SENATE—*Thursday, March 28, 1996*

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

The PRESIDENT pro tempore. Today's prayer will be offered by Rev. Joan Thirkettle from San Diego, CA, Salvation Army of San Diego.

PRAYER

The Reverend Joan Thirkettle, Salvation Army of San Diego, offered the following prayer:

The world new each day, Almighty God, we give You thanks and praise. The days, months, and years You number and sustain. Your wisdom invites this Senate to share the daily administration of this Your United States. Your movement is heard in the walk of the people. The grass blows, the mountains tower, the waters slap the shores, all echo, You among us. Come with Your residence casting Your knowledge and dreams into the debates and decisions made for "We, the People." Take the deliberations of this body fueled with questions, doubts, and varying degrees of what is best and right, and bring consensus of shared patriot leadership for the Republic. It is You, God, who reigns. Guide these Senators as they champion justice, liberty, and peace. Counsel them as they speak, debate, and struggle with the complexities of domestic and global concerns. The mantle of trust is given these persons by the people, Mighty God. Help them carry this heavy mantle in the long hours of work and decision-making. Bring each Senator a calm and a confidence of heart this day and in the days to come. Thank You that You have made them ambassadors of Your work. Travel with them in peace. May their work declare Your intentions, Eternal God. This we pray, Lord, in Your name. Amen.

Mrs. BOXER addressed the Chair.

The PRESIDENT pro tempore. The distinguished Senator from California.

THE GUEST CHAPLAIN

Mrs. BOXER. Thank you so much, Mr. President. I will just take a moment of the Senate's time to say how really thrilled I am to have heard the prayer given by the Reverend Joan Thirkettle this morning. I want to thank the Senate Chaplain, Dr. Ogilvie, for inviting her here today at my request.

To hear the sounds of a woman's voice coming from that particular place in the Senate Chamber is not that usual, but it is becoming more usual as we see more and more women go into this field.

I also say that it is very important because this month we do celebrate Women's History Month. So it is quite appropriate the Reverend Thirkettle spoke to us today.

There is one last point I want to make. She has come a long way from San Diego, CA, a beautiful part of the world. She spends her waking hours helping high school students, helping with family reeducation, helping with reunification, helping with job readiness, working with children, working with the Salvation Army in charge of shelters for youth and running the Christmas toy drive. So this is a woman who lives her beliefs.

I listened to her words today. She offers us, I think, some very good guidance. I thank her, and I thank Dr. Ogilvie.

I yield the floor.

RESERVATION OF LEADER TIME

The PRESIDING OFFICER (Mr. CAMPBELL). Under the previous order, leadership time is reserved.

RECOGNITION OF THE ACTING MAJORITY LEADER

The PRESIDING OFFICER. The Senator from Indiana [Mr. LUGAR] is recognized.

SCHEDULE

Mr. LUGAR. Mr. President, on behalf of the majority leader, Senator DOLE, let me say, for the information of all Senators, the Senate will immediately resume consideration of the farm bill conference report under the remaining time agreement reached yesterday.

Following that debate, the conference report will be set aside, and the Senate will begin 30 minutes of debate regarding the cloture motion with respect to the Kennedy amendment to the Presidio legislation.

Following that debate, the Senate will begin a vote on the adoption of the farm bill conference report, to be followed immediately by a vote on invoking cloture with respect to the Kennedy amendment. Additional rollcall votes are possible throughout today's session of the Senate.

AGRICULTURAL MARKET TRANSITION ACT—CONFERENCE REPORT

The PRESIDING OFFICER. Under the previous order, the Senate will resume consideration of the conference report to accompany H.R. 2854, which the clerk will report.

The assistant legislative clerk read as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 2854) a bill to modify the operation of certain agricultural programs, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses this report, signed by a majority of the conferees.

The Senate resumed consideration of the conference report.

The PRESIDING OFFICER. The Senator from Indiana [Mr. LUGAR], is recognized.

