Mr. McCAIN addressed the Chair.

The PRESIDING OFFICER. The Senator from Arizona.

Mr. McCAIN. Madam President, I want to thank the Senator from Minnesota for this amendment, and it is very important. It is a very, very important amendment because, basically, it aggregates. So, therefore, I think my friend from Minnesota will agree with me, the ultimate effect is we have gone from the original bill, which was a $20-$50 to $50 and $100 with aggregation. So there has been an increase, not one that the sponsors of this legislation supported, but far, far different—far, far different—from the amendment that was adopted which allowed someone to take 49.99 dollars' worth every day from the same person. Now that can happen twice.

I think it strengthens the bill dramatically, and I appreciate the fact that the Senator from Minnesota uses his amendment for this, because it makes a significant change in this bill as to how it would have looked with the passage of the Lott amendment. I want to thank the Senator from Minnesota for that. I am glad it is going to be accepted on both sides.

I yield the floor.

Mr. LEVIN addressed the Chair.

The PRESIDING OFFICER. Who yields time?

Mr. WELLSTONE. Madam President, I yield whatever time the Senator from Michigan needs.

Mr. LEVIN. Madam President, let me congratulate the Senator from Minnesota and all the others who have worked on this amendment. Those of us who opposed the Lott amendment saw two problems with that amendment. First, was the limit of $50 was too high. We preferred the executive limit branch of $20.

The second problem with the Lott amendment that we saw was that it allowed unlimited gifts under $50, because under $50 did not count toward the aggregate. That was the second big problem that we saw with the Lott amendment.

The Wellstone amendment cures the second problem, and I want to thank the Senator from Mississippi and others who have worked on this matter. We have tried to work through most of the problems, and we really succeeded. We did a lot of good work in the last few days. We solved almost all the problems—not quite all—and we created a few for ourselves as well. But nonetheless, I think this represents significant progress.

I want to, again, thank the Senator from Minnesota—the Senator from Arizona has worked so, so hard on this whole bill—for improving the Lott amendment in this way.

Mr. FEINGOLD addressed the Chair.

The PRESIDING OFFICER. Who yields time?

Mr. WELLSTONE. Madam President, I yield whatever time the Senator from Wisconsin needs.

Mr. FEINGOLD. Madam President, I am not new to the legislative process. I am new to the Senate. I have been a legislative officer for 13 years. I have gotten used to the ups and downs. I never thought I would experience a situation where we lost and then realize we actually won. I just went through that.

I was very disappointed in the last vote because of the reasons I stated. The original McConnell suggested amendment would have allowed up to $100 a day from the same source. So we came up with a figure potential of $36,500. Senator MCCONNELL did reverse his position on that and cosponsored the McCain amendment.

Mr. McCONNELL. Will the Senator yield?

Mr. FEINGOLD. Yes, I will yield.

Mr. McCONNELL. Madam President, I assume the Senator is familiar with the legislative process around here. We often begin for purposes of negotiation. I will say, continuing to meet on the first product is not inconsistent with the spirit of bipartisanship, with which we have come to conclusion.

We have a good bill everybody can feel proud to have participated in. I think we proceeded with the best sense of bipartisanship. As Senator BYRD indicated yesterday, it seems to me that we need a little bit more of that around here. I think it would be good for all of us.

Mr. FEINGOLD. My purpose in rising is to indicate how pleased I am in how the bipartisan process has worked its way. I merely want to be clear, because there were some representations made about our proposal about an hour ago that were just plain wrong. I want to make sure the RECORD is clear.

We have now reached agreement in this body on aggregation, that there should be an aggregated total of $100. I would have preferred $50. In fact, I would have preferred zero, as we have in Wisconsin.

The key change now achieved, the only real exception to that, is the amount under $10 is not counted. That is a huge difference between not counting everything under $50, at least back in my home State. It would be nearly impossible for someone to gain in this system, to have to run around and get a gift for under $10.

Let me say, I do not believe anybody in this body would ever do anything like that or has done anything like that. I just think the American people want to see a set of rules that they can look at and say on their face, guaranteed, this will not happen.

I am very pleased. I want to thank the Senator from Mississippi, and others, as well as, of course, Senator WELLSTONE for coming to this conclusion. I believe it does bring us at least 90 percent of the way toward the ultimate reform that ought to occur.

Mr. McCAIN. Will the Senator yield me 30 seconds?

Mr. FEINGOLD. I yield.

Mr. McCAIN. I want to point out the Senator from Kentucky has been an active participant in all the negotiations. We appreciate his efforts and comity and accommodations. He, and others mentioned by the Senator from Michigan, deserves great credit for showing a spirit of compromise. We know how strongly held his views are.

There is no doubt a week ago, I say to my friends, no one believed we would be where we are today. It took a great deal of compromise on the part of the original sponsors of the bill and also on the part of the Senator from Kentucky, as well as others and, of course, the great facilitator, the Senator from Mississippi.

I hope the record is clear that this was a bipartisan effort, although it is still fraught with a significant amount of controversy.

I thank the Senator from Wisconsin.

Mr. WELLSTONE. Madam President, my understanding is we have strong support. We are just going to voice vote this. I believe that the vote on the individual gifts was a mistaken vote, because we did not have the aggregate limit. I think that was a loophole we did not want to have.

We have come together now. That is what matters. I thank Senator McCAIN. It has been really fascinating working with the Senator from Arizona, and that is the way I describe it. It has been an experience I will write about in my journal. I appreciate working with him.

I thank Senator LEVIN, who perhaps has the most knowledge about these issues on reform and has been at this as long as anybody in the Senate.

I thank Senator LAUTENBERG for his fine work, and certainly my colleague from Wisconsin. I love having him as a colleague in the neighboring State of Wisconsin. Also, Senator BREAUX, Senator McCONNELL, Senator LOTT, the majority leader.

We have now come together. We are ready to vote on this. I am very proud of what I think is a reform bill that is going to make a real difference.

I yield the floor and hope we move to a vote.

The PRESIDING OFFICER. Is there further debate?

Mr. McCAIN. Did the Senator yield back the remainder of his time?

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

Mr. LOTT. Madam President, we yield back the remainder of our time on this side.

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

So the amendment (No. 1880) was agreed to.

The PRESIDING OFFICER. Under the previous order, the majority leader is recognized to offer an amendment, on which there will be 35 minutes for debate.

Mr. DOLE. I withdraw the amendment.

Mr. SANTORUM. Madam President, I think it is very important that everyone recognize the significance of what we in the Senate are doing by reforming the rules by which Members of the Senate may accept gifts. I strongly support a fair and workable gift reform bill and hope very much that the House of Representatives will see fit to swiftly pass similar legislation.

The Senate need not and will not wait for the House of Representatives to act. We, upon passing this bill, will pass a Senate resolution amending the rules of the Senate to reflect the new gift provisions. What I want to touch on very briefly is the significance of amending the Senate rules. The amending of our rules represents a significant act. While some have suggested that we must and can only enact legislation to achieve reform, and while I intend to support such legislation, the fact is that we in the Senate will have achieved real gift reform when we pass a resolution amending our rules. The rules of the Senate, and of the House of Representatives, are full legal authorities promulgated under the express grant of power of article I, section 5 of the U.S. Constitution. Because we are acting from a direct grant of constitutional authority, these rules are for all intents and purposes "laws."

I emphasize this point because while the great weight of constitutional authority has long endorsed the significance, the power, and the role as law of the rules of the Senate and the House, a few recent court decisions have seemed to go against this overwhelming weight of authority. But no aberrational decisions of the lower courts should change in any way the fact that by amending the rules of the Senate we are acting under our constitutional grant of authority and we are taking a significant step having the full force and effect of law.

Madam President, I am pleased that this legislation is before us today, and I support its passage.

Mr. HATFIELD. Madam President, recent polls have shown that public approval of Congress is dismally low. The American people have tired of what they perceive as business as usual in Washington. A politician has ceased to be a word to describe a political leader, but instead it embodies a perception of Members of Congress who pander to special interest and are steeped in corruption. It saddens me to think that the greatest deliberative body in the world and the very bedrock of our democracy is held in such ill repute. While I do not think gifts necessarily translate into influence peddling by special interests, we need to avoid all appearances of impropriety if we are serious about regaining the public trust.

Our business as legislators is invalid and inconsequential if we cannot command the respect of the people we serve. The Lobbying Disclosure Act of 1995 and the Senate gift rule reforms will not wholly restore the public's confidence in the institution in which we serve, but I believe they take significant steps in the right direction. The status quo is not sufficient, and I am encouraged by the bipartisan support for these measures. I have adopted a gift ban for myself, and I welcome the extension of a similar policy to the entire Senate.

The time has come for the reforms proposed in these two pieces of legislation. We must be guided by the premise that the public's trust and confidence are more important than anything else. This bill eliminates many appearances of impropriety and it enables us to make strides at restoring the people's faith in democracy.

Mr. DODD. Madam President, there is no question that we need gift and lobbying reform. I believe every Member of the Senate agrees on that point.

But let us not fool ourselves. The impact of any gift reform bill we adopt—both substantively and in terms of public perception—will be minimal. I say this because of my firm conviction that the need for gift reform is utterly dwarfed by the need to clean up our campaign finance system. If we ban gifts without adopting campaign finance reform, a senator would not be allowed to accept a $51 dinner from an individual, but during the dinner that individual could hand the Senator a check for $1,000. I hope that once we complete this debate, we will go on to campaign finance and adopt real reform for the American people.

I hope that in adopting gift reform legislation we don't become so hidebound by rules and regulations that it becomes difficult to do our jobs. In going about their every-day business, Senators should not constantly be asking ethics attorneys to decipher what is and what is not allowed. Careers should not rise or fall on the answers to a never-ending parade of nit-picking questions. That would be unfortunate and unfair.

Instead of engaging in a picayune debate over a suffocating code of conduct, I wish we could have a full-blown discussion about the concept of personal responsibility in the Senate and in society at-large. This is a principle that unfortunately has eroded over the years, in part due to the growth of rules and ethics codes governing every aspects of our lives. These rules are all well-intentioned, and many of them are needed. But they have had the unintended consequence of allowing us to pass the buck when we face moral dilemmas large and small. Instead of consulting our consciences, we call the ethics officer. Instead of taking responsibility for our actions and their results, we hide behind the opinions of attorneys and experts.

I believe that individual Senators know how to judge right from wrong in their dealings with lobbyists and others. I believe Senators should be accountable to their consciences and to their constituents—not to a code of rules and regulations.

My pledge has always been that I do nothing in my conduct as a Senator that I cannot explain to the people of Connecticut. I think that is a rigorous, fair and accountable standard to which we should all adhere.

Mr. PELL. Madam President, as I stated when the Senate acted on gift ban legislation last year, we have ventured into the treacherous shoals of self-regulation.

I am supporting the bill, as indeed I have always supported reforms that will benefit the Senate as an institution. But I support this bill with somewhat muted enthusiasm.

In passing this bill, we are responding once again to the public's perception of the political process and the public's presumption of what our standards and motives may be.

These perceptions and presumptions must be dealt with, to be sure, but I for one find them to be often inaccurate and frequently demeaning. And the proposed remedies usually are unduly intrusive.

We should be under no illusion, I believe, that public perceptions, amplified by media attention, can be neutralized or satisfied by legislative fiat.

In the final analysis, the only way to change or disprove public perceptions and presumptions is for each of us to demonstrate integrity in all our actions.

Guidelines and rules are helpful, to be sure. But it seems to me that the best guidelines are the simplest.

I am troubled by the fact that the legislation we have passed does not meet the test of simplicity. It includes 23 exceptions and exemptions, covering ten pages of the bill, each of which is subject to expanded interpretation and challenge.

I regret, also, that the bill imposes rigid dollar limits, which while more reasonable than originally proposed, still seem unduly restrictive. I was pleased to support the Lott amendment raising the ceiling on aggregated giving, but the subsequently adopted threshold for aggregating seems unreasonably low.

The legislation of course does have redeeming features. One of the most significant, to my mind, is the prohibition on acceptance of elaborate and luxurious recreational trips at lobbyists' expense.

And the basic intent of the legislation certainly is praiseworthy, namely to remove extraneous and improper influence, when it does occur, from the legislative process.

Finally, I would applaud the fine sense of compromise that prevailed in winning approval of the legislation without time consuming and acrimonious debate. For that, the Senate and the Nation are better off.

VOTE ON AMENDMENT NO. 1872, AS MODIFIED

The PRESIDING OFFICER. The question is on the substitute amendment offered by Senator McCAIN, No. 1872.

Mr. LEVIN. Madam President, before that, I am just going to spend 30 seconds to clarify a point on the request of Senator JOHNSTON, if I have time. He has asked a question about hospitality at an embassy, at a chancellery. I wanted to assure him and the body, at his request, that the personal hospitality exception is intended to cover such hospitality at embassies and chancelleries.

Madam President, I want to pay particular tribute to Linda Gustitus and Peter Levine of my staff.

Night after night, week after week, month after month, they successfully pulled ideas into workable solutions in both lobby reform and gift reform. What a week of political reform these two great staffers helped produce. How much this Senate and this Nation and I personally owe them.

I yield the floor.

The PRESIDING OFFICER. The question is on agreeing to the McCain amendment No. 1872.

The amendment (No. 1872), as modified, as amended, was agreed to.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading and was read the third time.

SENATE GIFT REFORM

The PRESIDING OFFICER. The clerk will report the resolution.

The bill clerk read as follows:

A resolution (S. Res. 158) to provide for Senate gift reform.

The Senate proceeded to consider the resolution.

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

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

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

Mr. DOLE addressed the Chair.

The PRESIDING OFFICER. The majority leader is recognized.

Mr. DOLE. I congratulate all of my colleagues involved in these negotiations. I think we have a good bill, one that we can be proud of, that has been brought about by bipartisan consensus and negotiation. I think this is one issue we want to get behind us. We have done that with what I think will be a unanimous vote. We promised to complete this action by today, and we have done that. We have also taken care of lobbying reform. I thank the Senator from Michigan, the Senator from Arizona, the Senator from Wisconsin, the Senator from Kentucky, Senator BREAUX, Senator WELLSTONE, Senator JOHNSTON, Senator FEINGOLD, and many others who have been involved directly. It is always more difficult when it affects us. In my view, we have a good result and one that ought to be supported by everyone.

The PRESIDING OFFICER. The question is on agreeing to Senate resolution 158.

The yeas and nays have been ordered.

The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. LOTT. I announce that the Senator from Oklahoma [Mr. INHOFE] and the Senator from Alaska [Mr. MURKOWSKI] are necessarily absent.

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

The result was announced—yeas 98, nays 0, as follows:

[Rollcall Vote No. 342 Leg.]

YEAS—98

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

NOT VOTING—2

Inhofe	Murkowski

So the resolution (S. Res. 158) was agreed to.

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

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

The motion to lay on the table was agreed to.

MEASURE INDEFINITELY POSTPONED—S. 1061

The PRESIDING OFFICER. The Chair announces that S. 1061 is indefinitely postponed.

The Chair recognizes the majority leader.

Mr. DOLE. Madam President, the American people sent us a message last November. A lot of us might prefer to think that message was directed to the executive branch alone. But part of that message was directed to Congress. The American people want a Congress accountable to them, and them alone. The American people want us to rein in our appetites and to take the steps necessary to correct the perception that Congress suffers from an arrogance that shields it from the dramatic changes sweeping this country.

I am pleased that we have responded, and I am pleased that we have done so in a bipartisan manner. The very first legislation passed in this Congress was a requirement that Congress would henceforth live under the same laws that apply to everyone else. We have begun the hard task of living under a balanced budget just like most Americans do every day. Several days ago, we passed the next installment on reform legislation, legislation which reformed the way lobbyists do business in our Nation's Capital.

And, today, we have passed the next congressional reform package, one which directly confronts the concerns many Americans might have about how we conduct our business. Now, I think in most cases the problem of gifts to Members is one of perception. But I think respect for the institution of the Senate demands that we take the extra steps necessary to ensure that perceptions do not become reality. We have done that today.

I have in the past made clear that if it was necessary I would be prepared to eliminate all gifts—I do not go out to dinner with lobbyists. But I do not think anyone around here has cornered the market on integrity and the bipartisan package before us is a good balance of the need for reform and the need for common sense.

We certainly do not intend to place Members in the awkward position of refusing a gift of nominal value when addressing, say, the local Kiwanis Club, and situations like these are addressed in a reasonable way by this bipartisan package. If these reforms turn out to be insufficient, then we will tighten them up further.

I want to pay tribute to those on both sides of the aisle who worked so hard to resolve very real differences—Senators MCCAIN and LEVIN, in particular, who worked so hard to resolve these differences.

I would like to thank Senator LOTT for heading up a bipartisan task force that produced this gift reform package. He and his assistant, Alison Carroll, did a superb job. And, finally, I would like to thank Senator MCCONNELL, who was ably assisted by Melissa Patack, for his leadership on yet another tough issue.

PRESIDING OFFICER NOT BOUND BY PRECEDENCE ON APPROPRIATIONS BILLS

Mr. DOLE. Madam President, I ask unanimous consent that in the future the Presiding Officer not be bound by the precedence established on March 16, 1985, regarding legislation on an appropriations bill.

Mr. FORD. Madam President, I object.

The PRESIDING OFFICER. Objection is heard.

MORNING BUSINESS

Mr. DOLE. Madam President, I ask unanimous consent that there now be a period for the transaction of morning business not to extend beyond the hour of 1 p.m. with Senators permitted to speak therein for up to 5 minutes each.

The PRESIDING OFFICER (Mr. KYL). Without objection, it is so ordered.

FOREIGN RELATIONS REVITALIZATION ACT

Mr. DOLE. Mr. President, I ask unanimous consent that the Senate now turn to S. 908, the State Department revitalization bill.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

A bill to authorize appropriations for the Department of State for fiscal years 1996 through 1999 and to abolish the United States Information Agency, the United States Arms Control and Disarmament Agency, and the Agency for International Development, 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

CLOTURE MOTION

Mr. DOLE. Mr. President, I send a cloture motion to the desk.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

CLOTURE MOTION

We, the undersigned Senators, in accordance with the provisions of Rule XXII of the Standing Rules of the Senate, hereby move to bring to a close debate on S. 908, the State Department reorganization bill:

Senators Dan Coats, Spencer Abraham, Nancy Kassebaum, Rick Santorum, Jesse Helms, Judd Gregg, Rod Grams, Olympia Snowe, Bob Dole, Thad Cochran, Paul Coverdell, Larry Craig, Phil Gramm, Kay Bailey Hutchison, Dan Nickles, and Trent Lott.

Mr. DOLE. Mr. President, I ask unanimous consent that at 2 p.m. on Monday, July 31, the Senate resume consideration of S. 908, the State Department revitalization bill.

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

VITIATION OF CLOTURE MOTION—S. 908

Mr. DOLE. Mr. President, I now ask unanimous consent that the previous cloture motion to proceed to S. 908 be vitiated.

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

THE SENATE PROGRAM

Mr. DOLE. Mr. President, I might say to all Senators that the Senate will resume consideration of the State Department revitalization bill at 2 p.m. on Monday.

Any rollcall votes will not occur prior to 6 p.m on Monday.

I might also say that somebody who wants to debate only the State Department bill can do so this afternoon if they cannot be here Monday. It might be a good opportunity for opening statements which they want to make, or some statement about some amendment and a discussion about one of their amendments.

I have also visited with both the minority Democratic whip and the Democratic leader. And I think we should put all Senators on notice that there probably will be a Saturday session a week from tomorrow.

We have a lot to do. We would like get out of here as quickly as we can in August. We are not going to make the August 4 recess, but beginning maybe sometime later in August.

That is what we will know for certain on Monday. But I want to put Senators on notice that there could be a Saturday session on August 5. So all Senators should be on notice.

It is my hope that we will be on with the welfare reform maybe late Friday night and, if we should get bogged down on the State Department revitalization bill and unable to get cloture on the bill itself, if it seems likely we will not get cloture on the second, then I think we would move to the DOD authorization bill where I understand that could be finished in perhaps 2½ days.

Upon completion of that, it would be my intention to try to work out—in fact, before we complete—if we can work out some dual-track procedure, which we have done in the past, where we consider appropriations bills after a certain time each day because the appropriators are very anxious that we complete at least six appropriations bills before we start the recess. We have completed two. I understand one conference has been completed on the legislative appropriations. We will take up the conference report next week.

Energy and water is available now. But there are some problems we are trying to work out. There may be as

many as three others before Tuesday or Wednesday of next week.

So I just say to my colleagues that on Monday there will be no votes until 6 p.m., but I assume there will be votes at 6 p.m., and then we are in for probably long nights and maybe a Saturday session next week. And we will be in all of the following week.

Mr. FORD addressed the Chair.

The PRESIDING OFFICER. The Senator from Kentucky is recognized.

Mr. FORD. Mr. President, let me thank the distinguished majority leader for giving us the advance notice so that we can make arrangements for Saturday, August 5, and expect to be here to debate and vote on Saturday. Then we would be back at 9 o'clock probably on Monday, and continue our effort, whether it is welfare reform or whatever the distinguished majority leader wishes to bring up.

I thank him for giving us this advanced warning. I think all have expected that Saturday, August 5, would be used. And I think it is a wise use of time by letting us out tomorrow and then coming back.

So I thank him for that.

Mr. President, we are now in the period of morning business in which each Senator has 5 minutes. Is that is correct?

The PRESIDING OFFICER. That is correct.

LOBBYING REFORM AND GIFT BAN

Mr. FORD. Mr. President, as we finish up on the important piece of legislation, the lobbying reform and the gift ban, I want to take a minute to thank the many people who worked to produce a significant step toward restoring confidence in this institution.

And it clearly would not have been possible without the leadership of the distinguished Democratic leader, Senator DASCHLE.

I want to thank him for placing his confidence in me to chair the working group—a task which I shared equally with my cochair Senator LEVIN, and whom I want to extend a special thanks, along with his most capable staff. Our job was made infinitely more easy by the considerable amount of hard work, time, and effort the working group and their staffs dedicated to making this process work. That group include Senators WELLSTONE, FEINGOLD, LAUTENBERG, ROCKEFELLER, BREAUX, DODD, and REID. And I offer my thanks and congratulations for a job well done to them and their staffs.

I also want to commend my colleague, the Majority Whip TRENT LOTT, whose leadership and hard-working staff helped bring cooperation and closure to this issue. Because of the hard work of all of these people, I think we now have a piece of legislation that all who participated in can be proud of and will have a stake in.

Before I close, I do want to say that this reform is a step in—not an end to—the process of reforming Congress and of making this an institution that inspires confidence and pride from all Americans.

Tickets to a concern, a ball game, or an occasional lunch or dinner raise the eyebrows of our constituents, and lower our esteem in their eyes. And that is inexcusable. But, the true role and influence of special interests on Congress is not determined by these gifts. Rather, the true role and influence of special interests on Congress lies with the financial contributions that Members of Congress receive for their campaigns.

If we use our successes on lobbying reform and the gift ban as a substitute for campaign reform, then we will have failed.

The practice of raising unlimited amounts of money through fundraisers hosted by corporations and lobbyists, distinguishes us from the executive branch. That branch of Government could never justify such an act, and neither should we.

Yet, the majority of Members of this body participate in the never-ending ritual of chasing after special interest money. And despite our success on lobbying reform, despite our success on gift ban, this money chase is the true impediment to the independence of our elected officials. The effort to restrict the gifts a Member may or may not receive is vital but incomplete. With or without gift reform, Congress will continue to be diminished in the eyes of the public until we pass comprehensive campaign reform.

So, Mr. President, I urge my colleagues not to let our efforts on gift and lobbying reform be a hollow gesture but, rather, the predecessor to comprehensive reform and to fully securing the respect and trust of the American people.

I yield the floor.

Mr. CHAFEE addressed the Chair.

The PRESIDING OFFICER. The Senator from Rhode Island.

Mr. CHAFEE. Mr. President, I ask that I might proceed for 2 minutes as in morning business.

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

BABY PEREGRINE FALCON AT THE IMMACULATE CONCEPTION

Mr. CHAFEE. Mr. President, a week ago last Tuesday, July 18, the Washington Post had a very exciting article about the return of the peregrine falcons to the Washington area and the birth of a male peregrine falcon baby chick at 75 feet high on a window ledge of the National Shrine of the Immaculate Conception in Northeast Washington.

This is exciting news for those of us interested in the Endangered Species Act and the return of some of these species that have been so endangered in our society.

As a matter of fact, one of the things that led to the near demise of the peregrine falcon was the use of DDT and other pesticides which have now been banned. Because of the prevalence of those pesticides, particularly DDT, there were only 100 known pairs of peregrine falcons left east of the Mississippi, but they are making their comeback. I wish to pay tribute not only to the Endangered Species Act, not only to our action in banning DDT, but the work of other areas such as the World Center for Birds of Prey which is located in Boise, ID, where raptors such as the peregrine falcon are brought together and the breeding takes place, and then they are put out in various parts of our country to live in the natural environment.

So this is exciting news. There are plenty of people who trash the Endangered Species Act, but I think it is important to bring to the attention of the public where that act has been successful as in this instance of the return of the peregrine falcon.

I thank the Chair. I thank my friend from Missouri for permitting me to go ahead.

Mr. President, I ask unanimous consent that an article from the Washington Post entitled "And Baby Falcon Makes Three" 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, July 18, 1995]

AND BABY FALCON MAKES THREE—FINDING D.C. TO THEIR LIKING, PEREGRINE PAIR PRODUCE A RARE ADDITION

(By D'Vera Cohn)

Washington may have no skyscrapers, but now it's got something else that is a symbol of a big city: A rare peregrine falcon hatched here this year, the first in memory.

It's a boy!

Few creatures inspire the awe that peregrines do. They are the world's fastest birds, zooming for prey at speeds up to 200 miles an hour. Kings used the hooded falcons for hunting. And they are still so scarce, after pesticides nearly wiped them out, that only 100 known pairs live east of the Mississippi River.

Peregrines are making a comeback in some cities, but they'd never been known to produce young in the District. They love heights—in the wild they nest on cliffs. Could it be that Washington's stubby skyline didn't present the right circumstances for romance?

Now, it seems, height isn't everything.

A pair of peregrines took up residence this spring on the ledge of a small round window about 75 feet up the National Shrine of the Immaculate Conception, at Fourth Street and Michigan Avenue NE. In April, church workers spotted a white downy chick.

"The baby in the nest would come to the edge and squawk," said Jan Bloom, secretary to the rector. One of the parents "would get breakfast and come back. . . . We'd see them on the roof pecking at what they'd caught."

Peregrines, the size of large crows, are killing machines. They knock down smaller birds with their strong claws, then finish them off with a bite to the nape.

The people at the shrine didn't give away their secret. But Washington's birding world had an inkling something was going on, somewhere.

For the last two winters, a pair of peregrines had been seen killing pigeons at a church on Thomas Circle in Northwest Washington. This year, one began giving food to the other, the avian equivalent of a bachelor offering a diamond engagement ring. Then, as spring arrived, they vanished.

Every rumor about where they'd gone triggered a search. A brood seen atop a downtown building turned out to be kestrels. Birders checked Washington National Cathedral, assuming they must be in a tall place nearby. Nothing.

Then, one day in June, Deborah Ozga spotted three birds flying around the National Shrine. She heard the pulsing scream of a bird of prey. Thinking the three were hawks, she returned with binoculars and a bird book.

Ozga, who heads the chemistry and physics libraries at Catholic University next to the church, was stunned when she realized what had flown into the neighborhood.

"I knew that to see them was something pretty special," she said. "This book I was reading said they can see a mouse from a mile and a half away."

She reached Erika Wilson, who tapes the weekly "Voice of the Naturalist" phone report that local birders rely on for good sightings.

"As soon as she convinced me she had peregrines, I jumped in my car and went out there," Wilson said. "I think this is so neat!"

One reason for her joy is that Washington seemed the exception among big cities in not having baby peregrine.

Thanks to a captive breeding program that began two decades ago, the species is recovering so well that federal officials began the process this month of removing the peregrine falcon from the endangered list.

There's been a breeding pair in Baltimore since the late 1970s, nesting on a skyscraper. New York City has more than a half-dozen pairs. Even some smaller cities such as Roanoke have them.

The Chesapeake region—from the Blue Ridge to the bay—has more than two dozen peregrine pairs, according to Craig Koppie, a biologist with the U.S. Fish and Wildlife Service in Annapolis.

When he went out to see the birds at the National Shrine last week, Koppie spotted the young falcon catching insects. Then he watched it dive across Michigan Avenue—swooping through morning rush-hour traffic—going after a smaller bird. (Best viewing is in the morning, especially in hot weather.)

All the evidence isn't in, but Koppie believes that the parents are the Thomas Circle peregrines. Despite their name, which means "wanderer," peregrines that live in this region often stay in a territory encompassing a few miles.

Saturday, Koppie used a pigeon lure to trap the young falcon in a net. He banded it for identification, so scientists can monitor how it's doing. He checked it for parasites and pronounced it in good health.

Then, as mother falcon watched, he released the young bird into the air.

The PRESIDING OFFICER. The Senator from Missouri.

Mr. ASHCROFT. Mr. President, I ask unanimous consent that I be able to speak in morning business for up to 15 minutes.

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

Mr. ASHCROFT. I thank the Chair.

WELFARE REFORM

Mr. ASHCROFT. The question that this body will soon address in a formal sense is a question that has been titled welfare reform.

In our debate, we will hear a lot about numbers. We will hear about how much the system costs, about the share of the Nation's output that it occupies. But this debate, properly understood, is not a debate about numbers. It is a debate about lives, the lives of people who are trapped in the web of the Washington-knows-best, one-size-fits-all welfare system, the lives of the people who are welfare's casualties.

Today, we have a welfare system that was designed with the best of intentions but has given to the poor the worst of all possible worlds, a world of despair where no future is seen, a world of no opportunity where advancement is virtually inconceivable, a world of no family, no support, no nurturing or care from loved ones, a world in which people are raised by welfare and fed through food stamps but they are starved of nurture and they are deprived of hope. The results of this kind of system are very frequently tragic.

It is my intention in the days and weeks to come to highlight this human side of the welfare system. I wish to share some situations that tell us the real tragedy of welfare. Some of the cases are of children who have been killed or neglected. Some are testimonies of people who are trapped in the system. But all of the stories are real, all have been documented in the mainstream press, and they are all stories which we should remember as we debate the statistics and the numerics of welfare, for we must remember the human costs of welfare.

For 30 years and more, we have been told that all we need to do is spend more money. We have been told that we would be able to solve the problems we faced if we simply had enough resources. We have been told that Government, particularly Washington, has all the answers. We have been told that Washington knew best how to help.

The facts are in. The evidence is conclusive, and it points to the fallacy of the argument, for today there are more people in poverty than ever before. There are more children being abused and killed. There is less hope and opportunity for those who are trapped.

I wish to share with you some case stories that illustrate this and that should motivate us to change the way we address the problem of those who need hope and need opportunity and who need our assistance.

I wish to share with you a rather shocking story today, an atrocious story of Ariel Hill. Hers is the body that lies in this casket that is being lowered into the ground in this picture on my left. It is a tragic picture.

According to the reports in the Chicago Tribune, Ariel came into the world on Christmas Eve of 1992, 1-month premature. She was the second of twin children. Her parents were 22-year-olds who had dropped out of high school and did not have jobs. Her mother had her first child as a teenager. Her father grew up on welfare. Ariel had three other siblings in diapers at the time she was born. There were three other diapered children in the family. They lived in a squalid, roach-infested, one-bedroom apartment in public housing, isolated from friends and relatives.

When police entered the home, dirty clothes and scraps of food were strewn about, giving the apartment the stench of decaying garbage. Both of the parents used drugs. The main source of income was the $900 per month in public aid checks and the food stamps they used to purchase their meals.

When the investigators went into the apartment, they found the welfare dollars for each child listed on a scrap of paper. It is a tragedy when the human resource of this Nation, the future of America, is valued in terms of its capacity to claim welfare benefits. This was a family trapped in a system without hope, without future, without a way out.

Ariel died on May 12, 1993, less than 6 months after she was born. Her body, weighing less than 7 pounds, had been malnourished and scalded under hot tap water. Ariel's parents were punishing her by refusing to feed her, starving her 5-month-old body. This program of punishment finally peaked on May 11; 30 hours later she was dead.

According to court testimony, Ariel's mother was awakened by the daughter's crying that afternoon. Ariel needed to be changed. Her mother was so angry at being interrupted in the afternoon that she put the infant in the sink and began to burn her with hot water.

Police sources later told the Tribune that Ariel's mother was so upset because she was having difficulty keeping up with her responsibilities as a mother. She had not had much sleep in the last few days, the officer said, with five kids and all. As Ariel was in the sink under the hot water, her twin brother, Adrian, began to cry in the other room, and Ariel's mother left to look after Adrian, leaving the infant in the hot water for approximately 5 minutes. The mother believed that Adrian was healthier because he was a better baby.

By the time she returned, Ariel's skin had been badly burned and was beginning—well, her mother put hot butter on the wounds but did not seek medical attention because she did not want to deal with the division of family services. It was not until the next

evening that Ariel's mother and father noticed that Ariel was no longer breathing, and they called 911.

When Ariel was rushed to the Children's Memorial Hospital, she was pronounced dead on arrival. According to experts, her injuries were likely aggravated by her malnutrition, perhaps to the point where she was unable to cry. Ariel also was found to have bruises around her eyes and on her forehead. One of the examiners said there was nothing to her, absolutely nothing to her at all.

According to the Tribune, at her funeral, Ariel's body was covered in a light pink dress and bonnet. Her casket was small enough to fit in the little red wagon that she was too young to play with.

Mr. President, in the days and the weeks ahead, there will be those in the Senate who will take to the floor and argue that what we need is to reform the current system.

I submit to you that unless we want tragedies like this, we need to replace the current system, not reform it. We rearranged the deck chairs on this welfare *Titanic* in 1988, and the skyrocketing record of welfare participation and tragedies, such as this one, indicate to us that reformation is not enough. This is no time for half measures. This is a time to focus on those in need and to realize that Washington never has had the answers and probably never will.

What we need to do is to move people from hopeless governmental dependence to hopeful economic independence, from the grasp of a perverse system of Government programs to the embrace of the loving and caring communities and the limitless opportunities of America.

Our welfare system has been weighed in the balances and found wanting. The prisoners in the war on poverty have been the poor themselves. We must revamp this system so thoroughly that reform cannot characterize the way we treat it. It has to be replaced. It has to be replaced with a system that will allow for the States to have full freedom to implement remedies that will reduce this problem, that will slow illegitimacy instead of grow illegitimacy. It has to be reformed in a way that will stop the incentive for additional births, illegitimate births, and the continuing payment of more and more for those who will bring individuals into the culture with less and less responsibility.

Our effort to save ourselves from the human tragedy that the casket of Ariel in this picture represents has to be a good-faith effort that confesses that it is time to let the States and communities tailor programs to meet the real needs of America. As I indicated earlier, over the next week or so, I will be talking about the welfare system and the fact—undeniable fact—that it is so badly broken that it is tragically destroying the lives of citizens of this land.

Welfare should be a hand up, it should be a way of moving from one standing to another. It should not be a way of ensuring that an individual trapped in a system stays there not just for his or her life, but condemns future generations to a similar existence of tragedy and pain.

If America has a virtue, it is a virtue of opportunity, it is a virtue of hope. We must make sure that the welfare revisions, the replacement of this welfare system in which we will engage in the days ahead, always includes the components of opportunity and hope, those which have been so desperately missing, those which are all too frequently buried as the mistakes of welfare are dealt with under the current system.

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

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

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

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

WELFARE REFORM

Mr. DORGAN. Mr. President, after listening to my colleague on the subject of welfare reform, I hope that in the coming days we can have an interesting, thoughtful debate about welfare reform on the floor of the Senate. Much of what he described as a remedy I would support. It is, I suppose, useful to describe the failure of the welfare system through the image of a casket, a symbol of a system that does not work.

There are many pictures that one can use to describe the current welfare system. The only disagreement I have with the previous speaker is the notion that somehow the difficulty with this system is that it is administered by the Federal Government. As most of us in this Chamber know, the current welfare system is largely administered by the States and locally. There is plenty wrong with it. That's why we have on our side of the aisle in the Senate constructed a welfare reform plan that I think makes a lot of sense. It is called Work First.

I say to all those who come to the floor to talk about welfare reform and the need for a crusade against teenage pregnancy and a whole series of other reforms that we must embrace in the Congress, that we should also understand our responsibilities when the appropriations bills come to the floor of the Senate.

Yesterday, I saw the results of a bill which would cut nearly one-third of the funding from the Bureau of Indian Affairs. The Bureau of Indian Affairs is an agency of the Federal Government that can learn a few things about good administration and effective use of taxpayers' dollars. But as a result of where I think spending cuts have been proposed in some of the appropriations bills, especially with respect to native Americans, we will see some of the most vulnerable people in this country suffer some of the largest budget cuts.

I can bring a picture to the floor today of a young woman from Fort Yates, ND, who at age 3 was placed in a foster home by a caseworker who was handling 150 separate cases. She went to a home which had never been previously inspected by the caseworker and, as a result of going to a home where alcoholism and parties were the norm, this young girl during a drunken party was beaten so severely that hair was pulled out of her head by the roots. Her arm was broken. Her nose was broken. This is a 3-year-old young girl consigned to a foster home by a caseworker who was handling 150 cases and could not bother or did not have the time or the money or the resources to check the homes she was sticking young children in.

I say to somebody who wants to talk about reform in this system, to somebody who believes that one caseworker ought to be able to handle 150 cases, you are consigning the children in those cases to the kind of harm that occurred to this 3-year-old, physical harm from which she will probably never fully recover.

Look into the eyes of Tamara someday and see what was visited upon this young lady, because there was not enough money to hire the two, three, or four caseworkers to check the houses in which they were going to put these kids.

When we talk about welfare reform, we talk about our obligations to people and then say we do not have enough money for social workers to take care of kids, that is not much reform, in my judgment. We say we cannot afford to enroll kids in Head Start, and that we cannot find enough money for WIC. Part of reforming this system is also to understand our obligation to kids and our obligation to some of the most vulnerable people in this country.

I can show you an office in this country where there are stacks of paper on the floor this high of reported abuses against children, of sexual and physical abuse, that have never been investigated—not even investigated. There are reports that a 3-year-old or a 5-year-old or a 7-year-old has been sexually abused that have not even been investigated. Why? Because they do not have people to go out and investigate. And so, today, a 5-year-old is probably at a home where a previous report has

been made of sexual violations against this child or of physical abuse against this child. This child is at risk today and every day because somehow there is not enough money to pay a social worker to go out and investigate the reports.

Any country as good as this country, that can afford to find the resources to have caseworkers and investigators to help protect children who are living in the grip of poverty in this country and who are living in the saddle of fear, and in some of the circumstances that I have seen and I think others have seen, has something wrong if its priorities do not include full protection for these children. In any discussion about reform of our welfare system and in any discussion about our obligations as they relate especially to appropriations bills that come to the floor, I hope will include a full discussion among those of us who have different thoughts about our obligations. I hope to be an active participant, because I have some very strong feelings about what is wrong in this country. We will find many areas of agreement. But to talk about reform and then deny the basic resources necessary to hire caseworkers to protect the lives of children who are gripped by fear and poverty and live day-to-day fearing for their safety is not a priority that I share. I believe the priority must be for us to decide that it matters, we care, and we will do something about it.

Mr. President, we will soon begin discussing specific proposals on how to reform the Medicare system. I do not know exactly when we will discuss them. I heard the majority leader discussing the schedule a few moments ago. I intend to say to him in a meeting with my colleagues soon that I am not very impressed with the schedule. He has an enormously difficult job, and I understand that. But if you are trying to raise a family and work in the U.S. Senate and find that at 8, 9 o'clock every night, you do not know whether there are going to be more votes, in my judgment, there is a better way to do things. I hope we can find a schedule that allows us to do our work in the Senate and still participate in family life, as well. That is a subject for another time and one that a number of us hope to talk to the leadership about on both sides of the political aisle.

When we talk about the issue of Medicare in the coming days —I was noticing today, on the 30th anniversary of the Medicare bill, that the newspaper, USA Today, has an ad by the Republican Party in it. It says, "Too Young to Die." There is a tombstone on the ad. "Medicare 1965–2002." It has a Medicare pledge called The Republican Pledge to Save Medicare. It says, "If Clinton lets Medicare go bankrupt, you can keep your existing coverage, but only for 7 years. If Clinton lets Medicare go bankrupt, you can keep your own doctor for only 7 years." It goes on at great length. This from a party, 97 percent of whom did not support Medicare in the first place. They always opposed Medicare. They fought to the death here to try and prevent a Medicare Program from becoming a part of our law in this country. Now, on the 30th anniversary, most of them want to love it to death.

Thirty years later, has Medicare worked? You ask some 75-year-old person who has new knees, or a new hip, or who has had cataract surgery and is not consigned to blindness or a wheelchair, or who has had open heart surgery. Ask them whether Medicare has worked and if they are free from the fear of whether they will have health care when they grow old.

Ninety-seven percent of our senior citizens are covered with health care coverage. I am proud of that. Before Medicare, less than half of the senior citizens had access to health insurance. Now, almost all of them do. Is that an accident? No; it is not. It is because people in this Chamber in years past had the vision to say we ought to put together a system that frees senior citizens from the fear of when they reach the advancing age of lower income and more health problems, frees them from the fear that they may not be able to get medical help because they do not have the money. We put together a Medicare Program. I was not here then. But I salute those who led the fight for it in the face of opponents that called it socialism, total socialism.

Well, it is not socialism that the Republicans say they now support Medicare. It is a Medicare Program of which I am enormously proud.

This country spends too little time celebrating its successes. We have had a lot of successes. We spend most of our time talking about failures and what is wrong. The Medicare Program is a success. I am proud to be a part of the political party that fought for it in the face of enormous opposition to create it, and I am proud to be a part of the party that this week celebrates its 30th birthday. Does it have some problems? Yes. There are 200,000 new Americans who become eligible for Medicare every single month. That is the graying of America. There are more elderly in America every month. Health care costs are increasing for everything, including for Medicare.

So, there are some financial problems. But the majority party in Congress has, coincidentally, said in their budget plan for this country this year that they want to have a substantial cut in Medicare funding that is almost equal to the cut they proposed in taxes. Now, they propose that we have what is called a middle-income tax cut of roughly $270 or $250 billion. They propose almost an identical cut for the Medicare Program. The so-called middle-income tax cut is an interesting one. The only details we have of the tax cut comes from the House of Representatives. It goes like this—and it would not surprise anybody, I suppose—families under $30,000 a year get $120 a year in tax cuts; families over $200,000 a year get a tax cut of $11,200 each year. It looks to me like that is kind of a "cake and crumbs" tax cut—cake to the rich, crumbs to the rest. That is not surprising. We have seen that year after year from the majority party.

But it seems to me that if you have a program that works, that is successful, for whom we now celebrate 30 years of success, like the Medicare Program, to suggest substantial cuts in Medicare funding that, coincidentally, equal the proposals to cut taxes, mostly for the wealthy, we do not do this country any major favor.

It seems to me that what we ought to do is evaluate our successes and find ways to strengthen them, not weaken them. There are those who say Medicare turns 30, but it may not live to see 37, and the Republicans are the ones who will save Medicare. I say: Look at the record. Who created Medicare? Who has supported Medicare? Who will nurture Medicare well into the future as a safe, solid, and financially solvent program?

I have a piece of copy from something called Luntz Research Companies by the Republican pollster, Frank Luntz. It says, "Everything You Wanted To Know About Communicating." It was not sent to us. It was sent to the Republicans. It is about a 10-page missive on how they should communicate to our country about Medicare. It says, "Seniors are very pack oriented, and are very susceptible to following one very dominant person's lead." And then for page after page it says, "You must appear to be bipartisan." It does not say you should be. It says, "You must appear to be bipartisan." Page after page is instructing Republicans how to deal with this Medicare problem. What problem?

The problem is they are proposing a very substantial cut in Medicare that is almost exactly the same size as the tax cuts they proposed for the wealthy. It is a problem because senior citizens, I think, in most cases, are scared to death that a program that they think is successful and they have relied on, that has freed them from fear of growing old and not having health care coverage, is about to be dismantled by some who carelessly tell us their real interests. We have some around here who still say that we ought not have the Medicare Program, that we should go back to the "good old days" when half of senior citizens had no health care coverage at all. They do not quite say it that way, but that slips out from time to time. That is their philosophy. They think Government, essentially, should not do anything.

Again, there are 10 pages or so of discussion about exactly how to talk your way out of this situation. It says, "For too many seniors it will be the last word that ultimately sways them." So make sure you are the last person who talks to them, because that is who they will believe. You know, all of us have stories about our constituents—senior citizens who we have met, and whose life is substantially improved by this program of which I am very proud.

I recall a woman from Mandan, ND. I was at a town meeting in that small community in my home county. She stood up, and she must have been in her midseventies. She said, "I have a new knee and a new hip. I had cataract surgery. I want to tell you, I feel like a million dollars." Somebody else in the crowd said, "Well, maybe you cost $1 million."

Not quite. These medical procedures are not that expensive. I thought to myself, is it not remarkable? If this woman had even come to a meeting 50 years ago, she would have been there in a wheelchair and would not have been able to see much because her knee was gone, her hip was gone, and she had cataracts. Now, through the modern miracles of medicine, she feels like a million dollars.

First of all, this is a remarkable case of breathtaking achievement, attributable to the men and women of vision in our country in the medical field who produce these miracles—things that we had never before expected to be done. Then the Medicare Program provides access to that new treatment for America's senior citizens. It is remarkable.

I think most would agree that what we have done in this country in medicine, generally, and for senior citizens through the Medicare Program, is an extraordinary thing. We ought not decide at this point to weaken those kinds of things that represent successes in America.

I want to say again something I have said, I suppose half a dozen times, that people are tired of hearing. It is important. We have so embraced in this country talk about failure and talk about what does not work and what is wrong and scandal, that we just are not willing to talk about success.

It is why, for days, I have talked during the regulatory reform debate about air and water. The air and the water in this country is cleaner than it was 20 years ago. We now use twice as much energy in America than we did 20 years ago. We doubled our use of energy. Yet, we have cleaner air, cleaner rivers, cleaner streams, cleaner lakes.

Now, why would that be the case? Would it be because those who were polluting America, the big polluters, decided one day to just turn off their chimneys and to stop throwing chemicals into rivers, and to stop blowing pollution into the air because they just decided it would be good business? No, that is not why.

It is because we put in place regulations that say you cannot pollute. Clean air and clean water are important to Americans. It is important to our health. It is important to this Earth. You have to stop polluting. That is what we said.

Maybe we ought to celebrate a bit that we are successful after 20 years. Go back to the 1970's and the first Earth Day, and what you would find is a notion that we are consigning ourselves to a future of increasingly dirty air and increasingly dirty water, and there is not a darned thing anybody can do about it.

The Hudson River was set on fire, so we had the prospect and the sight of a river burning. Why? Because it was so terribly polluted that you could set it on fire. You could light the water.

Back in the 1970's, the notion was that things are so bad, they will get worse, and there is nothing we can do. Twenty years later, we doubled our use of energy, and those rivers are cleaner and the air is cleaner.

There are those who stand up and say, "the Federal Government cannot do anything right. We hate the Federal Government. Turn it all back to the States." Some say, "let's block grant the food stamp program. Send it back to the States." Apparently, hunger is not a national priority anymore for some. Some of what the Federal Government has done has been enormously successful. We ought to understand that.

One part of that is Medicare. That is why I came to the floor today, to talk about the Medicare Program. We will have a fight. That is what democracy is about—debate. We will have a debate about the future of these programs, including Medicare. It is a debate I look forward to.

We must fix Medicare with respect to its financial solvency for the long term. That is not a fence that you cannot get over. It is, in my judgment, not a difficult thing to do. But we should not, in ways that some suggest, continually try to weaken a program that works so well.

No one, in my judgment, should lament the fact we are having this kind of debate about whether we spend money on the Medicare Program, whether we give a tax cut to Donald Trump, whether we build star wars—all of which are proposed. No one should lament that. The political system is constructed to have that kind of a debate in our country.

President Kennedy used to say, "Every mother kind of hopes that her child might grow up to be President, as long as they don't have to get involved in politics." The irony is that the political system is a system in which we debate these issues of the day for our country and its future.

I look forward to the coming weeks as we debate the future of Medicare. I hope that this full-page ad in USA Today, with a tombstone for Medicare, in which the Republicans pledge to save Medicare—a political party that opposed it with every bit of their breath and energy 30 years ago—I hope this represents a determination by the Republicans to join us and say Medicare should be available for the long term for America's elderly who need it, not with less coverage and higher costs, but instead with good coverage at modest cost, with a program that celebrates America's success.

I yield the floor. 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.

ON THE RETIREMENT OF MARIAM BECHTEL

Mr. DOLE. Mr. President, I rise today to extend my heartfelt thank you to Mariam Bechtel who is retiring after 17 years of loyal service to the Congress.

Mariam has served my Senate office since February 1984. Additionally, she served in the office of Congressman Page Belcher from Oklahoma for 6 years before joining my staff.

Everyone who has come in contract with Mariam Bechtel, and I know that she has many friends throughout the Congress, knows of her warm and cheerful manner. When Members needed a room to host a reception or meeting, they knew that Mariam was the one to call. When Kansans needed to touch base in Washington, they knew to call Mariam.

Mariam has always gone that extra mile—to help a fellow Senator, their constituents, and of course, Kansans.

I ask my colleagues to join me in wishing Mariam and her husband Charlie all the best in their retirement. And thank you Mariam for your dedicated service to me and to the Senate.

PRASAD SHARMA

Mr. DOLE. Mr. President, I rise today to say farewell and thank you to Prasad Sharma who has served my office as a legislative correspondent and staff assistant for the past year. Prasad was recently accepted by the Emory University School of Law, a high honor which he richly deserves.

A Kansan himself, Prasad has been a real asset. He has kept the people of Kansas informed about important events in Washington, served a vital role on my defense and national security team, and Prasad has always been someone to rely on when things needed to get done.

I ask my colleagues to join me in wishing Prasad Sharma all the best at Emory and in his future endeavors. He is someone I know we will hear a lot more from in the years to come, because he is an outstanding young man.

ELDERCARE

Mr. DOLE. Mr. President, this week marks the 30th anniversary of Medicare—the Health Care Program that currently serves 4 million disabled Americans and about 33 million elderly Americans.

Anniversaries are normally a time for celebration. But, this 30th anniversary is a time of great concern.

As we all know, the Medicare trustees, three of whom are members of the President's Cabinet, have warned us that, at best, Medicare has only seven more anniversaries left before going bankrupt.

Mr. President, I believe one of the most important responsibilities of this Congress is to preserve, improve, and protect Medicare so that it does not go bankrupt and will continue to be there for Americans for the next 30 years, and the 30 years beyond that.

Before I look to the future, however, I want to take just a minute to look to the past.

When Medicare was debated in Congress in 1965, I voted against it.

And there are those at the Democrat National Committee who seem to believe that vote is either proof that I am out to gut Medicare, or that it disqualifies me from participating in this debate.

I only wish they would devote as much energy to the search for solutions to Medicare's current fiscal crisis, as they do to questioning the motives of others.

My vote against Medicare was not a decision I made lightly. I knew my vote would lead to a round of criticism. But in the end, I voted against the legislation for several reasons.

The first reason was because I had concerns that we would be establishing an entitlement for many Americans who truly were not in need of Government assistance. We all know that by their very nature, entitlements are designed to grow. And, as we have seen over the past 30 years, the Medicare entitlement has done precisely that.

In 1965, when Medicare was enacted, the House Ways and Means Committee predicted that the part A portion would cost $9 billion in 1990. Needless to say, they were wrong. By 1974, we were spending $9 billion—just 8 years after Medicare's passage. This year, Medicare part A will cost $158 billion—58 times the amount it cost in its first year.

Second, I was concerned that this growing entitlement would be financed either through higher taxes or deficit spending, and that both of these options would compromise the futures of generations to come. Again, by 1974, the tax rate to finance the program was already twice the initial projection.

And the third factor behind my vote was that I shared many of the concerns articulated by the then President of the American Medical Association, Dr. Leonard Larson, who said:

> The administration's medical care proposal, if enacted, would certainly represent the first major, irreversible step toward the complete socialization of medical care. The bill does not provide insurance or prepayment of any type, but compels one segment of our population to underwrite a socialized program of health care for another, regardless of need.

Mr. President, the AMA at that time put forward an alternative proposal, called Eldercare, which I supported.

I must say as I look back on that day in 1965 and on the weeks before the debate, and I have gone back to check the CONGRESSIONAL RECORD and some of the statements made by my colleagues, Elder Care had many more benefits than Medicare. We covered prescription drugs in Elder Care, which are still not covered today under Medicare. In addition, that plan would have cost less because it took into account the beneficiaries' ability to pay.

Would Medicare be in better shape today had my concerns been addressed at its creation? I believe it would. And I also believe that if nothing is done and Medicare goes bankrupt, the American public will not look back at 1965 to decide where to fix blame—they will look back to 1995.

So, where do we go from here?

Mr. President, we cannot turn back the clock. But, we can learn from the past. And, that means doing what is necessary to improve Medicare so that it can move successfully into the 21st century.

Despite the rhetoric coming out of the White House and the Democratic committee, Republicans, including myself, do not support cutting Medicare. We recognize the need for Medicare's growth, and our historic budget resolution allows for an annual growth rate of 6.4 percent. Under this agreement, Medicare spending will top $1.6 trillion over the next 7 years. In addition, the trust fund's solvency will be ensured through the year 2005.

Mr. President, Republicans are also interested in creating more choices for Medicare beneficiaries. Fee-for-service health care may be great for some, and they should be able to keep that if they choose. But, there are other options out there now that may offer more benefits but are unavailable to Medicare beneficiaries. I would like to see these choices extended to all Americans.

Mr. President, the committees of jurisdiction in the House and Senate are currently working reconciliation legislation, that will include proposals to preserve, improve, and protect Medicare. As required by the budget resolution passed by Congress, this plan must be reported out of committee by September 22.

Some on the other side of the aisle, however, have requested the details of this legislation be made available before the August recess.

While we like to accommodate our colleagues as much as we can around here, the fact of the matter is that this is an extraordinarily important piece of legislation that cannot be slapped together a month ahead of schedule. The chairmen of the committees of jurisdiction have assured me that their staffs will work throughout August to give this bill the careful attention it deserves.

Mr. President, we have solicited ideas from the White House since April, when we first received the Trustee's report. Unfortunately, we have had no response, which was made our job that much more challenging.

But, as I said before, that does not alter our determination—I think it also includes many of my colleagues on the other side, I would hope—to preserve, improve, and protect the Medicare Program so that it will continue to be there for those who rely on it today and for those who will do so for many years in the future.

HISTORICAL HIGHLIGHTS OF THE MARINE CORPS IN THE KOREAN WAR: ED PETSCHE AT THE CHOSIN RESERVOIR

Mr. GLENN. Mr. President, I wanted to rise today to make some short remarks here on the floor about a special person in Toledo, OH. It is Edwin F. Petsche, who was in my office just a couple of days ago. I remarked about him on the floor of the Senate yesterday. It had been my great honor to award him a Purple Heart that was long overdue. Ed Petsche took part in the withdrawal from the Chosin Reservoir in Korea, back about 45 years ago, and had never received that Purple Heart. I mentioned it in passing yesterday in connection with our remarks about the dedication of the Korean War Memorial. I will say more about Ed Petsche in just a moment. But let me just briefly set the stage.

In the annals of Marine Corps history there are some things that stand out: Belleau Wood, Iwo Jima, raising of the flag on Mt. Suribachi, and a number of events, and notable times of combat in various wars. You cannot compare one with another, for they all required great sacrifice. But I wanted to pay attention to this particular moment and set the stage for what happened out there. The dedication this week of the Korean War Memorial is a time for all Americans to reflect upon the sacrifices of our many veterans of that conflict—Ed Petsche and many others.

Many younger Americans are hearing this week for the first time the names

of Korean cities and campaigns that were household words in America almost a half-century ago. The name of one geographical area in Korea will remain forever enshrined in the pantheon of Marine Corps history and that is the Chosin Reservoir.

In late October 1950, the Joint Chiefs of Staff authorized operations north of the 38th parallel in Korea.

Maj. Gen. O.P. Smith's spirited 1st Marine Division began to drive north toward the Yalu River in an effort to destroy completely the North Korean People's Army.

On November 2, 1950, the 7th, 5th, and 1st Marines moved out, in that order, from Hamhung, following a treacherous mountain route toward the Chosin Reservoir, the site of a large hydroelectric facility in northern Korea. By midnight the Marines were in heavy contact with the Chinese 124th Division, as the People's Liberation Army had just entered the war to assist the struggling North Koreans.