Mr. LUGAR. Mr. President, yesterday in the beginning of the debate on the farm bill conference report, much of the debate centered upon title I, which is the Agricultural Market Transition Program. And, indeed, this is an extraordinarily important title for producers in this country. Senators reviewed the fact that the new farm bill will offer maximum flexibility to farmers in choosing what crops to plant and how many acres they will plant to meet market conditions in this country and in the world.

Likewise, the nonrecourse marketing assistance loans will remain. They are a safety net, as well as a method of managing income and operations, for producers.

Not mentioned yesterday, but clearly still in the farm bill, is a peanut program, modified somewhat during debate in both the House and the Senate, a sugar program and a milk price support and marketing order program. The Federal Dairy Export Program, the northeast dairy compact, payment limitations, commodity credit all come under this title I, the Agricultural Market Transition Program. I have no doubt, Mr. President, there will be more debate on that issue this morning. But I want to center on additional aspects of the farm bill that are extraordinarily important to all Americans.

Title II, the trade title, contains Public Law 480 and related programs. The conference report reauthorizes Food for Peace and allows private sector participation for the first time. The Food Security Wheat Reserve is renamed the "Food Security Commodity Reserve" to reflect that corn, rice, and sorghum are added as eligible commodities. A 4-million-metric-ton cap is placed on the reserve and access to reserve commodities is made easier.

Mr. President, there is also a provision for agricultural trade. The conference agreement reauthorizes several trade and export programs, with additional emphasis on high-value and

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

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value-added products. The Secretary is directed to monitor compliance with the agriculture provisions of the Uruguay round agreement of GATT and report violations to the United States Trade Representative. Agriculture producers are given additional protection against economic effects of agricultural embargoes.

In addition, several unnecessary and outdated provisions of Federal agricultural trade law are repealed.

The trade title contains a market access program. The Market Promotion Program is renamed the "Market Access Program" to more accurately reflect program goals. Expenditures are capped at $90 million per year, and reforms are implemented to restrict participation to small businesses, farmer-owned cooperatives, and agricultural groups.

The Export Enhancement Program is contained in title II. EEP expenditures are capped at $350 million a year in 1996; $250 million in 1997; $500 million in 1998; $550 million in 1999; $579 million in 2000; $478 million in 2001 and 2002.

For the years 2000 to 2002, the funding levels for EEP represent the maximum allowable expenditures under GATT. In addition, the Secretary is given authority to subsidize the export of intermediate value-added products.

Title III of the farm bill contains the conservation programs and, first of all, of course, is the Conservation Reserve Program, the CRP, which gives the Secretary authority to enter into new contracts and to extend CRP contracts. The authorized maximum acreage in CRP is maintained at 36.4 million acres. It also allows participants to terminate CRP contracts, except on those lands that are deemed to be of high environmental value. Funds saved due to termination of contracts may be used by the Secretary to enroll new lands in the program.

I point out, parenthetically, Mr. President, this arguably is the largest conservation program, including one of the most important environmental aspects the Senate will adopt this year.

The Wetlands Reserve Program is retained with modifications to encourage the use of temporary easements and cost-share restorations.

The Environmental Quality Incentive Program [EQIP], is instituted. This program targets approximately $1.2 billion over 7 years to assist crop and livestock producers to deal with environmental and conservation improvements on their farms. Assistance can be used for animal waste management facilities, terraces, waterways, filterstrips or other structural and management practices to protect water, soil, and related resources. Assistance to individual operations is capped at $10,000 a year, for a maximum of 5 years. Large operators, as defined by the Secretary, will be ineligible for assistance.

Other new conservation programs include the Farms for the Future Program providing $35 million to preserve farmland from commercial development. A new conservation farm option offers producers an additional alternative in meeting conservation goals. A Flood Risk Reduction Program is also included to provide farmers incentives to take out of production frequently flooded lands.

The Conservation Compliance Reform Program gives producers enhanced flexibility to modify conservation practices if they can demonstrate that the new practice achieves equal or greater erosion control. Variances from conservation compliance can now be granted on account of adverse weather or disease, and program payment penalties can be adjusted to be commensurate with the violation.

Swampbuster reform is included in title III. The Natural Resources Conservation Service is designated to lead Federal agencies in wetlands delineation and regulation on grazing lands. The agreement stipulates that current wetlands delineations remain valid until a producer requests a review. Penalties can now be adjusted to fit the wetlands violation. Exceptions can be granted for good faith. And wetlands mitigation options are expanded.

Title IV, a very important title, is the Federal Food Stamp Program. The conference agreement reauthorizes the Food Stamp Program for 2 years while Congress continues to work on comprehensive welfare reform legislation.

Mr. President, this issue has come before this body at least twice before. First of all, in the form of the Balanced Budget Act, where the food stamp provisions were a part of the farm bill and likewise a part of welfare reform. The Senate has considered separately welfare reform with food stamp provisions in that legislation.

As the Chair knows, in the case of both the welfare reform and the Balanced Budget Act, President Clinton vetoed this legislation. Therefore, it has been set aside. This farm bill recaptures now and reauthorizes the Food Stamp Program for 2 years pending action either in our committee, that is, the Agriculture Committee, or action by the Congress with regard to welfare reform that might encompass the Food Stamp Program.

Title V is a miscellaneous title, but an important one in the collection of programs that come under it. Crop insurance is one of these programs. The conference agreement eliminates the mandatory nature of catastrophic crop insurance, but requires producers to waive all Federal disaster assistance if they opt not to purchase catastrophic insurance. Dual delivery of crop insurance is eliminated in those States that have adequate private crop insurance delivery.

The bill corrects a provision of current law by amending the Federal Crop Insurance Act to include seed crops. Eligibility to purchase crop insurance is no longer linked to conservation compliance and swampbuster for producers who choose not to participate in the farm programs.

The Office of Risk Management is provided for. We establish in this legislation, within the Department of Agriculture, the Office of Risk Management to oversee and supervise the Federal Crop Insurance Corporation. The bill directs the Secretary to establish a business interruption insurance program that allows producers of program crops to obtain revenue insurance coverage. The Options Pilot Program is also extended through the year 2002. The Office of Risk Management is charged with oversight of these pilot programs.

Mr. President, the farm bill includes an Everglades Agricultural Area provision. The conference agreement provides $200 million for land acquisition in the Florida Everglades for the purpose of environmental restoration. An additional $100 million in Federal support will be financed through the sale or swap of other federally held land in Florida.

The farm bill provides a fund for rural America. And $300 million is provided for the fund in the years 1997 through 1999. This was a request of the President of the United States, and the Secretary of Agriculture placed a high priority on this fund. The Secretary is required to spend at least one-third of the amount on research and one-third of the amount on rural development. The other one-third of the money can be allocated to either purpose at the discretion of the Secretary. All of the funding must be spent through existing research and rural development programs.

The Agricultural Quarantine and Inspection provision appears in the conference report, which amends the Food, Agriculture, Conservation and Trade Act of 1990 to allow the Secretary to collect and spend fees collected over $100 million to cover the cost for providing quarantine and inspection services for imports.

The Safe Meat and Poultry Inspection Panel is created in this farm bill. The Panel of scientists within the Food Safety and Inspection Service will be charged with the responsibility of reviewing all inspection policies from a scientific perspective. The Panel's report and the Secretary's responses must be published in the Federal Register. State-inspected meat was discussed in our conference report. Within 90 days of enactment, the Secretary shall report and recommend to the Congress the steps necessary to achieve interstate shipment of State-inspected meat products.

Title VI of the conference report deals with USDA Farm Lending Program reforms. The conference report

redirects farm lending programs to their original intent. Authority to make loans for a variety of nonagricultural purposes such as recreation facilities and small business enterprises is repealed. The Secretary is given authority to use collection agencies to recover delinquent loans. The agreement prohibits additional loans to delinquent borrowers and streamlines procedures for disposal of inventory property. A portion of loan funding is reserved for new and beginning farmers.