The 7th and 5th Marines continued their advance through both light and heavy enemy opposition, and were concentrated at Yudam-Ni by 27 November, while the legendary "Chesty" Puller's 1st Marines took positions along the route. The full weight of the veteran 100,000 to 120,000 man Chinese 9th Army Group then fell upon the Marines. The Chinese attacked during the night in temperatures approaching 20 degrees below zero, cutting the main supply routes, and isolating the Marines into four close perimeters. Although the vastly outnumbered Marines held their ground, the situation was very, very grave.

On December 1, General Smith ordered a breakout from the reservoir, which he termed an "attack in a different direction."

They went into retreat. They were surrounded. In any direction they went they contacted the enemy. So it truly was an attack in a different direction.

They were supported by the 1st Marine Aircraft Wing that flew and flew and flew nearly 4,000 sorties during the entire operation—4,000 sorties. The 1st Marine Division blasted its way through seven Chinese divisions and finally reached safety at Hungnam by December 12.

At the Chosin Reservoir, there was somewhere around 15,000 Americans involved. And out of that I think there were 13,000 casualties listed—in 10 days there were 13,000 casualties either dead or wounded during that advance back to Hungnam.

The Chosin Reservoir campaign cost the Marines over 4,400 battle casualties, including killed and wounded, and uncounted cases of frostbite and pneumonia. The Communist Chinese forces had suffered a catastrophe, however. The best count ever made was that there were some 25,000 Chinese communist dead—25,000 dead as they came out.

Well, I read that to set the stage for Ed Petsche, and to show that this was tough close combat. He was bayoneted. That is hand-to-hand combat. This is not shooting at people remotely with rockets and with missiles, or things like that. He was bayoneted, and left for dead; tossed on a pile of soldiers and left there for dead. And it may have been lucky that the temperature was so cold because it was said that the temperature froze the wounds on parts of his body and maybe protected them a little bit from having become infected any more than they were. But he was still alive and was groaning. Someone heard his groans, rescued him and got him out. And they finally got him some attention and got him out of there.

That is the preface to saying that when he was in the hospital in Japan, Ed, for some reason, never had the record set straight that would have gotten him his Purple Heart.

I wanted to give that little background because some 45 years later, Ed Petsche and his children and grandchildren were in my office a couple of days ago.

And I was honored on behalf of the Commandant to present to him his belated Purple Heart. And it was indeed an honor.

We lost a lot of people in Korea. And I know that we have made a huge effort with regard to Vietnam to make sure that the POW/MIA count, the bodies and the missing people there—that their records are brought to light and that their remains are brought back, even now 20-some years after the end of the Vietnam war.

In Korea there are some 8,000 that are still missing that we do not have records on, and do not have their remains. I know the President indicated a couple of days ago that he thought that we should be pushing to get a better accounting of what happened to those people in Korea.

I would also note in passing that we still have some 78,000 missing MIA's out of World War II.

Ed Petsche came so close to being one of those who died in Korea. But he survived, luckily, and has received his recognition, although too many years too late.

I guess to those whose loved ones still remain in Korea, whose remains were never brought back, I am reminded of the lines by Rupert Brooke in a book of poems called "The Soldier." He was an Englishman, and wrote about those who represented England in foreign fields and wars, and places all over the world. And sometimes their bodies were not brought back. He stated his belief this way, and I think it should apply to some of the ways we can look to some of our people too. He said:

> If I should die, think only this of me, that there is some corner of a foreign field that is forever England.

And I guess I would look the same way for our own people, the 8,000 who never came back, who never even had records on them brought back from Korea. With all the 54,000 dead that we had in Korea, many did not come back.

I guess I would say the same thing to our people, that they died, but think only this of them, that there is that corner of a foreign field in Korea that is forever America.

Wherever they fell becomes a part of this country, whether it is legal on the international boundary chart or not.

Ed Petsche represents the people who were out there. He was lucky. Although he came so close to death that he was tossed on a pile of soldiers and left for dead, he still survived and came back.

Out of that campaign, where he and the others came out of the Chosin Reservoir and came down to Hungnam, there were 17 Congressional Medals of Honor and 70 Navy Crosses awarded in just that one 10-day advance.

It is hard to believe the terrible things that they went through, not only the enemy and so many casualties all over the place. Almost the whole force became casualties; 13,000 casualties out of the 15,000 forces involved with 4,400 dead, as I indicated a little while ago.

So it is these things that we remember during this week of commemoration regarding what happened in Korea so many years ago.

I wanted to pay special tribute to Ed Petsche because he represents the best of the people we sent out there. He was 19 years old at the time, and almost died out there, but came back, and was never recognized for his action. And I can say very truly it was indeed a great, great honor to be able to present the Purple Heart to him, although it was some 45 years later.

It was a pleasure to meet his family. We wish him the very best and we are glad that finally the "Forgotten War," as it has been called all through the years is forgotten no more. It has a memorial that will commemorate forever, or will memorialize here in Washington forever, the sacrifices that were made by people like Ed Petsche.

I am honored to be able to pay him tribute on the floor of the U.S. Senate today.

I yield the floor.

Mr. KYL addressed the Chair.

The PRESIDING OFFICER (Mr. GRAMS). The Senator from Arizona is recognized.

Mr. KYL. Mr. President, I would like to compliment the Senator from Ohio on that very moving and fine presentation, particularly this week when we are honoring the Americans who fought in Korea in a far-away place but, as the Senator pointed out, a place that will always be in the memory of Americans for the sacrifice of so many of our troops from all of the services.

I might note to the Senator from Ohio that I received some time ago a

gift, a small gift but a very meaningful gift, from a survivor of Chosin. It is a belt buckle to be worn on a western belt, and that is what I always remember when I wear that belt. It reminds me always of the sacrifices that were made by those at Chosin, and it is something we should never forget. Certainly the Korean War Memorial will now help us to remember that very fine hour in American history despite the casualties, the suffering and sorrow that attend it. So I compliment the Senator from Ohio on his very fine remarks.

NATIONAL DEFENSE

Mr. KYL. Mr. President, I would like to address a defense subject, given the fact that the Senate is likely to take up the defense authorization bill next week. I am going to include in my remarks a reference to North Korea. So, in a sense, the comments of the Senator from Ohio and all of those who have remarked on the sacrifices of Americans in Korea now 40 years ago, 45 years ago in some cases, have a bearing on what we are doing with our national defenses today and some of the issues we will be debating in connection with the defense authorization bill.

Specifically, what I wish to address for a few minutes today is the implication of a recent CIA report which warned us that about 20 nations by the end of this century will have the capability to deliver a weapon of mass destruction far beyond their borders through the missile delivery system, a ballistic missile delivery system that is either being indigenously produced in these countries or is being acquired by purchase from another nation and that that threat is a very real one not only for U.S. forces deployed abroad but also for our allies and eventually, not too long after the turn of the century, for the continental United States itself.

In the Persian Gulf war, fully 20 percent of the United States casualties were as a direct result of the Scud missile attacks by the Iraqis. As a matter of fact, the single largest number of American casualties was 28 in one Scud missile attack on a barracks in Saudi Arabia. So this is not a threat that is hypothetical or in the future. It has already occurred to American troops in this decade. And yet too many have been blind to the reality that this is an emerging threat, that the ballistic missile with a warhead of mass destruction, either nuclear, chemical, or biological or even high explosives, is the weapon of choice of the dictators and would-be aggressors around the world today. Fully half of those 20 nations that the CIA report refers to are either in the Middle East or in Southeast Asia, and clearly our interests and our allies' interests are implicated in those regions of the world.

North Korea is a good case in point, particularly since our focus has been on Korea this week. One of the reasons that our policy with respect to North Korea has been so touchy, so tentative is because North Korea today possesses a very real threat to literally millions of South Koreans and several thousand Americans in Korea.

Today, in just a matter of hours, North Korea could kill thousands of people in Seoul, Korea, because that is how close Seoul is to the reach of the North Korean guns, their long artillery. Ballistic missiles are simply a much more robust system than long artillery, and the impact can, of course, be much more devastating, but the analogy is very true.

One of the reasons that we are not tougher on North Korea today, that we cannot dictate the terms to North Korea, that we cannot tell them to stop producing weapons grade plutonium for the development of nuclear weapons is because we do not have leverage over North Korea. We cannot threaten them militarily, and as a matter of fact we are susceptible to a North Korean attack. We have no means of stopping the artillery from North Korea, the kind of attack that would occur on Seoul and that would also cause casualties to American troops in South Korea.

What it tells us is that in the conduct of foreign policy we cannot be held hostage to foreign powers. We cannot allow ourselves to be defenseless against the weapons they would deploy against us or else we are neutralized in the conduct of our foreign policy, and that is what has largely happened with respect to North Korea. It will be orders of magnitude worse if and when North Korea obtains the kind of long-range missiles and weapons of mass destruction it is working on today.

North Korea is one of those nations that is indigenously producing longer range ballistic missiles, and public reports assert that shortly after the turn of the century one of those missiles will even be able to reach the continental United States, specifically the State of Alaska.

It does not take any reach of the imagination to predict what would happen if North Korea threatened Anchorage, AK, let us say, or one of our military bases in Alaska with a nuclear weapon if we did not do a certain thing or forbear from doing something that was in the interest of North Korea. And yet the question is what would we do about it, because we have no means of stopping that kind of attack.

It used to be that the threat of mutual assured destruction with the former Soviet Union was enough to deter attack by either nation because the thought of either nation sending everything it had against the other nation was simply too horrible to contemplate and neither nation was foolish enough to do that. But today the threat of mutual assured destruction does not work against these tinhorn dictators in countries like Iraq or Iran or Syria or North Korea and similar places, Libya—I will not extend the list—because of the characterized kind of leadership of those countries. But the fact is they have not been friends of the United States; they have been antagonistic in the past. They have either now or are developing these systems and therefore are likely troublemakers in the near future. To be defenseless against them is to deny our responsibility.

Fortunately, we have it in our capability to begin developing the kind of defenses that would render these threats essentially meaningless and prevent us from being subjected to the blackmail that those threats certainly will entail in the future and hopefully deter attacks that, of course, would cause casualties either to our allies or our forces deployed abroad and eventually to the continental United States.

Both the House and Senate Defense authorization bills begin to get us back on track to the development and deployment of effective theater ballistic missile systems and do the work that will eventually enable us to deploy an effective national defense system, that is, a system that would prevent attacks on the United States.

And so it is important for us, as we begin to debate this subject next week, to focus on what the Armed Services Committee will be recommending and why we should not adopt some of the amendments that we know are going to be proposed that would weaken what the Armed Services Committee has recommended with respect to the development and deployment of these theater ballistic missile systems.

In the past, Mr. President, there have been attempts to reduce the funding. Well, this year's funding level, I will note, is less than the Clinton administration's recommendation for this year in the 5-year plan that was submitted last year. So I hope we will not see attempts to decrease the funding for ballistic missile defenses.

There is also a question about dumbing down our systems. The Patriot missile was not as effective as it might have been in the Persian Gulf because it had earlier been dumbed down. We did not make it as effective as we could have. There is a belief today that because the Russians would not like to see a robust defense, a defense that might even prepare the way for an effective defense against missiles they might send our way someday, therefore we are going to arbitrarily limit ourselves so that the systems will not be as effective as they might be.

One of the arguments will be, if we make them as effective as they could be, they might violate the ABM Treaty.

This bill which will come to the floor next week has definitions built into it that clearly permit us to test in a certain mode, and if we test beyond that mode, it would be deemed testing against a strategic system, which presumably would be in violation of the ABM Treaty, and so we will not do that. But if we try to add additional requirements such as speed limits on American missiles, making them not as effective as they might otherwise be, we will be dumbing down our system, making it less capable than it should be, than it needs to be.

Therefore, I urge my colleagues to reject any amendments along that line.

Finally, what we have done, since eventually there could be questions about whether a national system should have one or more sites to protect the continental United States, we have established a committee which will advise the Senate and the administration on what areas of the ABM Treaty we may wish to modify in order to deploy an effective system to defend the United States. The treaty only allows for one system today. We may need to deploy in more than one place. Surely, if that is in the United States national interest, we would seek to modify the treaty and ask the Russians to agree to that with us.

We are not violating the treaty; we are simply preparing for the day when we may ask for changes to be made. The treaty is almost 25 years old and clearly was developed at a time when the Cold War was at its height and when the United States and Russia, or the Soviet Union, I should say, were depending on the doctrine of mutual assured destruction. That does not exist today. As so many of our colleagues are fond of reminding us, the Cold War is over. Of course, it is over.

We have to begin to think about the kind of defense we will need in the next century rather than focusing on a treaty that may have served us well in the past, though that is subject to some debate, but certainly does not provide all the things that we need or the only things that we need to protect us in the future.

So I hope that our colleagues will be agreeable to going forward with the study committee that is established in the Armed Services Committee mark that will come to the floor. I hope that they will believe that is a good idea and will go forward with that study.

Let me conclude by saying that I believe what the Armed Services Committee will be recommending to us will make a lot of sense; that it will begin to put us on the path to developing and ultimately deploying an effective theater ballistic missile defense, a system that will protect us if we have troops deployed in Korea or in Saudi Arabia or anywhere else in the world, a system that will protect our allies to the extent they wish to be protected. That is something the United States wants to cooperate in and ultimately a system that can be added to and modified to protect even the continental United States.

Surveys show that Americans today overwhelmingly believe that if a missile were launched against the United States, that we would be able to somehow intercept it either by some airplane-fired missile or some other missile we could fire or something in space. We know, of course, that is not true. We have absolutely no defense against a missile fired against us, whether by accident or in anger, whether by a terrorist nation that only has one or two missiles, or whether as in an attack by a country like the former Soviet Union.

It is time to start thinking how to deal with that threat today. It takes a long time to develop the systems to meet that kind of threat. That is why this bill begins to put us on the track that will enable us to defend ourselves, as well as our interests abroad, and it is a bill which will be deserving of our support.

I will be talking more about the bill and its specifics as we come to the floor to debate it, but I wanted to at least outline those concerns to my colleagues today.

Mr. President, those conclude my remarks about the defense bill before us next week.

EXTENSION OF MORNING BUSINESS

Mr. KYL. Mr. President, I ask unanimous consent that the period for morning business be extended until 2 p.m., under the same terms and conditions as before.

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

Mr. KENNEDY addressed the Chair.

The PRESIDING OFFICER. The Senator from Massachusetts.

TRIBUTE TO SENATOR JOHN GLENN

Mr. KENNEDY. Mr. President, I do want to join my colleagues in paying tribute to our friend and colleague, the Senator from Ohio, Senator GLENN. Yesterday he addressed the Senate about his service in the Marines during the Korean conflict and again today. I thought his statements and comments were as much a real tribute, not only to the men and the women who served in that conflict, particularly those who lost their lives, but also to his own very considerable service to this country in so many ways with which all of us in this Chamber are familiar. I think we are very moved and touched by his presentation.

NEW STUDY OF IMPACT OF MEDICARE CUTS

Mr. KENNEDY. Mr. President, a new study released today by the administration shows the impact of the proposed Republican Medicare cuts on seniors and health care providers in each State. The numbers are devastating. How could any Senator look at these numbers and support these proposals in good conscience?

This study is especially timely on the eve of the National Governors Association Conference in Vermont this weekend. All Governors must be asked what these proposed cuts will mean for seniors in their State and for the health care system as a whole. Here are just a few examples:

In my State of Massachusetts, over the next 7 years, seniors will be asked to pay an additional $4,300 for the medical care they need. A senior couple will pay $8,600.

In Florida, a couple will have to pay $8,800.

In California, the figure is $8,200.

In Nevada, the additional burden will be $6,000.

The figures vary, but the message is clear: an unfair, unaffordable burden on senior citizens in every State to pay for the tax cuts for the wealthiest Americans.

And those who need health care the most will pay even more. Senior citizens needing home health services will have to pay an average of $1,700 a year for this service alone, on top of the additional costs for all their other health needs. Seniors needing nursing home care will have to pay $1,400 more.

The impact on the health care system as a whole is even greater. In Massachusetts, the Medicare cuts will mean $9.5 billion less for health care over the next 7 years. Mr. President, that is an extraordinary figure, $9.5 billion less to the seniors in my State over the next 7 years. In Florida, the figure is $28.1 billion. In California, it is $36.4 billion. In New York, the figure is $18.1 billion. The deep Medicaid cuts in the budget will take even more from the health system and those in need.

These cuts will be passed on to elderly people, to those who are on Medicare—which is 97 percent of all of our seniors—with higher copayments, higher deductibles, and higher premiums.

Mr. President, I will include in the RECORD the detailed State-by-State breakdown of these proposed Republican Medicare cuts. Senior citizens in every State will suffer, hospitals and nursing homes will close, and the health care system will be of lower quality.

These numbers speak for themselves, but the impact goes far beyond mere numbers. Who speaks for the elderly widow, struggling to survive on a fixed income, who must now try to find $1,000 more a year to pay for the health care she needs?

Who speaks for the family who will now be forced to choose between medical care for their parents and a college education for their children?

Who speaks for the retired couple who finds that the savings of a lifetime must now be sacrificed to pay for the medical care that Medicare used to cover?

President Clinton speaks for them—and so do Democrats in the Congress. We will never let these cruel cuts become law. We will never let the Medicare trust fund become a slush fund for tax cuts for the wealthy. We will never let senior citizens be plundered for the benefits they have earned by a lifetime of hard work.

We do not have to redebate, hopefully, the reason for the development of the Medicare system. It is based and built upon a very simple and fundamental concept: that the men and women who have built this Nation, have made it the great country that it is, who fought in its wars and brought it out of the Depression, ought to be able to live their senior years in respect and in dignity.

It is recognized that a test of a civilization is how it regards its elders, what respect it pays them. To relieve our seniors from the anxiety and the pressures of seniors' health care needs, in the way that Medicare has done, is something which is of fundamental importance to all Americans. It is this program which will be, I believe, devastated, should these proposed cuts go into effect. Once again, we have to reiterate that the principal reasons for those cuts to go into effect is for the tax cuts that will be available primarily to the wealthy individuals in our country.

The fact is that there is $270 billion proposed for the Medicare cuts and about $245 billion for the tax cuts. So if you eliminated the tax cuts, you would be able to move ahead with the Medicare program in a way that would not present these kinds of burdens on our senior citizens.

Once again, Mr. President, I underline the obvious fact that all of us understand; and that is, when our citizens grow older and older, that their incomes generally decline and they are dependent upon Social Security and they are dependent upon Medicare. At a time when their incomes are declining is a time that their health care needs continue to grow. It is that fundamental concept that drove this country to adopt the health care and the Medicare systems: declining incomes, increasing health care requirements.

This chart reflects exactly who of our fellow citizens are really affected: 83 percent of the expenditures go to families with annual incomes of $25,000 or less; 21 percent of it goes to those with annual incomes of $15,000 to $25,000; 62 percent goes to those with annual incomes of $15,000 a year or under—men and women who are being asked, with the proposed Medicare cuts, to see a significant increase in out-of-pocket expenditures, copays, deductibles, and premiums. There are $9.5 billion for the close to 1 million of my fellow citizens in Massachusetts who benefit under the Medicare system.

I hope that when those Governors meet this weekend up in Vermont, someone will ask them how they are going to be able to explain these kinds of sizable cuts, and how they will explain them to the people who live in my State of Massachusetts, in the State of New York, the State of California, the State of Florida, and the State of Texas. We have seen that within Massachusetts the burden will be higher than the national average, as it will be in Rhode Island and Connecticut—the New England States. In these next several weeks as we are debating this issue, debating this proposal, those of us who believe and fought for this particular program are going to do everything that we can to resist.

I am sure that in my State of Massachusetts, there are the elderly widows who are wondering how they are going to be able to afford the additional out-of-pocket costs that will be required under the proposed Medicare cuts.

How are they going to be able to handle it? How are the American families going to handle it—the sons and daughters of those who are receiving Medicare today? These kinds of cuts are not only going to be devastating to the seniors, but to their sons and daughters who care and love their parents and have a great respect for the dignity of those parents. They are going to do everything they can, with scarce resources, to make sure their parents are going to be able to live with some dignity.

These kinds of cuts are not only going to be evident on the seniors, but they are also going to be a heavy burden on the working families in this country, who have lost real income in terms of wages over the last 15 years. This is going to come at the same time when those families are worried about educating their children. We have seen that under the Republican proposals, the cost of student loans is going to increase some 30 percent, and the total number of Pell grants that will be available to well-qualified needy children who can gain admission into the finest colleges and universities across this country but need the Pell grants to be able to continue their education, their program is being deteriorated. Those working families are going to have to make judgments about how much they are going to have to make up the out-of-pocket expenses for their parents, or whether they are going to educate their children.

We know what is going to happen to the families. These couples are going to have to make a judgment about how much they are going to pay out of their life savings, which was going to be used for their retirement.

Mr. President, these are obscene choices left for our seniors, our families, and our children. I daresay this debate is just beginning. It has not concluded. We will have an opportunity to get into greater detail on these measures on the floor of the Senate. But I hope, Mr. President, that the Governors of these United States—not only my State, but the other States—will be asked about the impact of the proposed Republican Medicare cuts on seniors in their States. This is going to be a matter of national debate and discussion. We can address in a responsible way the needs of the trust funds without seeing these dramatic cuts used for tax cuts for the wealthiest individuals and corporations. I say no to that. We will battle on the floor of the U.S. Senate, and we will battle with this President, who has said no to the proposed Republican Medicare cuts, and we will fight for our seniors because they have made this Nation the great Nation that it is, and we owe them no less. We owe them a great deal more.

Mr. President, I yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. 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.

MEDICARE

Mr. DOMENICI. Mr. President, I am sorry I could not be on the floor during the remarks of Senator KENNEDY with reference to health care in the United States, and in particular Medicare. By coincidence, unbeknownst that he would speak, I had prepared for myself to deliver today—since we are at about the 30th anniversary date of the passage of Medicare—a speech that I am prepared to give to the Senate. I believe I heard enough of the Senator's remarks that, at some point, I will depart from the speech and answer a few of the comments made.

I will start right off by saying that it is unfair to the senior citizens of the United States to talk about what might be, or how things ought to be, and not tell them how things are.

The fact of the matter is that the cornerstone of hospital health care for our seniors—Medicare—is in big trouble. And to make a speech about the seniors and scare them about the future, without telling them the truth, does not seem to me to be the right way to treat our seniors, who are filled with wisdom, understanding, and truly think this is a great Nation and would

like very much to do their share to try to fix some things that are going wrong.

So the No. 1 point is that there has been in existence a group of Americans who reviewed thoroughly the status, the financial status, and the delivery system called Medicare. Mr. President, that is not a Republican group. As a matter of fact, one might call it, if you seek to partisanize it, a Democratic group, because three Cabinet members of this President and the appointee of this President who heads Social Security were four members of the Commission—the majority. There are only two more. And all six of them, including the four, wrote a report to the people of this country, the seniors, the President, and the Congress, and told us in no uncertain language that the Medicare Program was in trouble because it was costing too much. I just want to read their recommendation so that we put everything into perspective. Their final words of real recommendation were the following:

> We strongly recommend that the crisis presented by the financial condition of Medicare trust funds be urgently addressed on a comprehensive basis, including a review of the program's financing methods, benefit programs, and delivery system.

Now, Mr. President, you would not have gathered from the comments of the distinguished Senator from Massachusetts that anything like this had even happened. Here sits a report—I wish I had a copy of it. If I am going to talk about it, I should bring it around. When I saw it, it was a little yellow notebook with a yellow cover, properly styled. I repeat, the Commissioners, four of whom work for this President, said the time is now—and I am going to repeat what they said we ought to be doing.

It is very, very simple. But Members would not have heard it from the speech of the Senator from Massachusetts. They said, "It is time to review the program's financing methods, benefit provisions, and delivery mechanism."

Now, why did they say that? Members would not have gathered this, either, from the remarks. They said there will be no money in 7 years to pay the bills. We would not have known that, either, from the remarks about all the evil and bad things that will happen to seniors.

The worst of all things is that there be no program, that they cannot pay their bills in 7 years. That is, really, something to call to the attention of the senior citizens of the United States.

Then say, "What is wrong with doing just what they said? Review the program's financing methods, benefit provisions, and delivery mechanisms."

Now, Mr. President, if we look at what was proposed in the budget resolution for this country, it is on all fours with the recommendations of the commission that reports on the financial condition of the system. If we take what they said and find out what we ought to do, we ought to save a given amount of money to the health care insurance over the next 7 years in order to make that system stay solvent and not be bankrupt.

The budget resolution says that is what we ought to do. Now, everybody ought to understand that Medicare is growing at about 10 percent a year. They mention that too, in the report. It cannot continue to grow at that pace and there still be money in the trust fund in 7 years to pay the bill.

It falls on someone to take a look at how we might do it better, give the seniors options, and perhaps cost the trust fund less money.

Now, that is what all of this is about. No matter how we talk about it, the truth of the matter is that many people in the U.S. Congress felt it was time to look at this and fix it. In fixing it, we just might give the senior citizens a pretty good hospital program that will cost very little more to them, but will cost less, because it will be more efficient.

We will take the fraud and waste out of the program and cause the delivery system to be restructured so you still have choice of your own doctor, but there is choice of plans, and perhaps over time we would save substantial amounts of money.

Now, Mr. President, before I read my anniversary speech on Medicare, I want to make one other comment. Those who oppose fixing the Medicare Program now cannot miss a beat without saying the Republicans are going to cut the taxes for the rich, and that is why they are fixing Medicare.

Now, Mr. President, and anyone listening, that is not true. First of all, if we take the so-called tax cuts that are proposed off the table—just do not do them—and the Medicare system will be bankrupt in 7 years. Let me repeat: The so-called tax cuts—and we will talk about them in a minute—if we take them off the table, we would not have gathered from the remarks of the distinguished Senator from Massachusetts that the Medicare system will still be broke. They are completely different issues.

If we do not fix the Medicare system, it will be short of funds, and cutting people's taxes has nothing to do with that unless Members would like to raise taxes to pay for Medicare. I have not heard anybody say that. But if we want to raise taxes, then we could talk about the program not having to be reduced in terms of cost. Mr. President, that is the fact.

In addition, in the U.S. Senate, the sense of this Senate has been that if we ever get tax cuts, and when we do, that 90 percent of the tax cuts will go to people with income under $100,000. Now, there is a difference of opinion in this body on how that tax package will look when it comes out, if it comes out.

Essentially, to continue to try to say, "Let's don't fix Medicare so it will be available 7 years from now," instead of dying on its 37th anniversary, go beyond the 37th, perhaps to 40 and beyond, instead of addressing that issue to talk about tax cuts for the rich does not help the senior citizens one single bit.

What it does help, it helps to make a political issue out of a situation that need not be politicized, for we actually ought to be joining hands across this aisle and with the President in fixing Medicare. I repeat, the tax cuts that are referred to in the Republican budget—take them out, and we still have to fix Medicare, because the money will not be there in 7 years. That is for certain.

Having said that, Mr. President, let me repeat, there are some who would insist that we are making changes to Medicare for other reasons. They may say we are changing it to balance the budget, or changing Medicare to lessen the tax burden on families.

Both of these claims are false. We are making changes in Medicare to save the program, to strengthen it so it can survive into the next century, and so Senators will be here well into the next century, able to congratulate the program and its founders on its anniversaries.

Any attempt to link that with cutting taxes is to no avail for the seniors of this country. Any attempt to link the two is, plain and simple, smoke and mirrors, from the opponents of reform. For there are still some—and I do not know, perhaps my friend from Massachusetts is one—who would stand and say the status quo for Medicare is good enough for seniors.

Do not worry about it, leave it alone. Now, the President said that in his first budget—"Leave it alone." However, the President of the United States even came around, and in a 10-year proposal for a balanced budget, although it did not get there, even the President suggested that dramatic reform had to occur in the Medicare Program in an effort to keep it solvent.

This was in June when the new budget was submitted, our new budget proposal. The President claimed that would save Medicare; that budget made a good start. His budget would save $127 billion from Medicare over the next 7 years—the same length of time as our budget.

Now, some are comparing the $127 billion in his budget, and saying we do not need the $270 billion to fix the program in our budget. I submit that the facts are our way. The experts on budget come down on our side.

We would like, very much, in the month of September, as part of a process up here, after hearings, meetings,

input from senior groups, we would like to try our hand at reforming this.

Mr. President, there are still some who leave the impression with senior citizens that we are truly cutting the Medicare Program. Let me straighten that out with some real facts. First, we are going to slow the rate of growth of the program. Medicare spending will grow at 6.4 percent a year under our plan. To put it another way, and a more understandable way, over the next 7 years Medicare spending is going to increase from $4,800 per person to $6,700 per person—not down, up. From $4,800 to $6,700.

I know many are very concerned about the future and what kind of future they are going to leave their children and grandchildren. And I believe, when the time comes, that when the program of reform is put before the American people it will be seen as an effort to deliver the same kind of care in different ways, to get rid of the fraud and abuse in the program, and ultimately to provide our senior citizens with far more options. They are operating under a program that is essentially 30 years old, and it is also that old in terms of what kind of a delivery system it is. While all kinds of modern ways to deliver health care, all kinds of ways of insuring people, permitting a variety of options of insurance coverage now exist, Medicare is stuck in history. It is a 30-year-old system.

We believe reform will cause seniors to get a better deal. There will be incentives built in which will make it easier, rather than more difficult, for seniors to purchase more of what they might want and less of what they might not want. Yes, there will be options for them to keep the very system they have and their own doctors.

So I want to just close by once again stating the caliber of the people who recommended that we ought to do something to fix this program—three of this President's Cabinet Members: then-Secretary Bentsen of Treasury, Secretary Shalala, and Secretary Reich. They are trustees of this system. And there were two public trustees, and they told us that we ought to fix the system. They told us it will not be around in 7 years. It will not have any money to pay the bills.

In a way, they said—and I am interpreting this—it is costing too much. Will you not take a look and see if you cannot do it better, cheaper, and protect not only the seniors who are using it now but seniors for a long time to come?

As I said, this Sunday, July 30, is the 30th anniversary of Medicare. For 30 years, Medicare has provided health protection to elderly and disabled citizens.

Medicare has been a successful program. Medicare has provided an important source of health security and needed health benefits to millions of Americans since its inception 30 years ago. Today, 37 million Americans receive the benefits and health security that Medicare provides.

But Medicare has also become an expensive program, and everyone—including the President—agrees that the system needs fundamental structural reform.

Medicare is running out of money. Unless we make changes now, Medicare will not continue to provide this same level of health security in the future.

Nevertheless, this past week, the President held a rally for Medicare. But all he talked about was the past. The President forgot the most important element of an anniversary celebration. He forgot to look toward the future. If the President fights the reforms necessary to save Medicare's future, then in just 7 years, on the 37th anniversary of Medicare, the program will be bankrupt.

In the President's first budget, which he sent to us in February, Medicare would go bankrupt in 2002. Seven more years; that's all the President would give Medicare. After that, there would be no money to pay Medicare hospital benefits. The President would let you choose your doctor, but there would be no money to pay your hospital bills.

The President's original Medicare proposal was great—for the next 7 years. But the 37th anniversary of Medicare would be its last. Under the President's original plan, if you're on Medicare, you better not get sick 8 years from now.

Back in January, the President did not listen to his own Cabinet Secretaries. Three of his Cabinet officers—Secretary Bentsen, Secretary Shalala, and Secretary Reich, are trustees of the Medicare system. Along with the two public trustees, they told the President and the Congress that the Medicare hospital insurance trust fund had only enough money to pay benefits for the next 7 years.

The President chose to ignore that. The Republicans in Congress did not. We invited the public trustees up to Capitol Hill, to tell us what needs to be done. We listened carefully, and now we are taking their advice.

Let me read from the summary of the trustees' report. The full board of trustees say, "The Hospital Insurance Trust Fund * * * will be able to pay benefits for only about 7 years and is severely out of financial balance in the long range.

The two public trustees tell us that:

> The most critical issues relate to the Medicare Program. Both the Hospital Insurance Trust Fund and the Supplementary Medical Insurance Trust Fund show alarming results. . . . The Medicare program is clearly unsustainable in its present form. . . . We feel strongly that comprehensive Medicare reforms should be undertaken to make this program financially sound now and over the long term. We 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 program's financing methods, benefit provisions, and delivery mechanisms.

This is what the public trustees of Medicare recommend we do to strengthen Medicare for the future. And this is exactly what we are doing now.

There are those who claim that we are making changes to Medicare for other reasons. They say we are changing Medicare to balance the budget, or we are changing Medicare to lessen the tax burden on working families.

Both of those claims are false. We are making changes to Medicare to save the program, to strengthen Medicare so it can survive into the next century. Even if we were not balancing the budget, we would need to save Medicare. And whether or not we cut taxes, we still need to save Medicare. Any attempt to link the two is nothing more than blue smoke and mirrors from the opponents of reform.

The Republicans in Congress have chosen to look toward Medicare's future. We decided this spring that we would save Medicare from bankruptcy, control the growth of program costs, and ensure that the program would survive past its 40th anniversary. We developed and passed a budget plan in June that guaranteed a strong Medicare into the next century.

Suddenly, the President decided to join us. In June, he submitted a new budget proposal, one which he claimed would save Medicare.

In June, the President made a good start. His budget would save $127 billion from Medicare over the next 7 years. He is now comparing that with our budget, which will slow the program's rate of growth by $270 billion over the next 7 years.

If I believed that we could save Medicare by doing only what the President wants to do, I would do so in a second. But, after a long, hard look at the numbers, and after extensive discussions with the Congressional Budget Office, I do not think the President's plan saves Medicare.

You see, the President has assumed that the costs of the program will not grow as fast as projected by the nonpartisan Congressional Budget Office.

The President's June budget assumes that a serious Medicare problem does not exist. He says the problem is not as hard to solve as CBO says it is. The President is much more optimistic in his assumptions than CBO.

I wish that were true, but I am afraid it is not. As much as the President wishes it would, the problem will not go away.

The President has come a long way since his first budget in January. Now all he has to do is agree to use the honest, objective, and nonpartisan CBO numbers, and we will have an excellent starting point for discussions.

All he has to do is live up to the commitment he made in his first State of the Union Address, his promise that he would use CBO numbers.

We in Congress use CBO numbers. The honest, responsible way to budget is to rely on a single source for our assumptions, and that is what we did both in our budget plan, and in our plan to save Medicare. We did not make the problem go away by wishing that it would. We asked CBO and the trustees what it would take to save Medicare, to keep it alive for its 40th anniversary.

The trustees have told us what we must do. Now we are going to do it.

We are going to slow the rate of growth of the program. Medicare spending will grow 6.4 percent per year under our plan. Over the next 7 years, Medicare spending is going to increase from $4,800 per person, to $6,700 per person.

I know that older Americans are seriously concerned about the future they will leave to their children and their grandchildren. I have found that senior citizens are extremely concerned about the crushing burden of the debt that our current policies will place on their grandchildren.

And I know they want a Medicare program that is fair, both for them, and for future generations. I also know that a 65-year-old couple that starts receiving Medicare this year will, over their lifetimes, receive $117,000 more in Medicare benefits than they will put into the system in payroll taxes and premiums.

I know that this will concern many seniors, who want Medicare to be there in the future for them, for their kids, and for their grandchildren.

We are going to spend nearly 5 percent more per year on each Medicare beneficiary in this budget. So anyone who tells you that we are cutting Medicare is just trying to scare you.

What honestly should scare America's senior and disabled citizens is the prospect that we will do nothing. For if we do nothing, seniors will have hospital benefits for only 7 more years.

If we do nothing, seniors will be able to keep their doctor, but only for the next 7 years. After that, you will still have your doctor, but he will not be able to treat you in a hospital. After that, the hospital insurance trust fund will run out of money, and Medicare will not be able to pay hospital benefits.

I want to make sure that our seniors can keep their existing coverage.

I want to give them the opportunity to choose other health plans, just like my colleagues and I in the Senate can choose our health plans.

And most important, I want to make sure that they can do all these things for more than just the next 7 years.

In September, we are going to report legislation that will strengthen Medicare. We are going to simplify Medicare. And we are going to make sure that every Medicare beneficiary has the right to choose their health plan, just like my fellow Senators and I have.

We need to strengthen Medicare, and we have to do this by controlling the program's rate of growth. The first thing we are doing is attacking the waste and fraud in the system. Every senior currently receiving Medicare knows that the system is inefficient, complex, and filled with opportunities for waste and fraud. We are going after that money first.

But all the experts tell us that will not be enough. We are going to do it, but then we are going to have to look at changes to the program, in both the short and the long run.

In the short run, we are going to look at how much we pay doctors and hospitals, and the way we pay doctors and hospitals for the services you receive. We are going to try to create the right incentives so that doctors and hospitals are smart about how they spend your money.

Most importantly, we are going to offer seniors more choices. As a U.S. Senator, I have the ability to choose my health plan once a year. If I want a generous program with lots of benefits and no deductible, I pay a bit more. In some areas of the country, Medicare already allows seniors these choices.

We are going to expand this program, and gradually change the system so that all seniors have choices like we have in the Senate.

Some seniors are going to have to pay a little bit more. There is no way we can get around that. But we are going to come to the seniors last, after we have attacked the waste and fraud in the system, after we have made changes to the way we pay doctors and hospitals, and after we have started to phase in changes that provide seniors with more choices.

Any changes we make will be phased in gradually over time. We know that seniors on fixed incomes have difficulty adjusting to dramatic changes, and we are taking that into account.

We also know that some seniors with higher incomes have a greater ability to adapt to changes than others. We may ask those seniors to pay a bit more, to compensate for those who have just enough income to get by.

I will not let Medicare go bankrupt. Yes, I too celebrate the 30th anniversary of Medicare. It has been an important program, critical to the health of America's older and disabled citizens.

But right now, I am thinking about how we are going to make sure Medicare has a 40th anniversary and beyond.

The PRESIDING OFFICER. The Senator from Idaho.

Mr. CRAIG. Mr. President, I inquire as to what order we are in?

The PRESIDING OFFICER. Under unanimous consent, morning business has been extended until 2 p.m. Senators may speak up to 5 minutes.

Mr. CRAIG. Mr. President, I ask unanimous consent to speak for up to 5 minutes in morning business.

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

PROGRESS OF TIMBER SALVAGE IN IDAHO FROM 1994 WILDFIRES

Mr. CRAIG. Mr. President, it has been 1 year since the start of the terrible wildfires which burned through Idaho last summer. Lightning strikes ignited our forests, already suffering from poor forest health, and raged through Idaho, causing devastation to 738,000 acres, one-fifth of the nationwide total acres burned in 1994.

I am here to tell the story, as it has been written so far, of the 1994 Idaho fires, and the slow progress of reforestation and timber salvage. The fires began in late July, and by early September, 14,000 firefighters had been employed across the State. Early on, Dave Alexander, forest supervisor on the Payette National Forest, called to alert me that with the dry conditions and already-dead forests adding fuel, the fires could not be stopped short of reaching the Salmon River after a run of 25 to 30 miles.

Dave Alexander was right. The fires were stopped at the Salmon River and extinguished only when the snows arrived in October. By then, Idaho's fires had cost $150 million to fight and an estimated 2 billion board feet of timber had burned. And, of course, the habitat for the wildlife of the area was devastated.

By Forest Service estimates, as much as 665 million board feet of the burned timber was salvageable, with a potential revenue of $325 million. Remember, 25 percent of this revenue would be returned to local counties for schools and roads. In Idaho, Shoshone County officials have watched their budget drop sharply because of the lack of national forest timber sales. They are desperate for some solutions to their situation. They are among many who have pointed out the absurdity of no timber sales being offered while dead forests abound. Equally concerned are the 100 former employees of the Ida-Pine sawmill which closed for lack of timber supply, while watching the nearby forests burn up.

Unfortunately the value of burned trees drops rapidly over time. Time is the primary factor in accomplishing timber salvage and replanting the burn. The consequences of leaving burned forests untreated are both environmental and financial. Not only is it a waste of potential revenue to the U.S. Treasury and the counties, it encourages future wildfire. If left standing, dead trees become conduits for

lightning and may cause a re-burn, fueled by the ready supply of fallen trees never removed from the first fire. This scenario is no boon to fish and wildlife habitat, either.

So, it made sense to mount an aggressive timber salvage program on the Boise and Payette National Forests. On the Boise alone, an estimated 2,600 jobs would be created by the salvage operations. These two forests have been moving as quickly as possible under current law. But the laws and regulations, prior to enactment of the fiscal year 1995 rescissions bill with its salvage provisions, simply did not permit the Forest Service to act quickly enough. Rather, they constituted a formula for inaction and delay.

Let me tell you why. First, both forests have been slogging their way through eight separate NEPA [National Environmental Policy Act] documents, five of them environmental impact statements.

Consider the fact that the Forest Service even finds it necessary to prepare five environmental impact statements. When NEPA was enacted in 1969, EIS's were to be done only in the case of a major Federal action. Now, driven by the courts, the Forest Service is compelled to conduct an EIS just to sell dead, burned trees. You tell me how this makes sense.

Consider also, that preservation groups have found a new method to delay and obstruct completion of these NEPA documents. They deliberately use the Freedom of Information Act as a harassment tool. The Boise National Forest has responded to 45 separate FOIA requests at a cost of more than $50,000. On the Payette, the number of FOIA requests has quadrupled, and a new, full-time position was created at a cost of $20,000 to handle the responses. One FOIA request was expected to take 670 hours of staff time to respond, thereby diverting staff away from salvage preparations.

It is this type of delay and added expense which causes me and other Senators to argue the need for streamlining the current rules as we have done in the rescissions bill, which is now law. Without the help of the Congress to clear some of the procedural path, timber salvage would be nearly impossible to accomplish.

The continuing story of the 1994 Idaho wildfires is a case in point. As of July 1, not one stick of burnt timber had yet been salvaged from the Boise or Payette National Forests. Not 1 acre of the burned forest has been replanted with trees, because the reforestation would be paid for by salvage receipts. The State forests had been salvaged. The adjoining private ownerships had been salvaged, but not the Federal lands.

Now those decisions are finally being made on the EIS's, those decisions have been appealed and held up by proponents of gridlock. I intend to come to the floor again soon to continue this story. I will follow the story as it unfolds. It will demonstrate why it is imperative that Congress provide relief in some form to free salvage sales from the burden of the unnecessary and costly procedures in place now. Salvage provisions in the rescission law are only temporary. They will expire in December 1996. With that in mind, I will press forward with S. 391, the long-term forest health bill I introduced in February. More on that with the next chapter of this story.

For now, please take note—665 million board feet awaits salvage; as of July 1, no timber salvage had been done; no reforestation had been done; and 11 months had passed in preparing NEPA documents. Now those decisions are being appealed.

Soon I will be back to talk about the fires of 1994, the devastation and the destruction, and ways this Congress and this country can move to a better procedure to manage our national forests.

I yield the remainder of my time.

Mr. REID addressed the Chair.

The PRESIDING OFFICER. The Senator from Nevada.

EXTENSION OF MORNING BUSINESS

Mr. REID. Mr. President, I ask unanimous consent that the time for morning business be extended to the hour of 2:15, and that I have the opportunity to speak until then.

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

The Senator from Nevada is recognized.

Mr. REID. I thank the Chair.

(The remarks of Mr. REID pertaining to the introduction of S. 1093 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

THE 30TH ANNIVERSARY OF THE PASSAGE OF MEDICARE

Mr. REID. Mr. President, I feel it is important to talk on the 30th anniversary of the passing of Medicare and especially after listening to some of the statements made by my friend, the senior Senator from the State of New Mexico while I was in the Chamber.

It is important that we recognize Medicare is a program that is really working. It is a program that has separated us from other countries, made our senior citizens able to receive the care, medical care in general, that they need. Certainly there needs to be improvements made in the Medicare system, and we should make those. But I think the across-the-board cuts we have in the budget resolution that is now before this body are really out of line.

Mr. President, just so we can understand, these cuts really do affect people. These cuts are not just farfetched, in the imagination of the Senator from Nevada. Republicans are proposing to cut more than $450 billion from health care between 1996 and 2002, $270 billion of these dollars from Medicare and $182 billion from Medicaid. In combination, these cuts are more than four times anything ever enacted. Most of the $270 billion in Medicare cuts would not be necessary without the Republicans' $245 billion tax cut.

Over a 7-year period, the combined Medicare and Medicaid cuts of the Republicans would reduce Federal health care dollars to Nevada by $2 billion—the small State of Nevada by over $2 billion. Each of Nevada's 182,000 Medicare beneficiaries would pay as much as $3,000 more in premiums and copayments. Couples would pay at least $6,000 more. Overall, the State of Nevada would lose $533 million in Medicare funding in 2002 and $2 billion over 7 years.

In Medicaid, overall, the State of Nevada would lose $157 million in Federal Medicaid funding in 2002 and $516 million over the 7 years, a reduction of 29 percent in the year 2002 alone, and this is according to the Urban Institute. This will have a devastating impact on the State's current almost 100,000 recipients. According to this study, these cuts would mean that Nevada would have to cut off coverage to over 25,000 recipients, likely adding them to the ranks of the uninsured.

Mr. President, we all heard the speeches early on. The distinguished majority leader before the election said:

> President Clinton and Vice President Gore are resorting to scare tactics falsely accusing Republicans of secret plans to cut Medicare benefits. This was reported widely. I just selected the Washington Post in November of last year.

The Republican National Committee chairperson, Haley Barbour, said:

> The outrage, as far as I am concerned is the Democrats' big lie campaign that the Contract With America would require huge Medicare cuts. It would not.

This was reported a number of places after Barbour made the speech, but I have chosen here CNN Late Edition, November 6, 1994.

But what has happened after the election?

> The GOP plan: $270 billion in Medicare cuts—

This does not count almost $200 billion more in Medicaid cuts—

> the largest Medicare cuts in history; seniors pay $900 more a year in out-of-pocket health care costs.

Those are the facts. We cannot escape it. To my friend from New Mexico, I say clearly, of course we have got to make some changes in Medicare. But we should do it with congressional hearings, like we do other things responsibly around here.

I yield the floor.

WAS CONGRESS IRRESPONSIBLE? CONSIDER THE ARITHMETIC

Mr. HELMS. Mr. President, the skyrocketing Federal debt, which long ago soared into the stratosphere, is sort of like the weather—everybody talks about it but almost nobody had done much about it until immediately after the elections last November.

But when the new 104th Congress convened in January, the U.S. House of Representatives quickly approved a balanced budget amendment to the U.S. Constitution. In the Senate all but one of the 54 Republicans supported the balanced budget amendment; only 13 Democrats supported it. Since a two-third-vote—67 Senators—is necessary to approve a constitutional amendment, the proposed Senate amendment failed by one vote. There will be another vote later this year or next year.

Mr. President, as of the close of business Thursday, July 27, the Federal debt—down to the penny—stood at exactly $4,948,216,665,542.90 or $18,783.51 for every man, woman, and child on a per capita basis.

MEDICARE'S 30TH ANNIVERSARY

Mr. GLENN. Mr. President, this Sunday marks the 30th anniversary of the Medicare Program's enactment into law. On July 30, 1965 President Lyndon Johnson traveled to Independence, MO, to sign the bill creating Medicare with President Harry Truman looking on. President Truman, of course, had proposed the creation of a national health insurance program in 1948. But it took 17 years of discussion and debate, several failed attempts in Congress, and the work of the Truman, Kennedy, and Johnson administrations, before the stage was set for Democrats to build on Social Security's successes and further guarantee security for our Nation's elderly and disabled citizens.

Thirty years ago, Medicare's detractors tried to rally opponents with cries of socialized medicine and forecasts of Medicare's impending failure. Since that time, we have witnessed the positive impact that Medicare has had on the lives of seniors and disabled beneficiaries, as well as their families. Few can deny Medicare's accomplishments. By ensuring access to necessary and appropriate medical services, Medicare continues to help millions of Americans lead dignified and independent lives—free from worry that even a minor illness or injury could devastate both their personal, and their family's, financial security.

Medicare is not a perfect health insurance program. Congress continues to work to control Federal health spending, and the elderly must still confront the ever-increasing costs of treatment for catastrophic illness, long-term care, and prescription drugs. However, today's seniors enjoy their retirement years in better health and with a greater sense of security than most thought possible 30 years ago.

Ten years ago, I made a brief statement to mark Medicare's 20 year anniversary. In that statement, I discussed the efforts that Congress had made to expand benefits, improve the quality of Medicare services, and address the explosion of health care spending. As we all know, the Congress has not solved all of the health care challenges I outlined that day, and today the Medicare program may be facing its greatest test. But Mr. President, Congress is confronting Medicare's current fiscal challenge with a radically different spirit and attitude than it had in the past.

Until recently, the Medicare debate was centered around the commitment to keeping our compact with America's seniors by ensuring Medicare's long-term solvency, while also expanding beneficiaries' access to services and improving the quality of care. The recent budget resolution's $270 billion Medicare cut—which has been disguised as a Medicare rescue—is actually nothing more than an attempt to extract the maximum amount of budget savings from the Medicare Program.

Somehow the Medicare reform debate has become a discussion about how the Congress can balance the Federal budget and give tax breaks to the rich, instead of how our country can provide health care and security for the elderly and disabled. Let us put aside the political posturing surrounding the budget debate and sit down to figure out what is best for the 37 million Americans who are served by Medicare, and the millions more expected to join the rolls in the future.

Mr. President, these days Americans are very cynical about their government. We should not confirm the public's fear that Members of Congress are trying to gain political advantage from Medicare's fiscal crises, rather we must take action to restore the public confidence while restoring the stability of Medicare. A generation that has given so much should not be burdened with higher premiums and deductibles or decreased benefits. Older American's financial security should not be sacrificed for partisan gain.

I recognize the limits of Medicare in this time of tight budgets and downsizing of government, but I also believe that by working together, we can fulfill a pledge made three decades ago and honor our commitment to today's seniors, and future generations of older Americans.

GIFT REFORM

Mr. SMITH. Mr. President, I rise to state briefly the reasons why I voted today in support of S. 1061, the bill to reform the rules of the Senate regarding the acceptance of gifts by Members and employees of the Senate. That measure, of course, was approved by a resounding, bipartisan vote of 98–0.

Mr. President, in the 103d Congress, I was pleased to support S. 1935, the Congressional Gifts Reform Act, which was approved by the Senate on May 11, 1994, by a vote of 95 to 4. Ultimately, however, S. 1935 did not become law because it was combined in conference with a controversial lobbying reform measure. As a result, the conference report was not approved by the Senate.

I am pleased, Mr. President, that the Senate has now revisited the issue and has succeeded in reforming its Rules regarding gifts. S. 1061, as adopted by the Senate today, represents a reasonable compromise among the competing proposals for gift reform. In general, Members and employees of the Senate will be permitted to accept only nonmonetary gifts with a value of less than $50, with a total cumulative value of no more than $100, in any calendar year from any person, corporation, or organization. No gift with a value below $10, however, will count towards the $100 annual limit.

As a member of the Select Committee on Ethics, I am strongly committed to keeping the ethical standards of the Senate above reproach. The new gift standard under which the Senate will be operating will make an important contribution to enhancing public confidence in the Senate as an institution.

I want especially to commend the distinguished Senator from Kentucky, MITCH MCCONNELL, for his exemplary leadership in working to achieve the compromise that resulted in the unanimous passage of S. 1061. It is my privilege to serve under Senator MCCONNELL'S leaderships as the chairman of the Select Committee on Ethics. He does an outstanding job of leading that important Select Committee under what are sometimes difficult circumstances.

REPORT ON THE CONTINUATION OF THE NATIONAL EMERGENCY WITH IRAQ—MESSAGE FROM THE PRESIDENT—PM 69

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, together with an accompanying report; which was referred to the Committee on Banking, Housing, and Urban Affairs.

To the Congress of the United States:

Section 202(d) of the National Emergencies Act (50 U.S.C. 1622(d)) provides for the automatic termination of a national emergency unless, prior to the anniversary date of its declaration, the President publishes in the *Federal Register* and transmits to the Congress a notice stating that the emergency is to

continue in effect beyond the anniversary date. In accordance with this provision, I have sent the enclosed notice, stating that the Iraqi emergency is to continue in effect beyond August 2, 1995, to the *Federal Register* for publication.

The crisis between the United States and Iraq that led to the declaration on August 2, 1990, of a national emergency has not been resolved. The Government of Iraq continues to engage in activities inimical to stability in the Middle East and hostile to United States interest in the region. Such Iraqi actions pose a continuing unusual and extraordinary threat to the national security and vital foreign policy interests of the United States. For these reasons, I have determined that it is necessary to maintain in force the broad authorities necessary to apply economic pressure on the Government of Iraq.

WILLIAM J. CLINTON.

THE WHITE HOUSE, *July 28, 1995.*

REPORT UNDER THE GENERALIZED SYSTEM OF PREFERENCES PROGRAM—MESSAGE FROM THE PRESIDENT—PM 70

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, together with an accompanying report; which was referred to the Committee on Finance.

To the Congress of the United States:

The Generalized System of Preferences (GSP) program offers duty-free treatment to specified products that are imported from designated beneficiary developing countries. The program is authorized by title V of the Trade Act of 1974, as amended.

Pursuant to title V, I have determined that Maldives should be suspended from the GSP program because it is not making sufficient progress in protecting basic labor rights. I also have decided to designate Moldova as a beneficiary developing country for purposes of the GSP program because I have determined that Moldova satisfies the statutory criteria.

This notice is submitted in accordance with the requirements of section 502(a)(1) and 502(a)(2) of the Trade Act of 1974.

WILLIAM J. CLINTON.

THE WHITE HOUSE, *July 28, 1995.*

PETITIONS AND MEMORIALS

The following petitions and memorials were laid before the Senate and were referred or ordered to lie on the table as indicated:

POM-255. A resolution adopted by the House of the Legislature of the State of Alabama; to the Committee on Governmental Affairs.

"HOUSE JOINT RESOLUTION 72

"Whereas, the 10th Amendment of the Constitution of the United States reads as follows: "The powers not delegated to the United States by the Constitution, nor prohibited by it to the States, are reserved to the States respectively, or to the people."; and

"Whereas, the 10th Amendment defines the total scope of federal power as being that specifically granted by the United States Constitution and no more; and

"Whereas, the scope of power defined by the 10th Amendment means that the federal government was created by the states specifically to be an agent of the states; and

"Whereas, today, in 1995, the states are demonstrably treated as agents of the federal government; and

"Whereas, numerous resolutions have been forwarded to the federal government by various states without any response or result from Congress or the federal government; and

"Whereas, many federal mandates are directly in violation of the 10th Amendment to the Constitution of the United States; and

"Whereas, the United States Supreme Court has ruled in New York v. United States, 112 S.Ct. 2408 (1992), that Congress may not simply commandeer the legislative and regulatory processes of the state; and

"Whereas, a number of proposals from previous administrations and some now pending from the present administration and from Congress may further violate the United States Constitution; now, therefore, be it

"*Resolved by the Legislature of Alabama, both Houses thereof concurring*, That the State of Alabama hereby claims sovereignty under the 10th Amendment of the Constitution of the United States over all powers not otherwise enumerated and granted to the federal government by the United States Constitution.

"*Be it further resolved*, That this serve as Notice and Demand to the federal government, as our agent, to cease and desist, effective immediately, mandates that are beyond the scope of its constitutionally delegated powers.

"*Resolved further*, That copies of this resolution be sent to the President of the United States, the Speaker of the United States House of Representatives, the President of the United States Senate, the Speaker of the House and the President of the Senate of each state's Legislature of the United States of America, and Alabama's Congressional Delegation."

POM-256. A concurrent resolution adopted by the Legislature of the State of Indiana; to the Committee on Governmental Affairs.

"A SENATE CONCURRENT RESOLUTION

"Whereas, the 10th Amendment to the Constitution of the United States reads "The powers not delegated to the United States by the Constitution, nor prohibited by it to the States, are reserved to the States respectively, or to the people.";

"Whereas, the 10th Amendment defines the total scope of federal power as being that specifically granted by the United States Constitution and no more;

"Whereas, the scope of power defined by the 10th Amendment means that the federal government was created by the states specifically to be an agent of the states;

"Whereas, today the states are demonstrably treated as agents of the federal government;

"Whereas, numerous resolutions have been forwarded to the federal government by the Indiana General Assembly without a response or result from Congress or the federal government;

"Whereas, many federal mandates are directly in violation of the 10th Amendment to the Constitution of the United States;

"Whereas, the United States Supreme Court has ruled in New York vs. United States, 112 S. Ct. 2408 (1992) that Congress may not simply commandeer the legislative and regulatory processes of the states; and

"Whereas, a number of proposals from past administrations and some proposals from the current administration and Congress that are now pending may further violate the United States Constitution: Now, therefore, be it

"*Resolved by the Senate of the General Assembly of the State of Indiana, the House of Representatives concurring:*

Section 1. (a) That Indiana hereby claims sovereignty under the 10th Amendment to the Constitution of the United States over all powers not otherwise enumerated and granted to the federal government by The Constitution of the United States.

"(b) That this serve as notice and demand to the federal government, as the states' agent, to immediately cease and desist enacting mandates that are beyond the scope of the federal government's constitutionally delegated powers."

POM-257. A joint resolution adopted by the Legislature of the State of Maine; to the Committee on Governmental Affairs.

"JOINT RESOLUTION

"Whereas, Joshua Lawrence Chamberlain was a great and noble American from the State of Maine, a Civil War Hero who led the successful charge of the 20th Maine Volunteer Regiment at Little Round Top at Gettysburg, which was said to have turned the tide of the bloody and fearsome battle against the Confederate Army and saved the Northern armies from annihilation; and

"Whereas, Joshua Lawrence Chamberlain was the Union General who was chosen by Ulysses S. Grant to formally accept the surrender of the Army of Northern Virginia at Appomattox and who ordered his soldiers to salute the vanquished Confederates, at the passing of the armies, who then returned that gesture, returning "honor with honor"; and

"Whereas, Joshua Lawrence Chamberlain, was was born in Brewer, Maine in 1828 and who was a college professor when he volunteered for service in the 20th Maine Regiment; who was wounded 6 times and cited 4 times for heroism; who was awarded the Congressional Medal of Honor for his courage at Little Round Top; who was promoted to Brigadier General in a rare field promotion by General Ulysses S. Grant at Petersburg, where Chamberlain was so severely wounded that his death was reported in Northern newspapers; who was promoted to Major General; who was Governor of Maine for 4 terms; who was President of Bowdoin College; and who was admired by friend and foe alike for his great character, independence and vision; Now, therefore, be it

"*Resolved:* That we, your Memorialists, respectfully recommend and urge the United States Postal Service to issue a stamp honoring Joshua Lawrence Chamberlain; and be it further

"*Resolved:* That suitable copies of this memorial, duly authenticated by the Secretary of State, be transmitted to the Honorable William J. Clinton, President of the United States, the President of the Senate and the Speaker of the House of Representatives of the Congress of the United States, to each member of the Maine Congressional Delegation and to the Postmaster General of the United States Postal Service."

POM-258. A joint resolution adopted by the Legislature of the State of New Hampshire; to the Committee on Governmental Affairs.

"HOUSE JOINT RESOLUTION 1

"Whereas, the 10th Amendment to the Constitution of the United States reads as follows: "The powers not delegated to the United States by the Constitution, nor prohibited by it to the states, are reserved to the states respectively, or to the people."; and

"Whereas, the 10th Amendment defines the total scope of federal power as being that specifically granted by the United States Constitution and no more; and

"Whereas, the scope of power defined by the 10th Amendment means that the federal government was created by the states specifically to be an agent of the states; and

"Whereas, today, in 1995, the states are demonstrably treated as agents of the federal government; and

"Whereas, numerous resolutions have been forwarded to the federal government by the New Hampshire general court without any response or result from Congress or the federal government; and

"Whereas, many federal mandates are directly in violation of the 10th Amendment of the Constitution of the United States; and

"Whereas, the United States Supreme Court has ruled in New York v. United States, 112 S. Ct. 2408 (1992), the Congress may not simply commandeer the legislative and regulatory processes of the states; and

"Whereas, a number of proposals from previous administrations and some now pending from the present administration and from Congress may further violate the United States Constitution; Now, therefore, be it

"*Resolved by the Senate and House of Representatives in General Court convened:* That the state of New Hampshire hereby claims sovereignty under the 10th Amendment to the Constitution of the United States over all powers not otherwise enumerated and granted to the federal government by the United States Constitution; and

"That this serve as notice and demand to the federal government, as our agent, to cease and desist, effective immediately, mandates that are beyond the scope of its constitutionally delegated powers; and

"That copies of this resolution be sent by the house clerk to the President of the United States, the Speaker of the United States House of Representatives, the President of the United States Senate, the Speaker of the House and the President of the Senate of each state's legislature of the United States of America, and New Hampshire's Congressional delegation"

POM-259. A resolution adopted by the Board of Commissioners of Yadkin County, North Carolina relative to tobacco; to the Committee on Labor and Human Resources.

POM-260. A resolution adopted by the Board of Commissioners of Columbus County, North Carolina relative to tobacco; to the Committee on Labor and Human Resources.

POM-261. A joint resolution adopted by the General Assembly of the State of Maryland; to the Committee on Labor and Human Resources.

"SENATE JOINT RESOLUTION 9

"Whereas, in the 1930s, the Congress of the United States assumed the responsibility for developing a federally administered retirement program to place the various railroad pension plans on a solid financial basis; and

"Whereas, the railroad retirement system today covers over 1 million individuals who have contributed over the years in good faith and have legitimate expectations of receiving their benefits; and

"Whereas, the National Performance Review Board proposes to transfer the functions of the Railroad Retirement Board to the Social Security Administration, other federal agencies, and private sector service providers; and

"Whereas, this proposal would privatize and terminate a program that has worked well and provided retirement security of 1.3 million active, retired, and disabled rail workers and their families for nearly 60 years: Now, therefore, be it.

"*Resolved by the General Assembly of Maryland,* That the United States Congress reject the proposal by the National Performance Review Board to transfer the functions of the Railroad Retirement Board to the Social Security Administration, other federal agencies, and private sector service providers; and be it further.

"*Resolved,* That a copy of this Resolution be forwarded by the Department of Legislative Reference to the National Performance Review Board, Office of the Vice President, Old Executive Office Building, Washington, D.C. 20501."

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. 852. A bill to provide for uniform management of livestock grazing on Federal land, and for other purposes (Rept. No. 104-123).

By Mr. STEVENS, from the Committee on Appropriations, without amendment:

S. 1087. An original bill making appropriations for the Department of Defense for the fiscal year ending September 30, 1996, and for other purposes (Rept. No. 104-124).

By Mr. GORTON, from the Committee on Appropriations, with amendments:

H.R. 1977. A bill making appropriations for the Department of the Interior and related agencies for the fiscal year ending September 30, 1996, and for other purposes (Rept. No. 104-125).

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted:

By Mr. HATCH, from the Committee on the Judiciary:

B. Lynn Winmill, of Idaho, to be United States District Judge for the District of Idaho.

Andre M. Davis, of Maryland, to be United States District Judge for the District of Maryland.

Catherine C. Blake, of Maryland, to be United States District Judge for the District of Maryland.

A. Wallace Tashima, of California, to be United States Circuit Judge for the Ninth Circuit.

Edward Scott Blair, of Tennessee, to be United States Marshal for the Middle District of Tennessee for the term of four years.

(The above nominations were reported with the recommendation that they be confirmed.)

Mr. THURMOND. Mr. President, for the Committee on Armed Services, I report favorably two nomination lists in the U.S. Marine Corps, which were printed in full in the CONGRESSIONAL RECORDS of April 3 and May 11, 1995, and ask unanimous consent, to save the expense of reprinting on the Executive Calendar, that these nominations lie at the Secretary's desk for the information of Senators.

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 April 3 and May 11, 1995 at the end of the Senate proceedings.)

In the Marine Corps there are 73 appointments to the grade of colonel (list begins Anthony T. Alauria).

In the Marine Corps there are 692 appointments to the grade of major (list begins David V. Adamiak).

Total 765.

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. DOLE (for himself, Mr. PRYOR, Mr. ROTH, Mr. BAUCUS, Mr. PRESSLER, Mr. BREAUX, Mr. BOND, Mr. SIMPSON, Mr. GRASSLEY, Mr. HATCH, Mr. D'AMATO, Mr. MURKOWSKI, Mr. NICKLES, Mr. HELMS, Mr. WARNER, Mr. GREGG, Mr. BENNETT, Mr. LUGAR, Ms. SNOWE, Mr. ABRAHAM, Mr. BURNS, Mr. LOTT, Mr. ASHCROFT, Mr. COATS, Mr. INHOFE, Mrs. HUTCHISON, Mr. STEVENS, Mrs. KASSEBAUM, Mr. KERREY, Mr. COHEN, Mr. CAMPBELL, and Mr. COVERDELL):

S. 1086. A bill to amend the Internal Revenue Code of 1986 to allow a family-owned business exclusion from the gross estate subject to estate tax, and for other purposes; to the Committee on Finance.

By Mr. STEVENS:

S. 1087. An original bill making appropriations for the Department of Defense for the fiscal year ending September 30, 1996, and for other purposes; from the Committee on Appropriations; placed on the calendar.

By Mr. COHEN:

S. 1088. A bill to provide for enhanced penalties for health care fraud, and for other purposes; to the Committee on Finance.

By Mr. LEAHY:

S. 1089. A bill to amend the Nonindigenous Aquatic Nuisance Prevention and Control Act of 1990 to prevent and control the infestation of Lake Champlain by zebra mussels, and for other purposes; to the Committee on Environment and Public Works.

By Mr. LEAHY (for himself, Mr. BROWN, and Mr. KERRY):

S. 1090. A bill to amend section 552 of title 5, United States Code (commonly known as the Freedom of Information Act), to provide for public access to information in an electronic format, and for other purposes; to the Committee on the Judiciary.

By Mr. CRAIG (for himself and Mr. CONRAD):

S. 1091. A bill to finance and implement a program of research, promotion, market development, and industry and consumer information to enhance demand for and increase the profitability of canola and rapeseed products in the United States, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

By Mr. McCONNELL:

S. 1092. A bill to impose sanctions against Burma, and countries assisting Burma, unless Burma observes basic human rights and

permits political freedoms; to the Committee on Foreign Relations.

By Mr. REID (for himself and Mr. BRYAN):

S. 1093. A bill to prohibit the application of the Religious Freedom Restoration Act of 1993, or any amendment made by such Act, to an individual who is incarcerated in a Federal, State, or local correctional, detention, or penal facility, 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. MCCAIN (for himself, Mr. LEVIN, Mr. COHEN, Mr. WELLSTONE, Mr. FEINGOLD, Mr. LAUTENBERG, Mr. KYL, Mr. MCCONNELL, Mr. GRAMS, Mr. ABRAHAM, Mr. WARNER, Mr. HARKIN, Mr. BINGAMAN, and Mr. BAUCUS):

S. Res. 158. A resolution to provide for Senate gift reform; considered and agreed to.

By Mr. PELL:

S. Con. Res. 22. A concurrent resolution expressing the sense of the Congress that the United States should participate in Expo '98 in Lisbon, Portugal; to the Committee on Foreign Relations.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. DOLE (for himself, Mr. PRYOR, Mr. ROTH, Mr. BAUCUS, Mr. PRESSLER, Mr. BREAUX, Mr. BOND, Mr. SIMPSON, Mr. GRASSLEY, Mr. HATCH, Mr. D'AMATO, Mr. MURKOWSKI, Mr. NICKLES, Mr. HELMS, Mr. WARNER, Mr. GREGG, Mr. BENNETT, Mr. LUGAR, Ms. SNOWE, Mr. ABRAHAM, Mr. BURNS, Mr. LOTT, Mr. ASHCROFT, Mr. COATS, Mr. INHOFE, Mrs. HUTCHISON, Mr. STEVENS, Mrs. KASSEBAUM, Mr. KERREY, Mr. COHEN, Mr. CAMPBELL, and Mr. COVERDELL):

S. 1086. A bill to amend the Internal Revenue Code of 1986 to allow a family-owned business exclusion from the gross estate subject to estate tax, and for other purposes; to the Committee on Finance.

THE AMERICAN FAMILY-OWNED BUSINESS ACT

Mr. DOLE. Mr. President, I rise today to introduce the American Family-Owned Business Act—a bill that will preserve the American family and save jobs across the country.

I am proud that this bill was developed on a bipartisan basis, led on the Democratic side by my colleague from Arkansas, Senator PRYOR. We are joined by Senators ROTH, BAUCUS, PRESSLER, BREAUX, SIMPSON, BOND, D'AMATO, GRASSLEY, NICKLES, HELMS, WARNER, GREGG, BENNETT, LUGAR, SNOWE, ABRAHAM, BURNS, LOTT, ASHCROFT, COATS, INHOFE, HUTCHISON, STEVENS, MURKOWSKI, KASSEBAUM, KERREY, COHEN, and HATCH.

The current Federal estate tax is just too burdensome on the American family. Time and time again, farmers and other business owners across the country have told me that estate tax rates are just too high. They rise quickly from 18- to 55-percent, effectively making the Government a 50–50 partner in a family business.

Even the most sophisticated estate tax planning and the purchase of life insurance cannot sufficiently mitigate the effects of these high rates, leaving families no recourse but to sell their businesses to pay the estate tax. This bill will stop these forced sales from happening again.

I agree with many who say that estate tax rates should be reduced across the board, or repealed entirely. And I hope that we do that some day. But today we take an important first step with the American Family-Owned Business Act.

This bill cuts estate tax rates in half and also creates a new exclusion that completely eliminates the estate tax for small businesses.

Under the new exclusion, family-owned businesses can exempt up to $1.5 million of family business assets from their estate. If a family business is valued at more than $1.5 million, the excess is taxed at one-half of the current rates—thus providing a maximum tax rate of 27.5 percent.

My colleagues and I introduce this bill to protect and preserve family enterprises. We know too well the adverse impact of an estate tax-forced sale. The family loses its livelihood, the family business employees lose their jobs, and the community suffers.

We must do all that we can to help family-owned businesses not only survive, but also prosper. They are the job creators in this country. In the 1980's alone, family businesses accounted for an increase of more than 20 million private-sector jobs.

By relieving families from the burden of the estate tax and letting them keep their business, they can continue to prosper. And when families continue to operate their businesses, we all benefit—the business employees keep their jobs, the Government receives income taxes on business profits, and the families retain their livelihood.

The estate tax is not a Democratic or a Republican problem, or one that affects only rural or urban families. There are farmers, ranchers, or other family businesses in each State that would benefit from this legislation. That is why this bill is supported by dozens of groups, each listed at the conclusion of this statement.

Many of my colleagues have introduced bills to provide estate tax relief in various situations. These bills include important ideas, many of which are reflected in the American Family-owned Business Act. As we begin the process of providing estate tax relief, we hope to work closely with the sponsors of these other bills, and to work toward common goals. We encourage those Senators who have sponsored their own bills to sign on to this one and work toward a single package of estate tax relief.

As we intend, the American Family-Owned Business Act provides relief for family businesses across the country—from the tree farmer in the Northeast or the rancher in the Southwest, to the farmer in the Midwest or the corner grocery store owner in the South.

The bill requires heirs to participate in the family business. These participation rules are deliberately flexible and recognize that different family businesses need differing levels of participation by heirs. For example, the bill recognizes that owners of tree farms may participate at a level lower than that of owners of other businesses, since tree farming often does not require continuous attention as do other farming activities.

This bill provides the critical relief needed for American families' businesses. We urge all our colleagues to support this effort.

Mr. President, I ask unanimous consent that the text of the bill and other material be printed in the RECORD.

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

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 "The American Family-Owned Business Act".

SEC. 2. FAMILY-OWNED BUSINESS EXCLUSION.

(a) IN GENERAL.—Part III of subchapter A of chapter 11 of the Internal Revenue Code of 1986 (relating to gross estate) is amended by inserting after section 2033 the following new section:

"SEC. 2033A. FAMILY-OWNED BUSINESS EXCLUSION.

"(a) IN GENERAL.—In the case of an estate of a decedent to which this section applies, the value of the gross estate shall not include the lesser of—

"(1) the adjusted value of the qualified family-owned business interests of the decedent otherwise includible in the estate, or

"(2) the sum of—

"(A) $1,500,000, plus

"(B) 50 percent of the excess (if any) of the adjusted value of such interests over $1,500,000.

"(b) ESTATES TO WHICH SECTION APPLIES.—This section shall apply to an estate if—

"(1) the decedent was (at the date of the decedent's death) a citizen or resident of the United States,

"(2) the excess of—

"(A) the sum of—

"(i) the adjusted value of the qualified family-owned business interests which—

"(I) are included in determining the value of the gross estate (without regard to this section), and

"(II) are acquired by a qualified heir from, or passed to a qualified heir from, the decedent (within the meaning of section 2032A(e)(9)), plus

"(ii) the amount of the adjusted taxable gifts of such interests from the decedent to members of the decedent's family taken into account under subsection 2001(b)(1)(B), to the

extent such interests are continuously held by such members between the date of the gift and the date of the decedent's death, over

"(B) the amount included in the gross estate under section 2035,

exceeds 50 percent of the adjusted gross estate, and

"(3) during the 8-year period ending on the date of the decedent's death there have been periods aggregating 5 years or more during which—

"(A) such interests were owned by the decedent or a member of the decedent's family, and

"(B) there was material participation (within the meaning of section 2032A(e)(6)) by the decedent or a member of the decedent's family in the operation of the business to which such interests relate.

"(c) ADJUSTED GROSS ESTATE.—For purposes of this section, the term 'adjusted gross estate' means the value of the gross estate (determined without regard to this section)—

"(1) reduced by any amount deductible under section 2053(a)(4), and

"(2) increased by the excess of—

"(A) the sum of—

"(i) the amount taken into account under subsection (b)(2)(B)), plus

"(ii) the amount of other gifts from the decedent to the decedent's spouse (at the time of the gift) within 10 years of the date of the decedent's death, plus

"(iii) the amount of other gifts (not included under clause (i) or (ii)) from the decedent within 3 years of such date, over

"(B) the amount included in the gross estate under section 2035.

"(d) ADJUSTED VALUE OF THE QUALIFIED FAMILY-OWNED BUSINESS INTERESTS.—For purposes of this section, the adjusted value of any qualified family-owned business interest is the value of such interest for purposes of this chapter (determined without regard to this section), reduced by the excess of—

"(1) any amount deductible under section 2053(a)(4), over

"(2) the sum of—

"(A) any indebtedness on any qualified residence of the decedent the interest on which is deductible under section 163(h)(3), plus

"(B) any indebtedness to the extent the taxpayer establishes that the proceeds of such indebtedness were used for the payment of educational and medical expenses of the decedent, the decedent's spouse, or the decedent's dependents (within the meaning of section 152), plus

"(C) any indebtedness not described in subparagraph (A) or (B), to the extent such indebtedness does not exceed $10,000.

"(e) QUALIFIED FAMILY-OWNED BUSINESS INTEREST.—

"(1) IN GENERAL.—For purposes of this section, the term 'qualified family-owned business interest' means—

"(A) an interest as a proprietor in a trade or business carried on as a proprietorship, or

"(B) an interest as a partner in a partnership, or stock in a corporation, carrying on a trade or business, if—

"(i) at least—

"(I) 50 percent of such partnership or corporation is owned (directly or indirectly) by the decedent or members of the decedent's family,

"(II) 70 percent of such partnership or corporation is so owned by 2 families (including the decedent's family), or

"(III) 90 percent of such partnership or corporation is so owned by 3 families (including the decedent's family), and

"(ii) at least 30 percent of such partnership or corporation is so owned by each family described in subclause (II) or (III) of clause (i).

"(2) LIMITATION.—Such term shall not include—

"(A) any interest in a trade or business the principal place of business of which is not located in the United States,

"(B) any interest in—

"(i) an entity which had, or

"(ii) an entity which is a member of a controlled group (as defined in section 267(f)(1)) which had,

readily tradable stock or debt on an established securities market or secondary market (as defined by the Secretary) within 3 years of the date of the decedent's death,

"(C) any interest in a trade or business not described in section 542(c)(2), if more than 35 percent of the adjusted ordinary gross income of such trade or business for the taxable year which includes the date of the decedent's death would qualify as personal holding company income (as defined in section 543(a)), and

"(D) that portion of an interest in a trade or business that is attributable to cash or marketable securities, or both, in excess of the reasonably expected day-to-day working capital needs of such trade or business.

"(3) OWNERSHIP RULES.—

"(A) INDIRECT OWNERSHIP.—For purposes of determining indirect ownership under paragraph (1), rules similar to the rules of paragraphs (2) and (3) of section 447(e) shall apply.

"(B) TIERED ENTITIES.—For purposes of this section, if—

"(i) a qualified family-owned business holds an interest in another trade or business, and

"(ii) such interest would be a qualified family-owned business interest if held directly by the family (or families) holding interests in the qualified family-owned business meeting the requirements of paragraph (1)(B),

then the value of the qualified family-owned business shall include the portion attributable to the interest in the other trade or business.

"(f) TAX TREATMENT OF FAILURE TO MATERIALLY PARTICIPATE IN BUSINESS OR DISPOSITIONS OF INTERESTS.—

"(1) IN GENERAL.—There is imposed an additional estate tax if, within 10 years after the date of the decedent's death and before the date of the qualified heir's death—

"(A) the qualified heir ceases to use for the qualified use (within the meaning of section 2032A(c)(6)(B)) the qualified family-owned business interest which was acquired (or passed) from the decedent, or

"(B) the qualified heir disposes of any portion of a qualified family-owned business interest (other than by a disposition to a member of the qualified heir's family or through a qualified conservation contribution under section 170(h)).

"(2) ADDITIONAL ESTATE TAX.—The amount of the additional estate tax imposed by paragraph (1) shall be equal to—

"(A) the adjusted tax difference attributable to the qualified family-owned business interest (as determined under rules similar to the rules of section 2032A(c)(2)(B)), plus

"(B) interest on the amount determined under subparagraph (A) at the annual rate of 4 percent for the period beginning on the date the estate tax liability was due under this chapter and ending on the date such additional estate tax is due.

"(g) OTHER DEFINITIONS AND APPLICABLE RULES.—For purposes of this section—

"(1) QUALIFIED HEIR.—The term 'qualified heir'—

"(A) has the meaning given to such term by section 2032A(e)(1), and

"(B) includes any active employee of the trade or business to which the qualified family-owned business interest relates if such employee has been employed by such trade or business for a period of at least 10 years before the date of the decedent's death.

"(2) MEMBER OF THE FAMILY.—The term 'member of the family' has the meaning given to such term by section 2032A(e)(2).

"(3) APPLICABLE RULES.—Rules similar to the following rules shall apply:

"(A) Section 2032A(b)(4) (relating to decedents who are retired or disabled).

"(B) Section 2032A(b)(5) (relating to special rules for surviving spouses).

"(C) Section 2032A(c)(2)(D) (relating to partial dispositions).

"(D) Section 2032A(c)(3) (relating to only 1 additional tax imposed with respect to any 1 portion).

"(E) Section 2032A(c)(4) (relating to due date).

"(F) Section 2032A(c)(5) (relating to liability for tax; furnishing of bond).

"(G) Section 2032A(c)(7) (relating to no tax if use begins within 2 years; active management by eligible qualified heir treatment as material participation).

"(H) Section 2032A(e)(10) (relating to community property).

"(I) Section 2032A(e)(14) (relating to treatment of replacement property acquired in section 1031 or 1033 transactions).

"(J) Section 2032A(f) (relating to statute of limitations).

"(K) Section 6166(b)(3) (relating to farmhouses and certain other structures taken into account).

"(L) Subparagraphs (B), (C), and (D) of section 6166(g)(1) (relating to acceleration of payment)."

(b) CLERICAL AMENDMENT.—The table of sections for part III of subchapter A of chapter 11 of the Internal Revenue Code of 1986 is amended by inserting after the item relating to section 2033 the following new item:

"Sec. 2033A. Family-owned business exclusion."

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to estates of decedents dying after December 31, 1995.

SUPPORTERS OF AMERICAN FAMILY-OWNED BUSINESS ACT

Air Conditioning Contractors of America.

Alliance of Independent Store Owners & Professionals.

American Alliance of Family Businesses.

American Association of Nurserymen.

American Consulting Engineers Council.

American Electrical Contractors Association.

American Equipment Distributors.

American Farm Bureau Federation.

American Horse Council.

American Road and Transportation Builders Association.

American Sheep Industry Association.

American Soybean Association.

American Subcontractors Association.

American Trucking Association.

American Vintners Association.

Associated Builders and Contractors.

Associated Equipment Distributors.

Associated General Contractors of America.

Building Advertising Council.

Building Service Contractors Associations International.
Committee to Preserve the American Family Business.
Communicating for Agriculture.
Council of Fleet Specialists.
Food Marketing Institute.
Forest Industries Committee on Taxation.
Independent Bankers Association of America.
Independent Petroleum Association of America.
Machinery Dealers National Association.
Marina Operators Association of America.
Marine Retailers Association of America.
National-American Wholesale Grocers' Assn./International Foodservice Distributors.
National Association for the Self-Employed.
National Association of RV Parks and Campgrounds.
National Association of Realtors.
National Association of Retail Druggists.
National Association of State Departments of Agriculture.
National Association of Wheat Growers.
National Automobile Dealers Association.
National Cattlemen's Association.
National Corn Growers Association.
National Cotton Council.
National Farmers Union.
National Federation of Independent Business.
National Food Brokers Association.
National Home Furnishings Association.
National Lumber and Building Material Dealers Association.
National Milk Producers Federation.
National Pork Producers Council.
National Restaurant Association.
National Retail Federation.
National Roofing Contractors Association.
National Stripper Well Association.
National Tire Dealers & Retreaders Association.
National Tooling & Machining Association.
Printing Industries of America.
Promotional Products Association International.
Retail Bakers of America.
Sageguard America's Family Enterprises.
Sheet Metal & Air Conditioning Contractors National Association.
Small Business Exporters Association.
Small Business Legislative Council.
Society of American Florists.
U.S. Business and Industrial Council.
U.S. Chamber of Commerce.
Wine and Spirits Wholesalers of America.
World Floor Covering Association.

Mr. ROTH. Mr. President, sometimes it appears that government has declared war on the family farm and small business. This is an irony, given the fact that these historic American institutions are the backbone of our economy. We all know the statistics—how since the early 1970's, small businesses have created two out of every three new jobs—how our family farms have helped turn America into the most productive agricultural provider in the world.

On previous occasions, I've come to the floor to detail how government, time and again, has tried to kill the goose that lays the golden egg. Not only are small businesses and our family farms feeling the crunch from Federal taxation and over-regulation, but they are getting hit on the local level, as well. When Congress increases regulations—when Congress hits small business men and women with tax increases—rarely are these regulations and increases considered in light of the State and local taxes these men and women are paying. Fortune magazine reports that the tax liability of small businesses is one of the fastest rising, especially through the increases of property taxes—taxes which have a profound impact on our farmers.

On top of this tremendous tax and regulatory load that small business owners and family farmers must bear in life, the Federal Government even refuses to allow them peace in death. In fact, in many cases the way the Tax Code is written today, the death of a small business man or woman in a family-owned enterprise brings about what can only be considered a hostile takeover by the Government.

Under current law, when the key member of a family-owned business dies, the Federal Government mandates an estate tax that can reach as high as 55 percent. Fifty-five percent, Mr. President. Think about that. It can make the Federal Government literally the majority owner of a business that a family has worked for years to build.

If a Government takeover isn't bad enough, the families involved soon realize that Uncle Sam doesn't even want to keep the business. He's not interested in a partnership. He just wants his pound of flesh, even if it kills the enterprise. Time and again, this has happened as wonderful, hard-working, risk-taking spouses and children—valiant souls who have often sacrificed for the family cause—are forced by old Uncle Sam to sell the company or farm just to pay the taxes.

If all this seems familiar, Mr. President, it is. It's familiar to anyone who's ever seen an old Vaudeville melodrama. If you can't pay the taxes, you lose the family farm. Well, Mr. President, all that changes with this legislation—legislation I have authored with Senators DOLE and PRYOR. And frankly, I don't mind playing the role of Dudley Dooright, along with these distinguished colleagues and a host of others who have cosponsored this legislation. In fact, I'm pleased to be a champion of small business, especially when I hear stories like those I shared in our press conference today.

These are stories about real people—about an elderly woman from Delaware who, upon her death, left her family farm to her five children. They wanted the farm. They wanted it to remain in the family. It was valued at over $2 million. But in came Uncle Sam—just like in the melodrama—and demanded estate taxes of almost $1 million. Now, Mr. President, it's not hard to understand how a hard-working family can build a farm that's worth $2 million, especially when you consider inflation. For good land and well-kept equipment, that's not an exorbitant amount of money.

But it's almost impossible to see how those who inherit the farm are able to keep it when they also inherit a $1 million tax liability.

In another case, an elderly couple from southern Delaware is currently struggling to plan their estate so it adequately provides for their handicapped daughter while it also allows their son to continue the family farming operation. Unfortunately, with a projected estate tax bill of over $500,000, it is most likely that they also will have to sell their family farm just to appease Uncle Sam's insatiable appetite for taxes.

Mr. President, it's time for change. And the legislation I've authored—legislation to provide estate tax relief—is an important measure toward creating the change we need. The Family Business Estate Tax Relief Act—completely bipartisan legislation—will exempt from the estate tax a full $1.5 million of the value of the deceased individual's interest in a family business. If the business or farm is worth more than $1.5 million, our legislation cuts the additional tax rate in half.

This exemption and rate cut are in addition to the current law's exclusion for up to $600,000 in personal and business assets. In this way, a family could protect a business valued up to $4.2 million, if that business were owned by a husband and wife. To make certain that the tax relief is going to protect family-owned businesses, our legislation requires that surviving members keep the business for up to 10 years. It applies only to businesses that are family owned and that are located within the United States.

Mr. President, this legislation is important not only for our families, but for our Nation. It restores proper perspective to what this political experiment is all about—encouraging the American Dream. There is nothing more important to that dream than the family, its business, and its farm. I encourage all my colleagues to join us in this bipartisan effort to once again make Uncle Sam a relative that folks will want to see come visit.

By Mr. COHEN:

S. 1088. A bill to provide for enhanced penalties for health care fraud, and for other purposes; to the Committee on Finance.

THE HEALTH CARE FRAUD AND ABUSE PREVENTION ACT OF 1995

• Mr. COHEN. Mr. President, earlier this year I introduced S. 245, the Health Care Fraud Prevention Act. This bill, which was cosponsored by a bipartisan group of 21 Senators, was similar to legislation I introduced last year that ultimately was incorporated into a number of the major comprehensive health care reform proposals. Unfortunately, hopes for enactment of my

fraud and abuse proposal faded since comprehensive health care reform was not passed by the Congress last year.

Regardless of whether we enact overall health care reform, it is vital that we no longer delay in adopting tough measures to crack down on the fraud and abuse that robs billions of dollars from our health care system each year. Estimates are that we are losing as much as $100 billion each year to health care fraud and abuse, with as much as 30 percent of those losses to the Medicare and Medicaid programs alone. As we embark upon the debate on how to achieve savings in, and control the growth of, Medicare and Medicaid, we must not overlook the very real savings that can be obtained by closing the doors of these programs to fraud and abuse.

Since I introduced S. 245 in January of this year, I have solicited comments on this legislation from a host of law enforcement agencies, health care provider groups, and experts in criminal law and health care. My purpose in seeking and reviewing comments on my legislation was to ensure that health care fraud legislation be tough on those who intentionally scam or defraud the health care system, but also be fair and workable in practice, and not inadvertently penalize honest health care providers who inadvertently run afoul of complicated health care regulations. I strongly believe that it is necessary, and possible, to strike the appropriate balance of being very tough on health care fraud while not entrapping or unduly burdening health care providers and businesses who are simply trying to follow the rules.

The bill that I am introducing today reflects this delicate balance. It is the product of many months of work by my staff on the Senate Special Committee on Aging to respond to comments by many experts in law enforcement, health care, and the health care provider community. The changes made to S. 245 by this legislation I am introducing today are both comprehensive in nature and extremely workable.

For example, this bill alters the extension of the Social Security Act anti-kickback statute and civil monetary penalties. Under this legislation, these penalties would be extended to cover all Federal Health Care Programs, not just Medicare and Medicaid.

Another major change deals with the exclusion of individuals from Medicare for certain health care fraud violations. Under the proposal I am introducing today, the reach of this exclusion has been refined from my previous legislation so that individuals not directly involved in the fraudulent activity would not be unduly penalized or discouraged from serving on boards of hospitals or other health care organizations. This legislation contains many other refinements to S. 245 that will go far in achieving coordinated, effective, and fair response to health care fraud and abuse.

Mr. President, the costs of health care fraud and abuse to our health care system are staggering: As much as 10 percent of U.S. health care spending is lost to fraud and abuse each year. For Medicare and Medicaid, the Federal Government pays as much as $27 billion each year in fraudulent and abusive claims. Enactment of this legislation therefore has the potential to save the taxpayers and American public millions, if not billions of dollars each year.

I would like to thank all those individuals from law enforcement and the health care industry who have come forth with pragmatic and creative solutions to a growing and pernicious problem, and I ask unanimous consent that a section-by-section analysis of the changes have been made to S. 245 and a copy of my legislation be included in the RECORD.

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

S. 1088

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

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "Health Care Fraud and Abuse Prevention Act of 1995".

(b) TABLE OF CONTENTS.—The table of contents of this Act is as follows:

Sec. 1. Short title; table of contents.

TITLE I—FRAUD AND ABUSE CONTROL PROGRAM

Sec. 101. Fraud and abuse control program.
Sec. 102. Application of certain health anti-fraud and abuse sanctions to all fraud and abuse against any Federal health program.
Sec. 103. Health care fraud and abuse guidance.

TITLE II—REVISIONS TO CURRENT SANCTIONS FOR FRAUD AND ABUSE

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Sec. 507. Theft or embezzlement.
Sec. 508. Laundering of monetary instruments.
Sec. 509. Authorized investigative demand procedures.

TITLE VI—STATE HEALTH CARE FRAUD CONTROL UNITS

Sec. 601. State health care fraud control units.

TITLE VII—MEDICARE BILLING ABUSE PREVENTION

Sec. 701. Implementation of General Accounting Office recommendations regarding medicare claims processing.
Sec. 702. Minimum software requirements.
Sec. 703. Disclosure.
Sec. 704. Review and modification of regulations.
Sec. 705. Definitions.

TITLE I—FRAUD AND ABUSE CONTROL PROGRAM

SEC. 101. FRAUD AND ABUSE CONTROL PROGRAM.

(a) ESTABLISHMENT OF PROGRAM.—

(1) IN GENERAL.—Not later than January 1, 1996, the Secretary of Health and Human Services (in this title referred to as the "Secretary"), acting through the Office of the Inspector General of the Department of Health and Human Services, and the Attorney General shall establish a program—

(A) to coordinate Federal, State, and local law enforcement programs to control fraud and abuse with respect to the delivery of and payment for health care in the United States,

(B) to conduct investigations, audits, evaluations, and inspections relating to the delivery of and payment for health care in the United States,

(C) to facilitate the enforcement of the provisions of sections 1128, 1128A, and 1128B of the Social Security Act (42 U.S.C. 1320a–7, 1320a–7a, and 1320a–7b) and other statutes applicable to health care fraud and abuse, and

(D) to provide for the modification and establishment of safe harbors and to issue interpretative rulings and special fraud alerts pursuant to section 103.

(2) COORDINATION WITH HEALTH PLANS.—In carrying out the program established under paragraph (1), the Secretary and the Attorney General shall consult with, and arrange for the sharing of data with representatives of health plans.

(3) GUIDELINES.—

(A) IN GENERAL.—The Secretary and the Attorney General shall issue guidelines to carry out the program under paragraph (1). The provisions of sections 553, 556, and 557 of title 5, United States Code, shall not apply in the issuance of such guidelines.

(B) INFORMATION GUIDELINES.—

(i) IN GENERAL.—Such guidelines shall include guidelines relating to the furnishing of information by health plans, providers, and others to enable the Secretary and the Attorney General to carry out the program (including coordination with health plans under paragraph (2)).

(ii) CONFIDENTIALITY.—Such guidelines shall include procedures to assure that such information is provided and utilized in a manner that appropriately protects the confidentiality of the information and the privacy of individuals receiving health care services and items.

(iii) QUALIFIED IMMUNITY FOR PROVIDING INFORMATION.—The provisions of section 1157(a) of the Social Security Act (42 U.S.C. 1320c-6(a)) (relating to limitation on liability) shall apply to a person providing information to the Secretary or the Attorney General in conjunction with their performance of duties under this section.

(4) INVESTIGATORS AND OTHER PERSONNEL.—In addition to any other amounts authorized to be appropriated to the Secretary, the Attorney General, the Director of the Federal Bureau of Investigation, and the Inspectors General of the Departments of Health and Human Services, Defense, Labor, and Veterans Affairs, of the Office of Personnel Management, and of the Railroad Retirement Board, for health care anti-fraud and abuse activities for a fiscal year, there are authorized to be appropriated additional amounts, from the Health Care Fraud and Abuse Control described in subsection (b) of this section, as may be necessary to enable the Secretary, the Attorney General, and such Inspectors General to conduct investigations and audits of allegations of health care fraud and abuse and otherwise carry out the program established under paragraph (1) in a fiscal year.

(5) ENSURING ACCESS TO DOCUMENTATION.—The Inspector General of the Department of Health and Human Services is authorized to exercise such authority described in paragraphs (3) through (9) of section 6 of the Inspector General Act of 1978 (5 U.S.C. App.) as necessary with respect to the activities under the fraud and abuse control program established under this subsection.

(6) AUTHORITY OF INSPECTOR GENERAL.—Nothing in this Act shall be construed to diminish the authority of any Inspector General, including such authority as provided in the Inspector General Act of 1978 (5 U.S.C. App.).

(b) HEALTH CARE FRAUD AND ABUSE CONTROL.—

(1) ESTABLISHMENT.—

(A) IN GENERAL.—There is hereby established the Health Care Fraud and Abuse Control. There are hereby appropriated to the Health Care Fraud and Abuse Control—

(i) such gifts and bequests as may be made as provided in subparagraph (B);

(ii) such amounts as may be deposited in the Health Care Fraud and Abuse Control as provided in sections 501(b) and 502(b), and title XI of the Social Security Act; and

(iii) such amounts as are transferred to the Health Care Fraud and Abuse Control under subparagraph (C).

(B) AUTHORIZATION TO ACCEPT GIFTS.—The Health Care Fraud and Abuse Control is authorized to accept on behalf of the United States money gifts and bequests made unconditionally to the Health Care Fraud and Abuse Control, for the benefit of the Health Care Fraud and Abuse Control or any activity financed through the Health Care Fraud and Abuse Control.

(C) TRANSFER OF AMOUNTS.—The Secretary of the Treasury shall transfer to the Health Care Fraud and Abuse Control, under rules similar to the rules in section 9601 of the Internal Revenue Code of 1986, an amount equal to the sum of the following:

(i) Criminal fines imposed in cases involving a Federal health care offense (as defined in section 982(a)(6)(B) of title 18, United States Code).

(ii) Administrative penalties and assessments imposed under titles XI, XVIII, and XIX of the Social Security Act (except as otherwise provided by law).

(iii) Amounts resulting from the forfeiture of property by reason of a Federal health care offense.

(iv) Penalties and damages imposed under the False Claims Act (31 U.S.C. 3729 et seq.), in cases involving claims related to the provision of health care items and services (other than funds awarded to a relator or for restitution).

(2) GENERAL USE OF FUNDS.—

(A) IN GENERAL.—Amounts in the Health Care Fraud and Abuse Control shall be available, as provided in appropriation Acts, to cover the costs (including equipment, salaries and benefits, and travel and training) of the administration and operation of the health care fraud and abuse control program established under subsection (a), including the costs of—

(i) prosecuting health care matters (through criminal, civil, and administrative proceedings);

(ii) investigations;

(iii) financial and performance audits of health care programs and operations;

(iv) inspections and other evaluations; and

(v) provider and consumer education regarding compliance with the provisions of this title.

(B) FUNDS USED TO SUPPLEMENT AGENCY APPROPRIATIONS.—It is intended that disbursements made from the Health Care Fraud and Abuse Control to any Federal agency be used to increase and not supplant the recipient agency's appropriated operating budget.

(3) ADDITIONAL USE OF FUNDS BY INSPECTOR GENERAL.—

(A) REIMBURSEMENTS FOR INVESTIGATIONS.—Amounts in the Health Care Fraud and Abuse Control shall be available, as provided in appropriation Acts, to the Inspectors General of the Departments of Health and Human Services, Defense, Labor, and Veterans Affairs, of the Office of Personnel Management, and of the Railroad Retirement Board, to receive and retain for current use reimbursement for the costs of conducting investigations, when such restitution is ordered by a court, voluntarily agreed to by the payer, or otherwise.

(B) CREDITING.—Funds received by any such Inspector General as reimbursement for costs of conducting investigations shall be deposited to the credit of the appropriation from which initially paid, or to appropriations for similar purposes currently available at the time of deposit, and shall remain available for obligation for 1 year from the date of the deposit of such funds.

(4) ADDITIONAL USE OF FUNDS BY STATE MEDICAID FRAUD CONTROL UNITS FOR INVESTIGATION REIMBURSEMENTS.—Amounts in the Health Care Fraud and Abuse Control shall be available, as provided in appropriation Acts, to the various State medicaid fraud control units to reimburse such units upon request to the Secretary for the costs of the activities authorized under section 1903(q) of the Social Security Act (42 U.S.C. 1396c(q).

(5) ANNUAL REPORT.—The Secretary and the Attorney General shall submit jointly an annual report to Congress on the amount of revenue which is generated and disbursed by the Health Care Fraud and Abuse Control in each fiscal year.

(c) HEALTH PLAN DEFINED.—For purposes of this section, the term "health plan" means a plan or program that provides health benefits, whether directly, through insurance, or otherwise, and includes—

(1) a policy of health insurance;

(2) a contract of a service benefit organization;

(3) a membership agreement with a health maintenance organization or other prepaid health plan; and

(4) an employee welfare benefit plan or a multiple employer welfare plan (as such terms are defined in section 3 of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1002).

SEC. 102. APPLICATION OF CERTAIN HEALTH ANTI-FRAUD AND ABUSE SANCTIONS TO FRAUD AND ABUSE AGAINST FEDERAL HEALTH PROGRAMS.

(a) CRIMES.—

(1) SOCIAL SECURITY ACT.—Section 1128B of the Social Security Act (42 U.S.C. 1320a-7b) is amended as follows:

(A) In the heading, by striking "MEDICARE OR STATE HEALTH CARE PROGRAMS" and inserting "FEDERAL HEALTH CARE PROGRAMS".

(B) In subsection (a)(1), by striking "a program under title XVIII or a State health care program (as defined in section 1128(h))" and inserting "a Federal health care program".

(C) In subsection (a)(5), by striking "a program under title XVIII or a State health care program" and inserting "a Federal health care program".

(D) In the second sentence of subsection (a)—

(i) by striking "a State plan approved under title XIX" and inserting "a Federal health care program", and

(ii) by striking "the State may at its option (notwithstanding any other provision of that title or of such plan)" and inserting "the administrator of such program may at its option (notwithstanding any other provision of such program)".

(E) In subsection (b), by striking "title XVIII or a State health care program" each place it appears and inserting "a Federal health care program".

(F) In subsection (c), by inserting "(as defined in section 1128(h))" after "a State health care program".

(G) By adding at the end the following new subsection:

"(f) For purposes of this section, the term 'Federal health care program' means—

"(1) any plan or program that provides health benefits, whether directly, through insurance, or otherwise, which is funded, in whole or in part, by the United States Government; or

"(2) any State health care program, as defined in section 1128(h).".

(2) IDENTIFICATION OF COMMUNITY SERVICE OPPORTUNITIES.—Section 1128B of such Act (42 U.S.C. 1320a-7b) is further amended by adding at the end the following new subsection:

"(g) The Secretary may—

"(1) in consultation with State and local health care officials, identify opportunities for the satisfaction of community service obligations that a court may impose upon the conviction of an offense under this section, and

"(2) make information concerning such opportunities available to Federal and State law enforcement officers and State and local health care officials.".

(b) EFFECTIVE DATE.—The amendments made by this section shall take effect on January 1, 1996.

SEC. 103. HEALTH CARE FRAUD AND ABUSE GUIDANCE.

(a) SOLICITATION AND PUBLICATION OF MODIFICATIONS TO EXISTING SAFE HARBORS AND NEW SAFE HARBORS.—

(1) IN GENERAL.—

(A) SOLICITATION OF PROPOSALS FOR SAFE HARBORS.—Not later than January 1, 1996, and not less than annually thereafter, the Secretary shall publish a notice in the Federal Register soliciting proposals, which will be accepted during a 60-day period, for—

(i) modifications to existing safe harbors issued pursuant to section 14(a) of the Medicare and Medicaid Patient and Program Protection Act of 1987 (42 U.S.C. 1320a-7b note);

(ii) additional safe harbors specifying payment practices that shall not be treated as a criminal offense under section 1128B(b) of the Social Security Act (42 U.S.C. 1320a-7b(b)) and shall not serve as the basis for an exclusion under section 1128(b)(7) of such Act (42 U.S.C. 1320a-7(b)(7));

(iii) interpretive rulings to be issued pursuant to subsection (b); and

(iv) special fraud alerts to be issued pursuant to subsection (c).

(B) PUBLICATION OF PROPOSED MODIFICATIONS AND PROPOSED ADDITIONAL SAFE HARBORS.—After considering the proposals described in clauses (i) and (ii) of subparagraph (A), the Secretary, in consultation with the Attorney General, shall publish in the Federal Register proposed modifications to existing safe harbors and proposed additional safe harbors, if appropriate, with a 60-day comment period. After considering any public comments received during this period, the Secretary shall issue final rules modifying the existing safe harbors and establishing new safe harbors, as appropriate.

(C) REPORT.—The Inspector General of the Department of Health and Human Services (in this section referred to as the "Inspector General") shall, in an annual report to Congress or as part of the year-end semiannual report required by section 5 of the Inspector General Act of 1978 (5 U.S.C. App.), describe the proposals received under clauses (i) and (ii) of subparagraph (A) and explain which proposals were included in the publication described in subparagraph (B), which proposals were not included in that publication, and the reasons for the rejection of the proposals that were not included.

(2) CRITERIA FOR MODIFYING AND ESTABLISHING SAFE HARBORS.—In modifying and establishing safe harbors under paragraph (1)(B), the Secretary may consider the extent to which providing a safe harbor for the specified payment practice may result in any of the following:

(A) An increase or decrease in access to health care services.

(B) An increase or decrease in the quality of health care services.

(C) An increase or decrease in patient freedom of choice among health care providers.

(D) An increase or decrease in competition among health care providers.

(E) An increase or decrease in the ability of health care facilities to provide services in medically underserved areas or to medically underserved populations.

(F) An increase or decrease in the cost to Federal health care programs (as defined in section 1128B(f) of the Social Security Act (42 U.S.C. 1320a-7b(f)).

(G) An increase or decrease in the potential overutilization of health care services.

(H) The existence or nonexistence of any potential financial benefit to a health care professional or provider which may vary based on their decisions of—

(i) whether to order a health care item or service; or

(ii) whether to arrange for a referral of health care items or services to a particular practitioner or provider.

(I) Any other factors the Secretary deems appropriate in the interest of preventing fraud and abuse in Federal health care programs (as so defined).

(b) INTERPRETIVE RULINGS.—

(1) IN GENERAL.—

(A) REQUEST FOR INTERPRETIVE RULING.—Any person may present, at any time, a request to the Inspector General for a statement of the Inspector General's current interpretation of the meaning of a specific aspect of the application of sections 1128A and 1128B of the Social Security Act (42 U.S.C. 1320a-7a and 1320a-7b) (in this section referred to as an "interpretive ruling").

(B) ISSUANCE AND EFFECT OF INTERPRETIVE RULING.—

(i) IN GENERAL.—If appropriate, the Inspector General shall in consultation with the Attorney General, issue an interpretive ruling not later than 90 days after receiving a request described in subparagraph (A). Interpretive rulings shall not have the force of law and shall be treated as an interpretive rule within the meaning of section 553(b) of title 5, United States Code. All interpretive rulings issued pursuant to this clause shall be published in the Federal Register or otherwise made available for public inspection.

(ii) REASONS FOR DENIAL.—If the Inspector General does not issue an interpretive ruling in response to a request described in subparagraph (A), the Inspector General shall notify the requesting party of such decision not later than 60 days after receiving such a request and shall identify the reasons for such decision.

(2) CRITERIA FOR INTERPRETIVE RULINGS.—

(A) IN GENERAL.—In determining whether to issue an interpretive ruling under paragraph (1)(B), the Inspector General may consider—

(i) whether and to what extent the request identifies an ambiguity within the language of the statute, the existing safe harbors, or previous interpretive rulings; and

(ii) whether the subject of the requested interpretive ruling can be adequately addressed by interpretation of the language of the statute, the existing safe harbor rules, or previous interpretive rulings, or whether the request would require a substantive ruling (as defined in section 552 of title 5, United States Code) not authorized under this subsection.

(B) NO RULINGS ON FACTUAL ISSUES.—The Inspector General shall not give an interpretive ruling on any factual issue, including the intent of the parties or the fair market value of particular leased space or equipment.

(c) SPECIAL FRAUD ALERTS.—

(1) IN GENERAL.—

(A) REQUEST FOR SPECIAL FRAUD ALERTS.—Any person may present, at any time, a request to the Inspector General for a notice which informs the public of practices which the Inspector General considers to be suspect or of particular concern under section 1128B(b) of the Social Security Act (42 U.S.C. 1320a-7b(b)) (in this subsection referred to as a "special fraud alert").

(B) ISSUANCE AND PUBLICATION OF SPECIAL FRAUD ALERTS.—Upon receipt of a request described in subparagraph (A), the Inspector General shall investigate the subject matter of the request to determine whether a special fraud alert should be issued. If appropriate, the Inspector General shall issue a special fraud alert in response to the request. All special fraud alerts issued pursuant to this subparagraph shall be published in the Federal Register.

(2) CRITERIA FOR SPECIAL FRAUD ALERTS.—In determining whether to issue a special fraud alert upon a request described in paragraph (1), the Inspector General may consider—

(A) whether and to what extent the practices that would be identified in the special fraud alert may result in any of the consequences described in subsection (a)(2); and

(B) the volume and frequency of the conduct that would be identified in the special fraud alert.

TITLE II—REVISIONS TO CURRENT SANCTIONS FOR FRAUD AND ABUSE

SEC. 201. MANDATORY EXCLUSION FROM PARTICIPATION IN MEDICARE AND STATE HEALTH CARE PROGRAMS.

(a) INDIVIDUAL CONVICTED OF FELONY RELATING TO HEALTH CARE FRAUD.—

(1) IN GENERAL.—Section 1128(a) of the Social Security Act (42 U.S.C. 1320a-7(a)) is amended by adding at the end the following new paragraph:

"(3) FELONY CONVICTION RELATING TO HEALTH CARE FRAUD.—Any individual or entity that has been convicted after the date of the enactment of the Health Care Fraud and Abuse Prevention Act of 1995, under Federal or State law, in connection with the delivery of a health care item or service or with respect to any act or omission in a health care program (other than those specifically described in paragraph (1)) operated by or financed in whole or in part by any Federal, State, or local government agency, of a criminal offense consisting of a felony relating to fraud, theft, embezzlement, breach of fiduciary responsibility, or other financial misconduct.".

(2) CONFORMING AMENDMENT.—Paragraph (1) of section 1128(b) of such Act (42 U.S.C. 1320a-7(b)) is amended to read as follows:

"(1) CONVICTION RELATING TO FRAUD.—Any individual or entity that has been convicted after the date of the enactment of the Health Care Fraud and Abuse Prevention Act of 1995, under Federal or State law—

"(A) of a criminal offense consisting of a misdemeanor relating to fraud, theft, embezzlement, breach of fiduciary responsibility, or other financial misconduct—

"(i) in connection with the delivery of a health care item or service, or

"(ii) with respect to any act or omission in a health care program (other than those specifically described in subsection (a)(1)) operated by or financed in whole or in part by any Federal, State, or local government agency; or

"(B) of a criminal offense relating to fraud, theft, embezzlement, breach of fiduciary responsibility, or other financial misconduct with respect to any act or omission in a program (other than a health care program) operated by or financed in whole or in part by any Federal, State, or local government agency.".

(b) INDIVIDUAL CONVICTED OF FELONY RELATING TO CONTROLLED SUBSTANCE.—

(1) IN GENERAL.—Section 1128(a) of the Social Security Act (42 U.S.C. 1320a-7(a)), as amended by subsection (a), is amended by adding at the end the following new paragraph:

"(4) FELONY CONVICTION RELATING TO CONTROLLED SUBSTANCE.—Any individual or entity that has been convicted after the date of the enactment of the Health Care Fraud and Abuse Prevention Act of 1995, under Federal or State law, of a criminal offense consisting

of a felony relating to the unlawful manufacture, distribution, prescription, or dispensing of a controlled substance.".

(2) CONFORMING AMENDMENT.—Section 1128(b)(3) of such Act (42 U.S.C. 1320a-7(b)(3)) is amended—

(A) in the heading, by striking "CONVICTION" and inserting "MISDEMEANOR CONVICTION"; and

(B) by striking "criminal offense" and inserting "criminal offense consisting of a misdemeanor".

SEC. 202. ESTABLISHMENT OF MINIMUM PERIOD OF EXCLUSION FOR CERTAIN INDIVIDUALS AND ENTITIES SUBJECT TO PERMISSIVE EXCLUSION FROM MEDICARE AND STATE HEALTH CARE PROGRAMS.

Section 1128(c)(3) of the Social Security Act (42 U.S.C. 1320a-7(c)(3)) is amended by adding at the end the following new subparagraphs:

"(D) In the case of an exclusion of an individual or entity under paragraph (1), (2), or (3) of subsection (b), the period of the exclusion shall be 3 years, unless the Secretary determines in accordance with published regulations that a shorter period is appropriate because of mitigating circumstances or that a longer period is appropriate because of aggravating circumstances.

"(E) In the case of an exclusion of an individual or entity under subsection (b)(4) or (b)(5), the period of the exclusion shall not be less than the period during which the individual's or entity's license to provide health care is revoked, suspended, or surrendered, or the individual or the entity is excluded or suspended from a Federal or State health care program.

"(F) In the case of an exclusion of an individual or entity under subsection (b)(6)(B), the period of the exclusion shall be not less than 1 year.".

SEC. 203. PERMISSIVE EXCLUSION OF INDIVIDUALS WITH OWNERSHIP OR CONTROL INTEREST IN SANCTIONED ENTITIES.

Section 1128(b) of the Social Security Act (42 U.S.C. 1320a-7(b)) is amended by adding at the end the following new paragraph:

"(15) INDIVIDUALS CONTROLLING A SANCTIONED ENTITY.—Any individual who has a direct or indirect ownership or control interest of 5 percent or more, or an ownership or control interest (as defined in section 1124(a)(3)) in, or who is an officer or managing employee (as defined in section 1126(b)) of, an entity—

"(A) that has been convicted of any offense described in subsection (a) or in paragraph (1), (2), or (3) of this subsection; or

"(B) that has been excluded from participation under a program under title XVIII or under a State health care program.".

SEC. 204. SANCTIONS AGAINST PRACTITIONERS AND PERSONS FOR FAILURE TO COMPLY WITH STATUTORY OBLIGATIONS.

(a) MINIMUM PERIOD OF EXCLUSION FOR PRACTITIONERS AND PERSONS FAILING TO MEET STATUTORY OBLIGATIONS.—

(1) IN GENERAL.—The second sentence of section 1156(b)(1) of the Social Security Act (42 U.S.C. 1320c-5(b)(1)) is amended by striking "may prescribe)" and inserting "may prescribe, except that such period may not be less than 1 year)".

(2) CONFORMING AMENDMENT.—Section 1156(b)(2) of such Act (42 U.S.C. 1320c-5(b)(2)) is amended by striking "shall remain" and inserting "shall (subject to the minimum period specified in the second sentence of paragraph (1)) remain".

(b) REPEAL OF "UNWILLING OR UNABLE" CONDITION FOR IMPOSITION OF SANCTION.—Section 1156(b)(1) of the Social Security Act (42 U.S.C. 1320c-5(b)(1)) is amended—

(1) in the second sentence, by striking "and determines" and all that follows through "such obligations,"; and

(2) by striking the third sentence.

SEC. 205. INTERMEDIATE SANCTIONS FOR MEDICARE HEALTH MAINTENANCE ORGANIZATIONS.

(a) APPLICATION OF INTERMEDIATE SANCTIONS FOR ANY PROGRAM VIOLATIONS.—

(1) IN GENERAL.—Section 1876(i)(1) of the Social Security Act (42 U.S.C. 1395mm(i)(1)) is amended by striking "the Secretary may terminate" and all that follows and inserting "in accordance with procedures established under paragraph (9), the Secretary may at any time terminate any such contract or may impose the intermediate sanctions described in paragraph (6)(B) or (6)(C) (whichever is applicable) on the eligible organization if the Secretary determines that the organization—

"(A) has failed substantially to carry out the contract;

"(B) is carrying out the contract in a manner substantially inconsistent with the efficient and effective administration of this section; or

"(C) no longer substantially meets the applicable conditions of subsections (b), (c), (e), and (f).".