I point out, Mr. President, that that set of provisions comes after extensive hearings by the Agriculture Committee in which we found that borrowers sometimes are already delinquent and the Department was obligated, under previous law, to lend money to them in any event. Some of these obvious, glaring deficiencies have been corrected. I commend both committees and the conference for that provision.

Title VII deals with rural development. The Rural Community Advancement Program is authorized, and the Secretary may provide grants and direct and guaranteed loans and other assistance to meet rural development needs across the country. Funding under the Rural Community Advanced Program will be allocated to three areas: First of all, rural community facilities; second, rural utilities; and, third, a rural business and cooperative development. The new program provides greater flexibility, State and local decisionmaking, and a simplified uniform application process.

The Water and Waste Water Systems. Authorization for these systems is increased from $500 million to $590 million.

In telemedicine and distance learning programs, the conference agreement reauthorizes and streamlines these programs. Under the programs, the Secretary can make grants and loans to assist rural communities with construction of facilities and services, to provide distance learning and telemedicine service. Funding is authorized at $100 million annually.

Title VIII is the research title. The conference agreement reauthorizes Federal agricultural research, extension, and education programs for 2 years. This will allow Congress to continue ongoing review of these programs and determine how best to use the $1.7 billion in annual agricultural research, extension, and education spending. Additional research dollars are made available under this bill through the fund for rural America that I discussed earlier and which President Clinton and Secretary Glickman have championed.

Title IX, promotion, the generic commodity promotion program. The Secretary is directed to establish such a program. Under this program, interested industries could petition the Department of Agriculture for the establishment of a promotion program. Currently, each commodity must receive specific authorization from Congress to have a promotion program. Recognizing the generic program will not be operational for some time, the conference agreement authorizes new promotion programs for popcorn, canola, and kiwi fruit.

The full conference report was printed, I point out, Mr. President, in the CONGRESSIONAL RECORD of Monday, March 25, 1996, so that Senators have had an opportunity to review this conference report. The report came after discussion of as many as 500 differences between the House and the Senate bills. During an extensive and constructive conference of the two bodies last Wednesday and last Thursday, all issues were resolved. It is in that spirit that this conference report came to the Senate last evening and for further debate today.

Mr. President, let me simply review the fact that the time limit covering this report is 6 hours. Three of those hours are controlled by the distinguished Democratic leader, Senator DASCHLE, an hour by the ranking Democratic member of the Agriculture Committee, and 2 hours by myself. Approximately an hour and a quarter of debate occurred last evening. The remainder of the debate lies ahead of us. Hopefully, Senators who are controlling that time would be prepared to yield back that time to expedite the work of the Senate.

PRIVILEGE OF THE FLOOR

Mr. LUGAR. Mr. President, I ask unanimous consent that Patrick Sweeney, an employee of the General Accounting Office who has been detailed to the Agriculture Committee, be granted privilege of the floor during the pendency of consideration of the farm bill conference report.

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

Mr. LUGAR. Noting no other Senators prepared to debate the issue, I suggest the absence of a quorum, with the time to be equally charged against the time allocated to the three Senators controlling time in this bill.

The PRESIDING OFFICER. The clerk will call the roll. The assistant legislative clerk proceeded to call the roll.

Mr. LEAHY. 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. LEAHY. Mr. President, I ask to take time that has been allotted to me under the unanimous consent agreement.

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

Mr. LEAHY. Mr. President, we spent a lot of months of very, very hard work to craft this farm bill. Today, we are completing the final legislative step in the farm bill process. I am glad that Secretary Glickman has said that he will recommend that the bill be signed.

The Secretary is one of the most knowledgeable Secretaries of Agriculture with which I have ever worked. He has been a Member of the Congress. He has worked on many farm bills. He knows, as I do, that nobody ever gets everything they want in a farm bill. You have to bring in a number of competing interests and ultimately make a judgment of whether the bill should be signed or not. I believe it should be signed. I concur with his judgment.

I am also pleased that the President said he would sign the farm bill. In my discussions with the White House and with the Secretary, I have told them this is a good bipartisan bill that proves we can work together.

We were in a situation, Mr. President, where we were not going to be able to pass a Democratic or a Republican farm bill. However, if we worked as we have in the past in a bipartisan fashion, we could pass a very good farm bill.

There are many who had a hand in this legislation. First and foremost of those is the chairman of the Senate Agriculture, Nutrition and Forestry Committee, the senior Senator from Indiana, Senator LUGAR.

Had it not been for his energy, foresight and perseverance, we would not be on the floor today with a completed conference report. The Agriculture Committee is made up of members with very diverse and, I might say, occasionally conflicting interests. For those who know the Agriculture Committee as Senator LUGAR and I do, that is probably considered an understatement. The Senate has some committees that divide along ideological lines and one can almost predict how a vote might go.

That is not the case in the Senate Agriculture Committee. Conservatives join with liberals on various issues; conservatives break with conservatives; liberals break with liberals; moderates oftentimes have a balance of power; regions have interests that conflict with other regions. This is not a case of ideological balances. This is a case of trying to balance the different needs of different parts of our great and wonderful Nation.

Throughout the year, Chairman LUGAR worked closely with members to craft a bill that provides us with the basic road map for agriculture policy. I appreciate both his leadership and his friendship. The bill recognizes that farm policy has changed. It cannot be just about the production side of agriculture. It is about the consumption side of agriculture, too.

The bill provides important protection to consumers in key environmental conservation issues. The focus

is on providing incentives to get farmers to voluntarily do the right thing for the environment, their communities, and their neighbors.

It is a major step away from the old focus of mandatory, detailed regulations. The conservation provisions break with the past. They will provide cash payments to farmers for improvements that make sense for their farms. The bill will help farmers do those things that farmers know should be done. The bill contains the Environmental Quality Incentives Program, EQUIP, to assist farmers in solving critical water quality problems, for those farmers who want to protect lakes, rivers, and the ground water important to both them and their neighbors. This means that farmers will get funds to protect the groundwater that their neighbor's children drink.

There is $300 million in new spending to restore the Florida Everglades which is one of America's national treasures.

All of us should agree, whether we are from Florida or not, that we need to restore the Florida Everglades to its full glory.

There is a $35 million initiative to buy easements sold by willing sellers, on farmland threatened by development. This voluntary program, called Farms for the Future in Vermont, allows farm families to save their farmland for their children.

The bill contains a conservation farm option that will encourage farmers to use good conservation methods. I am pleased that, despite efforts to phase out the Conservation Reserve Program, we were able to save it. It is the Nation's largest, and most successful, private land conservation program.

I also want to mention dairy. Let me speak not as the ranking member of the committee, but as a Vermonter.

I know the farmers in Vermont. They work very, very hard. They rise early every morning and work late into the night just to get their milk into the market. I have sat in the kitchens of farm houses throughout Vermont and talked with the farmers, the women and men, and their sons and daughters, who run these dairy farms. I have gotten up with them at 4 o'clock in the morning and gone into the barns and helped them do their chores and milking. One farmer said I probably made a better Senator than I did a hired hand.

I was helping Bob Howrigan bring a couple different herds in different fields. As I helped him bring one of the herds across to the milking shed, I said, "Bob, I got that herd in for you, and I probably only lost a couple cows on the way over."

He said, "PAT, I appreciate it. If I keep you around a few weeks I can get out of farming altogether."

That is the kind of humor that goes on. These are people who work harder than anybody else I know. These are small family farms. They dot the New England countryside. They are a beautiful part of our heritage. But they exist only if they work hard and efficiently.

So I am pleased this bill includes an issue very important to my region, the Northeast Interstate Dairy Compact. Farmers in my State are not looking for handouts.