(2) OTHER INTERMEDIATE SANCTIONS FOR MISCELLANEOUS PROGRAM VIOLATIONS.—Section 1876(i)(6) of such Act (42 U.S.C. 1395mm(i)(6)) is amended by adding at the end the following new subparagraph:

"(C) In the case of an eligible organization for which the Secretary makes a determination under paragraph (1) the basis of which is not described in subparagraph (A), the Secretary may apply the following intermediate sanctions:

"(i) Civil money penalties of not more than $25,000 for each determination under paragraph (1) if the deficiency that is the basis of the determination has directly adversely affected (or has the substantial likelihood of adversely affecting) an individual covered under the organization's contract.

"(ii) Civil money penalties of not more than $10,000 for each week beginning after the initiation of procedures by the Secretary under paragraph (9) during which the deficiency that is the basis of a determination under paragraph (1) exists.

"(iii) Suspension of enrollment of individuals under this section after the date the Secretary notifies the organization of a determination under paragraph (1) and until the Secretary is satisfied that the deficiency that is the basis for the determination has been corrected and is not likely to recur.".

(3) PROCEDURES FOR IMPOSING SANCTIONS.—Section 1876(i) of such Act (42 U.S.C. 1395mm(i)) is amended by adding at the end the following new paragraph:

"(9) The Secretary may terminate a contract with an eligible organization under this section or may impose the intermediate sanctions described in paragraph (6) on the organization in accordance with formal investigation and compliance procedures established by the Secretary under which—

"(A) the Secretary first provides the organization with the reasonable opportunity to develop and implement a corrective action plan to correct the deficiencies that were the basis of the Secretary's determination under paragraph (1) and the organization fails to develop or implement such a plan;

"(B) in deciding whether to impose sanctions, the Secretary considers aggravating factors such as whether an entity has a history of deficiencies or has not taken action to correct deficiencies the Secretary has brought to their attention;

"(C) there are no unreasonable or unnecessary delays between the finding of a deficiency and the imposition of sanctions; and

"(D) the Secretary provides the organization with reasonable notice and opportunity for hearing (including the right to appeal an initial decision) before imposing any sanction or terminating the contract.".

(4) CONFORMING AMENDMENTS.—Section 1876(i)(6)(B) of such Act (42 U.S.C. 1395mm(i)(6)(B)) is amended by striking the second sentence.

(b) AGREEMENTS WITH PEER REVIEW ORGANIZATIONS.—

(1) REQUIREMENT FOR WRITTEN AGREEMENT.—Section 1876(i)(7)(A) of the Social Security Act (42 U.S.C. 1395mm(i)(7)(A)) is amended by striking "an agreement" and inserting "a written agreement".

(2) DEVELOPMENT OF MODEL AGREEMENT.—Not later than July 1, 1996, the Secretary shall develop a model of the agreement that an eligible organization with a risk-sharing contract under section 1876 of the Social Security Act must enter into with an entity providing peer review services with respect to services provided by the organization under section 1876(i)(7)(A) of such Act.

(3) REPORT BY GAO.—

(A) STUDY.—The Comptroller General of the United States shall conduct a study of the costs incurred by eligible organizations with risk-sharing contracts under section 1876(b) of such Act of complying with the requirement of entering into a written agreement with an entity providing peer review services with respect to services provided by the organization, together with an analysis of how information generated by such entities is used by the Secretary to assess the quality of services provided by such eligible organizations.

(B) REPORT TO CONGRESS.—Not later than July 1, 1998, the Comptroller General shall submit a report to the Committee on Ways and Means and the Committee on Commerce of the House of Representatives and the Committee on Finance and the Special Committee on Aging of the Senate on the study conducted under subparagraph (A).

(c) EFFECTIVE DATE.—The amendments made by this section shall apply with respect to contract years beginning on or after January 1, 1996.

SEC. 206. EFFECTIVE DATE.

The amendments made by this part shall take effect January 1, 1996.

TITLE III—ADMINISTRATIVE AND MISCELLANEOUS PROVISIONS

SEC. 301. ESTABLISHMENT OF THE HEALTH CARE FRAUD AND ABUSE DATA COLLECTION PROGRAM.

(a) GENERAL PURPOSE.—Not later than January 1, 1996, the Secretary (in this title referred to as the "Secretary") shall establish a national health care fraud and abuse data collection program for the reporting of final adverse actions (not including settlements in which no findings of liability have been made) against health care providers, suppliers, or practitioners as required by subsection (b), with access as set forth in subsection (c).

(b) REPORTING OF INFORMATION.—

(1) IN GENERAL.—Each government agency and health plan shall report any final adverse action (not including settlements in which no findings of liability have been made) taken against a health care provider, supplier, or practitioner.

(2) INFORMATION TO BE REPORTED.—The information to be reported under paragraph (1) includes:

(A) The name and TIN (as defined in section 7701(a)(41)) of any health care provider, supplier, or practitioner who is the subject of a final adverse action.

(B) The name (if known) of any health care entity with which a health care provider, supplier, or practitioner is affiliated or associated.

(C) The nature of the final adverse action and whether such action is on appeal.

(D) A description of the acts or omissions and injuries upon which the final adverse action was based, and such other information as the Secretary determines by regulation is required for appropriate interpretation of information reported under this section.

(3) CONFIDENTIALITY.—In determining what information is required, the Secretary shall include procedures to assure that the privacy of individuals receiving health care services is appropriately protected.

(4) TIMING AND FORM OF REPORTING.—The information required to be reported under this subsection shall be reported regularly (but not less often than monthly) and in such form and manner as the Secretary prescribes. Such information shall first be required to be reported on a date specified by the Secretary.

(5) TO WHOM REPORTED.—The information required to be reported under this subsection shall be reported to the Secretary.

(c) DISCLOSURE AND CORRECTION OF INFORMATION.—

(1) DISCLOSURE.—With respect to the information about final adverse actions (not including settlements in which no findings of liability have been made) reported to the Secretary under this section respecting a health care provider, supplier, or practitioner, the Secretary shall, by regulation, provide for—

(A) disclosure of the information, upon request, to the health care provider, supplier, or licensed practitioner, and

(B) procedures in the case of disputed accuracy of the information.

(2) CORRECTIONS.—Each Government agency and health plan shall report corrections of information already reported about any final adverse action taken against a health care provider, supplier, or practitioner, in such form and manner that the Secretary prescribes by regulation.

(d) ACCESS TO REPORTED INFORMATION.—

(1) AVAILABILITY.—The information in this database shall be available to Federal and State government agencies and health plans pursuant to procedures that the Secretary shall provide by regulation.

(2) FEES FOR DISCLOSURE.—The Secretary may establish or approve reasonable fees for the disclosure of information in this database (other than with respect to requests by Federal agencies). The amount of such a fee may not exceed the costs of processing the requests for disclosure and of providing such information. Such fees shall be available to the Secretary or, in the Secretary's discretion to the agency designated under this section to cover such costs.

(e) PROTECTION FROM LIABILITY FOR REPORTING.—No person or entity, including the agency designated by the Secretary in subsection (b)(5) shall be held liable in any civil action with respect to any report made as required by this section, without knowledge of the falsity of the information contained in the report.

(f) DEFINITIONS AND SPECIAL RULES.—For purposes of this section:

(1)(A) The term "final adverse action" includes:

(i) Civil judgments against a health care provider in Federal or State court related to the delivery of a health care item or service.

(ii) Federal or State criminal convictions related to the delivery of a health care item or service.

(iii) Actions by Federal or State agencies responsible for the licensing and certification of health care providers, suppliers, and licensed health care practitioners, including—

(I) formal or official actions, such as revocation or suspension of a license (and the length of any such suspension), reprimand, censure or probation,

(II) any other loss of license of the provider, supplier, or practitioner, by operation of law, or

(III) any other negative action or finding by such Federal or State agency that is publicly available information.

(iv) Exclusion from participation in Federal or State health care programs.

(v) Any other adjudicated actions or decisions that the Secretary shall establish by regulation.

(B) The term does not include any action with respect to a malpractice claim.

(2) The terms "licensed health care practitioner", "licensed practitioner", and "practitioner" mean, with respect to a State, an individual who is licensed or otherwise authorized by the State to provide health care services (or any individual who, without authority holds himself or herself out to be so licensed or authorized).

(3) The term "health care provider" means a provider of services as defined in section 1861(u) of the Social Security Act, and any entity, including a health maintenance organization, group medical practice, or any other entity listed by the Secretary in regulation, that provides health care services.

(4) The term "supplier" means a supplier of health care items and services described in section 1819(a) and (b), and section 1861 of the Social Security Act.

(5) The term "Government agency" shall include:

(A) The Department of Justice.

(B) The Department of Health and Human Services.

(C) Any other Federal agency that either administers or provides payment for the delivery of health care services, including, but not limited to the Department of Defense and the Veterans' Administration.

(D) State law enforcement agencies.

(E) State medicaid fraud and abuse units.

(F) Federal or State agencies responsible for the licensing and certification of health care providers and licensed health care practitioners.

(6) The term "health plan" has the meaning given such term by section 101(c).

(7) For purposes of paragraph (2), the existence of a conviction shall be determined under paragraph (4) of section 1128(j) of the Social Security Act.

(g) CONFORMING AMENDMENT.—Section 1921(d) of the Social Security Act is amended by inserting "and section 301 of the Health Care Fraud and Abuse Prevention Act of 1995" after "section 422 of the Health Care Quality Improvement Act of 1986".

TITLE IV—CIVIL MONETARY PENALTIES

SEC. 401. SOCIAL SECURITY ACT CIVIL MONETARY PENALTIES.

(a) GENERAL CIVIL MONETARY PENALTIES.—Section 1128A of the Social Security Act (42 U.S.C. 1320a–7a) is amended as follows:

(1) In the third sentence of subsection (a), by striking "programs under title XVIII" and inserting "Federal health care programs (as defined in section 1128(f)(1))".

(2) In subsection (f)—

(A) by redesignating paragraph (3) as paragraph (4); and

(B) by inserting after paragraph (2) the following new paragraph:

"(3) With respect to amounts recovered arising out of a claim under a Federal health care program (as defined in section 1128B(f)), the portion of such amounts as is determined to have been paid by the program shall be repaid to the program, and the portion of such amounts attributable to the amounts recovered under this section by reason of the amendments made by the Health Care Fraud and Abuse Prevention Act of 1995 (as estimated by the Secretary) shall be deposited into the Health Care Fraud and Abuse Control established under section 101(b) of such Act.".

(3) In subsection (i)—

(A) in paragraph (2), by striking "title V, XVIII, XIX, or XX of this Act" and inserting "a Federal health care program (as defined in section 1128B(f))",

(B) in paragraph (4), by striking "a health insurance or medical services program under title XVIII or XIX of this Act" and inserting "a Federal health care program (as so defined)", and

(C) in paragraph (5), by striking "title V, XVIII, XIX, or XX" and inserting "a Federal health care program (as so defined)".

(4) By adding at the end the following new subsection:

"(m)(1) For purposes of this section, with respect to a Federal health care program not contained in this Act, references to the Secretary in this section shall be deemed to be references to the Secretary or Administrator of the department or agency with jurisdiction over such program and references to the Inspector General of the Department of Health and Human Services in this section shall be deemed to be references to the Inspector General of the applicable department or agency.

"(2)(A) The Secretary and Administrator of the departments and agencies referred to in paragraph (1) may include in any action pursuant to this section, claims within the jurisdiction of other Federal departments or agencies as long as the following conditions are satisfied:

"(i) The case involves primarily claims submitted to the Federal health care programs of the department or agency initiating the action.

"(ii) The Secretary or Administrator of the department or agency initiating the action gives notice and an opportunity to participate in the investigation to the Inspector General of the department or agency with primary jurisdiction over the Federal health care programs to which the claims were submitted.

"(B) If the conditions specified in subparagraph (A) are fulfilled, the Inspector General of the department or agency initiating the action is authorized to exercise all powers granted under the Inspector General Act of 1978 with respect to the claims submitted to the other departments or agencies to the same manner and extent as provided in that Act with respect to claims submitted to such departments or agencies.".

(b) EXCLUDED INDIVIDUAL RETAINING OWNERSHIP OR CONTROL INTEREST IN PARTICIPATING ENTITY.—Section 1128A(a) of the Social Security Act (42 U.S.C. 1320a–7a(a)) is amended—

(1) by striking "or" at the end of paragraph (1)(D);

(2) by striking ", or" at the end of paragraph (2) and inserting a semicolon;

(3) by striking the semicolon at the end of paragraph (3) and inserting "; or"; and

(4) by inserting after paragraph (3) the following new paragraph:

"(4) in the case of a person who is not an organization, agency, or other entity, is excluded from participating in a program under title XVIII or a State health care program in accordance with this subsection or under section 1128 and who, at the time of a violation of this subsection, retains a direct or indirect ownership or control interest of 5 percent or more, or an ownership or control interest (as defined in section 1124(a)(3)) in, or who is an officer or managing employee (as defined in section 1126(b)) of, an entity that is participating in a program under title XVIII or a State health care program;".

(c) MODIFICATIONS OF AMOUNTS OF PENALTIES AND ASSESSMENTS.—Section 1128A(a) of the Social Security Act (42 U.S.C. 1320a-7a(a)), as amended by subsection (b), is amended in the matter following paragraph (4)—

(1) by striking "$2,000" and inserting "$10,000";

(2) by inserting "; in cases under paragraph (4), $10,000 for each day the prohibited relationship occurs" after "false or misleading information was given"; and

(3) by striking "twice the amount" and inserting "3 times the amount".

(d) CLAIM FOR ITEM OR SERVICE BASED ON INCORRECT CODING OR MEDICALLY UNNECESSARY SERVICES.—Section 1128A(a)(1) of the Social Security Act (42 U.S.C. 1320a-7a(a)(1)) is amended—

(1) in subparagraph (A) by striking "claimed," and inserting "claimed, including any person who engages in a pattern or practice of presenting or causing to be presented a claim for an item or service that is based on a code that the person knows or has reason to know will result in a greater payment to the person than the code the person knows or has reason to know is applicable to the item or service actually provided,";

(2) in subparagraph (C), by striking "or" at the end;

(3) in subparagraph (D), by striking "; or" and inserting ", or"; and

(4) by inserting after subparagraph (D) the following new subparagraph:

"(E) is for a medical or other item or service that a person knows or has reason to know is not medically necessary; or".

(e) PERMITTING SECRETARY TO IMPOSE CIVIL MONETARY PENALTY.—Section 1128A(b) of the Social Security Act (42 U.S.C. 1320a-7a(a)) is amended by adding the following new paragraph:

"(3) Any person (including any organization, agency, or other entity, but excluding a beneficiary as defined in subsection (i)(5)) who the Secretary determines has violated section 1128B(b) of this title shall be subject to a civil monetary penalty of not more than $10,000 for each such violation. In addition, such person shall be subject to an assessment of not more than twice the total amount of the remuneration offered, paid, solicited, or received in violation of section 1128B(b). The total amount of remuneration subject to an assessment shall be calculated without regard to whether some portion thereof also may have been intended to serve a purpose other than one proscribed by section 1128B(b).".

(f) SANCTIONS AGAINST PRACTITIONERS AND PERSONS FOR FAILURE TO COMPLY WITH STATUTORY OBLIGATIONS.—Section 1156(b)(3) of the Social Security Act (42 U.S.C. 1320c-5(b)(3)) is amended by striking "the actual or estimated cost" and inserting "up to $10,000 for each instance".

(g) PROCEDURAL PROVISIONS.—Section 1876(i)(6) of the Social Security Act (42 U.S.C. 1395mm(i)(6)) is further amended by adding at the end the following new subparagraph:

"(D) The provisions of section 1128A (other than subsections (a) and (b)) shall apply to a civil money penalty under subparagraph (A) or (B) in the same manner as they apply to a civil money penalty or proceeding under section 1128A(a).".

(h) PROHIBITION AGAINST OFFERING INDUCEMENTS TO INDIVIDUALS ENROLLED UNDER PROGRAMS OR PLANS.—

(1) OFFER OF REMUNERATION.—Section 1128A(a) of the Social Security Act (42 U.S.C. 1320a-7a(a)) is amended—

(A) by striking "or" at the end of paragraph (1)(D);

(B) by striking ", or" at the end of paragraph (2) and inserting a semicolon;

(C) by striking the semicolon at the end of paragraph (3) and inserting "; or"; and

(D) by inserting after paragraph (3) the following new paragraph:

"(4) offers to or transfers remuneration to any individual eligible for benefits under title XVIII of this Act, or under a State health care program (as defined in section 1128(h)) that such person knows or should know is likely to influence such individual to order or receive from a particular provider, practitioner, or supplier any item or service for which payment may be made, in whole or in part, under title XVIII, or a State health care program;".

(2) REMUNERATION DEFINED.—Section 1128A(i) of such Act (42 U.S.C. 1320a-7a(i)) is amended by adding the following new paragraph:

"(6) The term 'remuneration' includes the waiver of coinsurance and deductible amounts (or any part thereof), and transfers of items or services for free or for other than fair market value. The term 'remuneration' does not include—

"(A) the waiver of coinsurance and deductible amounts by a person, if—

"(i) the waiver is not offered as part of any advertisement or solicitation;

"(ii) the person does not routinely waive coinsurance or deductible amounts; and

"(iii) the person—

"(I) waives the coinsurance and deductible amounts after determining in good faith that the individual is in financial need;

"(II) fails to collect coinsurance or deductible amounts after making reasonable collection efforts; or

"(III) provides for any permissible waiver as specified in section 1128B(b)(3) or in regulations issued by the Secretary;

"(B) differentials in coinsurance and deductible amounts as part of a benefit plan design as long as the differentials have been disclosed in writing to all beneficiaries, third party payors, and providers, to whom claims are presented and as long as the differentials meet the standards as defined in regulations promulgated by the Secretary not later than 180 days after the date of the enactment of the Health Care Fraud and Abuse Prevention Act of 1995; or

"(C) incentives given to individuals to promote the delivery of preventive care as determined by the Secretary in regulations so promulgated.".

(i) EFFECTIVE DATE.—The amendments made by this section shall take effect January 1, 1996.

TITLE V—AMENDMENTS TO CRIMINAL LAW

SEC. 501. HEALTH CARE FRAUD.

(a) IN GENERAL.—

(1) FINES AND IMPRISONMENT FOR HEALTH CARE FRAUD VIOLATIONS.—Chapter 63 of title 18, United States Code, is amended by adding at the end the following new section:

"§ 1347. Health care fraud

"(a) Whoever knowingly and willfully executes, or attempts to execute, a scheme or artifice—

"(1) to defraud any health plan or other person, in connection with the delivery of or payment for health care benefits, items, or services; or

"(2) to obtain, by means of false or fraudulent pretenses, representations, or promises, any of the money or property owned by, or under the custody or control of, any health plan, or person in connection with the delivery of or payment for health care benefits, items, or services;

shall be fined under this title or imprisoned not more than 10 years, or both. If the violation results in serious bodily injury (as defined in section 1365(g)(3) of this title), such person may be imprisoned for any term of years.

"(b) For purposes of this section, the term 'health plan' has the same meaning given such term in section 101(c) of the Health Care Fraud and Abuse Prevention Act of 1995.".

(2) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 63 of title 18, United States Code, is amended by adding at the end the following:

"1347. Health care fraud.".

(b) CRIMINAL FINES DEPOSITED IN THE HEALTH CARE FRAUD AND ABUSE CONTROL.—The Secretary of the Treasury shall deposit into the Health Care Fraud and Abuse Control established under section 101(b) an amount equal to the criminal fines imposed under section 1347 of title 18, United States Code (relating to health care fraud).

SEC. 502. FORFEITURES FOR FEDERAL HEALTH CARE OFFENSES.

(a) IN GENERAL.—Section 982(a) of title 18, United States Code, is amended by adding after paragraph (5) the following new paragraph:

"(6)(A) The court, in imposing sentence on a person convicted of a Federal health care offense, shall order the person to forfeit property, real or personal, that constitutes or is derived, directly or indirectly, from proceeds traceable to the commission of the offense.

"(B) For purposes of this paragraph, the term 'Federal health care offense' means a violation of, or a criminal conspiracy to violate—

"(i) section 1347 of this title;

"(ii) section 1128B of the Social Security Act;

"(iii) sections 287, 371, 664, 666, 1001, 1027, 1341, 1343, 1920, or 1954 of this title if the violation or conspiracy relates to health care fraud; and

"(iv) section 501 or 511 of the Employee Retirement Income Security Act of 1974, if the violation or conspiracy relates to health care fraud.".

(b) PROPERTY FORFEITED DEPOSITED IN HEALTH CARE FRAUD AND ABUSE CONTROL.—The Secretary of the Treasury shall deposit into the Health Care Fraud and Abuse Control established under section 101(b) an amount equal to amounts resulting from forfeiture of property by reason of a Federal health care offense pursuant to section 982(a)(6) of title 18, United States Code.

SEC. 503. INJUNCTIVE RELIEF RELATING TO FEDERAL HEALTH CARE OFFENSES.

(a) IN GENERAL.—Section 1345(a)(1) of title 18, United States Code, is amended—

(1) by striking "or" at the end of subparagraph (A);

(2) by inserting "or" at the end of subparagraph (B); and

(3) by adding at the end the following new subparagraph:

"(C) committing or about to commit a Federal health care offense (as defined in section 982(a)(6)(B) of this title);".

(b) FREEZING OF ASSETS.—Section 1345(a)(2) of title 18, United States Code, is amended by inserting "or a Federal health care offense (as defined in section 982(a)(6)(B))" after "title)".

SEC. 504. GRAND JURY DISCLOSURE.

Section 3322 of title 18, United States Code, is amended—

(1) by redesignating subsections (c) and (d) as subsections (d) and (e), respectively; and

(2) by inserting after subsection (b) the following new subsection:

"(c) A person who is privy to grand jury information concerning a Federal health care offense (as defined in section 982(a)(6)(B))—

"(1) received in the course of duty as an attorney for the Government; or

"(2) disclosed under rule 6(e)(3)(A)(ii) of the Federal Rules of Criminal Procedure;

may disclose that information to an attorney for the Government to use in any investigation or civil proceeding relating to health care fraud.".

SEC. 505. FALSE STATEMENTS.

(a) IN GENERAL.—Chapter 47, of title 18, United States Code, is amended by adding at the end the following new section:

"§ 1033. False statements relating to health care matters

"(a) Whoever, in any matter involving a health plan, knowingly and willfully falsifies, conceals, or covers up by any trick, scheme, or device a material fact, or makes any false, fictitious, or fraudulent statements or representations, or makes or uses any false writing or document knowing the same to contain any false, fictitious, or fraudulent statement or entry, shall be fined under this title or imprisoned not more than 5 years, or both.

"(b) For purposes of this section, the term 'health plan' has the same meaning given such term in section 101(c) of the Health Care Fraud and Abuse Prevention Act of 1995.".

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 47 of title 18, United States Code, in amended by adding at the end the following:

"1033. False statements relating to health care matters.".

SEC. 506. OBSTRUCTION OF CRIMINAL INVESTIGATIONS OF FEDERAL HEALTH CARE OFFENSES.

(a) IN GENERAL.—Chapter 73 of title 18, United States Code, is amended by adding at the end the following new section:

"§ 1518. Obstruction of Criminal Investigations of Federal Health Care Offenses.

"(a) IN GENERAL.—Whoever willfully prevents, obstructs, misleads, delays or attempts to prevent, obstruct, mislead, or delay the communication of information or records relating to a Federal health care offense to a criminal investigator shall be fined under this title or imprisoned not more than 5 years, or both.

"(b) FEDERAL HEALTH CARE OFFENSE.—As used in this section the term 'Federal health care offense' has the same meaning given such term in section 982(a)(6)(B) of this title.

"(c) CRIMINAL INVESTIGATOR.—As used in this section the term 'criminal investigator' means any individual duly authorized by a department, agency, or armed force of the United States to conduct or engage in investigations for prosecutions for violations of health care offenses.".

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 73 of title 18, United States Code, in amended by adding at the end the following:

"1518. Obstruction of Criminal Investigations of Federal Health Care Offenses.".

SEC. 507. THEFT OR EMBEZZLEMENT.

(a) IN GENERAL.—Chapter 31 of title 18, United States Code, is amended by adding at the end the following new section:

"§ 669. Theft or Embezzlement in Connection with Health Care.

"(a) IN GENERAL.—Whoever willfully embezzles, steals, or otherwise without authority willfully and unlawfully converts to the use of any person other than the rightful owner, or intentionally misapplies any of the moneys, funds, securities, premiums, credits, property, or other assets of a health plan, shall be fined under this title or imprisoned not more than 10 years, or both.

"(b) HEALTH PLAN.—As used in this section the term 'health plan' has the same meaning given such term in section 101(c) of the Health Care Fraud and Abuse Prevention Act of 1995.".

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 31 of title 18, United States Code, is amended by adding at the end the following:

"669. Theft or Embezzlement in Connection with Health Care.".

SEC. 508. LAUNDERING OF MONETARY INSTRUMENTS.

Section 1956(c)(7) of title 18, United States Code, is amended by adding at the end the following new subparagraph:

"(F) Any act or activity constituting an offense involving a Federal health care offense as that term is defined in section 982(a)(6)(B) of this title.".

SEC. 509. AUTHORIZED INVESTIGATIVE DEMAND PROCEDURES.

(a) IN GENERAL.—Chapter 233 of title 18, United States Code, is amended by adding after section 3485 the following new section:

"§ 3486. Authorized Investigative Demand Procedures

"(a) AUTHORIZATION.—

"(1) In any investigation relating to functions set forth in paragraph (2), the Attorney General or designee may issue in writing and cause to be served a subpoena compelling production of any records (including any books, papers, documents, electronic media, or other objects or tangible things), which may be relevant to an authorized law enforcement inquiry, that a person or legal entity may possess or have care, custody, or control. A custodian of records may be required to give testimony concerning the production and authentication of such records. The production of records may be required from any place in any State or in any territory or other place subject to the jurisdiction of the United States at any designated place; except that such production shall not be required more than 500 miles distant from the place where the subpoena is served. Witnesses summoned under this section shall be paid the same fees and mileage that are paid witnesses in the courts of the United States. A subpoena requiring the production of records shall describe the objects required to be produced and prescribe a return date within a reasonable period of time within which the objects can be assembled and made available.

"(2) Investigative demands utilizing an administrative subpoena are authorized for any investigation with respect to any act or activity constituting or involving health care fraud, including a scheme or artifice—

"(A) to defraud any health plan or other person, in connection with the delivery of or payment for health care benefits, items, or services; or

"(B) to obtain, by means of false or fraudulent pretenses, representations, or promises, any of the money or property owned by, or under the custody or control or, any health plan, or person in connection with the delivery of or payment for health care benefits, items, or services.

"(b) SERVICE.—A subpoena issued under this section may be served by any person designated in the subpoena to serve it. Service upon a natural person may be made by personal delivery of the subpoena to such person. Service may be made upon a domestic or foreign association which is subject to suit under a common name, by delivering the subpoena to an officer, to a managing or general agent, or to any other agent authorized by appointment or by law to receive service of process. The affidavit of the person serving the subpoena entered on a true copy thereof by the person serving it shall be proof of service.

"(c) ENFORCEMENT.—In the case of contumacy by or refusal to obey a subpoena issued to any person, the Attorney General may invoke the aid of any court of the United States within the jurisdiction of which the investigation is carried on or of which the subpoenaed person is an inhabitant, or in which such person carries on business or may be found, to compel compliance with the subpoena. The court may issue an order requiring the subpoenaed person to appear before the Attorney General to produce records, if go ordered, or to give testimony touching the matter under investigation. Any failure to obey the order of the court may be punished by the court as a contempt thereof. All process in any such case may be served in any judicial district in which such person may be found.

"(d) IMMUNITY FROM CIVIL LIABILITY.—Notwithstanding any Federal, State, or local law, any person, including officers, agents, and employees, receiving a subpoena under this section, who complies in good faith with the subpoena and thus produces the materials sought, shall not be liable in any court of any State or the United States to any customer or other person for such production or for nondisclosure of that production to the customer.

"(e) USE IN ACTION AGAINST INDIVIDUALS.—

"(1) Health information about an individual that is disclosed under this section may not be used in, or disclosed to any person for use in, any administrative, civil, or criminal action or investigation directed against the individual who is the subject of the information unless the action or investigation arises out of and is directly related to receipt of health care or payment for health care or action involving a fraudulent claim related to health; or if authorized by an appropriate order of a court of competent jurisdiction, granted after application showing good cause therefore.

"(2) In assessing good cause, the court shall weigh the public interest and the need for disclosure against the injury to the patient, to the physician-patient relationship, and to the treatment services.

"(3) Upon the granting of such order, the court, in determining the extent to which any disclosure of all or any part of any record is necessary, shall impose appropriate safeguards against unauthorized disclosure.

"(f) HEALTH PLAN.—As used in this section the term 'health plan' has the same meaning given such term in section 101(c) of the Health Care Fraud and Abuse Prevention Act of 1995.".

(b) CLERICAL AMENDMENT.—The table of sections for chapter 223 of title 18, United States Code, is amended by inserting after the item relating to section 3405 the following new item:

"§ 3486. Authorized investigative demand procedures".

(c) CONFORMING AMENDMENT.—Section 1510(b)(3)(B) of title 18, United States Code, is amended by inserting "or a Department of Justice subpoena (issued under section 3486)," after "subpoena".

TITLE VI—STATE HEALTH CARE FRAUD CONTROL UNITS

SEC. 601. STATE HEALTH CARE FRAUD CONTROL UNITS.

(a) EXTENSION OF CONCURRENT AUTHORITY TO INVESTIGATE AND PROSECUTE FRAUD IN OTHER FEDERAL PROGRAMS.—Paragraph (3) of section 1903(q) of the Social Security Act (42 U.S.C. 1396b(q)) is amended—

(1) by inserting "(A)" after "in connection with"; and

(2) by striking "title." and inserting "title; and (B) upon the approval of the relevant Federal agency, any aspect of the provision of health care services and activities of providers of such services under any Federal health care program (as defined in section 1128B(F)(1)).".

(b) EXTENSION OF AUTHORITY TO INVESTIGATE AND PROSECUTE PATIENT ABUSE IN NON-MEDICAID BOARD AND CARE FACILITIES.—Paragraph (4) of section 1903(q) of the Social Security Act (42 U.S.C. 1396b(q)) is amended to read as follows:

"(4)(A) The entity has—

"(i) procedures for reviewing complaints of abuse or neglect of patients in health care facilities which receive payments under the State plan under this title;

"(ii) at the option of the entity, procedures for reviewing complaints of abuse or neglect of patients residing in board and care facilities; and

"(iii) where appropriate, procedures for acting upon such complaints under the criminal laws of the State or for referring such complaints to other State agencies for action.

"(B) For purposes of this paragraph, the term 'board and care facility' means a residential setting which receives payment from or on behalf of two or more unrelated adults who reside in such facility, and for whom one or both of the following is provided:

"(i) Nursing care services provided by, or under the supervision of, a registered nurse, licensed practical nurse, or licensed nursing assistant.

"(ii) Personal care services that assist residents with the activities of daily living, including personal hygiene, dressing, bathing, eating, toileting, ambulation, transfer, positioning, self-medication, body care, travel to medical services, essential shopping, meal preparation, laundry, and housework.".

TITLE VII—MEDICARE BILLING ABUSE PREVENTION

SEC. 701. IMPLEMENTATION OF GENERAL ACCOUNTING OFFICE RECOMMENDATIONS REGARDING MEDICARE CLAIMS PROCESSING.

(a) IN GENERAL.—Not later than 90 days after the date of the enactment of this Act, the Secretary shall, by regulation, contract, change order, or otherwise, require medicare carriers to acquire commercial automatic data processing equipment (in this title referred to as "ADPE") meeting the requirements of section 702 to process medicare part B claims for the purpose of identifying billing code abuse.

(b) SUPPLEMENTATION.—Any ADPE acquired in accordance with subsection (a) shall be used as a supplement to any other ADPE used in claims processing by medicare carriers.

(c) STANDARDIZATION.—In order to ensure uniformity, the Secretary may require that medicare carriers that use a common claims processing system acquire common ADPE in implementing subsection (a).

(d) IMPLEMENTATION DATE.—Any ADPE acquired in accordance with subsection (a) shall be in use by medicare carriers not later than 180 days after the date of the enactment of this Act.

SEC. 702. MINIMUM SOFTWARE REQUIREMENTS.

(a) IN GENERAL.—The requirements described in this section are as follows:

(1) The ADPE shall be a commercial item.

(2) The ADPE shall surpass the capability of ADPE used in the processing of medicare part B claims for identification of code manipulation on the day before the date of the enactment of this Act.

(3) The ADPE shall be capable of being modified to—

(A) satisfy pertinent statutory requirements of the medicare program; and

(B) conform to general policies of the Health Care Financing Administration regarding claims processing.

(b) MINIMUM STANDARDS.—Nothing in this title shall be construed as preventing the use of ADPE which exceeds the minimum requirements described in subsection (a).

SEC. 703. DISCLOSURE.

(a) IN GENERAL.—Notwithstanding any other provision of law, and except as provided in subsection (b), any ADPE or data related thereto acquired by medicare carriers in accordance with section 701(a) shall not be subject to public disclosure.

(b) EXCEPTION.—The Secretary may authorize the public disclosure of any ADPE or data related thereto acquired by medicare carriers in accordance with section 701(a) if the Secretary determines that—

(1) release of such information is in the public interest; and

(2) the information to be released is not protected from disclosure under section 552(b) of title 5, United States Code.

SEC. 704. REVIEW AND MODIFICATION OF REGULATIONS.

Not later than 30 days after the date of the enactment of this Act, the Secretary shall order a review of existing regulations, guidelines, and other guidance governing medicare payment policies and billing code abuse to determine if revision of or addition to those regulations, guidelines, or guidance is necessary to maximize the benefits to the Federal Government of the use of ADPE acquired pursuant to section 701.

SEC. 705. DEFINITIONS.

For purposes of this title—

(1) The term "automatic data processing equipment" (ADPE) has the same meaning as in section 111(a)(2) of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 759(a)(2)).

(2) The term "billing code abuse" means the submission to medicare carriers of claims for services that include procedure codes that do not appropriately describe the total services provided or otherwise violate medicare payment policies.

(3) The term "commercial item" has the same meaning as in section 4(12) of the Office of Federal Procurement Policy Act (41 U.S.C. 403(12)).

(4) The term "medicare part B" means the supplementary medical insurance program authorized under part B of title XVIII of the Social Security Act (42 U.S.C. 1395j–1395w–4).

(5) The term "medicare carrier" means an entity that has a contract with the Health Care Financing Administration to determine and make medicare payments for medicare part B benefits payable on a charge basis and to perform other related functions.

(6) The term "payment policies" means regulations and other rules that govern billing code abuses such as unbundling, global service violations, double billing, and unnecessary use of assistants at surgery.

(7) The term "Secretary" means the Secretary of Health and Human Services.

SECTION-BY-SECTION OF CHANGES TO S. 245

Fraud and Abuse Control Program: The All-payer Fraud and Abuse Control Program is now called the Fraud and Abuse Control Program as extensions of certain Social Security Act provisions will be extended to federal programs only.

The HHS Secretary and the Attorney General will be able to establish the coordinated anti-fraud and abuse control program by guidelines rather than by regulation.

The section relating to the disclosure of ownership information is deleted as the Inspector General already has standards relating to the disclosure of this information.

Technical corrections were made to the section on ensuring access to documentation.

Health Care Fraud and Abuse Control: The provision is clarified so that funds that are dedicated to anti-fraud activities must go through the appropriations process so that there is proper congressional oversight.

Anti-Kickback Statute: The Social Security Act Anti-Kickback statute is extended to all federal health care programs (it currently applies only to the Medicare and Medicaid program). The statute would not be extended to private health care plans.

Health Care Fraud and Abuse Guidance: In order to give better guidance to the health care industry, the Inspector General is required to issue interpretive rulings within 90 days of the date of request. If the Inspector General does not issue an interpretive ruling, it shall notify the requestor within sixty days of the request and give the reasons for denial. Clarifies that a "substantive ruling" is defined as it appears in the Administrative Procedure Act.

Deletes the requirement that, in order to issue a special fraud alert, the Inspector General shall consult the Attorney General.

Reporting of Fraudulent Activities under Medicare: Deletes the requirement that the HHS Secretary establish a program through which Medicare beneficiaries may report fraud to the Secretary, since such a program has been established.

Mandatory Exclusion from Participation in Medicare and Medicaid: Clarifies that mandatory exclusion from participation in Medicare and Medicaid is limited to those individuals convicted of a felony relating to health care fraud. A permissive exclusion is created for those convicted of other types of government fraud.

Permissive Exclusion of Individuals with Ownership or Control Interest in Sanctioned Entities: Clarifies that permissive exclusion of individuals with controlling interest in sanctioned entities be limited to those who

are either officers of, or managing employees of, the entity and deletes references to those individuals who might sit on the board of directors or who might be an agent of the entity. Deletes the exclusion authority for those convicted of a civil monetary penalty (but retains the conviction and exclusion requirements).

Intermediate Sanctions for Medicare HMO's: Sets up a requirement that, before the application of intermediate sanctions (civil monetary penalty of up to $10,000 per week) on a Medicare HMO for program violations, the HHS Secretary must determine that the HMO has failed to comply with a corrective action plan within a reasonable amount of time. Also states that the Secretary may impose intermediate sanctions on a Medicare HMO if it is carrying out a contract in a manner that is substantially inconsistent with the efficient and effective administration of the underlying section.

Health Care Fraud and Abuse Data Collection Program: Requires that final adverse actions that are reported to the fraud and abuse data collection program indicate whether such action is on appeal. Also requires that malpractice decisions not be included in the data collection program and that an identifying number be included along with the names of health care providers, suppliers, or practitioners who are the subject of final adverse actions and who are included in the data collection program. Also exempts federal agencies from paying fees for disclosure of such information.

Civil Monetary Penalties: The Social Security Act civil monetary penalty provisions are extended to all federal health care programs (it currently applies to only the Medicare and Medicaid programs). Civil monetary penalties would not be extended to all private health care plans.

Excluded Individual Retaining Ownership Or Control Interest in Participating Entity: Deletes "director, agent" and retains "officer or managing employee."

Claim for Item or Service Based on Incorrect Coding or Medically Unnecessary Services: The imposition of a civil monetary penalty for upcoding requires a pattern or practice of presenting claims. It also changes the civil monetary penalty standard in the case of upcoding from "knows or should knows" to "knows or has reason to know" that such action would result in a greater payment. The standard for the imposition of a civil monetary penalty for medically unnecessary services was changed to "knows or has reason to know" as well.

Prohibition Against Offering Inducements to Individuals Enrolled Under Programs or Plans: The term "remuneration" does not include differentials in coinsurance and deductible amounts as long as the differentials have been disclosed in writing to all third party payors, beneficiaries and providers. The differentials will meet the standards as defined in regulations which the Secretary must promulgate within 180 days. Remuneration also does not include incentives given to individuals to promote the delivery of preventive care as determined by the Secretary within 180 days.

Health Care Fraud Statute: The "Willful" standard was added to the knowledge standard of the Title 18 health care fraud statute. In addition, if violations of the new health care fraud statute result in serious bodily injury, the violator may be subject to as much as a life imprisonment sentence.

Forfeitures for Federal Health Care Offenses: The forfeiture provision no longer allows the forfeiture of property that is used in the commission of a health care fraud offense but calls for the forfeiture of property that constitutes or is derived (directly or indirectly) from the proceeds traceable to the commission of the offense. Fraud in the federal workmen's compensation program was also added to the list of federal health care offenses.

False Statements: Technical corrections were made to the false statement section so that a "health plan" is defined.

Voluntary Disclosure: The requirement to establish a voluntary disclosure program is deleted since a similar program was recently created.

Theft or Embezzlement in Connection with Health Care: Technical corrections were made to the theft or embezzlement section so that "health plan" is defined.

Authorized Investigative Demand Procedures: This section gives authority to the Attorney General or a designee to utilize an administrative subpoena for investigations with respect to health care fraud. The Inspectors General currently have this authority and this section gives the Attorney General or a designee similar authority.

State Health Care Fraud Control Units: The State Medicaid Control Unit authorization language has been changed so that those units will have concurrent authority to investigate and prosecute health care fraud in other Federal programs at the approval of the relevant federal agency. Their authority to investigate and prosecute patient abuse also has been extended into non-Medicaid "board and care" facilities.

Commercial Technology for Medicare Claims Processing: This section requires Medicare carriers to acquire commercial automatic data processing equipment to process Medicare Part B claims for the purpose of identifying billing code abuse.•

By Mr. LEAHY:

S. 1089. A bill to amend the Nonindigenous Aquatic Nuisance Prevention and Control Act of 1990 to prevent and control the infestation of Lake Champlain by zebra mussels, and for other purposes; to the Committee on Environment and Public Works.

THE LAKE CHAMPLAIN ZEBRA MUSSEL CONTROL ACT

• Mr. LEAHY. Mr. President, today I am pleased to introduce the Lake Champlain Zebra Mussel Control Act of 1995. A year ago, the Senate accepted my amendment to address the growing problem of zebra mussels and their threat to drinking water systems. Unfortunately, the House did not concur, and now the problem has reached epidemic proportions.

We enter a critical stage in our efforts to preserve Lake Champlain and other Vermont lakes from a zebra mussel explosion that could become an economic and ecological catastrophe. Vermonters have feared the arrival of this dreaded mollusk for a long time. We didn't ask for them, and were powerless to prevent them from arriving on our lakeshores. But now they are with us—and they are multiplying out of control.

In 1993 the mussel was discovered in the South Lake near Orwell, VT, by a young boy who had learned how to identify the zebra mussel by a wallet-sized identification card distributed by the Lake Champlain Basin Program. During the summer of 1994, the zebra mussel larvae reached a density of about 1,500 to 3,000 per cubic meter. This year, less than 3 years from the mussels' introduction, the Rutland Herald reported that zebra mussel larvae densities have been found throughout the lake at about 60,000 to 109,000 per cubic meter with some concentrations as high as 134,000 per cubic meter—almost as high as the worst sites in the Great Lakes.

The zebra mussels in Lake Champlain deserve immediate and swift action. This pest poses a serious risk to the water resources throughout Vermont and the health and safety of the people of Vermont.

Twenty-five percent of Vermont's families rely on Lake Champlain for their drinking water. The onslaught of zebra mussels and their astonishing ability to establish dense colonies in a matter of weeks, jeopardizes the intake pipes for water systems up and down the shore. Municipal, residential, industrial, and even the water systems to motors on recreation boats are threatened. Furthermore, the mussels don't just clog the ends of the pipes. Zebra mussels have been known to establish colonies in the piping system causing multiple effects on the quality of drinking water. A recent Cornell University report points out that

> Once in a water intake line, zebra mussels can colonize any part of the system from the mouth of the intake in the lake or river to the distribution pipes within the residence. Impacts of this colonization include loss of pumping efficiency, obstruction of foot valves, putrefactive decay of mussel flesh, production of obnoxious-tasting and foul-smelling methane gas, and increased corrosion of steel, iron, and copper pipes.

Another potential threat to Vermont is the zebra mussel's impact on Vermont's fish stocking program. These mussels, reproducing at staggering rates, can close off hatchery piping and are threatening the State's multi-million-dollar sport fishing economy. In fact, Vermont's largest hatchery in Grand Isle, a $16 million facility, is risking total shut down if it loses its ongoing battle with the zebra mussel. When zebra mussels infest beaches, summer swimmers are forced to wear sneakers or sandals to avoid getting cut from the sharp shells. We can only speculate what the impact will be on submerged shipwrecks, real estate, summer cottages, and the tourism industry.

Finally, the zebra mussels have arrived without their natural competitors and are spreading through the lake ecosystem unchecked. As colonies develop throughout freshwater bodies, they could displace all seven native mussel species in the Lake Champlain Basin, including the endangered black sandshell mussel. Scientists say all species are at risk because zebra mussels are known to colonize right on the

backs of native mussels and choke them off from food and fresh water. Zebra mussels could throw entire aquatic ecosystems out of balance by disrupting the food chain, changing water chemistry, and altering physical habitat.

Mr. President, 6 months ago I came to the Senate floor during the debate on the unfunded mandates bill to warn people of the real unfunded mandates that our States face—zebra mussels is one of them. While most of my colleagues supported S. 1 in an attempt to ease financial burdens by relaxing national standards and undermine Federal regulations, I pointed out that without national standards, States face the financial burdens of water pollution from upstream and out-of-State polluters, forest decay from acid rain, and flooding from wetland loss. Today, my State faces one of the financial burdens that could have been controlled with stricter national standards. I have already mentioned the $16 million hatchery and the water systems for one-quarter of my State. My State of Vermont faces a problem with no known cure and the costs could be astronomical. I hope that those who supported S. 1 to reduce State costs by limiting Federal standards recognize soon that their effort may have had the exact opposite effect.

My Lake Champlain Zebra Mussel Control Act would do five things to address the present threat and prevent further spreading of zebra mussels throughout the country.

The Lake Champlain Zebra Mussel Control Act specifically includes Lake Champlain in Federal programs designed to fight the zebra mussel. As America's "sixth Great Lake" with one of the greatest emerging zebra mussel problems and a destination for thousands of boaters, it is essential that Lake Champlain be included in any national effort to address the problem.

My bill also establishes national voluntary guidelines for recreational boaters who are the chief mechanism for the spread of these mussels within New England. These guidelines will help States inform boaters of the steps they can take personally to stop the spread of zebra mussels into new areas. With 70 million people living within 1 day's drive of Lake Champlian, the potential for the spread of these mussels to other lakes and waterways is great. All boaters will know that this is a national concern with clear protocols on how to stop the spread, and States can choose to enforce the guidelines as mandatory regulations if they believe the threat is justified.

The legislation also allows States to work cooperatively on watershed approaches to the prevention and treatment of zebra mussels. If my State of Vermont devoted millions of dollars in time and resources to fight the mussel and our neighbors on Lake Champlain did nothing, the effort would be futile. Section 4 of my bill emphasizes that sometimes the watershed-based efforts like those of the Lake Champlain Basin Program are the best approaches to complex environmental problems.

The bill designates the University of Vermont as a Sea Grant College eligible for zebra mussel funding. Ironically, the only State in New England with a confirmed zebra mussel problem is also the only State in New England without a Sea Grant College. My bill changes this. Also, recognizing that zebra mussels are not just a coastal problem or a Great Lakes problem any more, my bill authorizes land-grant colleges to compete for zebra mussel research funding.

Finally, my legislation reauthorizes the Aquatic Nuisance Species Control Act, Public Law 101-646, and extends the appropriations authority through the year 2000. To address the current need to find control solutions, my bill doubles the current appropriation of the Army Corps of Engineers to $4 million. It is crucial that the Army Corps has adequate funding to pursue zebra mussel control technology. Since the Army Corps has used its full authority in recent years, doubling the authorization will assure they have access to the proper resources to do a thorough job.

There is one further issue that my bill does not address, but represents an important piece of the fight to stop the introduction of new exotic and harmful species. The lamprey and the zebra mussels were both imported through the ballast tanks of international shippers. In recent years, the ruffe, a small fish, was introduced the same way and while it is not yet in Lake Champlain, its population is expanding in the Great Lakes. My colleagues Senator GLENN, the original author of the Aquatic Nuisance Species Act, and Senator SARBANES will introduce a bill that addresses the loopholes in current ballast water controls that allow shippers to unleash these devastating and costly pests into our State waters. I hope to make America's fresh water resources completely off limits for expensive and damaging exotic pests. I look forward to working with Senators GLENN and SARBANES to address all of these issues comprehensively.

Mr. President, I present this bill with the hope that the Senate will act on it in a timely manner. Every minute that we delay allows the zebra mussels to multiply exponentially and risks the physical and economic health of Vermont. To turn our backs on this problem of national significance only guarantees that it gets much worse. Just ask my colleagues who knew little or nothing about zebra mussels as recently as a few years ago, and are now plagued by their existence.•

By Mr. LEAHY (for himself, Mr. BROWN and Mr. KERRY):

S. 1090. A bill to amend section 552 of title 5, United States Code (commonly known as the Freedom of Information Act), to provide for public access to information in an electronic format, and for other purposes; to the Committee on the Judiciary.

THE ELECTRONIC FREEDOM OF INFORMATION IMPROVEMENT ACT OF 1995

• Mr. LEAHY. Mr. President, today I am joined by Senators BROWN and KERRY in introducing the Electronic Freedom of Information Improvement Act.

This bill would increase public access to the electronic records of Federal agencies, and take long overdue steps to alleviate the delays in processing requests for Government records. In the last Congress, a unanimous Judiciary Committee reported the bill, which then passed the Senate by voice vote on August 25, 1994.

The emerging national information infrastructure [NII] will consist of interconnected computer networks and databases that can put vast amounts of information at users' fingertips. Such an information infrastructure will give the public easy access to the immense volumes of information generated and held by the Government. Individual Federal agencies are already contributing to the development of the NII by using technology to make Government information more easily accessible to our citizens. For example, the Internet Multicasting Service [IMS] now posts massive Government data archives, including the Securities and Exchange Commission EDGAR database, and the U.S. Patent and Trademark Office database on the Internet free of charge. Similarly, FedWorld, a bulletin board available on the Internet, provides a gateway to more than 60 Federal agencies.

The Electronic Freedom of Information Improvement Act would contribute to that information flow by increasing online access to Government information, including agency regulations, opinions, and policy statements, and FOIA-released records that are the subject of repeated requests.

Some agencies are taking important steps in this direction. For example, the Department of Energy compiled a database of photographs and texts describing federally sponsored tests of radiation on human beings and made that database available on the World Wide Web. Now, instead of responding to multiple requests for the same documents on Government human irradiation experiments, DOE has efficiently used technology to make this material affirmatively available to interested citizens. This bill would require all Federal agencies to make records that are the subject of multiple FOIA requests available electronically.

The bill would also require all Federal agencies to use technology to make Government more accessible and

accountable to its citizens by requiring an assessment of how new computer systems will enhance agency FOIA operations to avoid erecting barriers that impede public access.

Federal agencies are increasingly dependent on computers to generate, store, and retrieve records electronically. This bill would ensure that these electronic records are available, in a timely manner, to requesters on the same basis as paper records. Specifically, the bill would clarify that FOIA covers all agency information in any format and would require agencies to release records in requested formats when possible.

The changes proposed in the bill are not just important for broader citizen access to Government records. Government information is a valuable commodity and a national resource. In fact, the Government is the largest single producer and collector of information in the United States. It is essential for American competitiveness that easy, fast access to that resource be available.

We have recognized that Government must take advantage of the benefits of new technologies to provide easier and broader dissemination of information. In 1993, we passed a law requiring that people have online access to important Government publications, such as the Federal Register, the CONGRESSIONAL RECORD and other documents put out by the Government Printing Office. Earlier this year, House Speaker NEWT GINGRICH unveiled "Thomas," an electronic archive available on the Internet that contains bills and congressional speeches. In his National Performance Review, the Vice-President has described his vision of the electronic Government of the future, where information technology will enable people to have access to public information and services when and where they want them.

Making Government information readily available electronically on people's computers can help to revitalize citizens' interest in learning what their Government is doing and better their understanding of the reasons underlying Government actions. This would, I believe, help reduce cynicism about Government.

This electronic FOIA bill is an important step forward in using technology to make Government more accessible and accountable to our citizens.

In addition, Federal agencies must work to reduce the long delays, which in some agencies stretch to over 2 years, that it takes to give responses to FOIA requests. Because of these delays, newspaper reporters, students and teachers, and others working under time deadlines have been frustrated in using FOIA to meet their research needs. This works to the detriment of us all.

These delays are intolerable. This is not the level of customer service the American people deserve from their public servants. The American taxpayer has paid for the collection and maintenance of this information and should get prompt access to it upon request. That is what the law requires and that is the standard of service Government agencies should meet. Long delays in access can mean no access at all.

The bill addresses the delay problem in several ways: First, the bill doubles the 10-day statutory time limit to 20 days to give agencies a more realistic time period for responding to FOIA requests. Second, the bill encourages agencies to implement a two-track processing system for simple and complex requests. Third, the bill provides for expedited access to requestors who demonstrate a compelling need for a speedy response. Finally, the bill gives agencies an incentive to comply with statutory time limits by allowing agencies in compliance to retain half of their fees, instead of submitting those fees to the general treasury as is currently the case. The fees the agencies can keep will be directed back to the agency FOIA operation to provide an incentive and resources to make these operations better and more efficient.

I look forward to working constructively with the administration and people in the FOIA community to keep FOIA up-to-date with new technologies and to ensure FOIA is an effective tool for open Government.

Mr. President, I ask unanimous consent that the bill, a section-by-section analysis, and a letter of support from 23 organizations representing a substantial portion of the FOIA requestor community, be inserted in the RECORD.

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

S. 1090

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 "Electronic Freedom of Information Improvement Act of 1995".

SEC. 2. FINDINGS AND PURPOSES.

(a) FINDINGS.—The Congress finds that—

(1) the purpose of the Freedom of Information Act is to require agencies of the Federal Government to make certain agency information available for public inspection and copying and to establish and enable enforcement of the right of any person to obtain access to the records of such agencies (subject to statutory exemptions) for any public or private purpose;

(2) since the enactment of the Freedom of Information Act in 1966, and the amendments enacted in 1974 and 1986, the Freedom of Information Act has been a valuable means through which any person can learn how the Federal Government operates;

(3) the Freedom of Information Act has led to the disclosure of waste, fraud, abuse, and wrongdoing in the Federal Government;

(4) the Freedom of Information Act has led to the identification of unsafe consumer products harmful drugs, and serious health hazards;

(5) Government agencies increasingly use computers to conduct agency business and to store publicly valuable agency records and information; and

(6) Government agencies should use new technology to enhance public access to agency records and information.

(b) PURPSOES.—The purposes of this Act are to—

(1) foster democracy by ensuring public access to agency records and information;

(2) improve public access to agency records and information;

(3) ensure agency compliance with statutory time limits; and

(4) maximize the usefulness of agency records and information collected, maintained, used, retained, and disseminated by the Federal Government.

SEC. 3. PUBLIC INFORMATION AVAILABILITY.

Section 552(a)(1) of title 5, United States Code, is amended—

(1) in the matter before subparagraph (A) by inserting "by computer telecommunications, or if computer telecommunications means are not available, by other electronic means," after "Federal Register";

(2) by striking out "and" at the end of subparagraph (D);

(3) by redesignating subparagraph (E) as subparagraph (F); and

(4) by inserting after subparagraph (D) the following new subparagraph:

"(E) a complete list of all statutes that the agency head or general counsel relies upon to authorize the agency to withhold information under subsection (b)(3) of this section, together with a specific description of the scope of the information covered; and".

SEC. 4. MATERIALS MADE AVAILABLE IN ELECTRONIC FORMAT AND INDEX OF RECORDS MADE AVAILABLE TO THE PUBLIC

Section 552(a)(2) of title 5, United States Code, is amended—

(1) in the matter before subparagraph (A) by inserting ", including, within 1 year after the date of the enactment of the Electronic Freedom of Information Improvement Act of 1995, by computer telecommunications, or if computer telecommunications means are not available, by other electronic means," after "copying";

(2) in subparagraph (B) by striking out "and" after the semicolon;

(3) in subparagraph (C) by inserting "and" after the semicolon;

(4) by adding after subparagraph (C) the following new subparagraphs:

"(D) an index of all major information systems containing agency records regardless of form or format unless such an index is provided as otherwise required by law;

"(E) a description of any new major information system with a statement of how such system shall enhance agency operations under this section;

"(F) an index of all records which are made available to any person under paragraph (3) of this subsection; and

"(G) copies of all records, regardless of form or format, which because of the nature of their subject matter, have become or are likely to become the subject of subsequent requests for substantially the same records under paragraph (3) of this subsection;";

(5) in the second sentence by striking out "or staff manual or instruction" and inserting in lieu thereof "staff manual, instruction, or index or copies of records, which are made available under paragraph (3) of this subsection"; and

(6) in the third sentence by inserting "and the extent of such deletion shall be indicated

on the portion of the record which is made available or published at the place in the record where such deletion was made" after "explained fully in writing".

SEC. 5. HONORING FORMAT REQUESTS.

Section 552(a)(3) of title 5, United States Code, is amended by—

(1) inserting "(A)" after "(3)";

(2) striking out "(A) reasonably" and inserting in lieu thereof "(i) reasonably";

(3) striking out "(B)" and inserting in lieu thereof "(ii)"; and

(4) adding at the end thereof the following new subparagraphs:

"(B) An agency shall, as requested by any person, provide records in any form or format in which such records are maintained by that agency.

"(C) An agency shall make reasonable efforts to search for records in electronic form or format and provide records in the form or format requested by any person, including in an electronic form or format, even where such records are not usually maintained but are available in such form or format.".

SEC. 6. DELAYS.

(a) FEES.—Section 552(a)(4)(A) of title 5, United States Code, is amended by adding at the end thereof the following new clause:

"(viii) If at an agency's request, the Comptroller General determines that the agency annually has either provided responsible documents or denied requests in substantial compliance with the requirements of paragraph (6)(A), one-half of the fees collected under this section shall be credited to the collecting agency and expended to offset the costs of complying with this section through staff development and acquisition of additional request processing resources. The remaining fees collected under this section shall be remitted to the Treasury as general funds or miscellaneous receipts.".

(b) PAYMENT OF THE EXPENSES OF THE PERSON MAKING A REQUEST.—Section 552(a)(4)(E) of title 5, United States Code, is amended by adding at the end thereof the following: "The court may assess against the United States all out-of-pocket expenses incurred by the person making a request, and reasonable attorney fees incurred in the administrative process, in any case in which the agency has failed to comply with the time limit provisions of paragraph (6) of this subsection. In determining whether to award such fees and expenses, a court should consider whether an agency's failure to comply with statutory time limits was not warranted and demonstrated bad faith or was otherwise unreasonable in the context of the circumstances of the particular request.".

(c) DEMONSTRATION OF CIRCUMSTANCES FOR DELAY.—Section 552(a)(4)(E) of title 5, United States Code, is further amended—

(1) by inserting "(i)" after "(E)"; and

(2) by adding at the end thereof the following new clause:

"(ii) Any agency not in compliance with the time limits set forth in this subsection shall demonstrate to a court that the delay is warranted under the circumstances set forth under paragraph (6) (B) or (C) of this subsection.".

(d) PERIOD FOR AGENCY DECISION TO COMPLY WITH REQUEST.—Section 552(a)(6)(A)(i) is amended by striking out "ten days" and inserting in lieu thereof "twenty days".

(e) AGENCY BACKLOGS.—Section 552(a)(6)(C) of title 5, United States Code, is amended by inserting after the second sentence the following: "As used in this subparagraph, the term 'exceptional circumstances' means circumstances that are unforeseen and shall not include delays that result from a predictable workload, including any ongoing agency backlog, in the ordinary course of processing requests for records.".

(f) NOTIFICATION OF DENIAL.—The last sentence of section 552(a)(6)(C) of title 5, United States Code, is amended to read: "Any notification of any full or partial denial of any request for records under this subsection shall set forth the names and titles or positions of each person responsible for the denial of such request and the total number of denied records and pages considered by the agency to have been responsive to the request.".

(g) MULTITRACK FIFO PROCESSING AND EXPEDITED ACCESS.—Section 552(a)(6) of title 5, United States Code, is amended by adding at the end thereof the following new subparagraphs:

"(D)(i) Each agency shall adopt a first-in, first-out (hereafter in this subparagraph referred to as FIFO) processing policy in determining the order in which requests are processed. The agency may establish separate processing tracks for simple and complex requests using FIFO processing within each track.

"(ii) For purposes of such a multitrack system—

"(I) a simple request shall be a request requiring 10 days or less to make a determination on whether to comply with such a request; and

"(II) a complex request shall be a request requiring more than 10 days to make a determination on whether to comply with such a request.

"(iii) A multitrack system shall not negate a claim of due diligence under subparagraph (C), if FIFO processing within each track is maintained and the agency can show that it has reasonably allocated resources to handle the processing for each track.

"(E)(i) Each agency shall promulgate regulations, pursuant to notice and receipt of public comment, providing that upon receipt of a request for expedited access to records and a showing by the person making such request of a compelling need for expedited access to records, the agency shall determine within 5 days (excepting Saturdays, Sundays, and legal public holidays) after the receipt of such a request, whether to comply with such request. No more than one day after making such determination the agency shall notify the person making a request for expedited access of such determination, the reasons therefor, and of the right to appeal to the head of the agency. A request for records to which the agency has granted expedited access shall be processed as soon as practicable. A request for records to which the agency has denied expedited access shall be processed within the time limits under paragraph (6) of this subsection.

"(ii) A person whose request for expedited access has not been decided within 5 days of its receipt by the agency or has been denied shall be required to exhaust administrative remedies. A request for expedited access which has not been decided may be appealed to the head of the agency within 7 days (excepting Saturdays, Sundays, and legal public holidays) after its receipt by the agency. A request for expedited access that has been denied by the agency may be appealed to the head of the agency within 2 days (excepting Saturdays, Sundays, and legal public holidays) after the person making such request receives notice of the agency's denial. If an agency head has denied, affirmed a denial, or failed to respond to a timely appeal of a request for expedited access, a court which would have jurisdiction of an action under paragraph (4)(B) of this subsection may, upon complaint, require the agency to show cause why the request for expedited access should not be granted, except that such review shall be limited to the record before the agency.

"(iii) The burden of demonstrating a compelling need by a person making a request for expedited access may be met by a showing, which such person certifies under penalty of perjury to be true and correct to the best of such person's knowledge and belief, that failure to obtain the requested records within the timeframe for expedited access under this paragraph would—

"(I) threaten an individual's life or safety;

"(II) result in the loss of substantial due process rights and the information sought is not otherwise available in a timely fashion; or

"(III) affect public assessment of the nature and propriety of actual or alleged governmental actions that are the subject of widespread, contemporaneous media coverage.".

SEC. 7. COMPUTER REDACTION.

Section 552(b) of title 5, United States Code, is amended by inserting before the period in the sentence following paragraph (9) the following: ", and the extent of such deletion shall be indicated on the released portion of the record at the place in the record where such deletion was made".

SEC. 8. DEFINITIONS.

Section 552(f) of title 5, United States Code, is amended to read as follows:

"(f) For purposes of this section—

"(1) the term 'agency' as defined in section 551(1) of this title includes any executive department, military department, Government corporation, Government controlled corporation, or other establishment in the executive branch of the Government (including the Executive Office of the President), or any independent regulatory agency;

"(2) the term 'record' means all books, papers, maps, photographs, machine-readable materials, or other information or documentary materials, regardless of physical form or characteristics; and

"(3) the term 'search' means a manual or automated review of agency records that is conducted for the purpose of locating those records which are responsive to a request under subsection (a)(3)(A) of this section.".

ELECTRONIC FOIA IMPROVEMENT ACT OF 1995

SUMMARY

SECTION 1. SHORT TITLE

The Act may be cited as the Electronic Freedom of Information Improvement Act of 1995.

SECTION 2. FINDINGS AND PURPOSES

This section clarifies that Congress enacted the FOIA to require Federal agencies to make records available to the public through public inspection and upon the request of any person for any public or private use. This section also acknowledges the increase in the government's use of computers and specifies that agencies should use new technology to enhance public access to government information.

The purposes of this bill are to improve public access to government information and records, and to reduce the delays in agencies' responses to requests for records under the Freedom of Information Act.

SECTION 3. PUBLIC INFORMATION AVAILABILITY

This section requires agencies to publish a complete list of statutes that the agency relies upon to withhold information under subsection (b)(3) of the Act. Exemption (b)(3)

covers information that is specifically exempted from disclosure by other statutes. These exemptions currently appear in non-FOIA bills and decrease information available to the public without review by the Judiciary Committee. In order to prevent ill-considered exemptions to the access mandate of the FOIA, this section would place specific limitations on an agency's ability to rely on the authority of (b)(3) exemption statutes when they have not passed through prescribed legislative channels and have not been previously brought to public attention through publication in the Federal Register.

The Office of Management and Budget has directed agencies to use electronic media and formats, including public networks, to make government information more easily accessible and useful to the public. (OMB Circular A-130, Revised, July 1994). To effectuate this goal, section 3 of the bill requires that information, such as agency regulations, which under the FOIA must be published in the Federal Register, should be accessible by computer telecommunications. The Government Printing Office Electronic Information Access Enhancement Act of 1993 ("GPO Act"), Pub. Law 103-40, already requires that the Federal Register and certain other congressional publications, be made available online. If an agency cannot make these materials available online, then the information should be made available in some other electronic form, such as CD-ROM or on disc.

SECTION 4. MATERIALS MADE AVAILABLE IN ELECTRONIC FORMAT AND INDEX OF RECORDS MADE AVAILABLE TO THE PUBLIC

The first part of this section would require that materials, such as agency opinions and policy statements, which an agency must "make available for public inspection and copying" pursuant to paragraph (a)(2) of Section 552, be made available electronically, as well as in hard copy. If an agency cannot make these materials available online, then the information should be made available in some other electronic form, such as CD-ROM or on disc. The bill would thus treat (a)(2) materials in the same manner as it treats (a)(1) materials, which under the GPO Act are required, via the Federal Register, to be made available online.

The second part of this section would require agencies to publish in the Federal Register an index of all major information systems containing agency records and a description of any new major information system with a statement of how it will enhance agency FOIA operations.

The third part of this section would require that an index of any records released as the result of "requests" for records pursuant to paragraph (a)(3) of Section 552 must be made available for public inspection and copying under paragraph (a)(2). This would assist requesters in determining which records have been the subject of prior FOIA requests. Since requests for records provided in response to prior requests are more readily identified by the agency without the need for new searches, this index will assist agencies in complying with the FOIA time limits.

Under the fourth part of this section, copies of records disclosed in response to FOIA requests that the agency determines have been or will likely be the subject of additional requests, must be made available for public inspection and copying in basically the same manner as the materials required to made available under paragraph (a)(2). As a practical matter, this would mean that copies of records released in response to FOIA requests on a popular topic, such as the assassinations of public figures, would subsequently be treated as (a)(2) materials, which are made available for public inspection and copying. This would reduce the number of multiple FOIA requests for the same records requiring separate agency responses.

The fifth part of this section would make clear that to prevent a clearly unwarranted invasion of personal privacy, an agency may delete identifying details when it makes available or publishes the index and copies of records released in response to FIOA requests, as required under the third and fourth parts of section 4 of this bill.

The final part of this section would, consistent with the "Computer Redaction" requirement in Section 7 of the bill, require that any deletions made in electronic records be indicated at the place where such deletion was made.

SECTION 5. HONORING FORMAT REQUESTS

This section would require agencies to assist requesters by providing information in the form requested, if the agency has the information available in that form. In other words, requests for the electronic format of records, which are usually not maintained or stored in electronic form, should be honored when the records nevertheless exist and are available in the requested electronic form.

This section would overrule *Dismukes* v. *Department of the Interior*, 603 F. Supp. 760, 763 (D.D.C. 1984), which held that an agency "has no obligation under the FOIA to accommodate plaintiff's preference [but] need only provide responsive, nonexempt information in a reasonably accessible form."

SECTION 6. DELAYS

Fees.—In an effort to decrease the delays experienced by FOIA requesters, the bill would authorize agencies to retain one-half of the fees they collect if the agency complies with the statutory time limits for responding to requests. The fee retention provisions of the bill would reward agencies that meet the statutory time limits and should diminish the burdens on agencies with particularly heavy FOIA workloads. It will be very important to structure the compliance criteria so that the reward system operates effectively and without favoring any class of requesters over other classes.

Payment of the Expenses of the Person Making A Request.—The current statute allows for the award of attorneys' fees and other litigation costs in any case in which the complainant has reasonably prevailed. The bill would permit a court to award payment of requesters' litigation expenses and reasonable attorneys' fees incurred in the administrative process in any case in which the agency fails to comply with the time limits. In determining whether to make such an award, the bill directs the court to consider whether an agency's failure to comply with statutory time limits was not warranted and demonstrated bad faith or was otherwise unreasonable under the circumstances of the particular request.

Demonstration of Circumstances for Delay.—The bill would require agencies not in compliance with the time limits to demonstrate "that the delay is warranted under the circumstances." The bill would clarify the only circumstances that excuse compliance with the time limits are those unusual or exceptional circumstances set forth in paragraphs 6(B) and (C) of Section 552(a).

Expansion of Agency Response Time.—The bill would expand the time limit for an agency to respond to a request for records under FOIA from ten days to twenty days. Attorney General Janet Reno has acknowledged the inability of most federal agencies to comply with the ten-day rule as "as a serious problem" stemming principally from "too few resources in the face of too heavy a workload." A doubling of the time limit will assist federal agencies in reducing their backlogs.

Agency Backlogs.—The current statute provides that in "exceptional circumstances," the statutory time limits can be extended, but does not define what those circumstances can be. In *Open America* v. *Watergate Special Prosecution Force*, 547 F.2d 605 (D.C. Cir. 1976), the court held that an unforeseen 3,000 percent increase in FOIA requests in one year, which created a massive backlog in an agency with insufficient resources to process those requests in a timely manner, can constitute "exceptional circumstances."

Routine backlogs of requests for records under the FOIA should not give agencies an automatic excuse to ignore the time limits, since this provides a disincentive for agencies to clear up those backlogs. This section of the bill would clarify the holding in Open America by specifying that routine agency backlogs do not constitute exceptional circumstances for purposes of the Act.

Multitrack FIFO Processing.—An agency commitment to process requests on a first-come, first-served basis has been held to satisfy the requirement that an agency exercise due diligence in dealing with backlogs of FOIA requests. Some agencies have taken the position that they must process requests on a FIFO basis, even if this procedure may result in lengthy delays for simple requests due to the prior receipt and processing of complex requests. The bill would encourage agencies to implement multi-track processing systems for FOIA requests to reduce backlog.

Expedited Access.—The bill would authorize expedited access to requesters who demonstrate a "compelling need" for a speedy response. The agency would be required to make a determination whether or not to grant the request for expedited access within five days. The requester would bear the burden of showing, under penalty of perjury, that expedition is appropriate and would be required to satisfy strict time limits to obtain administrative and judicial review of an agency's denial of such a request. The bill would permit only limited judicial review based on the same record before the agency.

A "compelling need" warranting expedited access would be demonstrated by showing that failure to obtain the records within an expedited timeframe would: (I) threaten a person's life or safety; (II) result in the loss of substantial due process rights and the information sought is not otherwise available in a timely fashion; or (III) affect public assessment of the nature and propriety of actual or alleged governmental actions that are the subject of widespread, contemporaneous media coverage.

SECTION 7. COMPUTER REDACTION

The ability to redact information on the computer changes the complexion of released documents. At times, determining whether one sentence or 30 pages have been withheld by the agency is impossible. The bill would require agencies to indicate deletions of the released portion of the record at the place where such deletion was made.

SECTION 8. DEFINITIONS

The bill would add definitions of "record" and "search" to the statute to address electronically stored information. The current

FOIA statute does not define either term. The definition of "record" in the bill is an expanded version of the definition in the Federal Records Act, 44 U.S.C. 3301. There is little disagreement that the FOIA covers all government records, regardless of the form in which they are stored by the agency. The Department of Justice agrees that computer database records are agency records subject to the FOIA. See "Department of Justice Report on 'Electronic Record' Issues Under the Freedom of Information Act," S. Hrg. 102-1098, 102d Cong., 2d Sess. 33 (1992).

The bill defines "search" as "a manual or automated review" to locate records responsive to a FOIA request. Under the FOIA, an agency is not required to create documents that do not exist. Computer records located in a database rather than in a file cabinet may require the application of codes or some form of programming to retrieve the information. Under the definition of "search" in the bill, the search of computerized records would not amount to the creation of records. Otherwise, it would be virtually impossible to get records that are maintained completely in an electronic form, like electronic mail, because some manipulation of the information likely would be necessary to search the records.

JULY 27, 1995.

Hon. PATRICK J. LEAHY and HANK BROWN,
U.S. Senate, Washington, DC.

DEAR SENATORS LEAHY AND BROWN: The organizations listed below, representing a substantial portion of the Freedom of Information Act requestor community, wish to express their strong support for the "Electronic Freedom of Information Improvement Act of 1995."

The Freedom of Information Act (FOIA) is a critical tool of our democracy which allows Americans to learn about their government and hold the government accountable for its actions. This legislation ensures that the public will be able to access agency records maintained in electronic form, and also takes steps to alleviate endemic delays in proceeding FOIA requests.

This legislation is needed to address new issues related to increased use of computers by federal agencies. It clarifies that the FOIA covers agency information in any form, including electronic form, and requires agencies to provide records in a requested form if the records are maintained in that form. The legislation also increases on-line access to government information, including agency regulations, opinions, and policy statements, as well as FOIA-related records that are the subject of repeated requests. This increased on-line accessibility of FOIA-releasable material is a critical step in using technology to make government more accessible and responsible to its citizens.

The "Electronic Freedom of Information Act" also will reduce agency delays in responding to FOIA requests. In recognition of the difficulty faced by some agencies in complying with FOIA time limits, the bill increases agency response time from 10 to 20 days, and allows agencies to retain half of the fees if they comply with statutory time limits. The legislation encourages agencies to implement two-track processing systems for simple and complex requests to assist in the reduction of backlogs, and establishes expedited access for requestors who demonstrate a compelling need for a speedy response.

By keeping the Freedom of Information Act up to date with new technologies and improving the administrative process, this legislation will help ensure that the Act remains an instrument for open and responsive government. We hope that this legislation, which last year passed the Judiciary Committee unanimously and the Senate by voice vote, will be enacted into law.

American Civil Liberties Union, American Library Association, American Society of Newspaper Editors, Association of American Publishers, Center for Democracy and Technology, Center for National Security Studies, Electronic Privacy Information Center, Federation of American Scientists, Fund for Constitutional Government, Government Accountability Project, Information Trust, and Lawyers Committee for Human Rights.

National Newspaper Association, National Security Archive, Newspaper Association of America, OMB Watch, People for the American Way Action Fund, Public Citizen, Radio-Television News Directors Association, Society of Professional Journalists, Taxpayer Assets Project, Unison Institute, and Whistleblowers Alliance, Inc.•

By Mr. CRAIG (for himself and Mr. CONRAD):

S. 1091. A bill to finance and implement a program of research, promotion, market development, and industry and consumer information to enhance demand for and increase the profitability of canola and rapeseed products in the United States, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

THE CANOLA AND RAPESEED RESEARCH PROMOTION AND CONSUMER INFORMATION ACT

• Mr. CRAIG. Mr. President, my purpose here today is to introduce the Canola and Rapeseed Research, Promotion, and Consumer Information Act. I am pleased to report that this piece of legislation is backed by the strong support of those in the canola and rapeseed industry.

Canola and rapeseed products are an important and nutritious part of the human diet, and the crops are in all regions of the United States. This crop is produced by thousands of growers and consumed by people all over the world. A total of 35 states grow over 330,000 acres, and that level is rapidly increasing. States such as Idaho see well over 40,000 acres devoted to this particular crop. As you can see, Mr. President, it is important that these readily available commodities are marketed efficiently to ensure that consumers have an adequate supply at a reasonable price.

Currently, a number of established State and national organizations exist whose primary goals include the research and promotion of their respective commodities. The cooperative development, financing, and implementation of a canola and rapeseed research, information, and promotion program is necessary to maintain and expand the existing markets, and to develop new markets for these important products.

In addition, this act will establish an orderly procedure for financing through assessments on domestically produced canola and rapeseed, and the development and implementation of a program of research, promotion, consumer and industry information.

It is the policy of this act to establish a concise and uniform method of requesting, issuing and amending orders relative to the canola and rapeseed industry. It will provide for a national canola and rapeseed board of 15 members who will administer and carry out programs and projects which provide maximum benefit to the industry.

Under this act, assessments will be levied on those products produced and marketed in the United States and will be deducted from the payment made to a producer for all canola or rapeseed sold to a first purchaser. The assessment rate shall be 4 cents per hundredweight of canola or rapeseed produced and marketed in a State, or a rate of 2 cents per hundredweight for States with a State checkoff.

Essentially, this act will enable the industry to create a commodity driven and commodity controlled checkoff program. The idea of a checkoff is not new, and generic promotional and research programs funded through voluntary checkoff contributions have been working at all levels of government for over 50 years. Considering the limited resources of the Federal Government in all areas, especially agriculture, I believe that programs of this nature will become increasingly important. I highly commend everyone involved in the canola and rapeseed industry for their efforts in bringing this checkoff to the attention of the Congress.

Mr. President, I urge my colleagues to join me in enabling this industry to shape its own future. I ask unanimous consent that a section-by-section summary of the bill be placed in the RECORD.

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

CANOLA AND RAPESEED RESEARCH, PROMOTION, AND CONSUMER INFORMATION ACT—JULY 28, 1995

SECTION-BY-SECTION ANALYSIS

Section 1: Short Title; Table of Contents.

The short title is the "Canola and Rapeseed Research, Promotion, and Consumer Information Act."

Section 2: Findings and Declaration of Policy.

Canola and Rapeseed products are important components of the human diet.

There are several state and national organizations whose primary goal is to promote canola and rapeseed research, consumer information, and industry information which is valuable to the new and existing markets. The cooperative development, financing, and implementation of a coordinated national program is vital to this market.

Section 3: Definitions.

This section gives specific definitions for words and phrases used throughout this bill.

Section 4: Issuance and Amendment of Orders.

In general, the Secretary shall issue the orders only upon request of the industry. This order shall be national in scope and not more than one order shall be in effect at any one time.

Section 5: Required Terms in Orders.

This section gives the specific terms and conditions to be met by any order. It also specifies the organization of the Board and other members, and gives guidelines for day to day operations.

The Board consists of 15 members. Additionally, there shall be no more than 4 producer members of the Board from any state.

Section 6: Assessments.

This section describes the required provisions for collection and refund of assessments.

The assessment rate shall be 4 cents per hundredweight of canola or rapeseed produced and marketed in a state. The rate is 2 cents per hundredweight for states with an approved checkoff.

Section 7: Referenda.

The Secretary shall conduct a referendum among producers during the period ending 30 months after the date the order was issued to determine whether the order should be continued.

Section 8: Petition and Review.

Anyone subject to an order may file a petition with the Secretary.

Section 9: Enforcement.

This section deals with the jurisdiction, process, and penalties in regards to the enforcement of an order.

Section 10: Investigations and Power to Subpoena.

The Secretary may make investigations as he or she sees fit in order to ensure that no violations of specific regulations have occurred and to ensure that there are no abuses of those regulations.

Section 11: Suspension or Termination of an Order.

The Secretary has the power to terminate any order that is no longer conducive to the industry.

Section 12: Regulations.

The Secretary may issue any regulations necessary to carry out this act.

Section 13: Authorizations and Appropriations.

This section deals with the appropriation of funds for this act.●

By Mr. McCONNELL:

S. 1092. A bill to impose sanctions against Burma, and countries assisting Burma, unless Burma observes basic human rights and permits political freedoms; to the Committee on Foreign Relations.

THE 1995 FREE BURMA ACT

● Mr. McCONNELL. Mr. President, today, I am introducing the 1995 Free Burma Act. I had planned to introduce the legislation on July 11, the date the State Law and Order Restoration Council—SLORC—was to reach a determination about the status of Aung San Suu Kyi. Fortunately for Suu Kyi, her family and Burma, SLORC decided to release her from 6 years of house arrest.

Everyone hoped that her release would mark the beginning of significant change in Burma. But, as Suu Kyi recently remarked, "We are nowhere near democracy. I have been released—that is all. The situation has not changed in any other way."

Two weeks ago, I announced that I would refrain from introducing sanctions legislation in the interests of determining just how serious the SLORC was about change in Burma. I indicated that I would monitor the situation and determine if progress was made in four areas before introducing sanctions. Let me review those conditions.

First, Suu Kyi has called for dialog with the SLORC to negotiate the peaceful transfer of power. In her first public statement she took note of the fact that a majority of the people in Burma voted for democracy and a market economy in 1990. In fact her National League for Democracy carried 392 seats in Parliament. A dialog to set Burma on the road to economic and political recovery should being immediately and without preconditions.

Second, Suu Kyi must continue to be afforded the opportunity to meet with her political supporters. It is essential that she have freedom of movement and speech and that her supporters and the press enjoy the same rights.

Third, Suu Kyi urged the SLORC to release all political prisoners, including the 16 elected members of Parliament and hundreds of other NLD supporters. I hope this occurs promptly, but in the meantime, I think it is imperative that the SLORC sign and implement the ICRC agreement granting access to political detainees. Last month the ICRC announced they intend to withdraw from Burma after 7 years of attempting to negotiate an agreement with SLORC. I believe it would represent a good faith effort if SLORC now signed that agreement.

Finally, SLORC's intention to move toward national reconciliation could be demonstrated by ceasing attacks on ethnic minorities along the Thai border. Over the past year, SLORC has engaged in negotiations to reach cease-fire agreements with many of the ethnic groups—agreements which explicitly call upon the withdrawal of SLORC forces from various regions. In December, SLORC broke off talks and launched attacks against the Karen. Nearly 80,000 refugees fled across the border. Over the past several weeks several thousand SLORC troop have moved into the Kayah state and launched attacks against Karenni camps. News accounts report that 20,000 refugees have fled.

On Monday, this week, I asked Assistant Secretary of State for Asian Affairs, Winston Lord, Assistant Secretary for Narcotics, Robert Gelbard, to provide the administration's assessment of progress in meeting these conditions. I also asked a Burmese student, Omar Khin, and representatives from Asia Watch and the AFL-CIO to testify.

Although everyone agreed that Suu Kyi's release was an important development and that she was being afforded the opportunity to meet with her supporters, every witness expressed disappointment that that was all that has happened.

The war against ethnic groups continue. Political repression and human rights violations continue. In fact, just this week, Asia Watch released an extensive report detailing how the situation has deteriorated.

The Red Cross still plans to shut down operations because of SLORC's refusal to grant access to political prisoners. And, perhaps most importantly, no negotiations have been initiated by SLORC to implement the 1990 elections. In fact, no efforts have been made to set a date for dialog to begin.

It is pretty obvious that SLORC's decision to release Suu Kyi was a calculated move designed to encourage foreign investment and Burma's inclusion in ASEAN. Indeed, within 48 hours of her release, several governments announced their intention to consider expanding trade and assistance. I think it is too early to reward SLORC—these initiatives are premature.

I agree with Suu Kyi who has cautioned all potential investors. A recent AP story made clear that she is concerned about a rush to embrace SLORC. She has, in fact, welcomed this legislation as a means of pressuring SLORC to the table. In an AP story she said, "These are very tough sanctions and I think they have shown they are very interested in democracy."

The legislation sends the message that Suu Kyi's release is not enough—that the Senate expects SLORC to implement the results of the 1990 election and transfer power to a civilian government.

Mr. President, some people may wonder why Burma should matter to the United States. After all there are certainly other countries with comparable human rights records.

That may well be true. But, there is one compelling reason why we have a direct interest in Burma. Today, Burma is the source of 65 percent of the heroin coming into the United States compared with 15 percent 10 years ago. More alarming is the fact that purity has shot up. Law enforcement officials here in Washington and in Kentucky tell me they used to see purity around 2 percent to 3 percent on our streets. Now it is not uncommon to find purity levels from 25 percent to 65 percent.

The drug czar has said heroin trafficking represents a serious threat to our national interests. I agree. I also agree with Assistant Secretary Lord's testimony that the only thing that will solve the problem is a change in government.

Mr. President, we all hope that Suu Kyi's release marks the beginning of the end of repression in Burma. However, past experience with this military dictatorship suggests caution is the appropriate approach.

Suu Kyi has issued a statement of remarkable good will toward a regime that illegally held her in detention for 6 years. She has demonstrated courage and determination, stating immediately after her release that her detention has not changed her basic goals

to advance peace and freedom in Burma.

I think it is important that we respect and promote that agenda. Keeping the pressure on SLORC will assure that her release is translated from a symbolic gesture to real progress.

Mr. President, I ask unanimous consent to include in the RECORD several letters of support for this legislation which have come in from around the world. I also ask unanimous consent to include a brief summary of the legislation and an article including comments Suu Kyi has made about the legislation.

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

SENATOR MCCONNELL, MEMBERS OF THE PRESS: My name is Ohmar Khin. I am a Burmese student in exile who participated in the 1988 nationwide pro-democracy movement in Burma and experienced first-hand, the brutality of the current military regime. The memories of the events of 1988 are still vivid.

At that time, I was a senior student at Rangoon Arts and Science University majoring in Chemistry. On March 16, while walking to class with my friends, I saw students banging drums and calling others to gather nearby the Convocation Hall. They were protesting the death of a student who was shot by soldiers dispersing a demonstration three days earlier. My friends and I joined the protesters. As we marched passed Inya Lake we saw troops stationed on the road, blocking our way and riot police trucks rolling down the road.

Many students ran into nearby streets and some jumped into the lake. Others were beaten and kicked by police then dragged into the trucks. I was separated from my friends and ran into one of the houses in front of the lake. The residents let me and a few others in, locking their gate. From there, I watched the terrifying scene. My heart was pounding with fear. My sarong was torn apart. I was holding a pencil sharpener to defend myself if I were caught. Some troops tried to climb over the gate to catch us but a Japanese diplomat next door let us climb down into his residence and hid us in his house. It was night before I could finally get back home.

From that time there was a determination to fight for justice in our country. During the next few months students organized quietly. More and more people recognized the need for change in the country and joined this movement which led to the nationwide pro-democracy uprising of August 8, 1988, known as 8-8-88.

Tens of thousands of people, including monks and children, took to the streets that day, calling for democracy and human rights. I marched along with my colleagues and witnessed the horror of our own military shooting innocent people. One of the students marching next to me was shot to death.

During those months of struggle in 1988, hundreds of students were arrested, universities and colleges were closed. Thousands of students, like myself, were forced to flee the country.

I believe that democracy and human rights will truly come to Burma one day, but the help of the international community is critical in bringing about that change. Pressure brought to bear by the international community was instrumental in freeing Daw Aung San Suu Kyi and such pressure must continue until democracy is restored. The legislation planned by Senator McConnell calling for economic sanctions on the military regime is the type of initiative which will sustain such pressure.

The struggle of 1988 should not be forgotten. The spirit of the people and their desire to live under a just and democratic government remains strong. Senator McConnell's legislation can help the people of Burma achieve that goal.

NATIONAL COALITION GOVERNMENT
OF THE UNION OF BURMA,
OFFICE OF THE PRIME MINISTER,
Washington, DC, March 29, 1995.

Hon. MITCH MCCONNELL,
U.S. Senate, Washington, DC.

DEAR SENATOR MCCONNELL: I have recently learned of your intention to introduce a bill to impose US economic sanctions on Burma. On behalf of the democratically elected government of Burma, I am writing to give you my wholehearted support as well as that of my government in your effort.

The imposition of sanctions should never be taken lightly. Any measure designed to constrict the economy of a country will cause some degree of hardship to the people. However, I believe, and the democratic forces working to liberate our country believe, that foreign investment serves to strengthen the outlaw State Law and Restoration Council (SLORC). It is providing SLORC with the means to finance a massive army and intelligence service whose only job is to crush internal dissent. SLORC controls all foreign investment into Burma and channels contracts to the military and its party officials. Unlike other countries, investment will not serve to create a middle class of entrepreneurs, only reinforce allegiance to a regime that has murdered tens of thousands of people whose crime was the desire for democracy and to live in a free society. SLORC is in desperate need of foreign currency. Cutting off access to US funds will be a severe blow to SLORC.

Your decision to move forward on this issue will not be popular with the US business community or countries in Europe and Asia. There are many who place trade and money over Burma's deplorable narcotics, political, and human rights record. I applaud your courage and will do everything in my power to see you succeed.

The United States has a very special place in the hearts of my countrymen. During the massive democracy demonstrations in 1988, students could be seen marching in Rangoon carrying American flags and demonstrating in front of the US Embassy. Supporting us in our struggle is the International Republican Institute. This organization funds pro-democracy activities inside Burma. The Burmese people desperately want what Americans have: the ability to live in peace without fear of government persecution, respect for human rights, and social justice. American ideals will always be a symbol for what we can achieve.

I want to personally thank you for your leadership and raising your voice to support those who are oppressed. I look forward to assisting you in any way possible.

With my highest consideration,
Yours sincerely,

SEIN WIN,
Prime Minister.

THE GOVERNMENT OF KARENNI,
OFFICE OF THE PRIME MINISTER,
June 9, 1995.

Hon. MITCH MCCONNELL,
U.S. Senate, Washington, DC

DEAR SENATOR MCCONNELL: The Government and people of Karenni are happy to learn that you have prepared to legislate sanction against SLORC in the U.S. Congress.

We give all our support to your efforts and we thank the Senators and Congressmen who sponsored this legislation to impose economic sanctions on Burma.

Meanwhile, the Karenni National Progressive Party (KNPP) has entered a cease fire "understanding" with SLORC. This is done on convenience because we are pressured by intimidation from SLORC.

KNPP wants peace and progress. For this reason it has been fighting the war against SLORC and the Burmese Governments preceeded it. With the cease-fire in place, the KNPP hopes to be able to achieve progress. That was why it has agreed to a cease-fire with SLORC. But contrary to expectation, no progress is possible because the SLORC has reneged on its agreement with KNPP. It has, in the name of existing Burmese laws and regulations, put all kinds of obstacles in the way. Although the KNPP has reminded SLORC of the agreement reached between it and KNPP, the SLORC simply turns a deaf ear to the reminders. On the other hand it continues collecting porter fees—60 kyats per household—in some townships monthly. It is believed that the porter fees collected will be used in areas where cease-fire has not been reached or signed.

KNPP is of the opinion that only when there is a nation-wide cease-fire between SLORC and all armed groups fighting it, will the people be free from being made to contribute porter fees, to serve as porters and to contribute forced labour.

We, therefore, request the international organizations, like the UN or democratic countries, like the United States to put pressure on SLORC so that a nation-wide cease-fire in Burma can take place.

The hard-learned fact we now experienced as mentioned above is that the SLORC will continue its formally bullish practice over all the cease-fire signatories.

We find our national security is still precarious and there is no sign of democratic return in Karenni and also all over Burma itself. For this belief, we send a memorandum to sub-committee of House Foreign Affairs Committee, in which we seek U.S. protection and aids. A copy of this memorandum is sent to you by airmail postal service.

We wish you success in this efforts of yours.

May God bless you and your sponsorial comrades.

Your sincerely,

AUNG THAN LAY,
Prime Minister, Government of Karenni.

THE NEW MON STATE PARTY,
GENERAL HEADQUARTERS,
June 6, 1995.

Hon. MITCH MCCONNELL,
U.S. Senate, Washington, DC.

YOUR EXCELLENCY: Information of your efforts at imposing economic and trade sanctions on Burma under the brutal regime known as the State Law and Order Restoration Council (SLORC) is very encouraging to us. Current situation shows that, only by international economic and diplomatic pressure can liberate Burma from the atrocious control of the ruling military junta.

It appears that the world business community is now mesmerized by SLORC's promises of the proverbial pot of gold at the end of the rainbow. The economy is only open for the Burmese generals and their associates to line their pockets and they are in complete control of all business contracts and are interested in upfront money in the form of signature bonuses paid in dollars.

Any evidence offered that the regime is easing its oppression is superficial. What the military leadership is seeking is international legitimacy at the lest cost to itself.

In spite of no foreign threats whatsoever, SLORC is boosting up its armed forces to over 350,000 heading to 500,000 just to rule the country at gun point.

The best example of the Burmese leadership's political failure is their attitude toward the ethnic minorities. For nearly half a century it has used the bankrupt policy of a military solution to Burma's political problems. It just does not have adequate capacity to realize that Burma's ethnic problems are a political problem that requires a political solution.

May I urge you as President of the New Mon State Party and Chairman of the National Democratic Front to do everything possible to eliminate U.S. foreign investment in Burma until a legitimate democratic government is in power.

Yours truly,

NAI SHWE KYIN,
President.

KACHINLAND PROJECTS U.S.A.
FOR HUMAN RIGHTS
AND DEMOCRACY IN BURMA,
June 13, 1995.

Hon. MITCH MCCONNELL,
U.S. Senate, Washington, DC.

DEAR SENATOR MCCONNELL: I write on behalf of the Kachin-American & Friends USA, Inc., for Democracy and Human Rights in Burma, a US citizens' organization dedicated to the purpose of restoring democracy and human rights in Burma, especially in the Kachin areas. We want to let you know that we support your proposed resolution to impose trade sanctions against Burma most strongly. We are ready to support your leadership through active citizen input to our representatives in the U.S. Congress. If we could be of help in other ways please let us know.

We have been unspeakably outraged by the severe persecution of our people over the years for no apparent reason than the fact that they are Kachin. We have felt most painful and helpless because the one political movement, the Kachin Independence Organization, has been hand-tied by the cease-fire agreement. While Kachin leaders have been honor-bound, SLORC's oppression and predations against our people have continued, as has their despicable hypocrisy about opium production and trading.

We support in the strongest manner any pressure that could be applied against SLORC, by the U.S. and by the international community. And we will continue our strong protest against SLORC's deadly rule in ethnic minority areas with their occupation army. This pariah regime must be condemned and cast aside.

We hope that you are determined to exercise your leadership in a manner that will have a strong, effective and lasting impact. We are ready and eager to come to your assistance whenever called.

Most sincerely yours,

LA RAW MARAN, PH.D.
Executive Director.

AMERICAN FEDERATION OF LABOR
AND CONGRESS AND INDUSTRIAL
ORGANIZATION,
Washington, DC, February 6, 1995.

Hon. WARREN CHRISTOPHER,
Secretary of State, U.S. Department of State, Washington, DC

DEAR MR. SECRETARY: I write to you to express my strong concerns about the continuing egregious behavior of the State Law and Order Restoration Council (SLORC) regime of Burma. Directly contradicting its claims that it seeks peace and national reconciliation, SLORC sent the Burmese army to viciously attack, capture and sack Manerplaw, the headquarters of the Karen people and key base area for many groups, including the Federation of Trade Unions Burma (FTUB), seeking to restore democracy in Burma.

We believe that the blatant, unprovoked attack on Manerplaw is a major setback for the cause of democracy in Burma and merits a strong response from the U.S. Government. In the "two visions" policy laid out by Deputy Assistant Secretary Hubbard during his visit to Rangoon, the U.S. indicated that, if progress by SLORC on issues of democracy and human rights was not forthcoming, the U.S. would renew its campaign to isolate the regime. In line with this policy, now is the time for the U.S. to show, by actions, that it is serious.

Accordingly, we urge the U.S. Government to implement a full trade and investment embargo against Burma. Since most U.S. investment enters Burma through joint ventures with SLORC government agencies or entities wholly controlled by the regime, implementing sanctions would have a direct impact on the ability of the SLORC to repress its people and conduct war on groups opposed to this illegitimate government. The withdrawal of the Commercial Officer from the U.S. Embassy in Rangoon would further underscore this message. We also renew our call for the U.S. Government to exert pressure to block development and aid projects of international institutions that benefit the SLORC.

Sincerely,

LANE KIRKLAND,
President.

DEMOCRATIC BURMESE STUDENTS
ORGANIZATION (USA),
Rockville, MD, July 7, 1995.

Hon. MITCH MCCONNELL,
U.S. Senate, Washington, DC.

DEAR SENATOR MCCONNELL: I write this letter on behalf of the Democratic Burmese Students Organization. We are students in exile from Burma who were witnesses to the 1988 massacre of peaceful demonstrators by the Burmese regime. We, the Burmese students, are now living throughout the United States. We are writing in support of your efforts to draft legislation imposing economic and trade measures against the military regime in Burma.

In view of the lack of freedom and democracy and the persistent refusal on the part of the current SLORC regime to honor the national mandate given in 1990 elections, we commend any measures that the U.S. Congress takes to help the emergence of a legitimate government, which is democratic and responsive to the basic needs of its people.

We believe that your proposed legislation will set a progressive direction for U.S. policy that promotes democracy in Burma. It will also send a clear signal to the SLORC that the U.S. insists on commitment for the immediate release of all political prisoners including democratic leader Daw Aung San Suu Kyi and the implementation of the full democratic process. We believe that renewed action by the U.S. Congress to increase pressure on Burma will bear critical influence on the SLORC. We shall, therefore, support any of your measures to this effect.

Sincerely yours,

SHWE SIN HTUN,
Representative, DRSO (East Coast).

[From the Desk of Betty Williams]

JULY 6, 1995.

Senator MITCH MCCONNELL,
Russell Office Building,
Washington, DC.

DEAR SENATOR MCCONNELL: I wish to take this opportunity to offer my support to the initiative you are preparing to undertake on behalf of my sister laureate Aung San Suu Kyi and the people of Burma. It has been brought to my attention that you intend to introduce legislation on July 11, 1995 which will ban all U.S. foreign investment in Burma.

On June 26, 1995, while commemorating the 50th Anniversary of the United Nations, Bishop Desmond Tutu, Lech Walesa, Oscar Arias Sanchez and myself presented a letter to the United Nations which included the signatures of seven other Laureates asking for the release of Daw Suu. The letter stated, "She has endured six long years of solitary detention without trial at the hands of the military regime. There is no sign at all of her release. We resolutely oppose political oppression disguised as criminal detention." Bishop Tutu, in a statement to a forum at the UN Anniversary called for sanctions to be imposed on Burma.

This legislative initiative is long overdue and will play a critical role in bringing about a transfer of power to the democratically elected 1990 representatives, allowing them to take their rightful (and legitimate) seats in parliament.

I offer congratulations for implementing this endeavor and hope that your colleagues in the Senate will join you in this worthy effort which I hope will lead to a political dialogue and settlement of the Burma conflict and, most importantly, democracy in Burma.

Most sincerely,

BETTY WILLIAMS,
Nobel Laureate, 1976.

UNITED FRONT FOR DEMOCRACY AND
HUMAN RIGHTS IN BURMA,
North Potomac, MD, July 25, 1995.

Hon. MITCH MCCONNELL,
U.S. Senator, Washington, DC.

DEAR MR. SENATOR: The United Front for Democracy and Human Rights in Burma and its affiliated organizations in the United States, Canada, Europe and Asia want to heartily commend you for the hearing on the Trade and Investment Sanction bill held on July 24, 1995.

On behalf of these organizations, I was present at the hearing and wish to express our views regarding the various statements made there. While we thank Assistant Secretary Winston Lord and Assistant Secretary Gelbard for their perspectives and their views on the counternarcotics issue and your sanction bill, our organizations disagree with their approach. We heartily endorse the views expressed in the opening statement made by you and the statements made by Khin Ohnmar and the representatives of Human Rights Watch/ASIA and the AFL–CIO as well as the statement submitted by Prime Minister Dr. Sein Win of the NCGUB.

Our organizations, after very careful consideration of the present situation and after

hearing the various views at the hearing as well as those of individuals and other organizations closely observing the developments in Burma, feel very strongly that the only language the SLORC, one of the most repressive and regressive regimes in the world, would understand is the comprehensive trade and sanctions legislation against Burma that you propose to introduce. We also believe that this is the right time for the introduction as Daw Aung San Suu Kyi herself has acknowledged publicly as quoted by you, "We are nowhere near democracy. I have been released, that is all. The situation has not changed in any other way." Most prudent Burma observers including Ambassador Lord are of the opinion that the reason for Suu Kyi's release was not out of good intention or desire to change to democracy and national reconciliation in Burma, but due to international pressure including your proposed bill as well as the forthcoming ASEAN meeting in Brunei.

Enclosed herewith also is the statement made by the United Front on the release of Daw Aung San Suu Kyi.

Yours sincerely,

U BA THAUNG,
Chairman.•

By Mr. REID (for himself and Mr. BRYAN):

S. 1093. A bill to prohibit the application of the Religious Freedom Restoration Act of 1993, or any amendment made by such act, to an individual who is incarcerated in a Federal, State, or local correctional, detention, or penal facility, and for other purposes; to the Committee on the Judiciary.

THE RELIGIOUS FREEDOM RESTORATION ACT OF 1993 AMENDMENT ACT OF 1995

Mr. REID. Mr. President, I send a bill to the desk on behalf of Senators REID and BRYAN.

Mr. President, the bill that I just introduced is a prison reform bill that is designed to close a gaping hole in the current law that allows prison inmates to file frivolous lawsuits at will.

This legislation is necessary, and it is overdue. It addresses and remedies a specific ailment plaguing an otherwise solid piece of legislation that passed this body in the last Congress. I am referring to the Religious Freedom Restoration Act. More specifically, I am referring to the application of this law as it relates to prison inmates.

When the Senate passed RFRA, it sought to provide the legal protections supporting the right to freely exercise one's religious belief. This legislation was a well-intentioned goal which this Senator supported.

The concern I raised when we considered this legislation was the abuse that I knew would take place of these new rights by prison inmates. In fact, I offered an amendment that would have exempted inmates from coverage of this legislation. Unfortunately, my amendment was narrowly defeated.

As the saying goes, Mr. President, you reap what you sow. And because the sponsors of this legislation sought to extend this coverage to prison inmates, our courts are now being flooded with inmate lawsuits alleging discrimination under this act. And the lawsuits are filed often for the most spurious of reasons. I said then, and I say now, that providing inmates with all those rights and privileges would be a recipe for disaster, and I was right.

(Mr. CRAIG assumed the chair.)

Mr. REID. Mr. President, word of these new legal rights has spread like wildfire. They are in Idaho. We have a letter that we will talk about from one of the deputy attorney general of Idaho.

These taxpayer-supported lawsuits are spreading like wildfire. The research for these filings is being conducted in taxpayer-supported law libraries containing spades of helpful filing information at the disposal of prisoners.

Mr. President, this is like an alcoholic locked inside a liquor store. These inmates cannot get enough.

What am I talking about? Should I talk specifics? I do not know where to start talking specifics. I only brought over a few of the lawsuits.

In this hand I have some of the Nevada lawsuits; only some of them. Because, you see, prison litigation in Nevada takes up 40 percent of the court's time—40 percent of the litigation in our Federal courts in Nevada are a result of prisoner lawsuits.

Is that what this is all about? Have we become so concerned with prisoner rights that we have forgotten the rights of society? Remember, these people are in jail because they have been convicted of felonies. They are not there because we are trying to check to find out if they are good or bad. They are felons. And we are spending 40 percent of the court's time on this trash.

Let me talk about some cases around the country. In California, we have an inmate there who wants prison authorities to allow him to practice a religion called Wiccan, which is witchcraft. He is upset because the prison authorities will not supply him, among other things, tarot cards and other paraphernalia that goes with witchcraft.

We have one lawsuit filed because the satanic group in a prison wanted unbaptized baby fat for their candles.

Mr. President, I wish I were making this up. But a Federal judge, who has a lifetime appointment, who is there to decide what is good and bad in this country, is being called upon to rule on this trash. And they have to do it. They have to go through the process.

In the State of Connecticut they have allowed Catholics and Protestants to have religious services, and Moslems. We have an inmate there who was not satisfied with that. What this inmate wanted is a certain very refined, defined sect of the Moslem religion because he refuses to go to a service for all Moslems. He wants his own.

We have one who changes his name. This man is in Florida. He keeps changing his name, and he sues the prison because they do not give him his mail in his right name.

We have, out of Florida, another case. There, an inmate alleges his rights were denied when he was not allowed to see Moslem visitors at a time that he wanted them, not when everybody else visits those that are confined. He wanted a time convenient to him. So he filed a lawsuit.

One wanted to perform the rite of washing—his definition of washing; a religious ceremony.

Another inmate filed a lawsuit because his hat was confiscated.

Another inmate filed a lawsuit because he has alleged that the inmate barbers are unskilled and are forced to perform the haircuts under too much pressure from the clock. This is a lawsuit filed.

We have another who filed a lawsuit because the diet kitchen in the prison did not meet his expectations. He believed that his religion entitles him to a healthy lifestyle as defined by what diet he wants.

We have another out of Nebraska. This man has filed a lawsuit because he is a member of the Asatru religion, which is an Islamic word, which is a term for an ancient religion of the Teutonic people of northern Europe. And the prison authorities had a little trouble finding the paraphernalia this gentleman wanted.

We have another case out in Nebraska where an inmate there thinks he is a woman trapped in a man's body, and thus strip searches by male prison officials are not allowed by his religion.

Again, Mr. President, I kind of wish I was making this up. I mean, can you imagine. These are real lawsuits that our Attorneys General and others are defending on a daily basis taking tremendous amounts of time when they should be involved in other important matters.

We have case after case of this nonsense. I said it would happen and I intend to continue to fight to end this problem.

I am going to push this, Mr. President. We can wait for hearings in the Judiciary Committee. We can do all kinds of things. But before this year is out, I am going to be offering this as an amendment to a piece of legislation moving through here. We cannot allow this kind of stuff to go on.

We have a letter here—I said on the floor, this is going to happen—from the Attorney General of the United States saying, no, it will not.

Like an alcoholic locked inside a liquor store, these inmates cannot get enough.

The consequences of these new prisoner rights are many, and an overburdened judiciary is forced to allocate its

scarce resources to considering and processing these frivolous lawsuits. Our Nation's attorneys general are being forced to defend inmate lawsuits rather than prosecute criminals. And as usual, who is picking up the tab? The taxpayers are paying for the libraries that are better than I had when I practiced law. Why not? They get anything they want. All they have to do is ask for it.

The American taxpayer, to the delight of these inmates, is left holding the tab on all of these legal expenses. And the time and cost is only going to continue to escalate unless we exempt inmates from the coverage of RFRA.

At some point we are going to have to answer the question of whether crimes are being left unprosecuted because the States' defense of prisoner lawsuits is the right thing to do.

I repeat, have we become more concerned about the rights of the criminals than we have the rights of society? I asked the attorney general of Nevada, Frankie Sue Del Papa, to keep me apprised of these RFRA-related lawsuits they are defending. That was quite a task. Just to send me copies of the garbage that is being filed has taken a significant amount of time of her staff.

I have told you about some of the cases around the country. Those in Nevada are no different. They are just as ridiculous: A lawsuit filed because religious freedom rights have been denied—because they were not able to check to see if there was pig fat, hog fat in the toothpaste. They wanted scientific tests run on this to find out if there were pork products in the toothpaste.

They wanted meat inspections to find out if the meat was properly cared for before it was given to the prisoners. This is, of course, on a religious basis.

They confiscated a necklace that was bulky and large; they thought it could cause problems to the rest of the prison populace. Not according to this man's religion. According to his claim, the jewelry would become defiled if another person touched it.

We have another man who is suing a prison chaplain for refusing to conduct a marriage ceremony between him and his male friend because they belong to Universal Life Church, and this church allows people of the same sex to marry.

They cannot get incense; they cannot get jewelry for their religious ceremonies; they cannot get the right type of altar; they cannot get the right type of nutritious vegetarian diet.

Skinheads are suing for the right to receive, because of their religion, hateful, bigoted, anti-Semitic, racist literature from all over the country.

I have a letter from the deputy attorney general from the State of Idaho. She says, besides the cases enclosed—paraphrasing—even though we do not have a lot of cases, the flood is beginning. I emphasize "yet" because I know the Department of Corrections has every reason to believe it is only a matter of time.

This woman goes on in her letter to explain the trouble they have gone to in Idaho. They have sweat lodges in their prisons, trying to make the Indian religions happy. They have problems with the Aryan Nation, motorcycle gangs, trying to comply with their wishes of what they need in prison. I do not understand why we have to bend over backward to protect the rights of people who are locked up in prison.

Remember, 7 percent of the criminals commit over 75 percent of the violent crime in this country. So our job is to get rid of the 7 percent. But what are we doing? We are trying to determine if the right pork products are in toothpaste. I believe that these criminals who are convicted felons have forfeited not all their rights but some of their rights by committing these acts against society. Rather than providing them taxpayer-funded law libraries and better gyms, which most people in America do not have the opportunity to see, let alone join, and they file these lawsuits creating more work, rather than spending the money on defending these frivolous lawsuits, I would prefer hiring more personnel so they could watch them in chain gangs.

I think, with some of what we have going on in some States where they are going back and looking at chain gangs and having these people do work instead of sitting around writing these phony lawsuits, we would be better off. They do not deserve the costly luxuries they are provided in prison. I believe the more difficult and the more unpleasant the present prison setting can be the better off we would be.

Mr. President, I practiced criminal law. When I was a young lawyer, I was assigned to represent a criminal defendant. At that time they did not have the public defender system. And I went over there as a young lawyer all raring to go to defend this man who had been charged with stealing a car and taking it across State lines. And I proceeded as a young lawyer, wanting to get into that courtroom and help this man. He said, "Young man, just back off." He said, "I committed this crime on purpose. I knew what crime I committed. I wanted to be returned to a Federal prison because they are nicer than the State prisons." I have never forgotten that.

So I am going to push hard for this legislation. Our judges ought to be spending more time hearing meritorious cases and our attorneys general should be spending more time prosecuting criminals, not defending frivolous lawsuits brought by them.

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

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

S. 1093

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

SECTION 1. APPLICATION TO INCARCERATED INDIVIDUALS.

The Religious Freedom Restoration Act of 1993 (42 U.S.C. 2000bb et seq.) is amended—

(1) by moving section 5 to the end of the Act;

(2) by redesignating section 5 as section 8; and

(3) by inserting after section 4 the following new section:

"SEC. 5. APPLICATION TO INCARCERATED INDIVIDUALS.

"Notwithstanding any other provision of this Act, nothing in this Act or any amendment made by this Act shall be construed to affect, interpret, or in any way address that portion of the First Amendment regarding laws prohibiting the free exercise of religion, with respect to any individual who is incarcerated in a Federal, State, or local correctional, detention, or penal facility (including any correctional, detention, or penal facility that is operated by a private entity under a contract with a government).".

ADDITIONAL COSPONSORS

S. 44

At the request of Mr. REID, the name of the Senator from Idaho [Mr. KEMPTHORNE] was added as a cosponsor of S. 44, a bill to amend title 4 of the United States Code to limit State taxation of certain pension income.

S. 304

At the request of Mr. SANTORUM, the name of the Senator from South Carolina [Mr. THURMOND] was added as a cosponsor of S. 304, a bill to amend the Internal Revenue Code of 1986 to repeal the transportation fuels tax applicable to commercial aviation.

S. 864

At the request of Mr. GRASSLEY, the name of the Senator from South Dakota [Mr. DASCHLE] was added as a cosponsor of 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.

S. 1028

At the request of Mrs. KASSEBAUM, the name of the Senator from Hawaii [Mr. INOUYE] was added as a cosponsor of S. 1028, a bill to provide increased access to health care benefits, to provide increased portability of health care benefits, to provide increased security of health care benefits, to increase the purchasing power of individuals and small employers, and for other purposes.

S. 1052

At the request of Mr. HATCH, the name of the Senator from Hawaii [Mr.

INOUYE] was added as a cosponsor of S. 1052, a bill to amend the Internal Revenue Code of 1986 to make permanent the credit for clinical testing expenses for certain drugs for rare diseases or conditions and to provide for carryovers and carrybacks of unused credits.

SENATE RESOLUTION 146

At the request of Mr. JOHNSTON, the name of the Senator from West Virginia [Mr. ROCKEFELLER] was added as a cosponsor of Senate Resolution 146, a resolution designating the week beginning November 19, 1995, and the week beginning on November 24, 1996, as "National Family Week," and for other purposes.

SENATE CONCURRENT RESOLUTION 22—RELATIVE TO EXPO '98 IN LISBON, PORTUGAL

Mr. PELL submitted the following concurrent resolution; which was referred to the Committee on Foreign Relations:

S. CON. RES. 22

Whereas there was international concern expressed at the Rio Conference of 1992 about conservation of the seas;

Whereas 1998 has been declared the "International Year of the Ocean" by the United Nations in an effort to alert the world to the need for improving the physical and cultural assets offered by the world's oceans;

Whereas the theme of Expo '98 is "The Oceans, a Heritage for the Future";

Whereas Expo '98 has a fundamental aim of alerting political, economic, and public opinion to the growing importance of the world's oceans;

Whereas Portugal has established a vast network of relationships through ocean exploration;

Whereas Portugal's history is rich with examples of the courage and exploits of Portuguese explorers;

Whereas Portugal and the United States have a relationship based on mutual respect, and a sharing of interests and ideals, particularly the deeply held commitment to democratic values;

Whereas today over 2,000,000 Americans can trace their ancestry to Portugal; and

Whereas the United States and Portugal agreed in the 1995 Agreement on Cooperation and Defense that in 1998 the 2 countries would consider and develop appropriate means of commemorating the upcoming quincentennial anniversary of the historic voyage of discovery by Vasco da Gama: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That the United States should fully participate in Expo '98 in Lisbon, Portugal, and encourage the private sector to support this worthwhile undertaking.

Mr. PELL. Mr. President, today I am submitting a resolution expressing the sense of the Congress that the United States should fully participate in Expo '98 in Lisbon, Portugal, and that it should encourage the private sector to support this effort.

Prime Minister Cavaco Silva recently invited the United States and other countries to participate in Expo '98, which will be the last exposition to take place in this century. A number of countries, including Germany, Greece, the United Kingdom, Morocco, India, Pakistan, and Cape Verde, have committed to participating in Expo '98, and several others, including Argentina, the Philippines, Canada, and Poland, have demonstrated their strong interest in participating.

I understand that our own Government is seriously considering accepting the Portuguese Government's invitation. I believe it would be useful for the Senate to weigh in on this issue, and to encourage the administration to participate in this important exposition.

As a longtime friend of Portugal, I am pleased to support United States participation in Expo '98. The theme of the exposition, "The Oceans, A Heritage for the Future," is particularly fitting as we mark the 500th anniversary of Vasco Da Gama's discovery of the sea route to India. Portugal, of course, has a great history of sea exploration, and in fact, helped to create important trade links between the peoples of Europe, the Americas, Africa, and Asia. Lisbon, the capital of Portugal since the 12th century, is a vibrant cultural and economic center, and its location on the Atlantic makes it a fine choice for an expo focused on the sea.

The U.N. General Assembly has declared 1998 as the International Year of the Ocean in an effort to alert the world to the need to improve the physical and cultural assets of the world's oceans. The theme of the expo is therefore, particularly appropriate. A fundamental goal of Expo '98 will be to focus on the growing importance of the world's oceans and to foster a debate on the sustainable use of marine resources and environmental protection. The United States, of course, has a vested interest in being part of this debate.

The organizers of Expo '98 will provide all facilities relating to each national pavilion free of charge. Accordingly, participating countries will have to provide only the contents of its representation, which I expect to be sponsored by the private sector. In fact, the resolution I am submitting encourages the private sector to support Expo '98.

As a fellow Atlantic power, and an ally of Portugal, the United States should have a strong interest in participating in this exposition. I sincerely hope that President Clinton will accept Prime Minister Cavaco Silva's invitation to be part of this important event.

SENATE RESOLUTION 158—TO PROVIDE FOR SENATE GIFT REFORM

Mr. MCCAIN (for himself, Mr. LEVIN, Mr. COHEN, Mr. WELLSTONE, Mr. FEINGOLD, Mr. LAUTENBERG, Mr. KYL, Mr. MCCONNELL, Mr. GRAMS, Mr. ABRAHAM, Mr. WARNER, Mr. HARKIN, Mr. BINGAMAN, and Mr. BAUCUS) submitted the following resolution; which was considered and agreed to:

S. RES. 158

Resolved,

SECTION 1. AMENDMENTS TO SENATE RULES.

Rule XXXV of the Standing Rules of the Senate is amended to read as follows:

"1. (a)(1) No Member, officer, or employee of the Senate shall knowingly accept a gift except as provided in this rule.

"(2) A Member, officer, or employee may accept a gift (other than cash or cash equivalent) which the Member, officer, or employee reasonably and in good faith believes to have a value of less than $50, and a cumulative value from one source during a calendar year of less than $100. No gift with a value below $10 shall count toward the $100 annual limit. No formal recordkeeping is required by this paragraph, but a Member, officer, or employee shall make a good faith effort to comply with this paragraph.

"(b)(1) For the purpose of this rule, the term 'gift' means any gratuity, favor, discount, entertainment, hospitality, loan, forbearance, or other item having monetary value. The term includes gifts of services, training, transportation, lodging, and meals, whether provided in kind, by purchase of a ticket, payment in advance, or reimbursement after the expense has been incurred.

"(2)(A) A gift to a family member of a Member, officer, or employee, or a gift to any other individual based on that individual's relationship with the Member, officer, or employee, shall be considered a gift to the Member, officer, or employee if it is given with the knowledge and acquiescence of the Member, officer, or employee and the Member, officer, or employee has reason to believe the gift was given because of the official position of the Member, officer, or employee.

"(B) If food or refreshment is provided at the same time and place to both a Member, officer, or employee and the spouse or dependent thereof, only the food or refreshment provided to the Member, officer, or employee shall be treated as a gift for purposes of this rule.

"(c) The restrictions in subparagraph (a) shall not apply to the following:

"(1) Anything for which the Member, officer, or employee pays the market value, or does not use and promptly returns to the donor.

"(2) A contribution, as defined in the Federal Election Campaign Act of 1971 (2 U.S.C. 431 et seq.) that is lawfully made under that Act, or attendance at a fundraising event sponsored by a political organization described in section 527(e) of the Internal Revenue Code of 1986.

"(3) A gift from a relative as described in section 107(2) of title I of the Ethics in Government Act of 1978 (Public Law 95-521).

"(4)(A) Anything provided by an individual on the basis of a personal friendship unless the Member, officer, or employee has reason to believe that, under the circumstances, the gift was provided because of the official position of the Member, officer, or employee and not because of the personal friendship.

"(B) In determining whether a gift is provided on the basis of personal friendship, the Member, officer, or employee shall consider the circumstances under which the gift was offered, such as:

"(i) The history of the relationship between the individual giving the gift and the recipient of the gift, including any previous exchange of gifts between such individuals.

"(ii) Whether to the actual knowledge of the Member, officer, or employee the individual who gave the gift personally paid for the gift or sought a tax deduction or business reimbursement for the gift.

"(iii) Whether to the actual knowledge of the Member, officer, or employee the individual who gave the gift also at the same time gave the same or similar gifts to other Members, officers, or employees.

"(5) A contribution or other payment to a legal expense fund established for the benefit of a Member, officer, or employee, that is otherwise lawfully made, subject to the disclosure requirements of the Select Committee on Ethics, except as provided in paragraph 3(c).

"(6) Any gift from another Member, officer, or employee of the Senate or the House of Representatives.

"(7) Food, refreshments, lodging, and other benefits—

"(A) resulting from the outside business or employment activities (or other outside activities that are not connected to the duties of the Member, officer, or employee as an officeholder) of the Member, officer, or employee, or the spouse of the Member, officer, or employee, if such benefits have not been offered or enhanced because of the official position of the Member, officer, or employee and are customarily provided to others in similar circumstances;

"(B) customarily provided by a prospective employer in connection with bona fide employment discussions; or

"(C) provided by a political organization described in section 527(e) of the Internal Revenue Code of 1986 in connection with a fundraising or campaign event sponsored by such an organization.

"(8) Pension and other benefits resulting from continued participation in an employee welfare and benefits plan maintained by a former employer.

"(9) Informational materials that are sent to the office of the Member, officer, or employee in the form of books, articles, periodicals, other written materials, audiotapes, videotapes, or other forms of communication.

"(10) Awards or prizes which are given to competitors in contests or events open to the public, including random drawings.

"(11) Honorary degrees (and associated travel, food, refreshments, and entertainment) and other bona fide, nonmonetary awards presented in recognition of public service (and associated food, refreshments, and entertainment provided in the presentation of such degrees and awards).

"(12) Donations of products from the State that the Member represents that are intended primarily for promotional purposes, such as display or free distribution, and are of minimal value to any individual recipient.

"(13) Training (including food and refreshments furnished to all attendees as an integral part of the training) provided to a Member, officer, or employee, if such training is in the interest of the Senate.

"(14) Bequests, inheritances, and other transfers at death.

"(15) Any item, the receipt of which is authorized by the Foreign Gifts and Decorations Act, the Mutual Educational and Cultural Exchange Act, or any other statute.

"(16) Anything which is paid for by the Federal Government, by a State or local government, or secured by the Government under a Government contract.

"(17) A gift of personal hospitality (as defined in section 109(14) of the Ethics in Government Act) of an individual other than a registered lobbyist or agent of a foreign principal.

"(18) Free attendance at a widely attended event permitted pursuant to subparagraph (d).

"(19) Opportunities and benefits which are—

"(A) available to the public or to a class consisting of all Federal employees, whether or not restricted on the basis of geographic consideration;

"(B) offered to members of a group or class in which membership is unrelated to congressional employment;

"(C) offered to members of an organization, such as an employees' association or congressional credit union, in which membership is related to congressional employment and similar opportunities are available to large segments of the public through organizations of similar size;

"(D) offered to any group or class that is not defined in a manner that specifically discriminates among Government employees on the basis of branch of Government or type of responsibility, or on a basis that favors those of higher rank or rate of pay;

"(E) in the form of loans from banks and other financial institutions on terms generally available to the public; or

"(F) in the form of reduced membership or other fees for participation in organization activities offered to all Government employees by professional organizations if the only restrictions on membership relate to professional qualifications.

"(20) A plaque, trophy, or other item that is substantially commemorative in nature and which is intended solely for presentation.

"(21) Anything for which, in an unusual case, a waiver is granted by the Select Committee on Ethics.

"(22) Food or refreshments of a nominal value offered other than as a part of a meal.

"(23) An item of little intrinsic value such as a greeting card, baseball cap, or a T-shirt.

"(d)(1) A Member, officer, or employee may accept an offer of free attendance at a widely attended convention, conference, symposium, forum, panel discussion, dinner, viewing, reception, or similar event, provided by the sponsor of the event, if—

"(A) the Member, officer, or employee participates in the event as a speaker or a panel participant, by presenting information related to Congress or matters before Congress, or by performing a ceremonial function appropriate to the Member's, officer's, or employee's official position; or

"(B) attendance at the event is appropriate to the performance of the official duties or representative function of the Member, officer, or employee.

"(2) A Member, officer, or employee who attends an event described in clause (1) may accept a sponsor's unsolicited offer of free attendance at the event for an accompanying individual if others in attendance will generally be similarly accompanied or if such attendance is appropriate to assist in the representation of the Senate.

"(3) A Member, officer, or employee, or the spouse or dependent thereof, may accept a sponsor's unsolicited offer of free attendance at a charity event, except that reimbursement for transportation and lodging may not be accepted in connection with an event that does not meet the standards provided in paragraph 2.

"(4) For purposes of this paragraph, the term 'free attendance' may include waiver of all or part of a conference or other fee, the provision of local transportation, or the provision of food, refreshments, entertainment, and instructional materials furnished to all attendees as an integral part of the event. The term does not include entertainment collateral to the event, nor does it include food or refreshments taken other than in a group setting with all or substantially all other attendees.

"(e) No Member, officer, or employee may accept a gift the value of which exceeds $250 on the basis of the personal friendship exception in subparagraph (c)(4) unless the Select Committee on Ethics issues a written determination that such exception applies. No determination under this subparagraph is required for gifts given on the basis of the family relationship exception.

"(f) When it is not practicable to return a tangible item because it is perishable, the item may, at the discretion of the recipient, be given to an appropriate charity or destroyed.

"2. (a)(1) A reimbursement (including payment in kind) to a Member, officer, or employee from an individual other than a registered lobbyist or agent of a foreign principal for necessary transportation, lodging and related expenses for travel to a meeting, speaking engagement, factfinding trip or similar event in connection with the duties of the Member, officer, or employee as an officeholder shall be deemed to be a reimbursement to the Senate and not a gift prohibited by this rule, if the Member, officer, or employee—

"(A) in the case of an employee, receives advance authorization, from the Member or officer under whose direct supervision the employee works, to accept reimbursement, and

"(B) discloses the expenses reimbursed or to be reimbursed and the authorization to the Secretary of the Senate within 30 days after the travel is completed.

"(2) For purposes of clause (1), events, the activities of which are substantially recreational in nature, shall not be considered to be in connection with the duties of a Member, officer, or employee as an officeholder.

"(b) Each advance authorization to accept reimbursement shall be signed by the Member or officer under whose direct supervision the employee works and shall include—

"(1) the name of the employee;

"(2) the name of the person who will make the reimbursement;

"(3) the time, place, and purpose of the travel; and

"(4) a determination that the travel is in connection with the duties of the employee as an officeholder and would not create the appearance that the employee is using public office for private gain.

"(c) Each disclosure made under subparagraph (a)(1) of expenses reimbursed or to be reimbursed shall be signed by the Member or officer (in the case of travel by that Member or officer) or by the Member or officer under whose direct supervision the employee works (in the case of travel by an employee) and shall include—

"(1) a good faith estimate of total transportation expenses reimbursed or to be reimbursed;

"(2) a good faith estimate of total lodging expenses reimbursed or to be reimbursed;

"(3) a good faith estimate of total meal expenses reimbursed or to be reimbursed;

"(4) a good faith estimate of the total of other expenses reimbursed or to be reimbursed;

"(5) a determination that all such expenses are necessary transportation, lodging, and

related expenses as defined in this paragraph; and

"(6) in the case of a reimbursement to a Member or officer, a determination that the travel was in connection with the duties of the Member or officer as an officeholder and would not create the appearance that the Member or officer is using public office for private gain.

"(d) For the purposes of this paragraph, the term 'necessary transportation, lodging, and related expenses'—

"(1) includes reasonable expenses that are necessary for travel for a period not exceeding 3 days exclusive of travel time within the United States or 7 days exclusive of travel time outside of the United States unless approved in advance by the Select Committee on Ethics;

"(2) is limited to reasonable expenditures for transportation, lodging, conference fees and materials, and food and refreshments, including reimbursement for necessary transportation, whether or not such transportation occurs within the periods described in clause (1);

"(3) does not include expenditures for recreational activities, nor does it include entertainment other than that provided to all attendees as an integral part of the event, except for activities or entertainment otherwise permissible under this rule; and

"(4) may include travel expenses incurred on behalf of either the spouse or a child of the Member, officer, or employee, subject to a determination signed by the Member or officer (or in the case of an employee, the Member or officer under whose direct supervision the employee works) that the attendance of the spouse or child is appropriate to assist in the representation of the Senate.

"(e) The Secretary of the Senate shall make available to the public all advance authorizations and disclosures of reimbursement filed pursuant to subparagraph (a) as soon as possible after they are received.

"3. A gift prohibited by paragraph 1(a) includes the following:

"(a) Anything provided by a registered lobbyist or an agent of a foreign principal to an entity that is maintained or controlled by a Member, officer, or employee.

"(b) A charitable contribution (as defined in section 170(c) of the Internal Revenue Code of 1986) made by a registered lobbyist or an agent of a foreign principal on the basis of a designation, recommendation, or other specification of a Member, officer, or employee (not including a mass mailing or other solicitation directed to a broad category of persons or entities), other than a charitable contribution permitted by paragraph 4.

"(c) A contribution or other payment by a registered lobbyist or an agent of a foreign principal to a legal expense fund established for the benefit of a Member, officer, or employee.

"(d) A financial contribution or expenditure made by a registered lobbyist or an agent of a foreign principal relating to a conference, retreat, or similar event, sponsored by or affiliated with an official congressional organization, for or on behalf of Members, officers, or employees.

"4. (a) A charitable contribution (as defined in section 170(c) of the Internal Revenue Code of 1986) made by a registered lobbyist or an agent of a foreign principal in lieu of an honorarium to a Member, officer, or employee shall not be considered a gift under this rule if it is reported as provided in subparagraph (b).

"(b) A Member, officer, or employee who designates or recommends a contribution to a charitable organization in lieu of honoraria described in subparagraph (a) shall report within 30 days after such designation or recommendation to the Secretary of the Senate—

"(1) the name and address of the registered lobbyist who is making the contribution in lieu of honoraria;

"(2) the date and amount of the contribution; and

"(3) the name and address of the charitable organization designated or recommended by the Member.

The Secretary of the Senate shall make public information received pursuant to this subparagraph as soon as possible after it is received.

"5. For purposes of this rule—

"(a) the term 'registered lobbyist' means a lobbyist registered under the Federal Regulation of Lobbying Act or any successor statute; and

"(b) the term 'agent of a foreign principal' means an agent of a foreign principal registered under the Foreign Agents Registration Act.

"6. All the provisions of this rule shall be interpreted and enforced solely by the Select Committee on Ethics. The Select Committee on Ethics is authorized to issue guidance on any matter contained in this rule.".

SEC. 2. ADDITIONAL DISCLOSURE IN THE SENATE OF THE VALUE OF CERTAIN ASSETS UNDER THE ETHICS IN GOVERNMENT ACT OF 1978.

(a) CATEGORIES OF INCOME.—Rule XXXIV of the Standing Rules of the Senate is amended by adding at the end the following new paragraph:

"3. In addition to the requirements of paragraph 1, Members, officers, and employees of the Senate shall include in each report filed under paragraph 2 the following additional information:

"(a) For purposes of section 102(a)(1)(B) of the Ethics in Government Act of 1978 additional categories of income as follows:

"(1) greater than $1,000,000 but not more than $5,000,000, or

"(2) greater than $5,000,000.

"(b) For purposes of section 102(d)(1) of the Ethics in Government Act of 1978 additional categories of income as follows:

"(1) greater than $1,000,000 but not more than $5,000,000;

"(2) greater than $5,000,000 but not more than $25,000,000;

"(3) greater than $25,000,000 but not more than $50,000,000; and

"(4) greater than $50,000,000.

"(c) For purposes of this paragraph and section 102 of the Ethics in Government Act of 1978, additional categories with amounts or values greater than $1,000,000 set forth in section 102(a)(1)(B) and 102(d)(1) shall apply to the income, assets, or liabilities of spouses and dependent children only if the income, assets, or liabilities are held jointly with the reporting individual. All other income, assets, or liabilities of the spouse or dependent children required to be reported under section 102 and this paragraph in an amount or value greater than $1,000,000 shall be categorized only as an amount or value greater than $1,000,000.".

(b) BLIND TRUST ASSETS.—

(1) IN GENERAL.—Rule XXXIV of the Standing Rules of the Senate is further amended by adding at the end the following new paragraph:

"4. In addition to the requirements of paragraph 1, Members, officers, and employees of the Senate shall include in each report filed under paragraph 2 an additional statement under section 102(a) of the Ethics in Government Act of 1978 listing the category of the total cash value of any interest of the reporting individual in a qualified blind trust as provided in section 102(d)(1) of the Ethics in Government Act of 1978, unless the trust instrument was executed prior to July 24, 1995 and precludes the beneficiary from receiving information on the total cash value of any interest in the qualified blind trust.".

(2) EFFECTIVE DATE.—The amendment made by this subsection shall apply with respect to reports filed under title I of the Ethics in Government Act of 1978 for calendar year 1996 and thereafter.

SEC. 3. GIFTS IN THE JUDICIAL BRANCH.

It is the sense of the Senate that the Judicial Conference of the United States should review and reevaluate its regulations pertaining to the acceptance of gifts and the acceptance of travel and travel-related expenses and that such regulations should cover all judicial branch employees, including members and employees of the Supreme Court of the United States.

SEC. 4. ACCEPTANCE OF GIFTS BY THE COMMITTEE ON RULES AND ADMINISTRATION.

The Senate Committee on Rules and Administration, on behalf of the Senate, may accept a gift if the gift does not involve any duty, burden, or condition, or is not made dependent upon some future performance by the United States Senate. The Committee on Rules and Administration is authorized to promulgate regulations to carry out this section.

SEC. 5. EFFECTIVE DATE.

This resolution and the amendment made by this resolution shall take effect on and be effective for calendar years beginning on January 1, 1996.

AMENDMENTS SUBMITTED

THE CONGRESSIONAL GIFT REFORM ACT OF 1995

BYRD AMENDMENT NO. 1878

Mr. BYRD proposed an amendment to amendment No. 1872 proposed by Mr. MCCAIN to the bill (S. 1061) to provide for congressional gift reform; as follows:

At the appropriate place in the amendment, insert the following:

SEC. . GIFTS IN THE JUDICIAL BRANCH.

It is the sense of the Senate that the Judicial Conference of the United States should review and reevaluate its regulations pertaining to the acceptance of gifts and the acceptance of travel and travel-related expenses and that such regulations should cover all judicial branch employees, including members and employees of the Supreme Court of the United States.

STEVENS AMENDMENT NO. 1879

Mr. MCCAIN (for Mr. STEVENS) proposed an amendment to amendment No. 1872 proposed by Mr. MCCAIN to the bill S. 1061, supra; as follows:

At the end of the substitute amendment, add the following:

SEC. 3. ACCEPTANCE OF GIFTS BY THE COMMITTEE ON RULES AND ADMINISTRATION.

The Senate Committee on Rules and Administration on behalf of the Senate, may

accept a gift if the gift does not involve any duty, burden, or condition, or is not made dependent upon some future performance by the United States. The Committee on Rules and Administration is authorized to promulgate regulations to carry out this section.

WELLSTONE (AND OTHERS) AMENDMENT NO. 1880

Mr. WELLSTONE (for himself, Mr. FEINGOLD, Mr. LAUTENBERG, Mr. MCCAIN, Mr. LEVIN, Mr. KEMPTHORNE, and Mr. CRAIG) proposed an amendment to amendment No. 1872 proposed by Mr. MCCAIN to the bill S. 1061, supra; as follows:

Strike paragraph 1(a) and insert in lieu thereof the following:

"1. (a)(1) No Member, officer, or employee of the Senate shall knowingly accept a gift except as provided in this rule.

"(2) A Member, officer, or employee may accept a gift (other than cash or cash equivalent) which the Member, officer or employee reasonably and in good faith believes to have a value of less than $50, and a cumulative value from one source during a calendar year of less than $100. No gift with a value below $10 shall count towards the $100 annual limit. No formal recordkeeping is required by this paragraph, but a Member, officer, or employee shall make a good faith effort to comply with this paragraph."

NOTICES OF HEARINGS

SUBCOMMITTEE ON POST OFFICE AND CIVIL SERVICE

Mr. ROTH. Mr. President, I would like to announce that the Subcommittee on Post Office and Civil Service, of the Committee on Governmental Affairs, will hold a hearing on August 2, 1995. The Postmaster General of the United States will present the annual report of the Postal Service.

The hearing is scheduled for 9:30 a.m. in room 342 of the Dirksen Senate Office Building. For further information, please contact Pat Raymond, staff director, at 224-2254.

SPECIAL COMMITTEE ON AGING

Mr. COHEN. Mr. President, I wish to announce that the Special Committee on Aging will hold a hearing on Thursday, August 3, 1995, at 9:30 a.m., in room 628 of the Dirksen Senate Office Building. The hearing is entitled "Federal Oversight of Medicare HMO's: Assuring Beneficiary Protection."

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. MURKOWSKI. Mr. President, I would like to announce for the information of the Senate and public that a hearing has been scheduled before the full Committee on Energy and Natural Resources to consider S. 1054, to provide for the protection of southeast Alaska jobs and communities, and for other purposes.

The hearing will take place on Wednesday, August 9, 1995, at 9:30 a.m., in room SD-366 of the Dirksen Senate Office Building in Washington, DC.

Those wishing to testify or who wish to submit written statements should write to the Committee on Energy and Natural Resources, U.S. Senate, Washington, DC 20510. For further information, please contact Mark Rey of the committee staff at (202) 224-2878.

AUTHORITY FOR COMMITEES TO MEET

COMMITTEE ON BANKING, HOUSING, AND URBAN AFFAIRS

Mr. DOLE. Mr. President, I ask unanimous consent that the Committee on Banking, Housing, and Urban Affairs be authorized to meet during the session of the Senate on Friday, July 28, 1995, to conduct a hearing on the condition of the savings association insurance fund.

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

COMMITTEE ON BANKING, HOUSING, AND URBAN AFFAIRS

Mr. DOLE. Mr. President, I ask unanimous consent that the Committee on Banking, Housing, and Urban Affairs be authorized to meet during the session of the Senate on Friday, July 28, 1995, to conduct a nomination hearing. (Nominees will include: Herbert F. Collins, of Massachusetts, to be a Member of the Thrift Depositor Protection Oversight Board; and Maria Luisa Mabilangan Haley, of Arkansas, to be a Member of the Board of Directors of the Export-Import Bank.)

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

COMMITTEE ON FINANCE

Mr. DOLE. Mr. President, I ask unanimous consent that the Committee on Finance be permitted to meet on Friday, July 28, 1995, beginning at 9:30 a.m. in room SD-215, to conduct a hearing on the debt limit.

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

COMMITTEE ON LABOR AND HUMAN RESOURCES

Mr. DOLE. Mr. President, I ask unanimous consent that the Committee on Labor and Human Resources be authorized to meet for a hearing on health insurance and domestic violence, during the session of the Senate on Friday, July 28, 1995, at 9:30 a.m.

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

ADDITIONAL STATEMENTS

THE NATIONAL CONFERENCE OF STATE LEGISLATURES

• Mr. SHELBY. Mr. President, I rise today to bring to the Senate's attention a resolution adopted by the National Conference of State Legislatures in opposition to the preemption of State tort law. The conference stated that "no comprehensive evidence exists demonstrating either that State product liability laws have created a problem of such dimension that a Federal solution is warranted or that Federal legislation would achieve its stated goals." Mr. President, the conference went on to state that they "strongly oppose[s] all legislation before Congress that would have the effect of preempting State laws regulating recovery for injuries caused by defective products."

I believe that the Senate would be wise to listen to the position of the Conference of State Legislatures, made up of legislators from all 50 States. The Senate should not federalize our Nation's tort system and destroy over 200 years of State law. I urge my colleagues to heed the advice of our Nation's State legislators. I ask that a resolution adopted by the National Conference of State Legislatures be printed in the RECORD.

The resolution follows:

NATIONAL CONFERENCE OF STATE LEGISLATURES RESOLUTION ADOPTED JULY 20, 1995

NCSL has reviewed proposed federal legislation that would preempt state law by severely restricting the rights of persons injured by defective products to seek recovery in state courts. Such legislation fails to meet the standards necessary for federal preemption.

In particular, no comprehensive evidence exists demonstrating either that state product liability laws have created a problem of such dimension that a federal solution is warranted or that federal legislation would achieve its stated goals. NCSL believes that the proposed legislation would create serious new problems in the field of product liability by dictating a single set of rules controlling the timeliness of claims and the admissibility of evidence. It would conflict with longstanding state laws governing tort liability, workers' compensation and insurance regulations. By doing so, such proposals would place state legislatures and state courts in an intolerable legal straightjacket.

Therefore, in conformance with our general policy in opposition to federal preemption of state law and in the conviction that it is particularly improper for the federal government to attempt to restrict citizen access to state courts, the National Conference of State Legislatures strongly opposes all legislation before Congress that would have the effect of preempting state laws regulating recovery for injuries caused by defective products.•

TRIBUTE TO THE BICENTENNIAL OF THE U.S. NAVY SUPPLY CORPS

• Mr. NUNN. Mr. President, I would like to commend the outstanding service of the U.S. Navy Supply Corps, which is celebrating its bicentennial this month. The Supply Corps is charged with the responsibility of providing logistical support to all U.S. Navy ships. The Navy Supply Corps was created by Congress in the Naval Armament Act of 1794 and officially began its service to our Nation in 1795.

The Supply Corps has seen many dramatic changes since the early days of its founding. During the late 1790's, each of our Navy ships was assigned a single warrant officer with the enormous responsibility of purchasing and

providing all of the necessary equipment and provisions to maintain the ship's daily operations. A modern aircraft carrier serving with the U.S. Navy today may have as many as 15 supply officers aboard. The board variety of duties currently performed by supply officers require them to have detailed knowledge of accounting procedures, food service, foreign currency exchanges, and management of pay records. The Navy Supply Corps School currently trains about 3,800 students per year to become specialists in business, inventory management, financial data processing, transportation, storage procedures, petroleum handling, and purchasing.

I am pleased to note that the Navy Supply Corps School has been located in Athens, GA, since January 15, 1954. Every supply officer serving with the U.S. Navy has been trained at the Supply Corps School in Athens. In addition the school is home to the foreign officer supply course [FOSCO]. Since the course began its operations in 1955, it has graduated more than 1,200 international students/officers from over 50 different countries. The foreign officer supply course serves the extremely important function of increasing the number of military contacts between the United States and other friendly governments. Such contacts enhance the level of understanding between nations and make significant contributions to the cause of peace. Recently, the Navy Supply Corps School received the prestigious "E" Award, which recognizes excellence in the field of training, from the Chief of Naval Education and Training.

The outstanding relationship between the Navy Supply Corps School and the local Athens community should serve as a model for other military installations and host communities to follow. Many of the students and staff at the Navy Supply Corps School actively participate as tutors and mentors for local at-risk students in Athens area schools. While the students benefit from the interaction with much-needed positive role models, the participating service members receive a boost in morale that comes from the realization that they are making a recognizable improvement in the lives of their fellow citizens.

Mr. President, I ask my colleagues to join me in congratulating the U.S. Navy Supply Corps for its 200 years of excellent service. We wish it continued success in the future.•

PREEMPTION OF STATE PRODUCT LIABILITY LAWS

• Mr. COHEN. Mr. President, I have opposed Federal product liability reform legislation primarily because I believe it is a mistake to replace laws that have been carefully crafted by the State courts and legislature over the past two centuries with a one-size-fits-all piece of legislation developed in Washington, DC. Through the time-tested methods of common law adjudication and legislative adjustment, the State courts and legislatures have worked together to develop tort laws that strike the appropriate balance between the needs of plaintiffs and defendants, and those of consumers and business. Over the past decade, the States have been reforming their own tort systems by experimenting with alternative dispute resolution procedures, caps on punitive damages, and changes in liability standards. In fact, the most recent edition of the American Bar Association Journal reports that State legislatures have taken up more than 70 new tort law bills in their current sessions and that new product liability laws have been enacted in Illinois, Michigan, and North Dakota this year.

This is the way the Federal system is supposed to work. When a problem arises, the States should be the forum for experimenting with new practices and devising new solutions. A Federal law, such as the one passed by the Senate, would bring this experimentation to a grinding halt and make Congress, which has virtually no experience legislating in this area, responsible for the entire Nation's product liability system. It is ironic that this extension of Federal power is coming at a time when we are trying to reduce the size and scope of the Federal Government by shifting authority to the States and localities.

Recently, the National Conference of State Legislatures adopted a resolution opposing Federal product liability legislation. The Conference noted the proposed Federal legislation would conflict with State laws governing tort liability, worker's compensation, and insurance and would place State legislatures and courts in an intolerable legal straightjacket.

I ask that the complete text of the National Conference of State Legislature's resolution be printed in the RECORD.

The resolution follows:

NATIONAL CONFERENCE OF STATE LEGISLATURES RESOLUTION ADOPTED JULY 20, 1995

NCSL has reviewed proposed federal legislation that would preempt state law by severely restricting the rights of persons injured by defective products to seek recovery in state courts. Such legislation fails to meet the standards necessary for federal preemption.

In particular, no comprehensive evidence exists demonstrating either that state product liability laws have created a problem of such dimension that a federal solution is warranted or that federal legislation would achieve its stated goals. NCSL believes that the proposed legislation would create serious new problems in the field of product liability by dictating a single set of rules controlling the timeliness of claims and the admissibility of evidence. It would conflict with longstanding state laws governing tort liability, workers' compensation and insurance regulations. By doing so, such proposals would place state legislatures and state courts in an intolerable legal straightjacket.

Therefore, in conformance with our general policy in opposition to federal preemption of state law and in the conviction that it is particularly improper for the federal government to attempt to restrict citizen access to state courts, the National Conference of State Legislatures strongly opposes all legislation before Congress that would have the effect of preempting state laws regulating recovery for injuries caused by defective products.•

THE MAJOR LEAGUE BASEBALL ANTITRUST REFORM ACT

• Mr. LEAHY. Mr. President, yesterday the Senate Judiciary Committee began consideration of the Major League Baseball Antitrust Reform Act, S. 627. I look forward to the committee completing its consideration of this measure at our next business meeting and reporting it to the Senate.

This year the major league season did not begin, of course, until a Federal judge granted an injunction and the owners and players, who had shut the game down last August and robbed fans of pennant races and a World Series, finally declared a ceasefire in their ongoing hostilities. They had to scramble to begin a shortened 144-game schedule.

As far as I can tell the owners and the players have not gotten back to the bargaining table. They are no closer to reaching a collective bargaining agreement than they were 3 months ago. A further unfair trade practices complaint remains pending against the owners.

Interest in major league baseball is undeniably down. Attendance figures show it—they are down between 20 and 30 percent. Ratings for the recent All Star Game were down 10 percent from last year. Advertising and merchandising revenues show it, as well. Both NBC and ABC recently indicated that they will not even bid on broadcast rights for baseball in the future.

In spite of the outstanding years that the Boston Red Sox, Cleveland Indians, California Angels, Cincinnati Reds, Colorado Rockies and Atlanta Braves are having and the young, talented players throughout the leagues, the unsettled business affairs that haunt major league baseball and disillusioned many of its fans. Older fans have been turned off and the younger ones have decided to spend their time and attention on other pursuits.

Meanwhile interest and attendance at minor league baseball games continues. If the Vermont Expos are any indication, fans turned off by the excesses of major league baseball have turned to minor league games. Attendance at Centennial Field for Expos' games is up more than 10 percent and merchandise sales are booming. It is friendly, fun, and entertaining. I know that I will enjoy taking in a few games during the

August recess, if there is an August recess.

As the season began, Bud Selig, baseball's acting commissioner was quoted as saying: "We knew there would be some fallout. It's very tough to assess, but there is a residue from the work stoppage, there's no question. There is a lot of anger out there."

At our February 15 hearing on legislation to end baseball's antitrust exemption, I had asked the acting commissioner how fans get their voices heard. I observed even then: "Fans are disgruntled; I mean, they are really ripped. Do they vote with their feet?" Unfortunately, the strike dragged on, fans suffered through the owners' experiment with so-called replacement teams, and the matter remains unsettled and unsettling.

Mr. Selig answered me last February by observing that when the strike ended, there would be an enormous healing process. I said then: "The longer you go, the harder the healing process is going to be." I say now that major league baseball has gone too far and has been above the law too long.

I do not think that those who are the game's current caretakers appreciate the damage that they have done. Slick advertising, discount tickets, and special giveaway nights will not make up the difference. The last year has been disastrous.

Worse, nothing has been resolved. The problems and differences persist. There is no collective bargaining agreement and, so far as the public is aware, no prospect of one any time soon. To borrow from a famous baseball great, "It ain't over, 'til it's over."

Why should people return to major league ballparks or patronize major league teams if the risk remains of having affections toyed with again and having hopes of a championship dashed—not by a better team but by labor-management problems?

I believe the time has come for the Senate to act. The Senate Antitrust Subcommittee reported the bill to the Judiciary Committee on April 5. This consensus bill, S. 627, is sponsored by Senators HATCH, THURMOND, MOYNIHAN, GRAHAM, and myself. It would cut back baseball's judicially created and aberrational antitrust exemption.

Congress may not be able to solve every problem or heal baseball's self-inflicted wounds, but we can do this: We can pass legislation that will declare that professional baseball can no longer operate above the law. The antitrust laws apply to all other professional sports and commercial activity should apply to professional baseball, as well.

Along with the other members of the Judiciary Committee, I recently received a report of the section on antitrust law of the American Bar Association that examines S. 627. The antitrust section of the ABA reasons that professional baseball's antitrust exemption is not tailored to achieve well-defined and justified public goals.

The antitrust section, therefore, "supports legislative repeal of the exemption of professional major league baseball from the federal antitrust laws." Moreover, the report notes that putting professional baseball on equal footing with other professional sports and business and having the antitrust laws apply "cannot fairly be criticized as 'taking sides'" in baseball's current labor-management battle.

I look forward to working with our Judiciary Committee chairmen to have our bill, S. 627, considered favorably by the Judiciary Committee at our earliest opportunity and then promptly by the Senate. It is time that the Senate act and end this destructive aberration in our law.•

MEDICARE'S 30TH ANNIVERSARY

• Mr. DODD. Mr. President, I rise both to salute the 30th anniversary of Medicare and to call on the Republicans to release their secret plan to overhaul the system.

Medicare has been an American success story. It has provided health and financial security to millions of American seniors for three decades now. Along with Social Security, Medicare has transformed the retirement years from a time of fear to a time of confidence. Searing anxiety that the next illness would bankrupt you and your children has been replaced by the sure knowledge that a solemn contract will assure you of the care you need.

But now, at a time when we should be celebrating Medicare and discussing how to make it stronger, we are instead discussing draconian cuts and a secret plan to turn the system on its head.

During the last week, word has leaked out in the New York Times and the Washington Post about the Medicare cuts being cobbled together in a back room somewhere over on the House side. According to both reports, the House Republicans have a plan that would give seniors a devil's choice: face $1,000 a year in additional premiums, co-payments and deductibles or be forced into a health plan that could very well deprive them of the choice of their own doctor.

TAX CUT

Why are such wrenching changes being contemplated for Medicare? To pay for a tax cut for the wealthiest Americans. The $270 billion in Medicare cuts are roughly equivalent to the Republican budget's proposed $245 billion tax cut—more than half of which would flow to people earning more than $100,000 a year.

The Republican Medicare cuts would not be reinvested back into the system to make it solvent. The majority is not cutting Medicare in order to strengthen it. Hardly one dime of the savings would be put back into the system. Nearly every bit of the savings would go right out the door as tax cuts for the wealthiest Americans.

The Republicans also claim that all they want to do is hold Medicare cost increases to the same rate as private health care inflation. But such claims simply ignore the fact that the number of people on Medicare is increasing rapidly, as is the average age. The fastest growing population segment in the United States is people over 85, and these people need a great deal of medical care.

The budget for Medicare must increase simply to keep up with these demographic trends. If it does not, benefits will decline and costs for recipients will increase.

SECRET PLAN

According to press reports, that is exactly what the Republicans are planning: increased costs and reduced benefits. Unfortunately, we do not know all the details of the plan because it is being drafted in secret. I joined with a number of my colleagues on the Budget and Finance Committees yesterday in sending a letter to our distinguished Majority Leader asking him to release details of the Republican Medicare plan before the August recess.

I am sympathetic to the occasional need for confidentiality in drafting legislation. I believe, however, that the Republicans have had ample time to come forward with a proposal. It has been nearly 9 months since the Republicans took the majority in Congress and nearly 7 months since they actually took power.

But now we are told they will not unveil their plan for Medicare until September—nearly a full year after they were elected. By that time, there will be little time for hearings, committee consideration or public discussion of these sweeping proposals. The Medicare reforms will likely be folded into the reconciliation bill, which will be considered under special rules limiting debate. We will be under the gun to pass the bill by October 1 in order to keep the Government running.

That is no way to consider the most radical overhaul of Medicare in 30 years. The Republicans must come forward with their plan now so that seniors and their families will have time to digest the proposals and understand what they would mean to them personally and financially. We must have adequate time to weigh this legislation—a few hectic days in late September is not good enough.

HIGHER COSTS

As I said, we do not know the exact nature of the Republicans' Medicare cuts because they have not been released. What we do know from reports in the press, however, is quite discouraging.

The Medicare budget would not keep up with medical inflation or the influx

of new recipients, and as a result it would cover less and cost more for recipients with each passing year.

The Republicans apparently contemplate transforming Medicare into a "voucher" system. Under this plan, seniors would face mounting financial pressures every year to move out of their fee-per-service system and into a managed care plan in which they would not be able to choose their own doctor.

I am a supporter of managed care, and I believe it is a valuable tool for controlling costs and improving quality in our health care system. I believe that seniors should be able to choose to join a managed care plan if they want to, and in fact, more than 70 percent of Medicare enrollees already have that option today. But it must be a choice freely made, not one coerced by financial pressures.

But it is exactly that kind of financial coercion that the House Republican plan would create. Seniors choosing to remain in the fee-per-service part of Medicare would face more than $1,000 a year or more in added premiums, co-payments and deductibles. Even those beneficiaries who go into managed care will have their current benefits threatened as the proposed cuts squeeze harder and harder and the real value of the voucher declines.

When we hear numbers like these, we must remember who we are talking about here. The median income for Medicare recipients is $17,000 a year. Seventy-five percent of all seniors make $25,000 a year or less.

These are the people who would be pounded by a barrage of new expenses if they choose to stay in fee-per-service: higher copayments, higher premiums, higher deductibles.

One Republican proposal would raise the amount seniors pay out-of-pocket for their care from 20 to 25 percent.

The AARP estimates that another of the proposals would increase out-of-pocket deductibles—currently at $100—to $270 a year by the year 2002.

The average beneficiary receiving home health care services would pay $1,020 more in 2002 than they do now.

Another provision of the Republican plan spells out exactly how the Republicans would attempt to stay within their extremely tight budget projections for Medicare. According to an internal memo leaked to the New York Times, "If program spending exceeds growth rates set in law, then outlay reductions will be triggered."

Under the Republican plan, what if Medicare starts to run out of money at the end of the fiscal year? Will seniors needing medical care in September be told to come back after October 1st? If spending is projected to exceed budgeted amounts, will Medicare announce part way through the year that it will no longer cover mamograms or that recipient copays for doctor visits will double?

The Republican plan would also reportedly include some means-testing to have more affluent seniors pay more for their coverage. I agree that some means-testing of Medicare benefits will probably be necessary in the long run.

We should not kid ourselves, however, about how much savings could be achieved through means-testing. Eighty-three percent of all Medicare spending is for older Americans earning less than $25,000 a year. There simply is not that much Medicare spending on wealthy seniors from which we could extract major savings.

CONCLUSION

The American people deserve to know about these changes. Seniors deserve to know. Their children, who could find themselves saddled with more and more of their parents' medical bills, deserve to know.

Everyone deserves to know about these changes for the simple reason that the American people care about Medicare, and they care deeply. A recent poll commissioned by the American Association of Retired Persons, shows that 89 percent of Americans support this program. Ninety-two percent see it as the only way older Americans could possibly have adequate health care. And 9 in 10 older Americans said they do not want to be a burden on their families.

In pushing for passage of Medicare 30 years ago, President Johnson said, "the specter of catastrophic hospital bills can [now] be lifted from the lives of our older citizens." I hope we will do nothing in this Congress to let that specter again stalk older Americans. I urge the majority to release its Medicare plan to the public immediately.●

IF YOU PICK THE FLOWERS YOU COULD EXPLODE

● Mr. LEAHY. Mr. President, I have often spoken about the horrifying effects of antipersonnel landmines. There are 100 million of these hidden killers in over 60 countries.

Here in the relative security of the United States, we can only guess what it is like to live in places like Cambodia, Bosnia, or Angola, in constant fear of losing an arm or a leg or your life, or your child's life, from a landmine. That is a daily, terrifying reality for millions and millions of people around the world.

A recent article by David Remnick in the New Yorker magazine entitled "A Letter From Chechnya—In Stalin's Wake," illustrates what I am talking about. The Russians have dropped thousands and thousands of landmines from helicopters over Chechnya. I want to read the opening paragraphs of that article:

"If you pick the flowers, you could explode," Mayerbek said.

"What?"

"If you go off the road and into the field, there are mines. Russian birthday presents. Step on one, you might explode."

Twenty miles by mountain road from Grozny, the Chechen capital, it had seemed safe enough to get out of the Zhiguli, a banged-up tuna can of a car, and take a short walk. Apparently not. I backed out of the field of lilies and high grass, one soft step at a time.

"Better," Mayerbek said. "Much better. Now maybe let's get back in the car and get going."

Mr. President, if you pick the flowers, you could explode. A horrifying thought. But not really a thought at all. It is happening every 22 minutes of every day of every year. The overwhelming majority of the victims of these indiscriminate, inhumane weapons are innocent civilians.

My legislation, the Landmine Use Moratorium Act, which I plan to offer as an amendment in the coming weeks, aims to exert U.S. leadership to begin to put an end to this scourge. It would impose a 1-year moratorium on the use of most antipersonnel landmines. It has 45 cosponsors.●

THE 30TH ANNIVERSARY OF THE MEDICARE PROGRAM

● Mrs. MURRAY. Mr. President, this Sunday, July 30 marks the 30th anniversary of the establishment of the Medicare Program. As this 30th anniversary approaches, it is important for us to reflect on the reasons this program was enacted, and its successes.

President Truman offered several proposals to Congress, and President Kennedy made health care for seniors an issue in his 1960 campaign. Over and over again, Democrats attempted to pass Medicare legislation. Over and over again, Republicans voted overwhelmingly to defeat it. In 1965, despite a record-setting barrage of advertisements by the American Medical Association and many doctors' threats to boycott elderly patients, President Johnson signed the Medicare bill into law on July 30, 1965. Even then, a majority of Republicans voted against it.

The Medicare Program is an important contract the U.S. Government has made with senior citizens. It is a lifeline for our Nation's elderly. It seems as though times have not changed—Republicans are still fighting against the Medicare Program. The same arguments are being used. And, Democrats are still fighting for seniors, and fighting to strengthen the program.

During this year's budget debate, Democrats tried to put money back into the Medicare Program by eliminating the tax breaks in the budget. We were defeated, time and time again.

I have heard rumors of a Republican plan to save Medicare. I have not seen an official copy of this plan, and this is worrisome. The Senate will be expected to act on the budget reconciliation plan by September 22, which is less than 18 legislative days away. How can we possibly ask our constituents to accept a plan that we have not even debated yet? From the little I have

heard, this secret plan relies heavily on a voucher system, which will encourage seniors to buy the least costly health plan. This means losing their family doctor in many instances. If a senior chooses to stay in their current health plan, they will pay more—as high as $1,000 more in premiums, copayments and deductibles.

Seniors simply cannot afford these additional expenses. The average senior citizen makes only $25,000 a year. How can we expect them to pay more, while we give out tax breaks to the wealthiest of Americans.

I realize the Medicare system of yesterday does not meet the needs of the Medicare population today. It needs improvement. It needs reform. But simply forcing seniors into HMO's and cutting benefits to seniors is not the answer.

Seniors will pay more for less. Our aging population is growing, and growing faster than the money put into the Medicare system in the Republican budget. I worry about the families that have elderly parents, like I do. This so-called sandwich generation takes care of their own children and their elderly parents at the same time. They will feel the pain as their parents are unable to pay for their health care. The middle class will feel the squeeze.

My question is this: What will this secret plan the Republicans are proposing do to the seniors of this country? Why will they not make the details public?

As we near the 30th anniversary of Medicare, let us fix what is broken in the system. Let us get rid of the waste, fraud, and abuse in the system. And let us be honest and sincere with the American people. They understand sacrifice. What they do not understand is secret tactics, and bearing an undue portion of that sacrifice. We need to give some hope back to middle-income, working families in this Nation. Let us strengthen the program our predecessors rightly worked so hard for.•

MEDICARE'S 30TH ANNIVERSARY

• Ms. MIKULSKI. Mr. President, today, we celebrate the 30th anniversary of the passage of Medicare by the Congress. Thirty years ago, Members of this body took a courageous step and guaranteed health insurance coverage to seniors and the disabled—regardless of a person's income, regardless of a person's illness.

The struggle was not an easy one. In fact, it took 30 years of struggle by Democrats to pass Medicare. Through the unwavering leadership from Presidents Roosevelt, Truman, Kennedy, and Johnson, Medicare was finally signed into law.

What does Medicare mean to the seniors of Maryland and this country? Let me tell you.

Earlier this week, I visited senior centers in Maryland. I talked about the 30th anniversary of Medicare. And I listened to the seniors—who told me what it means to them to have Medicare coverage and of their concerns about the proposed cuts to Medicare.

Mr. President, who is going to speak for the senior couple in Catonsville, MD, who do not know if they will be able to afford higher Medicare premiums, particularly given all the out-of-pocket expenses like for prescription drugs that Medicare doesn't even cover?

Who is going to speak for the widow I met at the Liberty Road Senior Center in Baltimore County that needs cataract surgery that can save her eyesight and doesn't know if Medicare will be there to pay for it?

And, Mr. President, who is going to speak for the sons and daughters of these seniors who after these cuts may be forced to balance the financial demands of helping their parents pay deductibles and copayments for necessary lab and screenings and the financial needs of their own children?

Mr. President, I am going to speak out—and speak out loudly and forcibly—for these seniors, their families, and their health care.

Medicare is a unique American success story. Let us not turn back the clock on this success. We should not be talking about downsizing and degrading Medicare.

On this 30th anniversary, we should be talking about innovations and improvements. I, personally, would like to see a prescription drug benefit and coverage for prostate cancer screenings, and we desperately need a long-term care policy.

Instead we are facing cuts that mean seniors will pay significantly more for the privilege of keeping their own doctor or going to the hospital of their choice. That is no choice at all. That is not the American way and that is not what Medicare is about.

Medicare is a commitment to America's seniors. Medicare says that in America, if you are over 65 or disabled, no matter what your income, we will stand by your side and you will get the health care you need. I intend to fight to keep this commitment. I intend to keep the "care" in Medicare.

This year, we are not only celebrating the 30th anniversary of Medicare, but we are also celebrating the 50th anniversary of the end of World War II. Fifty years ago, the Medicare generation organized, mobilized, and saved Western civilization. Now is the time once again, for all of us to organize, mobilize, and save health care for our seniors. Just as in the days of World War II, the GI Joe generation—the current Medicare generation—hunkered down and was committed to the cause. So must we.

I am here on the floor today to tell you that I am committed to the mission and meaning of Medicare. I am ready to fight the good fight. And I am prepared to do whatever is necessary to preserve and protect the health care benefits of seniors in Maryland and throughout this Nation.•

REMARKS OF THE HONORABLE JOHN DALTON, SECRETARY OF THE NAVY

• Mr. DODD, Mr. President, I want to take a moment to draw the attention of my colleagues to some very eloquent and pertinent words recently delivered by the Secretary of the Navy John Dalton in my home State of Connecticut.

The text I am about to insert in the CONGRESSIONAL RECORD is the speech delivered by Secretary Dalton at the christening of the first *Seawolf* submarine on June 24, 1995, in Groton, CT. I believe it speaks volumes about our country and our future.

Therefore, I now ask that the text be printed in the RECORD and I commend it to my colleagues.

The text follows:

FOR OUR CHILDREN'S FREEDOM

Thank you admiral Boorda for those very gracious and warm comments. And thank you even more for everything you said about Margaret. Let me say that I agree with every word.

One of my great privileges as Secretary of the Navy is to name ships and appoint sponsors of those ships. It is a responsibility I take very seriously. I chose a very special lady to be the sponsor of this most special ship.

Let me give you an example of what kind of sponsor Margaret will be. She knew that today would be a day filled with such activity that she wouldn't be able to meet every member of the crew, and she wanted to know every member of the *Seawolf* crew.

So last week she got up in the middle of the night and caught the 4:30AM train to Groton and spent the day and evening with the Sailors of this ship. She will be your sponsor and champion for the life of this ship over the next thirty-five years.

It is said that a ship is imbued with the spirit of its sponsor and that indeed is a blessing for *Seawolf*. Through the course of its life this ship will have many fine commanding officers, and many outstanding Sailors in its crew. But throughout the life of this ship their will be but one sponsor. *Seawolf* and the United States Navy are very fortunate to have Margaret.

This is indeed a historic day, and I want to thank everyone who is here, I am told there is some twelve to thirteen thousand strong in number. I would like to make each and everyone of you an honorary *Seawolf* sailor.

I am also very proud to have some people who are special to me here today. It is rare that I have the opportunity to have close members of my family around, but my sons John Jr. and Chris are here today. I would like for them to please stand. My brother and my sister, Margaret's brother and her parents. We have lots of family and friends from Louisiana, Texas, Arkansas and Virginia. I would like for all of you to stand and be recognized.

Obviously, Margaret and I are very proud to be here. . . . But not simply because of the honor of participating in the christening of this submarine—the finest submarine in

the world. . . . Not simply to applaud the men and women of the shipbuilding trades here at Electric Boat and the many contractors who contribute to the building of this ship. . . . Not just to honor the brave officers and sailors who will serve through the life of this vessel. But to also take an opportunity to recognize why we are building this submarine and why we need to build more.

A number of years ago, a public official—entrusted with the best interests of the citizens of his nation—reflected his personal judgment and the common wisdom with the following words:

"There is no excuse for [building] submarines . . . So far as naval armament is concerned, it will not be long until [we] recognize that the torpedo is obsolescent; the submarine out of date; and the seaplane of so limited utility that expenditure [should] not be enlarged by any useless absurdities as aircraft carriers . . ."

Historians record that quite a few people applauded that particular speech. In fact, it was published in the most prestigious journal of the day. And why shouldn't those words have been applauded and accepted? Most nations of the world were at peace. An "evil empire" had been previously defeated. There was no apparent threat. Government was moving to reduce its budget. There were more important social and economic challenges. Freedom was a given.

Ten years later, a crisis threatened that nation and the entire world. . . . A crisis of such magnitude that many apparently wise men chose to sacrifice their very principles to avoid war, a war they were unprepared to fight.

Well, war came anyway—perhaps even sooner because of their lack of readiness . . . their lack of such "absurdities" as enough capable submarines or aircraft carriers. The war broke with a fury that destroyed their budget plans, their economic strength, their position of world leadership, and the very lives of a great many of the citizens of that democratic nation—whose freedom was ultimately saved through the intervention of its Allies.

When that war ended, fifty years ago this year . . . the men and women of that nation—and many nations—would somberly ask themselves: "why were we so unprepared?"

I am talking, of course, about World War Two . . . the war our parents or grandparents had to fight. The public official who made those unfortunate remarks belonged to one of our Allies. But there were many in the United States who had echoed the same sentiments for the same reasons. The irony is that the submarine and the aircraft carrier—absurd and expensive in the perspective of their critics—were the two weapons that proved most effective in winning the naval war.

Today, we face a situation not too much unlike the past. A few years ago we won a war—a Cold War to be sure—but one that nevertheless required a great deal of military expenditure. We are now in the process of reducing our budget deficit and tackling many challenges—economic and social—that are very worthy of our attention. There is no longer a threat of global war. Many nations—though not all—are at peace. Freedom seems secure. And like their predecessors, some people think they can predict the future.

I don't claim to predict the future. And I am not, by training, a professional historian. But I do know what history teaches. I do know that freedom is not free—it is purchased by heroism and sacrifice in war, and by good judgment and preparedness in peace. In a high-tech world . . . the world of today . . . it is purchased by remaining first-rate in technology and innovation.

Having served as a naval officer and a submariner, I know what it is like to go down to the sea—to face potential enemies—in the most capable ship, and what it is like to go down in a ship that would be considered second rate.

As Secretary of the Navy, I am committed to ensuring that the tools we give our Sailors and Marines—that their lives depend on—remain first rate.

As a businessman, I know false economy when I see it.

And as a citizen, with two fine sons—and maybe to be blessed someday with grandchildren—I am not willing to gamble their future, their freedom on the chance that there will be no war, or that, if it comes, we will be suddenly able to build tomorrow what some proposed to throw away today.

How do you preserve freedom? Do you preserve it by letting an entire industry go out of business in the name of false economy? Do you preserve it by allowing partisan politics to blind your judgement? Do you do it by giving a pink slip to men and women who have labored for many years to produce the finest tools for our defense? Do you do it by creating monopolies in the name of competition? Do you do it by declaring new technology unnecessary . . . and the status quo "good enough."

You know that's not how you preserve freedom. We all know that. So why are some ready to sacrifice an entire defense industry and are willing to throw away hundreds of millions of dollars to stop building capable submarines? How much would we pay to start building them again when the next crisis comes?

This *Seawolf* is the finest submarine in the world. It will regain the American lead in quietness and stealth. The second *Seawolf* will be better still. And the third *Seawolf* which we need will be the bridge that preserves this industry to build a more affordable, littoral warfare-oriented New Attack Submarine.

You can't get across a chasm without a bridge. There is a chasm in our defense industrial strength. If Congress does not authorize and fund the third *Seawolf*, the depth of this chasm will not simply be measured in lost jobs . . . or dollars wasted in higher overhead and contracting fees . . . but in the potential breakup of a defense industry that has always served our best interest in preserving the peace. I shudder at the thought that someday historians will say: the United States was once the best builder of submarines.

I do not predict that a global crisis is coming. I do not claim that we are in danger today. I hate war. Every night before I sleep, I pray that war never again occurs. I pray that throughout their lifetimes, my sons will be blessed with the gift of peace. But I know that—to paraphrase President John F. Kennedy—God's work on earth must truly be our own. We are the ones who are responsible for peace. We are the ones who are responsible for freedom. The steps that we take today will be the ones that may determine the freedom of our children.

The builders of this submarine . . . this mighty *Seawolf* . . . are a national treasure in knowledge and skills. The nuclear submarine-building industry represents an investment we have spent over forty years to develop. We are gambling with a national treasure if we do not take steps to preserve it. That's why I want to take this opportunity to ask each one of you in the audience—and all Americans—to urge Congress to fund the third and final *Seawolf* as a bridge to the submarine capabilities we will need in the future.

Just before I left Washington to come to this ceremony, I received a letter that I would like to read to you. The letter is dated 22 June.

"Greetings to all those gathered for the christening of *Seawolf*.

Seawolf will strengthen and sustain the invaluable contributions the Navy makes to America's leadership in global affairs. Ready for any contingency, her combat power, mobility, and flexibility will help to promote the cause of liberty and protect our national security. This fine submarine will stand as a reminder of our steadfast commitment to maintaining a democratic world for the generations to come.

As we celebrate the christening of *Seawolf*, I want to reemphasize my continuing support for the completion of the third and final *Seawolf*-class submarine SSN-23. The Armed Forces of the United States and our civilian defense industries share an effective partnership; proceeding with the construction of SSN-23 is the most cost-effective method of retaining the vitality of these industries while bridging the gap to the future New Attack Submarine.

On behalf of all Americans, I want to thank those who design and build the *Seawolf* submarines, as well as those who will serve in them. Best wishes for a wonderful ceremony."

The letter is signed by President Bill Clinton.

This is a wonderful occasion—this christening of a *Seawolf*-class submarine. This is a great day for Margaret and me, for the United States Navy, for all America. But—as President Clinton says—we need to do it twice more—not once more—if we are to guarantee that—as concerns the deterrence of global war . . . as concerns war undersea or elsewhere—there will always be great days of peace, and freedom from fear, for our children.

No one can predict the future. But we can prepare. To stay prepared, America requires a healthy nuclear submarine-building industry. Our Commander-in-Chief knows that. And Secretary of Defense Bill Perry, the Chairman of the Joint Chiefs, the CNO, these distinguished members of Congress and I are convinced of that. We are convinced that we need to build a third *Seawolf* to preserve this industry's health. And to preserve this vital resource . . . to let everyone know the real risks we take by gambling it away for false economy. To reply to those who say a third *Seawolf* is not necessary, to those who oppose our submarine program—my response is the words of our founding father, John Paul Jones, "We have not yet begun to fight."

Thank you very much. God bless you.•

FOOD STAMP FRAUD REDUCTION

• Mr. LEAHY. Mr. President, I am convinced that the single most important thing we can do to reduce fraud in the Food Stamp Program is to eliminate the use of paper coupons—and shift to electronic benefits transfer systems, also known as "EBT."

I made that same point to this body on November 8, 1993. That was when I first introduced legislation to eliminate food stamp coupons in favor of EBT.

I will introduce an updated version of that bill—which I hope can pass with the support of every Member of the Senate.

I know that Senator SANTORUM recently spoke of the benefits of EBT, as demonstrated in a pilot project in Berks County, PA.

The Majority Leader, Senator DOLE, and I supported pilot testing EBT systems for food stamps in 1982.

My bill eliminates the coupon system in 3 to 5 years. The present system is a clumsy dinosaur in need of overhauling by modern technology.

By the year 2000, those paper coupons —which now cost the Government $50 million to $60 million a year to print and process—will be history.

We will reduce fraud and save the Government money.

My bill empowers retail stores, financial institutions, and the States to figure out the best way to move to an EBT system.

My bill specifically gives businesses and States the lead roles in this conversion.

Because the Federal Government saves so much money through EBT, I want USDA to pay 100 percent of the costs of the point-of-sale equipment that goes into the stores, unless the store wants to obtain its own equipment. The bill encourages stores, but does not require them, to buy their own point-of-sale equipment.

Under current law and most welfare reform proposals, States have to pick up half those costs.

I also believe USDA should provide the cards to States at no cost to the State. Under current law, USDA picks up the tab for coupon costs and should do the same for cards.

The point-of-sale terminals should also be available for use by the State for State assistance programs.

Many grocery stores already use electronic systems to read credit cards and debit cards. I do not want us to reinvent the wheel—my bill piggy-backs the Food Stamp Program onto existing technology.

I intend to incorporate this bill either into the food stamp title of the farm bill or into the budget reconciliation bill.

Food stamps are America's largest child nutrition program. Over 80 percent of food stamp benefits go to families with children. Most of the rest of the benefits go to the disabled or the elderly.

I want you to join with me in assuring that nutrition benefits go to needy families—not to criminals who are stealing taxpayer money.

Just about everybody agrees that EBT will reduce fraud dramatically.

The inspector general of USDA has testified that EBT "can be a powerful weapon to improve detection of trafficking and provide evidence leading to the prosecution of traffickers."

The U.S. Secret Service says that "[t]he EBT system is a great advancement generally because it puts an audit trail relative to the user and the retail merchant."

Under President Bush, USDA noted that "the potential savings are enormous" if EBT is used in the Food Stamp Program.

A more recent Office of Technology Assessment report determined that a national EBT system might reduce levels of food stamp fraud losses and benefit diversion by as much as 80 percent. Think about that—EBT could reduce food stamp fraud losses and benefit diversions by as much as 80 percent.

Alan Greenspan has described the potential advantages offered by EBT for the Food Stamp Program, including reducing costs in food stamp processing by the Federal Reserve System.

Perhaps nothing is totally fraud-proof, but EBT is clearly much better than the current system of paper coupons. When a small store stocked with cigarettes and a few stale candy bars starts ringing up food stamp sales in the thousands of dollars, it is pretty obvious that the Government is being taken for a ride.

With the electronic card, EBT transactions can be constantly monitored by law enforcement agencies. Paper coupon transactions cannot.

If we had to reinvent the Food Stamp Program today, would anyone insist on paper coupons, instead of EBT?

Under the current program, USDA prints more than 375 million food stamp booklets per year, which amounts to 2.5 billion paper food coupons for food stamp households to use at retail stores.

These coupons are used once, except for $1 coupons which may be used to make change—and the change is often spent on non-food items.

The 2.5 billion coupons issued per year are mailed, shipped, issued to participants, counted, canceled, redeemed through the banking system by Treasury, shipped again, stored, and then destroyed.

Some States mail them out each month and pay the postage, for which they receive a partial Federal reimbursement. Coupons are lost or stolen in the mails.

Some States issue coupons at State offices, which is labor-intensive. The total Federal and State cost is up to $60 million per year.

EBT has another benefit—it eliminates cash change. Food stamp recipients can get cash change in food stamp transactions if the cash does not exceed $1 per purchase. This system allows food stamp benefits to be diverted to the purchase of non-food items.

While we may disagree over food stamp benefit levels and eligibility rules, I hope we can all agree that transferring food stamp benefits electronically is much better than using paper coupons.

The bill amends the Food Stamp Act to require that the Secretary of Agriculture no longer provide food stamp coupons to States within 3 years of enactment.

Any Governor may grant his or her State an additional 2-year extension and the Secretary can add another 6-month extension, for a maximum of 5½ years.

At the end of that time, States no longer would receive coupons. Food benefits instead would be provided through electronic transfer, or in the form of cash if authorized by the Food Stamp Act.

For example, under a bill reported out of the Senate Agriculture Committee by Senator LUGAR on June 14, 1995, States can cash out food stamp benefits as part of a wage supplementation program.

As in the food stamp bill reported out of the Agriculture Committee by Senator LUGAR, States will not be liable for losses associated with lost or stolen EBT cards.

The bill makes households liable for most EBT losses; however, they are not liable for losses after they report the loss or theft of the EBT card.

As under current law, States are liable for their own fraud and negligence losses.

My bill provides that regulation E will not apply to food stamp EBT transactions.

In general, regulation E provides that credit or debit card users are liable for only the first $50 in unauthorized uses of lost or stolen credit cards as long as such a loss is reported in a timely manner.

The card issuer is liable for the rest of the loss.

Under current law the State is considered the card issuer for food stamp EBT purposes. Regulation E has been a major impediment to implementation of EBT by States.

While the risks are much lower for the Food Stamp Program than for credit cards since EBT food cards only contain the balance of the unused food benefits rather than a credit line, States are still worried about liability and oppose the application of regulation E.

The bill also provides that each recipient will be given a personal code number [PIN] to help prevent unauthorized use of the card.

Under the bill, in an effort to reduce the costs of implementing a nationwide EBT system, States will look at the best way to maximize the use of existing point-of-sale terminals. States will be able to follow existing technology, rather than reinvent the wheel.

Stores which choose not to invest in their own systems will be reimbursed for card readers for Federal and State benefits only. Current law, which requires States to pay half that cost, will be amended to have USDA pay all those costs.

If the store decides at a later date that it needs a commercial reader, the store will have to bear all the costs.

In very rural areas, or in other situations such as house-to-house trade routes or farmers' markets, manual EBT systems will be used.

This restriction—in which the Government pays only for Government benefits readers and the upgrade at store expense—will encourage the largest possible number of stores to invest in their own point-of-sale equipment.

That is clearly the best option.

To the extent needed to cover costs of conversion to EBT, the Secretary may charge a transaction fee of up to 2 cents per EBT transaction, taken out of benefits. Households receiving the maximum benefit level may be charged a lower per transaction fee than other households.

In implementing the bill, the Department of Agriculture will have to consult with retail stores, the financial industry, the Federal EBT task force, the inspector general of USDA, the U.S. Secret Service, the National Governors' Association, the Food Marketing Institute, and others.

I believe this legislation will be an important tool as we try to improve the Food Stamp Program.●

ORDER OF BUSINESS

Mr. ABRAHAM addressed the Chair.

The PRESIDING OFFICER. The Senator from Michigan.

Mr. ABRAHAM. Mr. President, initially, I will ask several unanimous consent requests, all of which, I understand, have been cleared with the minority.

APPOINTMENT OF CONFEREES—H.R. 1817

Mr. ABRAHAM. Mr. President, I ask unanimous consent that the Chair be authorized to appoint conferees on the part of the Senate with respect to H.R. 1817, the military construction appropriations bill.

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

Thereupon, the Presiding Officer (Mr. CRAIG) appointed Mr. BURNS, Mr. STEVENS, Mr. SHELBY, Mr. GREGG, Mr. REID, Mr. INOUYE, and Mr. BYRD conferees on the part of the Senate.

EXECUTIVE SESSION

EXECUTIVE CALENDAR

Mr. ABRAHAM. Mr. President, I ask unanimous consent that the Senate proceed to executive session to consider the following nominations: Executive Calendar nominations Nos. 259 through 267, and all nominations placed on the Secretary's desk in the Air Force, Army, and Navy.

I further ask unanimous consent that the nominations be confirmed en bloc; that 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; that 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 considered and confirmed, en bloc, are as follows:

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. George K. Muellner, 340-36-4452, 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. Kenneth A. Minihan, 266-68-0860, U.S. Air Force.

ARMY

The following U.S. Army National Guard officers for promotion to the grades indicated in the Reserve of the Army, under the provisions of sections 3385, 3392, and 12203(a), title 10, United States Code:

To be major general

Brig. Gen. James J. Hughes, Jr., 300-28-2942.
Brig. Gen. William D. Jones, 413-40-0506.
Brig. Gen. Melvin C. Thrash, 432-52-8976.

To be brigadier general

Col. John W. Hubbard, 445-38-6293.
Col. John D. Havens, 496-44-8278.
Col. Ronald D. Tincher, 515-32-4559.
Col. Peter B. Injasoulian, 362-46-3049.
Col. Alfred E. Tobin, 487-42-6272.
Col. James W. O'Toole, 108-34-3872.
Col. Francis D. Vavala, 222-32-5382.
Col. Michael H. Harris, 456-56-3147.
Col. Albert A. Mangone, 015-32-6466.
Col. David P. Rataczak, 471-48-5455.
Col. Thomas D. Kinley, 133-36-4548.
Col. Joseph J. Taluto, 119-40-0598.
Col. Norman A. Hoffman, 543-48-0030.
Col. Ewald E. Beth, 399-40-5130.
Col. Gene Sisneros, 585-22-8753.
Col. Gus L. Hargett, Jr., 409-72-3983.
Col. Harold J. Stearns, 516-38-8952.

The following U.S. Army National Guard officers for promotion to the grades indicated in the Reserve of the Army, under the provisions of sections 3385, 3392, and 12203(a), title 10, United States Code:

To be major general

Brig. Gen. Woodrow D. Boyce, 221-26-3771.
Brig. Gen. Robert J. Brandt, 562-48-6792.
Brig. Gen. Joseph H. Langley, 213-38-3303.
Brig. Gen. John B. Ramey, 502-42-2367.

To be brigadier general

Col. John D. Larson, 393-40-2022.
Col. Rosetta Y. Burke, 202-28-1663.
Col. Burney H. Enzor, 420-46-8349.
Col. Frank P. Baran, 032-32-8917.
Col. Robert M. Benson, 504-50-8207.
Col. Edward L. Correa, Jr., 575-42-2290.
Col. William R. Labrie, 015-30-9938.
Col. Namen X. Barnes, 232-62-3053.
Col. Randal M. Robinson, 250-64-2867.
Col. Paul D. Monroe, Jr., 559-44-0156.
Col. Lloyd D. McDaniel, Jr., 226-50-3068.
Col. Stanley R. Thompson, 318-36-8214.
Col. Holsey A. Moorman, 223-38-7527
Col. Bradley D. Gambill, 441-38-7642.
Col. Harvey M. Haakenson, 501-44-6256.
Col. David T. Hartley, 278-36-1609.
Col. Donald F. Hawkins, 412-66-3257.
Col. Earl L. Doyle, 401-56-2996.
Col. David M. Wilson, 354-36-0577.
Col. James T. Carper, 246-66-7765.
Col. William T. Thielemann, 261-70-4517.
Col. Frederic J. Raymond, 110-30-7461.

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. William J. Collins, Jr., 119-32-9836.
Brig. Gen. Joe M. Ernst, 457-70-7194.
Brig. Gen. Steve L. Repichowski, 375-40-1966.
Brig. Gen. Joseph A. Scheinkoenig, 390-38-2426.
Brig. Gen. James W. Warr, 417-56-5099.

To be brigadier general

Col. Stephen D. Livingston, 306-44-8582.
Col. Joseph L. Thompson III, 492-44-2211.
Col. Roger L. Brautigan, 517-58-1521.
Col. John G. Townsend, 358-40-7318.
Col. Michael L. Bozeman, 248-76-9956.
Col. William B. Raines, Jr., 411-72-2267.
Col. Jamie S. Barkin, 058-36-3376.
Col. John L. Anderson, 404-60-8555.

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. Jared L. Bates, 060-34-9134, 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. John A. Dubia, 215-42-1617, U.S. Army.

NAVY

The following-named rear admirals (lower half) of the Reserve of the U.S. Navy for permanent promotion to the grade of rear admiral in the line and staff corps, as indicated, pursuant to the provision of title 10, United States Code, section 5912:

UNRESTRICTED LINE OFFICER

To be rear admiral

Rear Adm. (lh) Kenneth Leroy Fisher, 468-44-0834, U.S. Naval Reserve.
Rear Adm. (lh) John Henry McKinley, Jr., 404-54-4828, U.S. Naval Reserve.
Rear Adm. (lh) John Francis Paddock, Jr., 072-36-1141, U.S. Naval Reserve.

ENGINEERING DUTY OFFICER

To be rear admiral

Rear Adm. (lh) Roger George Gilbertson, 217-34-8679, U.S. Naval Reserve.

DENTAL CORPS OFFICER

To be rear admiral

Rear Adm. (lh) James Conley Yeargin, 249-48-8631, U.S. Naval Reserve.

SUPPLY CORPS OFFICER

To be rear admiral

Rear Adm. (lh) Robert Cameron Crates, 409-60-7225, U.S. Naval Reserve.

MARINE CORPS

The following-named officer to be placed on the retired list of the United States Marine Corps in the grade indicated under section 1370, of title 10, United States Code:

To be lieutenant general

Lt. Gen. Robert B. Johnston, 571-50-2029.

IN THE AIR FORCE, ARMY, FOREIGN SERVICE, NAVY

Air Force nominations beginning Ann M. Brosier, and ending Brian R. Warner, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of June 5, 1995.

Air Force nominations beginning Maj. Gayle W. Botley, 437-11-6899, and ending Maj. Jon E. Rogers, 152-40-0433, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of June 13, 1995.

Air Force nominations beginning Steven J. Austin, and ending Dawn C. Stubbs, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of June 21, 1995.

Air Force nominations beginning Angelo J. Freda, and ending Samuel L. Grier, Jr., which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of June 21, 1995.

Air Force nominations beginning Vincent F. Carr, and ending Charles A. Tujo, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of June 21, 1995.

Air Force nominations beginning Richard C. Beaulieu, and ending Francine Weaker, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of June 21, 1995.

Air Force nominations beginning James W. Amason, and ending Ronald D. Powell, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of June 26, 1995.

Army nominations beginning Denise J. Anderson, and ending Sta Youngmccaughan, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of June 21, 1995.

Army nominations beginning Frank M. Hudgins, and ending David G. White, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of June 26, 1995.

Army nominations beginning Robert D. Allen, and ending Kenneth F. Selover, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of June 26, 1995.

Army nominations beginning *David C. Anderson, and ending *Greta C. Zimmerman, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of July 12, 1995.

Navy nominations beginning Mark A. Armstrong, and ending Dorothy B. Wright, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of June 5, 1995.

Navy nominations beginning Lawrence D. Hill, Jr., and ending Joseph M. Marlowe, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of June 13, 1995.

Navy nominations beginning Kenneth V. Kollermeier, and ending Terry L. Butler, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of June 21, 1995.

Navy nominations beginning Jose A. Acosta, and ending Thomas N. Tichy, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of July 12, 1995.

LEGISLATIVE SESSION

The PRESIDING OFFICER. Under the previous order, the Senate will now return to legislative session.

ORDERS FOR MONDAY, JULY 31, 1995

Mr. ABRAHAM. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in recess until the hour of 12:30 p.m. on Monday, July 31, 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 that there then be a period for the transaction of morning business until 1:30 p.m., with Senators permitted to speak for up to 5 minutes, with the following exceptions: Senator SIMON, 30 minutes and Senator DORGAN, 15 minutes.

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

UNANIMOUS-CONSENT AGREEMENT—H.R. 1905

Mr. ABRAHAM. Mr. President, I ask unanimous consent that at 1:30 p.m., the Senate begin consideration of the energy and water appropriations bill.

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

PROGRAM

Mr. ABRAHAM. Mr. President, for the information of all Senators, the Senate will begin consideration of the energy and water appropriations bill at 1:30 p.m. until 2 p.m. for opening statements.

At 2 p.m., the Senate will resume S. 908, the State Department reorganization bill. A cloture motion was filed today. Therefore, Senators must file first-degree amendments to the State Department bill by 1 p.m. on Monday in order to qualify postcloture.

Also, the majority leader has announced that no votes will occur on Monday prior to 6 p.m. However, amendments are expected to be offered to the State Department reorganization bill. Therefore, votes can be expected to occur into the evening.

Also, the leader has announced the strong possibility that the Senate could be asked to be in session on Saturday, August 5, in order to complete the necessary business prior to the August recess.

Also, the cloture vote on the State Department reorganization bill will occur on Tuesday, August 1, at a time to be determined by the two leaders.

ORDER FOR RECESS

Mr. ABRAHAM. Mr. President, I ask unanimous consent that the Senate stand in recess under the previous order, following my remarks and the remarks of Senator DASCHLE.

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

TRIBUTE TO GEORGE ROMNEY

Mr. ABRAHAM. Mr. President, it is with great sadness that I rise to note the passing of my good friend and mentor, former Michigan Gov. George Romney. George Romney will be remembered as one of Michigan's greatest citizens, a leader in government, a leader in business, and a leading advocate of his favorite cause, which was voluntarism.

He was born in 1907 in a Mormon colony in Chihuahua, Mexico, but grew up moving with his family throughout the American Southwest. He worked hard to help his family, working in the sugar fields, and then went off to England as a missionary of his faith.

Returning to America, he attended George Washington University, worked in this city for a time dealing primarily with tariff and manufacturing issues, and then went back to Michigan as a local manager of the Automobile Manufacturers Association.

In Michigan, George Romney joined Nash-Kelvinator Corp., the forerunner of American Motors, in 1946. In 1954, he became AMC's president. From this position, he changed the way America drives, selling us on the ease and efficiency of compact cars.

But George Romney was not content with his success in business. He was a public spirited man and wanted to do more to improve life in our State of Michigan. That is why he founded a nonpartisan group, Citizens for Michigan, which successfully pushed for a State constitutional convention. That convention rewrote Michigan's code of laws and watched George Romney's first successful bid for Governor. Twice more, he ran for Governor and twice more the people of Michigan showed their support for a man who put their interests first.

But George's public service did not stop there. He went to Washington to serve in the President's Cabinet for over 4 years. Then leaving politics, he turned his attention to the great cause of his life, voluntarism.

All of Michigan has benefited from George Romney's work, bringing communities and civic organizations together to encourage people to volunteer their time. George knew that it is public spirit that holds a community together, and he promoted that public spirit and the hard work that must support it wherever he went.

Michigan's first lady, Michelle Engler, joined him in this important work, as did other prominent people in Michigan.

Interestingly, just last week, I met with George Romney in my office in the U.S. Senate. He was still working on that cause of voluntarism, and together we began working on legislation to promote voluntarism at our local communities and throughout the Nation.

To the last, he was vital, energetic, and committed to improving people's lives.

I convey my condolences today to the Romney family and everyone who cherished him as a friend. I am consoled, as I hope they are, by the many fond memories with which this good friend of Michigan and our Nation left us.

As I said, Mr. President, just last week, I met with George Romney to discuss a legislative issue of great importance to him and one which I intend to continue in his memory, because I believe that the commitment he made to voluntarism is one that all of us in the U.S. Senate should do their part to advance.

For all that we may do as paid public servants, it pales, in my judgment, in comparison to the things that voluntarists do to make life in our country better. The memory of George Romney for me will be of a man who did things for his community and for his State as a volunteer and made our lives better.

Mr. President, I yield the floor, and 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. DASCHLE. 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. DASCHLE. Mr. President, 30 years ago today the Senate passed the law creating Medicare. Two days later—on July 30, 1965—President Lyndon Johnson signed that bill into law.

In doing so he made a quantum leap toward fulfilling the goal—first championed by President Truman—to end the scandal of poverty and poor health among older Americans.

He also changed dramatically what it means to grow old in America, and to watch our parents grow old.

Medicare helps seniors replace dependence with dignity, uncertainty with stability, and destitution with financial security.

Over the last three decades—despite the turmoil of wars and recessions and even a crisis in our health care system—Medicare has survived to become one of the most popular—and successful—programs in our Nation's history.

Ask America's families. They will tell you. Medicare is not some Great Society extravagance. It is the cornerstone of financial security and independence of older Americans and their families.

Indeed, when you ask people what Medicare should look like in the 21st century, most Americans say we should make only minor changes in the program—or no changes at all.

The American people want us to preserve Medicare and strengthen it, not weaken it.

They want us to honor the commitment we made 30 years ago to seniors and their families, not abandon it.

THE ROUTE TO PASSAGE OF MEDICARE

Passage of the Medicare bill did not come easily or quickly.

It took 20 years. Twenty years from the time Harry Truman began the campaign for a national plan to provide affordable health care for all Americans.

Although big-money special interests and their allies in Congress were able to block President Truman's plan by claiming falsely that it would mean "socialized medicine," Democrats did not give up.

Instead, we refocused our efforts on the area of greatest need: health security for America's seniors.

In 1960, the Medicare concept gained an important supporter when then-Senator John Kennedy sponsored a Social Security approach to health care for the elderly.

Again, Republicans invoked the fear of social welfarism.

These criticisms only strengthened Kennedy's resolve. As a presidential candidate, he was even more determined to make Medicare a reality.

Three times Kennedy requested passage of Medicare, and three times it was opposed in large measure by Republicans and defeated.

In the short-run, President Kennedy's efforts failed. But they laid important groundwork for the final, successful push for Medicare's passage.

After President Kennedy's death, President Johnson took up the fight.

Though criticism of Medicare continued—some of it from Members who today serve in this chamber—President Johnson was undeterred. Congress finally passed the measure, and the bill was signed into law 30 years ago this Sunday.

REPUBLICAN BUDGET

It is a strange and sad irony that the Republican majority chose the year of Medicare's 30th anniversary to unveil a budget that threatens to severely weaken the program. Thirty years after its passage, we are fighting to preserve the one program that, more than any other, older Americans and their families count on for economic security.

It was only a year ago that Republicans and Democrats alike spoke in this Chamber of the need to ensure health security for all Americans.

Today, Republicans are rushing headlong in the opposite direction. Instead of extending coverage to all Americans, they are preparing to increase dramatically health costs for older Americans.

In their drive to gain control of this Congress, Republicans assured us that any dollars they cut from Medicare would be plowed back into the program to strengthen and improve it.

They promised to balance the budget, cut taxes, leave Social Security and defense spending untouched, and do no harm to Medicare.

Many seniors hung their hats on this promise and gave the new majority the benefit of the doubt.

Now we know the truth. We have seen draft Republican plans for Medicare. And we know that their promises to protect the program were hollow.

What a way to say "Happy Anniversary" to Medicare and the people who support this program.

FACES OF MEDICARE BENEFICIARIES

There are many in this Chamber who would like to reduce the Medicare debate to numbers on a ledger. But this debate is about more than debits and credits. It is about people, and the promises we have made to them.

Today's Medicare beneficiaries lived through the Great Depression and the Second World War. They established homes and built families. They always looked to the future instead of dwelling on the hardships of the past.

Most are now retired and live on modest Social Security benefits, pensions, and savings. And most depend on Medicare as their primary source of health coverage.

They do not live lives of leisure and luxury. Three-quarters of Medicare beneficiaries have incomes below $25,000 per year. Fewer than 5 percent have incomes over $50,000.

And each year, health care costs chew up a growing percentage of their incomes. The average senior today spends over 20 percent of his or her income on health care—even with Medicare coverage.

For many seniors, the prospect of living without Medicare is unimaginable.

What should they give up to pay their doctors bills? What would those who want to cut Medicare have older Americans do without?

Food?

Heat in the winter?

Electricity?

Should they not go to the doctor when they are sick?

Should they not take the medicine they need?

Our Republican colleagues say their Medicare cuts will not hurt anyone.

That is not true.

Cutting Medicare by $270 billion—which is what Republicans are proposing—will cost seniors nearly $900 per year in additional out-of-pocket expenses—$900 a year from seniors living on fixed incomes so that we can give more tax breaks to the rich.

Republicans will claim differently, that a more efficient program will absorb the cuts. But their numbers simply do not add up.

They call it reform. I call it what it is: an insurance hike.

Money to pay for higher premiums will not materialize out of thin air. It will come out of Social Security checks. Or, it will come out of the savings seniors worked so hard for—savings they are counting on to last the remainder of their lives.

This is the human side of the Medicare debate.

It is a side of the discussion that makes some of us feel uncomfortable, and rightfully so. But it is a side we must recognize and address. We owe it to our Nation's seniors.

CONCLUSION

It is true that everyone must sacrifice if we are to balance our budget.

No one knows about change and sacrifice more than older Americans. They did what was necessary to make the blessings of that freedom available for us today.

All they are asking in return from us now is that we keep our promise to them.

When President Johnson signed the Medicare legislation 30 years ago in Independence MO, standing next to him was President Truman, the man who had 20 years earlier staked so much of his own Presidency on health security for all Americans.

After the bill had been signed, President Truman turned to President Johnson and said, "You have made me a very, very happy man."

When I look at what some Republicans are preparing to do to Medicare, I wonder what Harry Truman would say today?

RECESS UNTIL 12:30 P.M., MONDAY, JULY 31, 1995

The PRESIDING OFFICER. Under the previous order, the Senate will now stand in recess until 12:30 p.m., Monday, July 31.

Thereupon, the Senate, at 2:39 p.m., recessed until Monday, July 31, 1995, at 12:30 p.m.

CONFIRMATIONS

Executive nominations confirmed by the Senate July 28, 1995:

IN THE AIR FORCE

THE FOLLOWING-NAMED OFFICERS 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. GEORGE K. MUELLNER [redacted]
MAJ. GEN. KENNETH A. MINIHAN [redacted]

IN THE ARMY

THE FOLLOWING U.S. ARMY NATIONAL GUARD OFFICERS FOR PROMOTION TO THE GRADES INDICATED IN THE RESERVE OF THE ARMY, UNDER THE PROVISIONS OF SECTIONS 3385, 3392, AND 12203(A), TITLE 10, UNITED STATES CODE:

To be major general

BRIG. GEN. JAMES J. HUGHES, JR. [redacted]
BRIG. GEN. WILLIAM D. JONES [redacted]
BRIG. GEN. MELVIN C. THRASH [redacted]

To be brigadier general

COL. JOHN W. HUBBARD [redacted]
COL. JOHN D. HAVENS [redacted]
COL. RONALD D. TINCHER [redacted]
COL. PETER B. INJASOULIAN [redacted]
COL. ALFRED E. TOBIN [redacted]
COL. JAMES W. O'TOOLE [redacted]
COL. FRANCIS D. VAVALA [redacted]
COL. MICHAEL H. HARRIS [redacted]
COL. ALBERT A. MANGONE [redacted]
COL. DAVID P. RATACZAK [redacted]
COL. THOMAS D. KINLEY [redacted]
COL. JOSEPH J. TALUTO [redacted]
COL. NORMAN A. HOFFMAN [redacted]
COL. EWALD E. BETH [redacted]
COL. GENE SISNEROS [redacted]
COL. GUS L. HARGETT, JR. [redacted]
COL. HAROLD J. STEARNS [redacted]

THE FOLLOWING U.S. ARMY NATIONAL GUARD OFFICERS FOR PROMOTION TO THE GRADES INDICATED IN THE RESERVE OF THE ARMY, UNDER THE PROVISIONS OF SECTIONS 3385, 3392, AND 12203(A), TITLE 10, UNITED STATES CODE:

To be major general

BRIG. GEN. WOODROW D. BOYCE [redacted]
BRIG. GEN. ROBERT J. BRANDT [redacted]
BRIG. GEN. JOSEPH H. LANGLEY [redacted]
BRIG. GEN. JOHN B. RAMEY [redacted]

To be brigadier general

COL. JOHN D. LARSON [redacted]
COL. ROSETTA Y. BURKE [redacted]
COL. BURNEY H. ENZOR [redacted]
COL. FRANK P. BARAN [redacted]
COL. ROBERT M. BENSON [redacted]
COL. EDWARD L. CORREA, JR. [redacted]
COL. WILLIAM R. LABRIE [redacted]
COL. NAMEN X. BARNES [redacted]
COL. RANDAL M. ROBINSON [redacted]
COL. PAUL D. MONROE, JR. [redacted]
COL. LLOYD D. MCDANIEL, JR. [redacted]
COL. STANLEY R. THOMPSON [redacted]
COL. HOLSEY A. MOORMAN [redacted]
COL. BRADLEY D. GAMBILL [redacted]
COL. HARVEY M. HAAKENSON [redacted]
COL. DAVID T. HARTLEY [redacted]
COL. DONALD F. HAWKINS [redacted]
COL. EARL L. DOYLE [redacted]
COL. DAVID M. WILSON [redacted]
COL. JAMES T. CARPER [redacted]
COL. WILLIAM T. THIELEMANN [redacted]
COL. FREDERIC J. RAYMOND [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. WILLIAM J. COLLINS, JR. [redacted]
BRIG. GEN. JOE M. ERNST [redacted]
BRIG. GEN. STEVE L. REPICHOWSKI [redacted]
BRIG. GEN. JOSEPH A. SCHEINKOENIG [redacted]
BRIG. GEN. JAMES W. WARR [redacted]

To be brigadier general

COL. STEPHEN D. LIVINGSTON [redacted]
COL. JOSEPH L. THOMPSON III [redacted]
COL. ROGER L. BRAUTIGAN [redacted]
COL. JOHN G. TOWNSEND [redacted]
COL. MICHAEL L. BOZEMAN [redacted]
COL. WILLIAM B. RAINES, JR. [redacted]
COL. JAMIE S. BARKIN [redacted]
COL. JOHN L. ANDERSON [redacted]

THE FOLLOWING-NAMED OFFICERS, 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. JARED L. BATES [redacted]
MAJ. GEN. JOHN A. DUBIA [redacted]

IN THE NAVY

THE FOLLOWING-NAMED REAR ADMIRALS (LOWER HALF) OF THE RESERVE OF THE U.S. NAVY FOR PERMANENT PROMOTION TO THE GRADE OF REAR ADMIRAL IN THE LINE AND STAFF CORPS, AS INDICATED, PURSUANT TO THE PROVISION OF TITLE 10, UNITED STATES CODE, SECTION 5912:

UNRESTRICTED LINE OFFICER

To be rear admiral

REAR ADM. (1H) KENNETH LEROY FISHER [redacted]
REAR ADM. (1H) JOHN HENRY MCKINLEY, JR. [redacted]
REAR ADM. (1H) JOHN FRANCIS PADDOCK, JR. [redacted]

ENGINEERING DUTY OFFICER

To be rear admiral

REAR ADM. (1H) ROGER GEORGE GILBERTSON [redacted]

DENTAL CORPS OFFICER

To be rear admiral

REAR ADM. (1H) JAMES CONLEY YEARGIN [redacted]

SUPPLY CORPS OFFICER

To be rear admiral

REAR ADM. (1H) ROBERT CAMERON CRATES [redacted]

IN THE MARINE CORPS

THE FOLLOWING-NAMED OFFICER TO BE PLACED ON THE RETIRED LIST OF THE MARINE CORPS IN THE GRADE INDICATED UNDER SECTION 1370, OF TITLE 10, UNITED STATES CODE.

To be lieutenant general

LT. GEN. ROBERT B. JOHNSTON [redacted]

IN THE AIR FORCE

AIR FORCE NOMINATIONS BEGINNING ANN M. BROSIER, AND ENDING BRIAN R. WARNER, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON JUNE 5, 1995.

AIR FORCE NOMINATIONS BEGINNING MAJ. GAYLE W. BOTLEY, [redacted] AND ENDING MAJ. JON E. ROGERS, [redacted] WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON JUNE 13, 1995.

AIR FORCE NOMINATIONS BEGINNING STEVEN J. AUSTIN, AND ENDING DAWN C. STUBBS, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON JUNE 21, 1995.

AIR FORCE NOMINATIONS BEGINNING ANGELO J. FREDA, AND ENDING SAMUEL L. GRIER, JR., WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON JUNE 21, 1995.

AIR FORCE NOMINATIONS BEGINNING VINCENT F. CARR, AND ENDING CHARLES A. TUJO, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON JUNE 21, 1995.

AIR FORCE NOMINATIONS BEGINNING RICHARD C. BEAULIEU, AND ENDING FRANCINE WEAKER, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON JUNE 21, 1995.

AIR FORCE NOMINATIONS BEGINNING JAMES W. AMASON, AND ENDING RONALD D. POWELL, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON JUNE 26, 1995.

IN THE ARMY

ARMY NOMINATIONS BEGINNING DENISE J. ANDERSON, AND ENDING STA YOUNGMCCAUGHAN, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON JUNE 21, 1995.

ARMY NOMINATIONS BEGINNING FRANK M. HUDGINS, AND ENDING DAVID G. WHITE, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON JUNE 26, 1995.

ARMY NOMINATIONS BEGINNING ROBERT D. ALLEN, AND ENDING KENNETH F. SELOVER, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON JUNE 26, 1995.

ARMY NOMINATIONS BEGINNING DAVID C. *ANDERSON, AND ENDING GRETA C. *ZIMMERMAN, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON JULY 12, 1995.

IN THE NAVY

NAVY NOMINATIONS BEGINNING MARK A. ARMSTRONG, AND ENDING DOROTHY B. WRIGHT, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON JUNE 5, 1995.

NAVY NOMINATIONS BEGINNING LAWRENCE D. HILL, JR., AND ENDING JOSEPH M. MARLOWE, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON JUNE 13, 1995.

NAVY NOMINATIONS BEGINNING KENNETH V. KOLLERMEIER, AND ENDING TERRY L. BUTLER, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON JUNE 21, 1995.

NAVY NOMINATIONS BEGINNING JOSE A. ACOSTA, AND ENDING THOMAS N. TICHY, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON JUNE 21, 1995.

EXTENSIONS OF REMARKS

FUNDING FOR THE COMMUNITY DEVELOPMENT AND REGULATORY IMPROVEMENT ACT OF 1994

HON. BILL RICHARDSON

OF NEW MEXICO

IN THE HOUSE OF REPRESENTATIVES

Friday, July 28, 1995

Mr. RICHARDSON. Mr. Speaker, it is of great concern to me and other colleagues of mine who represent poor, rural, or undeveloped communities that, H.R. 2099, the fiscal year 1996 VA, HUD appropriation bill contains zero funding for the community development financial institutions fund. The CDFI fund was established after President Clinton signed into law the Community Development Banking and Regulatory Improvement Act of 1994—Public Law 103–325. The Congress enacted this landmark, bipartisan initiative by unanimous vote in the Senate and a lopsided 410-to-12 vote in the House last year. The CDFI fund is designed to combine innovative approaches to community lending, advocated by both Democratic and Republican Members of Congress, into a comprehensive strategy to empower local communities and increase their access to credit and investment capital. No other Federal program provides the capital support that is so critically needed to increase the leverage and capacity of community development financial institutions, or to provide incentives for traditional banks and thrifts to enhance community lending and investment activities.

Yet, the House Appropriations Committee recommends eliminating fiscal year 1996 funding for the CDFI fund. That recommendation is particularly appalling after the Congress and the Clinton administration worked out a compromise on the fiscal year 1995 rescission package that provides $50 million for the CDFI fund and consolidates the fund into the Treasury Department to streamline and reduce administrative costs of the program.

It is incredible to me that partisan politics reemerges suddenly to eliminate fiscal year 1996 funding for what is really a Republican-type initiative—a program with limited Federal funding that leverages private funds to galvanize self-help efforts at community and economic development.

What is particularly sad to me is that, by eliminating funding for the CDFI fund, the House would dash the hopes of hundreds of native American communities across the country which looked to the CDFI fund as a way to stimulate public and private investment in native American communities for the first time ever. The CDFI fund is the underpinnings for another landmark and very innovative proposal which I introduced last year as H.R. 5277, the Native American Financial Services Organization Act of 1994. What we call the NAFSO proposal emanated from recommendations for the congressionally chartered Commission on American Indian, Alaska Native, and Native Hawaiian Housing to create a national native American financing organization to address the urgent housing and infrastructure needs of native communities across the community. Through a broad-based national and tribal effort, the proposal evolved into a broader plan addressing housing, infrastructure and economic development needs in native communities.

The NAFSO proposal is a two-tier approach designed to dovetail into the CDFI fund. At the national level, the NAFSO would serve primarily as a technical assistance provider and conduit for CDFI fund assistance to a second tier of primary lender institutions called Native American Financial Institutions, NAFI's. With the infusion of Federal funding through the CDFI fund, NAFI's could develop in native communities around the country to make loans for home mortgages, infrastructure construction and/or improvements, small business development, and consumer loans. A NAFI would simply be a native American community development financial institution which first, demonstrates a special interest and expertise in serving the primary development and mortgage lending needs of the native American community it serves; and second, demonstrates it has the endorsement of that native American community. As long as the NAFI has that specific focus, it may be any type of financial institution, including a community bank, a savings bank, a mortgage company, or a credit union.

Without any funding for the CDFI fund for fiscal year 1996, native American financial institutions cannot receive infusion of Federal funding to be matched dollar for dollar by local funds raised by the NAFI. Native American communities desperately need this type of Federal-local partnership effort to generate capital in their communities for housing, infrastructure, and economic development purposes.

Native American people endure substandard conditions unmatched by any other population group in the United States: 56 percent of native families live in substandard housing, compared to the national average of 3 percent for non-native families; 28 percent of native households are overcrowded or lack plumbing or kitchen facilities, compared to the average of all U.S. households which is 5.4 percent; 51.4 percent of native Americans on reservations, trust land, or allotted lands own their own home without a mortgage.

The unemployment rate for native Americans generally is 14 percent versus the national average of 6 percent, and in many remote reservations, the unemployment rate is double or triple those rates; 31 percent of native Americans live below the poverty level as opposed to the national poverty rate of about 13 percent. A staggering 51 percent of native Americans living on reservations have incomes below the poverty level.

Only a handful of financial institutions are native-owned, and very few non-native lenders invest in native communities.

It is my fervent hope that the Senate Appropriations Committee will act more wisely and appropriate urgently needed dollars to the CDFI fund for fiscal year 1996. Even with a limited Federal financial contribution to the fund, so many more investment dollars will be generated to help communities across the country, particularly native communities that currently have little or no access to financing for housing, infrastructure or economic development activities. The Senate should make a healthy deposit into the CDFI fund for fiscal year 1996 and I will work to persuade the House Appropriators to accept such a Senate recommendation in conference.

DR. GEORGE WASHINGTON CRANE III

HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Friday, July 28, 1995

Mr. CRANE. Mr. Speaker, last week my father, who celebrated his 94th birthday last April, passed away in his sleep. Mercifully, he did not undergo the pain and suffering at the end that so many go through before shuffling off this mortal coil.

I missed 2 days of legislative business to attend his funeral which filled me with mixed emotions. The first, of course, was sadness over losing my father, who was an idol to all of us kids in the family. But I take comfort in the conviction that we will all be reunited in time and that a lifetime is but a wink of the eye in eternity.

The second emotion I experienced was joy over the opportunity to visit with family, relatives, and friends, many of whom I had not seen personally in years. It was a touching family reunion. And I'm convinced my father was experiencing joy in heaven through a family reunion there with all who preceded him.

The eulogy for my father was delivered by Dr. E. Duane Hulse, who married a close cousin of mine when I was in high school. Dr. Hulse is a retired Methodist pastor. Ironically, he delivered the eulogy 39 years ago for my older brother, George IV, a marine pilot who was killed in a mid-air at Glenview, IL.

I would like to share with colleagues and friends the eulogy Dr. Hulse delivered. And I would like to express to colleagues and friends deep appreciation for their thoughtful words of condolence.

MEMORIAL SERVICE FOR DR. GEORGE W. CRANE

(By Dr. E. Duane Hulse)

Today we honor a faithful husband, a loving father, a doting grandfather, and an exceptionally talented applied psychologist

and physician, and one of the finest exponents of the basic tenets of Christianity I have ever known.

He was adviser to millions of Americans, who eagerly grabbed their newspapers with their morning coffee to dote on his every word. He was called by Reader's Digest, "the maker of happy marriages."

Pearl and I share with the other members of the Crane family, this great personal loss. For this dear man had more influence on our lives than any other single individual in this world.

The scriptural words which seem appropriate today are those of another Christian veteran, who came to the close of his life and said, "The time of my departure has come, I have fought the fight * * *, I have finished the race, I have kept the faith." (II Timothy 4:6–8)

Yes, this modern Sunday School teacher, who rarely missed church in his life time, kept the faith admirably like the Apostle Paul, who travelled hither and yon about the Mediterranean world.

People today are like Paul. They are on the move. We are a mobile population. The Crane family used to move almost every weekend and all summer from 7457 Coles Ave., Chicago (the relative's Motel) to the Coach in Hillsboro. We are still a mobile society.

Also, we change physically with these moves, with every cell in our body changing every 7 years. This arm I have here is not the same one I had 7 years ago. I know it's not as good on the tennis court as it was 7 years ago.

We change socially and spiritually as well. So, we might well ask, "What are you keeping?" Like the Apostle Paul, Dr. George Crane was exemplary in Keeping and Promulgating the Christian gospel.

I

First, he was brought up in the faith

He went to church and Sunday School every Sunday, whether he wanted to or not. His mother, Jen, saw to that. It was not a debatable issue. He read his Bible repeatedly, learned it well, and applied it's teachings all his life.

He kept faith with his wife, Cora. They met at Epworth League meetings. It was their common faith that first drew them together.

Dr. George never made a major decision in his adult life without consulting Cora first. Sometimes it was just a glance. Other times it was a long conversation late at night, on the way back from making a speech in another state. Cora was his constant companion on his speaking tours. They loved each other, they counselled each other. It was indeed a marriage made in heaven.

Dr. George and Cora were our earliest role models. We idolized them and tried to pattern our lives after them. We often sought their advice around the long table with the checkered table cloth, as we shared a "little caffeine stimulation".

II

Secondly, he kept faith with his children

When parents bring children into the world, that too, is a venture of faith. They cannot know whether they will bring honor or shame to the family. The parents venture on faith.

On the other hand, the children cannot know whether the parents will keep the faith with them. They may disappoint them or forsake them.

The poet Gillilan said of this father:

He was my own until I fully knew
And never could forget how deep and true
A father's love for his own son may be.
It drew me nearer God Himself, for He
Has loved His son. These are but grateful tears
That he was with me all those happy years.

Dr. George's faith in his progeny never wavered and they never failed him. They never forsook his teachings. He taught them the virtues of life by precept and example. He taught them fortitude by taking moving pictures of them when he gave them their shots, so they would look brave when they were shown at the next family gathering. Then these inventive young rascals turned the tables on their father by insisting they give him a shot with the needle, so he could show his bravery on camera. And these dear children have been honoring him with their lives ever since.

III

Thirdly, he kept faith with his country

He volunteered to serve his country in the armed services in World War II, but he was advised he could do more good as an editorial writer. That he did.

In my humble opinion, he was the greatest single psychological motivator in this century. All over the United States, Americans looked to his newspaper columns for advice on now to solve the problems of every day living.

He was praised highly, but sometimes he was disbelieved, for he was 50 years ahead of his time in his thinking. Consider this, thirty years ago he actually advocated running Clark Gable as a candidate for Vice President. First: he claimed the party would get a million dollars worth of free publicity. Secondly: the party would get a majority of the female votes. But, who ever heard of running a movie star for a national office? I rest his case.

I know, those of us who loved him sometimes called him affectionately "old sea salt", but today in Florida, I often run my boat out into the gulf to satisfy my friends requests for sea water so they get their daily trace minerals.

IV

Fourthly, he kept faith with his Lord and the United Methodist Church

Methodist born and Methodist bred, he stayed a Methodist all his life. He spent over 30 years teaching the Arthur Dixon Bible Class at the Chicago Methodist Temple. He filled pulpits all across America.

He was ever the minister's friend. To a minister who was disheartened and disappointed in his career, he brought new hope. "If you will follow my anecdotal formula, following the example of Jesus, and use three illustrations, name three parishioners in each sermon, I will guarantee that you will be asked to return and get a salary raise next year." To the surprise of the neophite theologs, it happened just that way.

His charity was mostly unknown, but believe me, not unappreciated. Every Christmas, while Pearl and I were struggling to get through Seminary, that familiar envelope arrived and was pinned on our Christmas tree—the tuition money for the next semester, a check signed by George and Cora. We couldn't have made it otherwise.

Okan Esset reads a Crane column in Africa on a piece of newspaper used for packing, writes to Dr. Crane for help, and then comes to the U.S.A. to complete his Medical Training—those checks kept coming.

For years it was well known that any money raised for the church Youth Camp Scholarships would be matched by the Cranes.

This man also had a way with the English language. He had a way with words. His vocabulary was fabulous. We all enjoyed his table talk. Listening was like taking a course in elocution. He had many memorable phrases: "it takes a live wire in the pulpit to electrify a congregation. A physician should explain his medicine. I want to feel important." Remember: "A person's interest in anything is in inverse proportion to its distance from his own epidermis."

He could look at any complex interpersonal situation, analyze it, and come up with a diagnosis that would turn your thinking 180 degrees.

I remember visiting Sun City, Florida with Dr. George, when he was campaigning for Phil. At that time, I had envisioned Sun City as the ideal retirement situation, with swimming pools, golf courses, wood working shops, art courses, etc. Dr. George spent a short time with these retired executives and their wives. On the way back, he said to me, "What a waste of trained brains." "What did you say, George?" I asked. "What a waste of trained brains."

He was right! Why should a retired executive spend his later years building wind mills and bird feeders, when he could be helping some young business person by sharing his expertise with SCORE, or some similar organization.

Retirement was one word missing from his vocabulary. It was not psychologically acceptable to him.

George started life with a God fearing mother and he followed her example religiously. When he returned from Church and Sunday School, he was quizzed by his Biblically literate mother on the day's lesson. His interest in Scriptural characters was fired up early in life, and he continued in that bent all his life.

Yes, he kept the faith until the end. It was a realization that a greater power was behind his life that gave him courage, that kept a song in his heart, a light in his eyes, and made him expendable for the kingdom of God.

That was the great conviction that kept him going for 94 years, but his great humanitarian life is not over. His influence will last for many years to come, through his writing and those lives he has touched.

Dr. George loved family reunions. He gloried in them. He loved socializing, verbalizing compliments, eating home cooked food, and telling anecdotes. So, let me tell you something which I firmly believe.

There is a great reunion taking place today in heaven. Cora Ellen and George IV are waiting at heaven's gate to welcome home the great applied psychologist.

Aunt Bess has been cooking for hours in anticipation of his arrival. I can smell the fried chicken in the old black cast iron skillet. In the oven is her famous, made from scratch, chocolate cake with carmel icing. No one has been able to match it since she died. I can still taste it.

Jamie is dancing with joy, Uncle George has been out all morning gathering sponge mushrooms on cloud nine, Uncle Vick is laboring over the treasurer's book wondering if they are spending too much of the Lord's money on this homecoming and Aunt Jen is orchestrating the whole affair.

I almost wish I were there, but I can wait my turn. I can wait, because there is something I know for sure. I want to share it with you today:

The Christian never says "good bye" for the last time. I believe this is the most meaningful and heart warming thought I can leave with you today.

I know it is a sad day for all of us.

Yes, I remember when we said, "So Long George IV".

So today, we say "So Long Dr. George". But, my Christian friends, "The chariot's a'commin'".

So, no last "good byes", not for Christians. As Lowell Thomas used to say, "So long until tomorrow."

TRIBUTE TO DOUG BANKS AND WGCI-AM/FM RADIO FOR ILLINOIS' FIRST CONGRESSIONAL DISTRICT

HON. BOBBY L. RUSH

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Friday, July 28, 1995

Mr. RUSH. Mr. Speaker, I rise today to applaud the efforts of Chicago radio personality Doug Banks and WGCI AM and FM radio for their efforts in conducting the "Beat the Heat" program on July 22 to aid those residents in need of relief from the scorching summer heat.

As many of you know, much of our country has been gripped in record breaking heat for the past 2 weeks. The Chicago area was hit the hardest two weekend's ago with the heat claiming at least 529 lives. Most of those who died as a result of the heat were the young and the elderly, many of whom could not afford to purchase fans or air-conditioners or who had no electricity.

Last Saturday Doug Banks and WGCI radio in Chicago held a "Beat the Heat" campaign at Operation PUSH headquarters in my district to encourage businesses and citizens to donate fans and air-conditioners to be distributed to those residents who needed them most. Mr. Banks' efforts were of tremendous success in helping those who needed relief the most.

I ask my colleagues to join me in thanking Mr. Banks, WGCI radio, Operation PUSH, and all the businesses and volunteers who made the selfless effort to help others beat the heat and in the process save lives.

I am pleased to enter these words of commendation into the RECORD.

A GOOD DEAL FOR UNITED STATES MEAT SALES TO KOREA

HON. E de la GARZA

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Friday, July 28, 1995

Mr. DE LA GARZA. Mr. Speaker, it was a pleasure to welcome President Kim Yong-Sam of Korea to this Chamber, particularly as we observe the 50th anniversary of the end to the war in Korea.

I am also very pleased that Korea, our good friend and ally, has just agreed to significant trade liberalization that will benefit both of our countries.

On July 20, our two governments announced new import policies that will allow for the added sale of millions of dollars of United States meats and other food products to Korea. This improved trading relationship is appropriate to the strong friendship between our two countries.

I wish to commend the negotiators of this new agreement—the U.S. Trade Representative, the U.S. Department of Agriculture, and President Kim's team. The documents were signed in a formal ceremony in Ambassador Kantor's office last Thursday. Two long-standing trade issues regarding Korea's shelf-life polices are now resolved.

This is an important breakthrough. Through long and sometimes frustrating trade negotiations between our governments, Korea has grown to a $2.5 billion market for United States agriculture.

Korea is now the United States' fourth largest agricultural market, after Japan, Canada, and Mexico. Feedgrains, cotton, and cattle hides are our major exports, and U.S. red meats are growing in importance. American value-added, consumer-oriented food exports to Korea increased by 36 percent in the first half of 1995. Total United States agricultural sales to Korea are headed for a new record.

Korea is now our No. 3 market for American red meat with purchases of $254 million last year. The U.S. meat industry estimates that this agreement will add $240 million in sales in the first year, and add $1 billion annually by the year 1999. The agreement will also benefit many other types of food products and allow growth to accelerate.

This agreement resolves both the section 301 investigation and the standards case brought to the World Trade Organization against Korea's shelf-life policy. Korea will now accept manufacturers' "Use by . . . date" for labels and will allow an adequate shelf-life to enable the United States to ship and market products profitably. The agreement includes chilled beef and pork, as well as all frozen foods including processed meat and poultry products.

Our trade dispute resolution mechanisms are working. This was the first standards case brought by the United States to the new World Trade Organization [WTO] dispute settlement panel. Korea also has agreed to work to resolve a second WTO case against its unscientific residue testing and import inspection procedures affecting grapefruit and other food products.

Beef and pork are currently sold in Korea under quotas negotiated in previous United States-Korea beef agreements and scheduled for phase-out in the Uruguay Round Agreement. The last year of quotas will be the year 2000. The United States is very competitive in the Korean market with Australia and New Zealand for beef and with Europe for pork. United States market share in Korea is now 58 percent for beef and 50 percent for pork.

USDA export promotion funding through the Foreign Market Development Program—cooperator program—and the Market Promotion Program [MPP] have been critical to developing the Korean market for United States meat. The supermarket taste tests, restaurant promotions, and industry trade teams sponsored through partnership with USDA serve to introduce American beef, pork, and poultry to Korean consumers and wholesalers. These programs will be critical in the months ahead to helping U.S. companies to capitalize on the new trade opportunities and compete with foreign competition.

IN MEMORY OF DEPUTY SHERIFF JEFFERY ALLAN HILL

HON. GEORGE E. BROWN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, July 28, 1995

Mr. BROWN of California. Mr. Speaker, I rise today to pay tribute to the memory of Deputy Sheriff Jeffery Allan Hill who founded the SELF Youth Center [Self-Education Law Enforcement Family].

On December 18, 1994, while driving to work, Jeff Hill's 32 years on this Earth ended. He was the victim of a head-on collision with a drunk driver.

Deputy Hill understood that crime prevention starts by addressing social and economic problems, and developing the moral character of youth. He developed a unique program to help African-American boys become important contributors and role models in their communities. Subsequently, he created the nonprofit SELF organization.

The SELF program is a rite of passage for African-American boys that focuses on prevention, intervention, and redirection of unacceptable behaviors. The goal is to prepare African-American boys to become responsible men.

The rite of passage is a 22-week program conducted by African-American law enforcement officers. The program theory is based on Dr. Maulana Karenga's Kawaida theory utilizing the seven principles of the Nguzo Saba.

First, Umoja (Unity).

Second, Kujichagulia (Self determination).

Third, Ujima (Collective work and responsibility).

Fourth, Ujamaa (Cooperative economics).

Fifth, Kuumba (Creativity).

Seventh, Imani (Faith).

SELF is nationally recognized and adopted by the National Black Police Association—western region. Jeff developed the idea of the SELF program in 1990, and the first SELF class began in January 1993. Since then 150 African-American male youths aged 8 to 14 have completed the program that now exists throughout California and Arizona.

Although he is no longer with us physically, Deputy Hill's fervor and dedication to youth continues. His legacy of the SELF program will serve youth for many years to come.

CELEBRATION OF THE PERUVIAN INDEPENDENCE DAY

HON. WILLIAM J. MARTINI

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Friday, July 28, 1995

Mr. MARTINI. Mr. Speaker, I rise today in celebration of the Peruvian Independence Day Parade. As the grandson of immigrants, I am honored to be the International Godfather of this illustrious parade.

The Peruvian community has every reason to celebrate their notable accomplishments. Their citizens are some of the most productive and valued members of the Eighth Congressional District of New Jersey. In fact, they

boast the most educated second generation Peruvian-Americans ever in the United States. In colleges and universities across America, Peruvian-Americans graduate every year with degrees in law, medicine, engineering, and accounting.

The Peruvian-Americans have been so successful in their educational endeavors because they believe in hard work, sometimes attending classes at night while working full time during the day. In fact, the number of Peruvians on the rolls of social services is almost nonexistent. They have demonstrated that a fair chance to prove their value coupled with the dedication to hard work are the ingredients to a prosperous life.

Furthermore, the Peruvians believe dedication to the family is the essential element in building strong community relationships where parents can care for their children and ensure that they have the best opportunities available to advance in life. For instance, when faced with financial difficulties Peruvian-Americans have displayed their self reliance. Instead of turning to the Federal Government, the Peruvians have established a network of community organizations including volunteers, civic associations, and churches which offer medical care and other forms of assistance to the residents. They provide the strength, reassurance, and tangible advantages that are necessary to succeed. In short, it is the community where Peruvians go when in need of assistance.

Finally, Mr. Speaker, the success of the Peruvian community has had a positive impact on the lives of the people of my congressional district. They provide brilliant examples of the same values that propelled my parents—and millions of other immigrants—to succeed in America. I believe it is all of these qualities that make the Peruvian community such an asset to the people I represent. I am proud to join them on this day of celebration.

THE REAL ESTATE INVESTMENT TRUST SIMPLIFICATION ACT OF 1995

HON. E. CLAY SHAW, JR.

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Friday, July 28, 1995

Mr. SHAW. Mr. Speaker, I rise today to draw my colleagues' attention to an important piece of legislation, H.R. 2121, the Real Estate Investment Trust Simplification Act of 1995 [REITSA], a bill to amend portions of the Internal Revenue Code dealing with real estate investment trusts, or REIT's. The legislation responds to the need for simplification in the regulation of the day-to-day operation of REIT's. REITSA is cosponsored by Mr. MATSUI, Mr. CRANE, Mr. THOMAS, Mrs. JOHNSON, of Connecticut, Mr. ZIMMER, Mr. PORTMAN, Mr. STARK, Mr. JACOBS, Mr. LEVIN, Mr. CARDIN, Mr. DUNN, and Mr. SAM JOHNSON of Texas.

In 1960, Congress created REIT's to function as the real estate equivalent of the regulated investment company, or mutual fund. As such, they permit small investors to participate in real estate projects that the investors could not undertake individually and with the assistance of experienced management. Over time, the REIT industry has matured into its intended role with the greatest stride made in this decade.

This development of the REIT industry is a result of a number of factors. As important as any other were the changes Congress enacted in 1986 to the REIT rules themselves and the tax landscape in general. With respect to the general provisions, throughout the 1980's limited partnerships used the offer of multiple dollars of tax paper losses for each invested dollar to attract investors away from solid investments like REITs, which seek to provide investors with consistent distributions from economically feasible real estate investments but provide no opportunity to receive a pass-through of tax motivated losses. Accordingly, the elimination of those tax loss loopholes led investors to look for income-producing investment opportunities.

Also included in the 1986 tax legislation were important modifications to the REIT provisions of the Code. Among the changes made as part of that modernization of the REIT tax laws, the first in a decade and most recent comprehensive revision of the REIT laws, the most significant was the change allowing REIT's to directly provide to tenants those services customary in the leasing of real estate as had been permitted to pension plans and other tax-exempt entities engaged in the leasing of real property. Prior to that change, a REIT was required to use an independent contractor to provide those services.

These legislative changes and the lack of credit to recapitalize America's real estate produced a suitable environment for the substantial growth in the REIT industry and the fulfillment of Congress' original hopes for the REIT vehicle.

From 1990 to present, the industry has grown from a market capitalization of approximately $9 billion to nearly $50 billion. Fueling that growth has been the introduction of some of America's leading real estate companies to the family of long existing, viable REIT's. As a result, the majority of today's REIT's are owners of quality, income-producing real estate. Thus, hundreds of thousands of individuals that own REIT shares through direct investment, plus the many more who are interest holders in the growing number of mutual funds or pension funds investing in REIT's, have become participants in the recapitalization of tens of billions of dollars of America's best real estate investments. Likewise, investors in mortgage REIT's have the opportunity to participate in the ever growing market for securitized mortgages, further contributing to the recapitalization of quality real estate.

The benefits of the growth in the REIT industry were addressed in a recent Urban Land Institute White Paper titled "The REIT Renaissance." That white paper concluded that "[f]rom an overall economic standpoint, the real estate industry and the economy should be well served by the expansion of the REIT industry—the broadening of participation in real estate ownership, the investment in market information and research that the public market will bring, and the more timely responsiveness to market signals that will result from better information and market analysis."

To assist the continued growth of this important industry, was developed to address areas in the existing tax regime that present significant, yet unnecessary, barriers to the use of the REIT vehicle. The proposals represent a modernization of the most complex parts of the regulatory structure under which REIT's operate, while leaving intact the basic underlying ownership, income, asset, and distribution tests introduced in the original REIT legislation.

SUMMARY OF KEY PROVISIONS

A. Title I contains three proposals to remove unnecessary "traps for the unwary." These proposals would address current requirements that are not necessary to satisfy Congressional objectives, that carry a disproportionate penalty for even unintentional oversights, or that are impracticable in today's environment. Title I's overriding intention is not to penalize a REIT's many small investors by stripping the REIT of its tax status as a result of an act that does not violate Congress' underlying intent in creating the REIT vehicle.

Section 101. Shareholder Demand Letter. The potential disqualification for a REIT's failure to send shareholder demand letters should be replaced with a reporting penalty. Under present law, regulations require that a REIT send letters to certain shareholders within 30 days of the close of the REIT's taxable year. The letters demand from its shareholders of record, a written statement identifying the "actual owner" of the stock. A REIT's failure to comply with the notification requirement may result in a loss of REIT status.

The failure to send-so-called demand letters may result in the disqualification of a REIT with thousands of shareholders that easily satisfies the substantive test because of a purely technical violation. As a result of disqualification, a REIT would be compelled to pay taxes for all open years, thereby depriving their shareholders of income generated in compliance with all of the REIT rules. Fortunately, the Internal Revenue Service has not enforced any such technical disqualifications and instead has entered into closing agreements with several REITs. The proposal would alleviate the need to enter into such closing agreements on a prospective basis.

H.R. 2121 provides that a REIT's failure to comply with the demand letter regulations would not, by itself, disqualify a REIT if it otherwise establishes that it satisfies the substantive ownership rules. But under these circumstances, a $25,000 penalty ($50,000 for intentional violations) would be imposed for any year in which the REIT did not comply with the shareholder demand regulations and the REIT would be required, when requested by the IRS, to send curative demand letters or face an additional penalty equal to the amounts related above. In addition, to protect a REIT that meets the regulations, but is otherwise unable to discover the actual ownership of its shares, the bill provides that a REIT would be deemed to satisfy the share ownership rules if it complies with the demand letter regulations and does not know, or have reason to know, of an actual violation of the ownership rules.

Section 102. De Minimus Rule for Tenant Services Income. The uncertainty related to qualifying services for a REIT should be addressed by a reasonable de minimum test. In 1986, Congress modernized the REITs' independent contractor rules to allow them to directly furnish to tenants those services customary in the management of rental property. However, certain problems persist. Under existing law, a REIT's receipt of any

amount of revenue as a result of providing an impermissible service to tenants with respect to a property may disqualify all rents received with respect to that property. For example, if a REIT's employee assists a tenant in moving in or out of an apartment complex (a potentially impermissible service), technically the IRS could contend that all the income from the apartment complex is disqualified, even though the REIT received no direct revenue for the provided service. Similar concerns might arise if a REIT provided wheelchairs at a mall on a no-cost basis. The disqualifications of a large property's rent could seriously threaten, or even terminate, the REIT's qualified status.

Interestingly, at the same time a REIT could be severely punished for providing services to tenants or their visitors, the REIT rules properly provide that up to 5 percent of a REIT's gross income may come from providing services to non-tenants. Thus, under present law a REIT is better off providing services to nontenants than providing the same services to tenants.

In addition to the potential disqualification of rents, the absence of a de minimus rule requires the REIT to spend significant time and energy in monitoring every action of its employees, and significant dollars in attorney fees to determine whether each potential action is an impermissible service. The uncertainty regarding the permissibility of services also requires that the IRS to expend considerable resources in responding to private ruling requests.

To lessen the burden of monitoring each REIT employee's every action and to eliminate unnecessary disqualification of tenant rents, this bill provides for a de minimum exception. The exception would treat small amounts of revenue resulting from an impermissible service in a manner similar to revenue received from providing services to nontenants, and protect the classification of rents from the affected property as qualifying REIT income. The de minimus exception is equal to 1 percent of the gross income from the affected property. The de minimus exception is based on gross income to be consistent with the REIT's income tests, and is set at 1 percent to reflect an amount large enough to provide the requisite safe harbor (note that it is 1 percent of the income from an affected property, regardless how small, and not all properties owned by the REIT), yet small enough not to encourage disregard of the independent contractor rule. Because many of the services in question will not result in a direct receipt of gross income, the bill provides a mechanism for establishing the gross income received relative to an impermissible service. The gross income is deemed at least equal to the direct costs of the service (i.e. labor, cost of goods) multiplied by 150 percent.

For example, in the case of a REIT providing wheelchairs at a mall, the cost of the wheelchairs would be multiplied by 150 percent to achieve the gross income realized from the impermissible service. If that and any other gross income related to impermissible services provided to tenants of that mall does not exceed 1 percent of the malls gross income for the year, the impermissible service income would be classified as nonqualifying income. However, rents received from tenants of the mall would not be disqualified.

A REIT's actions are still policed under this change. First, if a REIT's gross income from impermissible services exceed 1 percent of the gross income from the affected property, that income and the rents from that property would be disqualified as under current law. Second, as previously noted, a REIT's gross income from non-qualifying sources is limited to 5 percent of total gross income. Accordingly, gross income from impermissible sources that does not exceed the 1 percent threshold would be included in that small basket, thereby placing a second check on the REIT's activities.

Section 103. Attribution Rules Applicable To Tenant Ownership. Unintended double attribution under section 318 should be minimized, while preserving the intended purpose of the attribution rule. The attribution rules of section 318 are interjected to ensure that a REIT does not receive rents from a 10 percent or more related party, in which case the rents are deemed disqualified income for the REIT gross income tests. While the intention of that rule is proper, a quirk in the application of section 318 to REITs as called for under section 856(d)(2) may result in the disqualification of a REIT's rent when no actual direct or indirect relationship exists between the REIT and tenant.

Under section 318(a)(3)(A), stock owned directly or indirectly, by a partner is considered owned by the partnership. In addition, under section 318(a)(3)(C), a corporation is considered as owning stock that is owned, directly or indirectly, by or for a person who also owns more than 10 percent (in the case of REITs) of the stock in such corporation. Those attribution rules may create an unintended result when several persons who collectively own 10 percent of a REIT's tenant, also own collectively 10 percent of the REIT. So long as those persons are unrelated, because their individual interests in both the REIT and tenant do not equal 10 percent the REIT is not deemed to own 10 percent of the tenant. However, if those persons obtain interests, regardless of how small, in the same partnership the REIT will be deemed to own 10 percent of the tenant. This results from the partnership's deemed ownership of the partners' stock in both tenant and the REIT. Further, because the partnership becomes a deemed 10 percent owner of the REIT under section 318(a)(3)(A), REIT is deemed the 10 percent owner of tenant under section 318(a)(3)(C).

In essence, the REIT becomes the deemed 10 percent owner of its tenant as a result of a variation of the partner-to-partner attribution that section 318(a)(5)(C) specifically was enacted to prevent. It is only through the combination of the partners' various interests in the REIT and tenant that a disqualification of the rents occurs. This is true regardless of the purpose for the partnership's existence. The partners may have no knowledge of the other's existence and may be partners in a huge limited partnership completely unrelated to the REIT.

H.R. 2121 addresses this problem by modifying the application of section 318(a)(3)(A) (attribution to the partnership) only for purposes of section 856(d)(2), so that attribution would occur only when a partner holds a 25 percent or greater interest in the partnership. This threshold presumes that such a partner will have knowledge of the other persons holding interest in the partnership, and will have an opportunity to determine if those persons hold an interest in the REIT. By not suspending the double attribution entirely, the bill prevents the potentially abusive practice of placing a "dummy" partnership between the REIT and those persons holding interests in the tenant.

B. Title II of REITSA contains two proposals that would assist in carrying out Congress' original intent to create a real estate vehicle analogous to regulated investment companies.

Section 201. Credit For Tax Paid by REIT On Retained Capital Gains. Current law taxes a REIT that retains capital gains, and imposes a second level of tax on the REIT shareholders when later they receive the capital gain distribution. REITSA reform provides for the REIT rules to be modified to correspond with the mutual fund rules governing the taxation of retained capital gains by passing through a credit to shareholders for capital gains taxes paid at the corporate (REIT) level. This modification is necessary to prevent the unintended depletion of a REIT's capital base when it sells property at a taxable gain. Accordingly, the REIT could acquire a replacement property without incurring costly charges associated with a stock offering or debt.

Section 202. Repeal of the 30 Percent Gross Income Requirement. H.R. 2121 calls for the repeal of the 30 percent gross income test because the effective management of a REIT's portfolio and is not needed to ensure that a REIT remains a long-term investor in real property. RICs have a similar anti-churning provision known as the "short-short" rule. The Tax Simplification and Technical Corrections Act of 1994 (H.R. 3419), as passed by the House of Representatives on May 17, 1994, would have repealed that rule for RICs.

Unlike RICs, REITs also face the imposition of a 100 percent tax on property held for sale in the ordinary course of business (dealer property). Thus, repeal of the REIT 30 percent test would not open the playing field for REITs to become speculators in real property. Instead, the repeal helps to ensure that a REIT will not lose its status if a REIT sells non-dealer property when market conditions are most favorable.

C. Title III of REITSA would simplify several technical problems that REITs face in their organization and day-to-day operations. Many of these proposals would build on simplifications that Congress has adopted over the years.

Section 301. Modification Of Earnings And Profits Rules For Determining Whether REIT Has Earnings And Profits From Non-REIT Year. Only for purposes of the requirement that a REIT distribute all pre-REIT earnings and profits ("E&P") within its first taxable year as a REIT, a REIT's distributions should be deemed to carry out all pre-REIT earnings before shareholders are considered to be receiving REIT E&P. Under existing law, a REIT must not only distribute 95 percent of its REIT taxable income to shareholders but it must in its first year distribute all pre-REIT year E&P. If the company mistakenly underestimates the amount of E&P generated while operating as a REIT it may fail to satisfy those requirements because the ordering rules controlling the distribution of E&P currently provide that distributions first carry out the most recently accumulated E&P. Thus, if a REIT distributes the pre-REIT E&P and the expected REIT E&P in its first REIT taxable year, the year-end receipt of any unanticipated income would result in the reclassification of a portion of the distribution intended to pass out the pre-REIT E&P.

While REITs have methods available to make distributions after the close of their taxable year that relate back to assure satisfaction of the 95 percent income distribution requirement, those methods can not be used to cure a failure to distribute pre-REIT E&P after the close of the REIT's taxable year. Accordingly, by allowing the REIT's distributions to first carry out the pre-REIT

E&P, the REIT could satisfy both distribution requirements by using one of the deferred distribution methods to distributed the unanticipated income discussed in the example.

Section 302. Treatment Of Foreclosure Property. Rules related to foreclosure property should be modernized. For property acquired through foreclosure on a loan or default on a lease, under present law a REIT can elect foreclosure property treatment. That election provides the REIT with 3 special conditions to assist it in taking over the property and seeking its re-leasing or sale. First, a REIT is permitted to conduct a trade or business using property acquired through foreclosure for 90 days after it acquires such property, provided the REIT makes a foreclosure property election. After the 90-day period, the REIT must use an independent contractor to conduct the trade or business (a party from whom the REIT does not receive income). Second, a REIT may hold foreclosure property for resale to customers without being subject to the 100 percent prohibited transaction tax (although subject to the highest corporate taxes). Third, nonqualifying income from foreclosure property (from activities conducted by the REIT or independent contractor after 90 days) is not considered for purposes of the REIT gross income tests, but generally is subject to the highest corporate tax rate. The foreclosure property election is valid for 2 years, but may be extended for 2 additional terms (a total of 6 years) with IRS consent.

Under H.R. 2121, the election procedure would be modified in the following ways: (1) the initial election and one renewal period would last for 3 years; (2) the initial election would remain effective until the last day of the third taxable year following the election (instead of exactly two years from the date of election; and (3) a one-time election out of foreclosure property status would be made available to accommodate situations when a REIT desires to discontinue foreclosure property status.

In addition, the independent contractor rule under the election would be modernized so that it worked in the same manner as the general independent contractor rule. Currently a REIT may provide to tenants of non-foreclosure property services customary in the leasing of real property. However, this previous modernization of the independent contractor rule was not made to the rules governing the required use of independent contractors for foreclosure property.

Section 303. Special Foreclosure Rules For Health Care Properties. In the case of health care REITs, H.R. 2121 provides that a REIT would not violate the independent contractor requirement if the REIT receives rents from a lease to that independent contractor as a tenant at a second health care facility. This change recognizes the limited number of health care providers available to serve as an independent contractor on a property acquired by the REIT in foreclosure, and the REIT's likely inability to simply close the facility due to the nature of the facilities inhabitants. In addition, the health care rules would extend the foreclosure property rules to expirations or terminations of health care REIT leases, since similar issues arise in those circumstances.

Section 304. Payments Under Hedging Instruments. H.R. 2121 would extend the REIT variable interest hedging rule to permit a REIT to treat as qualifying any income from the hedge of any REIT liability secured by real property or used to acquire or improve real property. This provision would apply to hedging a REIT's unsecured corporate debenture.

Section 305. Excess Noncash Income. H.R. 2121 would expand the use of the excess noncash income exclusion currently provided under the REIT distribution rules. The bill would (1) extend the exclusion to include most forms of phantom income and (2) make the exclusion available accrual basis REITs. Under the exclusion, listed forms of phantom income would be excluded from the REIT 95 percent distribution requirement. However, the income would be taxed at the REIT level if the REIT did not make sufficient distributions.

Section 306. Prohibited Transaction Safe Harbor. H.R. 2121 would correct a problem in the wording of Congress' past liberalization of the safe harbor from the 100 percent excise tax on prohibited transactions, i.e., sales of property in the ordinary course of business. The adverse effect of accumulated depreciation on the availability of the safe harbor, which punishes REITs that hold their properties for longer terms, would be mitigated, In addition, involuntary conversions of property no longer would count against the permitted 7 sales of property under the safe harbor.

Section 307. Shared Appreciation Mortgages ("SAM"). In general, section 856(j) provides that a REIT may receive income based on a borrower's sale of the underlying property. However, the character of that income is determined by the borrower's actions. The SAM provision would be modified and clarified so that a REIT lender would not be penalized by a borrower's bankruptcy (an event beyond its control) and would clarify that a SAM could be based on appreciation in value as well as gain.

Section 308. Wholly Owned Subsidiaries. In 1986, Congress realized the usefulness of a REIT holding properties in subsidiaries to limit its liability exposure. H.R. 2121 would codify a recent IRS private letter ruling position providing that a REIT may treat a wholly-owned subsidiary as a qualified REIT subsidiary even if the subsidiary previously had been owned by a non-REIT entity. For example, this bill would allow a REIT to treat a corporation as a qualified REIT subsidiary when it purchases for cash and/or stock all the stock of a non-REIT C corporation.

TRIBUTE TO MABLE WATKINS-CASS

HON. BOBBY L. RUSH

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Friday, July 28, 1995

Mr. RUSH. Mr. Speaker, I rise today to pay tribute to Mrs. Mable Watkins-Cass, who on Sunday, June 30, 1995, will celebrate the occasion of her 60th birthday.

Mrs. Cass is a longtime resident of the city of Chicago. Born in Holly Springs, MS to the union of Mr. Windom Jones and the late Mrs. Ann Speights-Anderson, she came to Chicago in her formulative years with her parents. Mrs. Cass is the proud mother of four children and the grandmother of five.

Mrs. Cass attended the Chicago public schools where she graduated from the Lucy Flowers Vocational High School. Additionally, she worked dutifully as an employee of the public school system, until her retirement in 1982.

A deeply devoted Christian woman, Mrs. Cass has served faithfully for the past 25 years as a member of the Gospel Temple Missionary Baptist Church on the southside of Chicago, under the leadership of the late Rev. Dr. Jethro Gayles and the Rev. Bishop Smith. She has also been an active member of the National Baptist Convention and the Illinois Baptist State Convention.

Over the years, Mrs. Cass has been very active in civic and community affairs. Many of these activities include work with her block club organizations and the local electoral process.

Mr. Speaker, Mrs. Mable Watkins-Cass has dedicated her life to helping others. Her commitment and contributions to people have made her both, admired and respected. I am privileged that in my lifetime our paths have crossed. I am honored to call her a friend and I am proud to enter these words into the RECORD.

MY VISION FOR AMERICA

HON. WILLIAM M. "MAC" THORNBERRY

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Friday, July 28, 1995

Mr. THORNBERRY. Mr. Speaker, Each year the Veterans of Foreign Wars of the United States and its Ladies Auxiliary conduct the Voice of Democracy broadcast scriptwriting contest. This past year more than 126,000 secondary school students participated in the contest competing for the 54 national scholarships totaling more that $109,000, which was distributed among the winners. The contest theme this year was "My Vision For America."

Ms. Erin Kenyon of my district was the State winner for Texas. The following is her winning script:

MY VISION FOR AMERICA

We all have a vision of America. Thomas Jefferson saw independence. Abraham Lincoln envisioned unity. Susan B. Anthony pictured women voting. Martin Luther King, Jr. foresaw a land of equality for all races. My vision for American isn't too different from theirs—I see a diverse nation, unified by a people with a generous spirit, who are willing to be a beacon of hope and democracy to the whole world.

Throughout history, Americans have faced and met the demands of life in the frontier with a patriotic zeal. Early in America, pioneers were faced with the challenge of building their homes and barns quickly to avoid the ravages of winter. Instead of each man taking on this incredible task by himself, people decided that by working together more could be accomplished. In much the same way, my vision of America ha citizens working together for the betterment of our country.

The rallying cry of the American revolution, "United we stand, divided we fall," can be a guide for us in solving the problems which now plague American society. A man in California who was tired of the gang graffiti sprawled on walls across his neighborhood formed a group to paint over it. Volunteers help with youth programs such as boy's and girl's clubs and scouting which provide interests to keep kids off the streets. Volunteers across the country devote their time to

teaching the illiterate how to read. These are just a few examples of how ordinary Americans can make an extraordinary difference in the lives of their fellow countrymen. In my vision, every person would see citizenship as a shared responsibility. We must not only be a United States, but a United people.

Webster's dictionary defines patriotism as love, support, and defense of one's country. It seems sometimes as if Americans become so torn with their difference that they lose sight of what really matters. That diversity doesn't have to divide us; it can be the glue that binds us to our goals and dreams.

The same is true for our government. Our representatives should realize that the national interest comes before political partisanship. Political campaigns should be based on constructive ideas, not destructive mudslinging.

In my vision racial and political differences aren't inevitable obstacles, but solvable problems. Conquering them will lead us to a more perfect union.

Finally, my vision is for America to be a world leader. Now is not the time to be isolationists. We must maintain our military superiority in order not to use it. For with that very strength, we have the power to promote world peace—economically and diplomatically. Like President Woodrow Wilson said, "America cannot be an ostrich with its head in the sand." Shrinking from our responsibility leaves the rest of the world with nowhere to turn. We should be a role model for countries throughout the world to follow.

In my vision of America, hope and opportunity exist for each and every one of us. We owe much to those whose visions of America have changed our lives—Thomas Jefferson, Abraham Lincoln, Susan B. Anthony, Martin Luther King, Jr. and many other patriots. My vision is for America to be a country of patriotic people, united in being a model of democracy and hope to the world with the courage to look unafraid towards the future.

MEDICARE CUTS

HON. BOBBY L. RUSH

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Friday, July 28, 1995

Mr. RUSH. Mr. Speaker, I rise today as the voice of hundreds of senior citizens in the First Congressional District of Illinois and none of them wants cuts of any kind in their Medicare Program.

These older Americans were angry. They were scared. And they are not going to stand for these draconian cuts.

They know that the Republicans have committed themselves to squeezing $270 billion out of the Medicare budget over the next 7 years.

The budget resolution sets out a gradual path of Medicare reductions, and most of the impact will not be felt until after November 1996, safely clearing the way for many Republicans up for reelection.

So make no mistake about it. This is not about policy making.

This is about politics—plain and simple.

The seniors want a clear mandate delivered to the Republican Party. They want them to know that seniors are not old or forgetful. Seniors are not "very pack-oriented and very susceptible to being led," as a leaked GOP strategy memo indicates. On the contrary, they will remember, a year from this November, who it was that slashed their Medicare Program and left them out in the cold to fend for themselves.

CELEBRATING MEDICARE'S 30TH BIRTHDAY

HON. BILL RICHARDSON

OF NEW MEXICO

IN THE HOUSE OF REPRESENTATIVES

Friday, July 28, 1995

Mr. RICHARDSON. Mr. Speaker, this week marks the 30th anniversary of Medicare, one of the Nation's most successful undertakings. Because of Medicare, America's seniors no longer choose between medicine and food or rent, and consequently their health has improved dramatically. Ironically, one of the reasons we are currently considering Medicare reform is due in large measure to its profound success. Americans are living longer, and many more reach an age where greater health problems emerge. This is a fortunate turn of events, and we must not use it to ransack a system that has served the Nation well.

Medicare is a remarkable testament to the good that can come from deliberative, open, bipartisan efforts to solve an oncoming health crisis. The Medicare concept was debated in Washington for 13 years before finally being signed into law in 1965. Many skeptics predicted that it would bankrupt the United States, that the contributions seniors made prior to retirement would evaporate, and that our health care system would become substandard. In fact, none of these events occurred. Medicare has been overwhelmingly successful.

Currently, there are 37 million Americans enrolled in Medicare, and 205,000 of them are New Mexicans. Today, 99.1 percent of all Americans over the age of 65 have health insurance coverage, primarily due to Medicare. The poverty rate for aged Americans has fallen by nearly 50 percent since Medicare's inception, and this is largely attributable to the fact that seniors receive effective preventive and acute health care at reasonable costs.

We must accomplish the difficult task of extending the life of Medicare, and it should not interfere with our commitment to balance the budget. But we also must examine the effects of current proposals carefully. In our rush to achieve ambitious goals, we cannot overlook the economic and social importance of adequate health care for seniors and the continued viability of local hospitals.

I commend to you the following article, written by Dr. Lyle Hagan of my district, which outlines the serious impacts current proposals will bring about.

STORM LOOMING FOR MEDICARE

(By Dr. R. Lyle Hagan)

On July 28, 1995 Medicare will celebrate its 30th birthday. As we all know, Medicare is a U.S. Government program that provides medical care for the nation's elderly. In addition Medicaid—a government administered program, provides medical services to the poor; financed jointly by Federal and State governments.

During the past several weeks, Congress has been deeply involved in cutting costs in all areas of government administration. Congress has established a Budget resolution for the fiscal year 1996 (FY 96).

The American Association of Retired Persons (AARP) fully supports deficit reduction, but it also believes that deficit reduction should be fair and balanced. The (FY 96) Budget Resolution proposes to take nearly half of the deficit reduction in the next seven years out of Medicare and Medicaid. In both programs these are the largest cuts ever proposed.

In 1995, the average older beneficiary will spend about $2,750 out-of-pocket to cover the cost of medicare premiums, deductibles, coinsurance and the cost of services not covered by Medicare.

Under the Budget Resolution (FY 96), an average beneficiary would end up spending a total of about $29,000 over seven years—an increase of about $3,400. To achieve the medicare spending reductions in these proposals, costs that are currently paid by the Medicare program would probably be shifted to Medicare beneficiaries in the form of higher premiums, deductibles and coinsurance.

These could include: a higher medicare Part B premium; an increase in the annual Part B deductible to $150, indexed to program growth; a new 20 percent home health insurance; a new 20 percent coinsurance for skilled nursing facility care; a new 20 percent lab coinsurance and a new income-related premium for higher-income beneficiaries.

All of these options have been under review in the Congress this year. Currently, the Part B premium intended to approximate 25 percent of Part B costs. In 1995, the premium is $46.10 per month, $553.20 annually. It is estimated to grow to $60.80 per month, $729.60 annually by 2002. The premium is deducted from most beneficiaries' social security checks. The remaining 75 percent of Part B costs are paid from general revenues.

Under the proposal by FY 96, the Budget resolution could substantially increase the Part B premium paid by medicare beneficiaries thereby shifting higher health care costs to medicare beneficiaries. Under the proposal, the premium is estimated to jump to $97.70 per month, or $1,172.40 annually by 2002. That is $442.80 more than the beneficiary would pay under current law. Over the next seven years, most medicare beneficiaries would pay an estimated additional $1,590 for the Part B premium alone.

The FY Budget resolution includes the largest Medicaid reductions in the history of the program—$182 billion in savings over the next seven years. In the year 2002 alone, the budget proposal would reduce projected federal medicaid spending by $54 billion, a reduction of about 30 percent below what the government estimates it will cost to run the program delivering the same services and benefits that it does today.

Medicaid is the health and long-term care safety net for vulnerable children, older and disabled Americans. More than four million older Americans depend on medicaid for coverage of preventive care, prescription drugs, nursing home and home community-based long-term care. In addition, more than 15 million low-income children are covered by Medicaid.

How individual states would respond to the proposed cuts would vary by state, but some things are clear. It is unlikely that states would raise taxes or shift money to make up for the federal reductions. According to estimates by the urban institute, in the year 2002, more than eight million Americans

could lose their medicaid coverage as a result of these proposed reductions.

Senior citizens may ask their Senator or Representative in Congress about Medicare and Medicaid cuts and how they will affect their future health and medical care.

INTRODUCTION OF THE ERISA CHILD ABUSE ACCOUNTABILITY ACT

HON. PATRICIA SCHROEDER

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Friday, July 28, 1995

Mrs. SCHROEDER. Mr. Speaker, I am introducing the ERISA Child Abuse Accountability Act. This bill is a natural extension of legislation that I introduced last session, the Child Abuse Accountability Act, which Congress passed and President Clinton signed into law, Public Law 103–358.

The ERISA Child Abuse Accountability Act amends the Employment Retirement Income Security Act [ERISA] to allow victims to collect monetary awards from their abuser's pension. As a result of last year's legislation, victims of child abuse can now collect from an abuser's pension if it is a Federal pension. The ERISA Child Abuse Accountability Act allows victims to collect from private sector pensions as well.

It is vital that we, as a nation, dedicate ourselves to protect the welfare of our children and guarantee that anyone who commits a crime against them is held accountable. That is what The ERISA Child Abuse Accountability Act does.

The children who survive abuse face a lifetime of scars, both physical and mental. Some of these survivors turn to our court system to hold their abusers civilly accountable for their crimes. They endure traumatic trials, reliving the years of torment in order to hold their abusers responsible. Tragically, vindication by a court is only the beginning of the struggle for countless victims. Even after a court finds the abuser guilty and awards the survivor compensation, our laws prevent satisfying a court order with money from a pension.

This bill ends this injustice by creating a right to payment to satisfy a child abuse judgment. Under current law, private pensions are already accessible for child support and for spousal payments. This bill adds child abuse compensation as an obligation that must be met.

We hear a lot of talk in this body about protecting children and victims. But the fact is, there are laws that Congress has passed that protect abusers and prevent justice for victims. If we do not change those laws, our words ring hollow. I urge Members to support this bill.

TRIBUTE TO REV. W.L. PATTERSON

HON. VERNON J. EHLERS

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Friday, July 28, 1995

Mr. EHLERS. Mr. Speaker, it is with great pleasure that I take this opportunity to recognize the efforts and achievements of an outstanding man from my hometown of Grand Rapids, MI. Rev. W.L. Patterson of the True Light Baptist Church has given 41 years of unselfish civic and spiritual service to the residents of our community.

Reverend Patterson was born and raised in Arkansas, and in 1954 was called to the pastorate of the True Light Baptist Church. He is known throughout our community as a man of great integrity, ambition, and leadership. His work and dedication have helped improve the quality of life for a countless number of people.

Since being ordained 56 years ago, Reverend Patterson has continually served as a church pastor, and dedicated the last 41 years to the True Light Baptist Church. He has accomplished many outstanding services for the church such as building a new church, purchasing two parsonages, and purchasing property for the church, in addition to serving the spiritual needs of his parishioners.

Reverend Patterson has conducted daily commentaries and has appealed to those in need of prayer and counseling over the airwaves of WKWM radio. Reverend Patterson has used the power of the radio medium to deliver prayers and worship for those who are unable to attend services in person. His radio worship services have given him the distinction of being one of the first pastors to use this form of communication to deliver his message.

His involvement with the community extends beyond the pulpit of the church. He was instrumental in forming the Ambassadors Club, an organized Bible study class that later became a community service group. He also founded the Kennedy Day Care Center which served the youth of our community for more than 20 years. People with substance abuse problems have also benefited from Patterson's caring ways. His Operation Faith program was established to help those with substance abuse problems deal with their dilemmas through alternatives other than drugs and alcohol.

His skills and leadership have also been tapped by numerous organizations in the community. He has served as a member of the Kent Skills Committee on Relocation and he has also been involved as a board member of the Salvation Army's Genesis House. He has also held membership in the Grand Rapids chapters of the Urban League and the NAACP.

Not only has Reverend Patterson blessed the lives of many during his years of service, he has also been blessed himself by a wonderful family. Providing loving support for this dedicated man have been his wife, Ruth White Patterson, and his children Willie Patterson, Jr., Allena Ruth Cross, Rev. Irma Jean Jones, Ralph Patterson, Rev. H. Calvin Patterson, Barbara Brazil, Thedosa Baker, and his deceased son, Walter Patterson.

Mr. Speaker, I have summed up just a sampling of the many accomplishments and achievements of this remarkable and dedicated man. It is with great pleasure and privilege that I take this time to honor Reverend Patterson for all of his work in helping provide a better way of life for those he has come in contact with.

THE 1996 COMMERCE, JUSTICE, STATE AND THE JUDICIARY APPROPRIATIONS ACT

HON. RON PACKARD

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, July 28, 1995

Mr. PACKARD. Mr. Speaker, President Clinton has declared his intention to veto the 1996 Commerce, Justice, State, and the Judiciary Appropriations Act. May I say how saddened I am that the President has chosen to act in this way. By vetoing this bill President Clinton is putting the interests of his party above the interests of the Nation.

Such an action, while not out of character, is nevertheless surprising considering the overwhelming benefits of this bill. The bill gives more money toward law enforcement, including the INS, who receive a 20-percent increase in desperately needed funds, than any bill ever passed in Congress. How can the President be willing to jeopardize the safety of every American citizen just because his own anti crime program has been scraped in favor of new initiatives that allow States and local Communities greater flexibility in tackling crime on their streets? Stalling over Medicare and thus endangering the health of our senior citizens is bad enough, but now, by threatening to veto the Commerce, Justice, State, and Judiciary appropriations bill, President Clinton is risking the lives of all Americans. What we the Republicans have always feared is true; the President is more concerned with his own agenda than the fate of the American people.

The 1996 Commerce, Justice, State, and Judiciary Appropriations Act represents a major new initiative in fighting crime. It rejects the old tried and failed attempts to impose solutions from above, solutions that do not, and cannot, take the specific needs and difficulties of local communities into account. By providing States with Block grants, States can still use the money to hire more police if they want, but they can also choose to buy equipment, start prevention programs, improve training—whatever they think will be most effective. This bill takes money out of the hands of Government bureaucrats and puts it into the hands of those who are fighting the war against crime on the frontlines. It recognizes that the Federal Government does not always know best. When will President Clinton realize the same and how many more will have to suffer until he does?

FREDDIE MAC'S 25TH ANNIVERSARY—JULY 24, 1970–JULY 24, 1995

HON. THOMAS M. DAVIS

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Friday, July 28, 1995

Mr. DAVIS. Mr. Speaker, 25 years ago this week, Congress created the Federal Home Loan Mortgage Corporation in an effort to relieve an ailing mortgage finance system. By utilizing what works best in the private and public sectors, Congress established Freddie Mac and revolutionized the home finance industry. Since then, Americans across the Nation have shared in the success, as housing

funds have become more affordable and more available. Freddie Mac has continuously expanded into new and diverse markets, financing one in every six homes nationwide. They have housed over 16 million families since their inception in 1970. In my own Commonwealth of Virginia, Freddie Mac has purchased over 444,000 loans worth more than $36 billion in its 25 years.

As my colleagues are well aware, Freddie Mac keeps the supply of low cost money for housing widely available by linking mortgage lenders with security investors. It accomplishes its task by purchasing investment quality loans from primary lenders, packaging these loans as mortgage backed securities, and selling these securities to investors. Money is then available to purchase more loans from the lenders, and the cycle continues. It is important to point out that Freddie Mac accomplishes this without any Federal funding. In fact, it has been a major Federal taxpayer. In the past 5 years alone, it has paid over $2 billion in Federal taxes.

Today, I would like to commend Freddie Mac for another role it plays. As a corporate citizen, Freddie Mac strives to give even more to the communities it serves through its Freddie Mac Foundation. The Freddie Mac Foundation is dedicated to brightening the future of children, youth, and families at risk. Created with an endowment from Freddie Mac in 1990, the Foundation has invested more than $8 million in nonprofit organizations serving the Washington, DC, area.

Healthy families help foster healthy communities. Freddie Mac understands this and we in Congress should recognize and commend them for not only fulfilling their mission, but for taking this mission a step further. As their Chairman and CEO, Leland Brendsel, likes to say, while Freddie Mac's mission is to make the American dream of decent, accessible housing a reality, its foundation and its employees work to turn houses into healthy homes for children. They do this throughout the country, but we in Virginia, Maryland, and the District of Columbia have been particularly blessed by their presence.

In Virginia, one example of particular note is their longstanding partnership with Hunters Woods Elementary School in Reston where the Foundation has committed almost $200,000 and the employees have committed thousands of hours of time working with the kids on their special needs. The entire area will benefit from a recent Freddie Mac commitment of $1 million to help establish a Child Protection Center for area battered and abused children and their families at Children's Hospital. Finally, Freddie Mac's commitment to support our communities is probably best exemplified by a Washington Post article, which I submit for the RECORD, highlighting their work to help the District's foster care program. This is the kind of public/private partnership Freddie Mac brings not only to the community but to its public mission.

I believe Freddie Mac deserves not only congratulations on its 25th anniversary and thanks for doing a good job in meeting its mission, but also for its support for children, youth, and families at risk in communities throughout the country.

TRIBUTE TO CHRIS GROSS

HON. ANDREA H. SEASTRAND

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, July 28, 1995

Mrs. SEASTRAND. Mr. Speaker, I am pleased to rise to share the inspiring story of an ordinary citizen who is accomplishing extraordinary things. From the moment we mounted the stage of America, the family of Americans who called this continent home have come together in adverse and tragic times and demonstrated the best elements of free man. From the first winters at Jamestown there have been countless demonstrations of what Lincoln called the better angels of our nature. Some of these stories will be preserved in our history books, films, and folklore. It is my wish that one such example of an American helping those in need and inspiring others to do the same be recorded in the CONGRESSIONAL RECORD.

Like most Americans, Mr. Chris Gross watched in horror the tragic scenes that followed the Oklahoma City bombing. Not content to just sit and watch, he committed himself to an ambitious goal—help the 137 children who lost a parent in the Oklahoma City bombing by raising $1 million for a college fund. He began by donating 1 year of his own salary. This extraordinary display of generosity by this 26-year-old from Fremont, CA, has inspired others from all over the country to give to this admirable cause. As Mr. Gross holds a fundraiser in the 22d Congressional District of California on August 9, he will have already raised more than $500,000.

When Mr. Gross reaches his goal, he will have done more than help financially provide for 137 children's education. He will have also inspired all those who have heard of his commitment and remind us that Americans are the most generous and charitable people on Earth.

TRIBUTE TO COL. WALTER L. MAYO, JR. (USA-RET.) KOREAN WAR VETERAN

HON. JAMES P. MORAN

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Friday, July 28, 1995

Mr. MORAN. Mr. Speaker, this week we gather as a nation to honor the soldiers and sailors, marines, and airmen, and all those who served, fought, and died in our Armed Forces in the Korean war. The Korean War Veterans Memorial, which we dedicate 42 years after the signing of the armistice of July 27, 1953, occupies a place of prominence and remembrance on the Washington Mall. This location among the grand monuments of our country is a fitting tribute to the veterans of a forgotten war that for too long has dwelt in the shadows of our history.

Among the ranks of those who served in the Korean war, one group has received scant attention and recognition even to this day—the more than 7,000 prisoners of war and 8,000 still listed as missing in action. I would like to tell the story of one man, Col. Walter L. Mayo, Jr. (USA-Ret.) of McLean, VA, and Centerville, MA, who fought from the Pusan perimeter to the banks of the Yalu River and who spent 3 years as a prisoner of war. His story stands as testimony to the thousands of others whose heroism and sacrifice went unrecognized for too long.

Walt Mayo was no stranger to combat when he arrived in Korea in 1950. A World War II veteran, he had served as a rifleman during the Battle of the Bulge and was captured by the Germans. After his release, he went to Boston College on the GI Bill, joined the ROTC program, and received a Regular Army commission on January 1, 1950. He landed in Korea on August 10 as a field artillery forward observer in the 99th Field Artillery, attached to the 3d Battalion, 8th Cavalry Regiment, 1st Cavalry Division, just weeks after the June 25, North Korean invasion of the Republic of Korea [ROK]. There he joined the thin line of American and ROK forces that held the Pusan perimeter against 14 North Korean divisions and several tank regiments. The toll was high. By the end of his first week in combat, Lieutenant Mayo was the only survivor among the three original forward observers in his unit.

By mid-September, MacArthur's landing at Inchon had combined with a breakout from the Pusan perimeter led by the 1st Cavalry to shift the tide of the war. The 8th Army pushed north to the Yalu River, crushing the remnants of the North Korean army. On Halloween, the 8th Cavalry Regiment was at the leading edge of the American forces, at the town of Unsan only miles from the Chinese border. The men did not know it, but they had reached the high-water mark of the American advance for the entire war.

The Chinese Communist forces struck American units in force for the first time of the war on November 1. Lieutenant Mayo's unit, the 3d Battalion, had established a perimeter near an odd-shaped bend of the Nammyon and Kuryong rivers. The unit had received orders to withdraw, but in the morning darkness of November 2 the Chinese attacked on three sides. Scores of Chinese poured into the American position near the battalion command post, and the fighting quickly became hand-to-hand. The men regrouped around three tanks and held off enemy attacks until daylight. They dug in during the day of November 2, protected by fighter-bomber strikes. Six officers, including Lieutenant Mayo, and 200 men were left to fight. Some 170 wounded were brought inside the small perimeter.

The fate of the 3d Battalion was sealed when the rest of the 1st Cavalry Division was ordered to withdraw on the evening of November 2. Completely cut off, the 3d Battalion had no further hope of rescue. But the men continued to fight, fending off wave after wave of Chinese attacks—at least six separate attacks each during the nights of November 2–3 and 3–4. As the American soldiers exhausted their ammunition, they crept out at night to collect weapons and ammunition from the dead Chinese soldiers that littered the ground around them. One soldier described Lt. Mayo during this time as "the finest combat officer I have ever seen."

The situation on the morning of November 4 was grim. More than 250 men lay wounded.

They had almost no ammunition and the tanks had long since been destroyed. The officers decided to attempt a break-out. The battalion surgeon, Captain Anderson, and the chaplain, Father Emil Kapaun, volunteered to stay behind with the wounded.

That afternoon, Lt. Mayo and three others crawled across the bodies of the dead Chinese to scout a way out of the encirclement. He found a hole in the lines and sent word back for the rest of the group to follow. The survivors broke out just as the Chinese fired a massive artillery barrage in preparation for a final attack on the perimeter. The official Army history records the 3rd Battalion's fight as the "Ordeal Nuclear Camel's Head Bend."

The group evaded the Chinese for 2 days. The official account states simply that,

> The next day, within sight of bursting American artillery shells, Chinese forces surrounded them and the battalion group, on the decision of the officers, broke up into small parties in the hope that some of them would escape. At approximately 1600 on the afternoon of 6 November the action of the 3rd Battalion, 8th Cavalry, as an organized force came to an end. Most of these men were either killed or captured that day . . .

The entire 8th Calvary Regiment had lost some 600 men—a 45-percent casualty rate that meant the unit effectively ceased to exist.

Walt Mayo was captured by the Chinese on November 7 and marched north for 2 weeks to Pyoktong near the Chinese border. By the end of the march, the column of American POW's had grown to almost 600 men. Walt Mayo's parents were told he was missing in action.

Camp 5 at Pyoktong consisted initially of these 600 men housed 15 or 20 to a room in partially destroyed sheds and houses. The men had no way to clean themselves, little fuel, and no blankets to ward off the sub-zero temperatures. They had not received winter issue clothes before they were captured, so they only had light field jackets. The men were filthy and soon became covered with lice. Wounds became infected and sores began to break out and fester. The meager diet of cracked corn and millet took its toll, as limbs began to swell from beri-beri, night blindness struck and the men felt the effects of pellagra and other nutritional diseases. Pneumonia, hepatitis, and dysentery afflicted the weakened soldiers. The men began to die.

In February, 1951, 800 more POW's, including members of the Turkish Brigade, joined the original group at Pyoktong. Members of the Royal Ulster Rifles followed in April. But the death toll among the weakened men who had been in the camp through the freezing winter of 1950–51 continued to climb. By the late spring, more than two dozen men a day were dying. The death toll did not begin to drop until August, 1951.

The period from November 1950 until October 1951 was the darkest and deadliest chapter for American POW's. The Chinese did not feel they would have to account for the men, so they gave them almost nothing and sought to do little more than exploit and punish them. Some Americans gave up under the pressure of disease, deprivation, and despair. The vast majority of the 2,700 American POW deaths took place in these first 11 months, with almost 1,500 dying in Camp 2 alone.

Most men held on to their dignity and a few even reached deep inside themselves to find reservoirs of great courage and strength. Father Emil Kapaun was one such man. Walt had known Father Kapaun since the Pusan perimeter, when Father Kapaun had his pipe shot out of his mouth by a sniper. He had shown incredible bravery during the "Ordeal Near Camel's Bend," constantly risking his life to tend to the wounded.

Father Kapaun served as constant source of cheer and inspiration in Camp 5. He ministered to the sick and dying, and emulated St. Dismas, the good thief, in stealing food from the Chinese for the men. The Chinese feared Father Kapaun and the strength of his faith. When he developed a blood clot in his leg in April, 1951, the Chinese took him away to die. Walt joined with others after the Korean war ended to dedicate a high school in Wichita, KS, in honor of Father Kapaun. They gave the school a crucifix, with a crown of barbed wire, that a Jewish officer, Jerry Fink, had painstaking carved in the camp in honor of Father Kapaun.

After Father Kapaun's death, Walt tried secretly to document the horror of the camp with a movie camera that he had received from an intermediary, Corporal Buckley of the Royal Ulster Rifles, from a Private First Class Magelski. But an informant turned all three of them in to the Chinese. Their refusal to break under interrogation kept the punishment relatively light—just over 2 months in solitary confinement. Walt was thrown into a hole in the ground so small he could neither stand up nor lie down. He kept his sanity by scratching out the lessons of the Jesuits in the dirt and on scraps of paper—math equations, Latin conjugations, and anything else to resist the isolation.

In November 1991, Walt and the other officers were moved to Pingchong-ni some 8 miles northeast of Pyoktong. The conditions improved slightly and the resolve, discipline, and camaraderie rose. The British officers in the camp felt a particular kinship with Walt because of his broad New England accent and dubbed him the "boy Lieutenant." The men became more imaginative in their resistance to the Chinese. They had a "crazy week" complete with operations from an aircraft carrier sketched in the dirt. Helicopter pilot Johnny "Roterhead" Thornton rode an imaginary motorcycle everywhere he went. Another shaved his head, wore a feather, and told the Chinese he was a blood brother of the Mohawk Indian tribe celebrating national tom-tom week. The bonds forged there with Hank Pedicone, Bart DeLashmet, Harry Hedlund, Sid Esensten, and others have lasted to this day. Most of all, the men helped each other to survive for almost 2 more years.

Under the terms of the Armistice signed on July 27, 1953, the Chinese had 60 days to return POW's. They used that as the last opportunity to punish the resisters. The ones who had caused the most problems were held to the last. Walt Mayo crossed Freedom Bridge on September 5, 1953, on the 58th day of the prisoner exchange.

Of the 7,140 American POW's in the Korean war, more than 3,000 died or were never heard from again. The total number who died as prisoners was probably much higher, given that many of the 8,000 missing in action were certainly taken by the Chinese. But we know that at least two out of every five men died in captivity, a toll matched only by the POW's held by the Japanese in World War II.

Walt Mayo said that he lived because of three weapons his captors could never take from him: faith in God, faith in his country, and faith in himself. He, like so many other Americans who fought in Korea, used these common values to achieve uncommon courage, strength, and discipline. The memorial's stark, moving depictions of weary fighting men seem to somehow capture this inner quality. It is right and proper that we at long last give this due honor to Walt Mayo and the POW's who survived; to Father Kapaun and those thousands of Americans who lie buried along the banks of the Yalu; and to all of the veterans of the Korean war.

THE SPIRIT OF VERMONT AND THE NEW KOREAN WAR MEMORIAL

HON. BERNARD SANDERS

OF VERMONT

IN THE HOUSE OF REPRESENTATIVES

Friday, July 28, 1995

Mr. SANDERS. Mr. Speaker, this week the new memorial on The Mall to the brave Americans who fought in the Korean war was dedicated. It is long overdue that we have lasting tribute in our Nation's Capital to the near 1.5 million Americans from Vermont and all across our Nation who answered the call to stop North Korean aggression in the 1950's.

I hope there will be many occasions when Vermonters will be able to visit this powerful work of art and to honor those who fought and those who died in the Korean conflict.

I also want to call to the attention of my colleagues that Frank Gaylord of Barre, VT, who saw extensive combat action in World War II as a member of the 17th Airborne Division, 513th Parachute Infantry Regiment, is the sculptor of the column of 19 poncho-swathed soldiers featured in the Korean War Memorial.

Frank Gaylord has been a professional sculptor for 44 years, having received his bachelor of fine arts degree from Temple University in 1950. He returned to Vermont where he has worked in his own sculpture studio in Barre, VT for 38 years.

He has been chosen to create sculpture for municipalities, States, and educational institutions throughout the United States and Canada, including statues of Pope John Paul II, U.S. President Calvin Coolidge from Vermont, and Martin Luther King, Jr. He is equally comfortable designing sculpture using granite, marble, resin, or metal as a medium.

Frank Gaylord's latest composition at the Korean War Memorial is a moving reminder to all of us of the power of art. The Washington Post, in applauding his work, affirms that Gaylord's soldiers stand unpretentiously for the common soldiers of all wars.

I am proud that one of Vermont's native sons has bestowed this gift upon all of us, especially our Nation's deserving Korean war veterans.

I also ask that the text of a feature article about the Korean War Memorial

that appeared on July 22, 1995, in the Washington Post be reprinted in the CONGRESSIONAL RECORD following this statement.

[From the Washington Post, July 22, 1995]

A MARCH TO REMEMBER—MOVING MONUMENT TO KOREA VETERANS SURPASSES THE TORTURED HISTORY OF ITS DESIGN

(By Benjamin Forgey)

When the Korean War Veterans Memorial is dedicated next Thursday—the 42nd anniversary of the armistice ending the war—veterans and their families will be celebrating an honor long overdue.

They can also celebrate a work of beauty and power. Given the tortured history of the memorial's design, this seems almost a miracle. But there it is. Situated on proud symbolic turf southeast of the monument to Lincoln, in equipoise with the Vietnam Veterans Memorial to Lincoln's north, the Korean memorial is a worthy addition to the national Mall.

Despite some big flaws, our newest memorial is incredibly moving. And what could have been its most glaring weakness—a column of realistically sculpted soldiers in combat formation—turned out to be its major strength. Unheralded sculptor Frank Gaylord of Barre, Vt., created 19 figures that are convincing individually and as a group.

It is a case of art rendering argument superfluous. There were obvious dangers in the concept of a memorial featuring a column of battle-ready soldiers. If excessively realistic, they could be off-putting. If strung out in too orderly a row, they could be deadeningly static. And yet, if inordinately animated, they could be seen as glorifying war. Indeed, in one of Gaylord's early versions, they came perilously close to doing just that.

But in the end, none of this happened. Placed dynamically on a triangular field of low juniper shrubs and cast in stainless steel at a scale slightly larger than life, these gray, wary troopers unself-consciously invite the empathy of all viewers, veteran and nonveteran alike.

The sculptures and triangular "field of service" are one of three major elements in the memorial. With an American flag at its point, the field gently ascends to a shallow, circular "pool of remembrance" framed by a double row of braided linden trees. There also is a memorial wall." Made of huge slabs of polished black granite, each etched with shadowy faces of support troops—nurses, chaplains, supply clerks, truck drivers and so on—the 164-foot wall forms a subtly dramatic background for the statues. High on the eastern end of the wall, where it juts into the pool of water, is a terse inscription. Freedom is not free.

The memorial was designed by Cooper Lecky Architects of Washington—although, in an important sense, the firm acted like the leader of a collaborative team. Important contributions were made by Gaylord and Louis Nelson, the New York graphic designer of the memorial wall, and also by the Korean War Veterans Memorial Advisory Board and the reviewing agencies, especially the Commission of Fine Arts.

Not to be forgotten are the four architects from Pennsylvania State University who won the design competition back in the spring of 1989—John Paul Lucas, Veronica Burns Lucas, Don Alvaro Leon and Eliza Pennypacker Oberholtzer. This team dropped out after it became apparent that its original design would have to be altered significantly to pass muster with the advisory board, reviewing agencies and others. The team sued, and lost, in federal court.

Key elements of the competition design remain in the final product—particularly the central idea of a column of soldiers moving toward a goal. But the finished product is a big improvement over the initial scheme. It's smaller and more accomodating—not only was the number of soldiers cut in half (the original called for 38 figures), but also a vast open plaza was eliminated in favor of the contemplative, shaded pool. It's easier to get into and out of—the clarity of its circulation pattern is outstanding. Its landscaping is more natural—among other things, the original called for a grove of plane trees to be clipped "torturously," as a symbol of war. The symbolism of the memorial is now simple and clear.

Still, Cooper-Lecky and the advisory board went through many versions, and many heartbreaks, on the way to getting a design approved—and the finished memorial shows the strain of the long, contentious process. It cannot be said that this memorial possesses the artistic grandeur and solemnity of the Lincoln Memorial. It does not have the aesthetic unity of Maya Lin's Vietnam Veterans wall. It is not quite so compelling a combination of the noble and the everyday as Henry Merwin Shrady's Grant Memorial at the other end of the Mall. But this is to put the new memorial in elevated company—together with the Washington Monument, these are our finest expressions of memorial art. To say that the Korean War memorial even comes close is a tribute.

Without question, its worst feature is a sequence of parallel strips of polished black granite in the "field of service." Unattractive and unneeded, they threaten to reduce the soldiers' advance to the metaphorical level of a football game. And on one side of the field, they end in obtrusive, triangular blocks of granite, put there to discourage visitors from walking onto the granite ribbons. The junipers may in time cover the strips—at least, one can hope—but these bumps, unfortunately, will remain bumps.

The wall gets a mixed review. A clever if somewhat shameless adaptation of Maya Lin's idea—with faces rather than names etched in—it honors support troops, who always outnumber those on the front lines. It is beautifully made. The heads are real ones from photographs in Korean War archives, digitally altered so that the light source is always coming from the direction of the flag. The etching is wonderfully subtle: The faces seem to float in a reflective gray mist. The wall tugs the heartstrings, for sure, but it's also a bit obvious, a bit much. It has the feel of a superfluous theatrical trick.

Fortunately, the wall does not interfere too much with the sculpture, which from the beginning has been the primary focus of this memorial, It was an extraordinary challenge, one of the great figurative commissions of the late 20th century, and Gaylord came through. To walk down from the Lincoln Memorial and catch a first, apparitional glimpse of the soldiers, as they stalk from under the tree cover, is quite a thrill. Even from a distance and from the back, the gray figures are compelling.

And, as choreographed on that field, they become more compelling the closer you get until, with a certain shock, you find yourself standing almost within touching distance of the first figure: a soldier who involves you in the movement of the patrol by turning his head sharply and signaling—Beware!—with the palm of his left hand. He is a startling, daring figure and, with his taut face and that universal gesture of caution, he announces the beginning of a tense drama.

It is an old device, familiar in baroque painting and sculpture, to involve the viewer directly in the action by posture, gesture, facial expression. Gaylord adapted it masterfully here: The figures look through you or over your shoulders, enveloping the space beyond the memorial with their eyes. The air fairly crackles with the vitality of danger. The soldiers communicate tersely among themselves, too—in shouted commands or gestures and glances.

The most critical contact, though, may be that first one, between the visitor and that initial soldier. His mouth is open—you can almost hear him hissing an urgent command. You slow down, and then you behold the field before you. There is fatigue and alertness everywhere you look. Each figure and each face is as charged as the next. Appropriately, the gray metal surfaces are not polished and shined. Gaylord's rough treatment of the matte surfaces adds to the nervous intensity of the piece.

It is quite a feat to give such figures such a feeling of movement—they're only walking, after all, and they're carrying heavy burdens. But Gaylord performed that feat, 19 times—he proved himself a master of contrapposto, another time-honored sculptural technique. Underneath the gray ponchos and the weight of the stuff on their backs, these figures twist from hip to shoulder and neck. Some shift dramatically, some just enough, so that the ensemble takes on an extraordinary animation. Every gesture seems perfectly calculated to reinforce the irony. These ghostly soldiers in their wind blown ponchos seem intensely real.

Dedicated to the concepts of service, duty and patriotism, the new memorial stands in sharp contrast to its companion across the Reflecting Pool. But the Korean and Vietnam memorials make a complementary, not a contradictory, pair. In honoring the sacrifices of soldiers in Vietnam, Lin's great V-shaped wall invokes a cycle of life and death, and physically reaches out to the Mall's symbols of union and democracy.

The Korean War Veterans Memorial is more straightforward, and speaks directly of a specific time and place. Yet it attains an unmistakable universality of its own. Gaylord's soldiers (and Marines and airmen) served in Korea, yes. But they also stand unpretentiously for the common soldiers of all wars.