All they want is a farm bill that gives them a fair price for an honest day's work. They will work harder than anybody else, but they ought to be recompensed for that work. I am tired of the person in the middle getting all the profits and the typical Vermont farmer going almost 15 years without any kind of a price increase.

This compact is the last best hope of preserving Vermont's heritage. Dairy farmers work harder than anyone I know. Cows have to be milked 7 days a week. It does not make a difference whether it is 25 degrees below zero, as it is often in Vermont, or 5 o'clock in the morning. It makes no difference. The cows have to be milked.

I commend Chairman LUGAR for his help on the dairy compact. I commend the other members of the Vermont delegation. Interestingly enough, we are a State where one-third of our delegation is independent, one-third is Republican, and the remaining third is me. We came together, all three of us, to work for this. Chairman LUGAR talked to farmers in Vermont. He knew how important it was. After years of debate in Congress, we finally have a farm bill that gives them the dairy compact.

I want to remind everyone that while retail prices for dairy products have increased 30 percent, farm prices have actually decreased 5 percent. I want to also point out that although the price of a half gallon of milk has gone from $1.19 to $1.59 over the past 15 years, the farmer's share has remained at just 59 cents.

The dairy compact establishes a system which gives the States and local farmers control over their lives.

It will ensure that New England consumers can find milk in their supermarkets at fair prices.

It will also provide family farmers throughout the region with a decent living, so that they will be able to pass on their farms to their children and their children's children.

Instead of a national standard imposed by the Federal Government, the dairy compact allows local citizens, farmers and officials to make local decisions on milk. That is good for dairy farmers, good for Vermont and good for America.

Mr. President, I ask unanimous consent that a resolution in support of the compact from the New England Governors, letters in support of the compact from various groups in Vermont, the vote totals in each of the State legislatures be printed in the RECORD.

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

NEW ENGLAND GOVERNORS' CONFERENCE, INC.,
Boston, MA, February 13, 1995.

Hon. PATRICK J. LEAHY,
Russell Senate Office Building, Washington, DC.

DEAR SENATOR LEAHY: I understand the Northeast Interstate Dairy Compact awaits action by the full Senate. On behalf of the New England Governors' Conference, Inc., I write to ask your help in moving the Compact bill forward as quickly as possible.

The attached Resolution of the New England Governors' Conference, Inc. was adopted unanimously at our recent meeting in Washington, D.C.

The Dairy Compact has been enacted into law by the six New England states. We hope you will support this unique experiment in cooperative federalism. The Compact is a bipartisan, state-sponsored, regional response to the chronic problem of low dairy farm prices. If successfully implemented, the Compact will stabilize our region's dairy industry and reinvigorate this crucial segment of our rural economy, without cost to the federal government or adverse impact on the national industry.

Thank you for your consideration of this matter.

Very truly yours,

WILLIAM A. GILDEA,
Executive Director.

RESOLUTION 127—NORTHEAST DAIRY COMPACT

A Resolution of the New England Governors' Conference, Inc. in support of congressional enactment of the Northeast Dairy Compact.

Whereas, the six New England states have enacted the Northeast Interstate Dairy Compact to address the alarming loss of dairy farms in the region; and

Whereas, the Compact is a unique partnership of the region's governments and the dairy industry supported by a broad and active coalition of organizations and people committed to maintaining the vitality of the region's diary industry, including consumers, processors, bankers, equipment dealers, veterinarians, the tourist and travel industry, environmentalists, land conservationists and recreational users of open land; and

Whereas, the Compact would not harm but instead complement the existing federal structure for milk pricing, nor adversely affect the competitive position of any dairy farmer, processor or other market participant in the nation's air industry; and

Whereas, the limited and relatively isolated market position of the New England dairy industry makes it an appropriate locality in which to assess the effectiveness of regional regulation of milk pricing, and

Whereas, the Constitution of the United States expressly authorizes states to enter into interstate compacts with the approval of Congress and government at all levels increasingly recognizes the need to promote cooperative, federalist solutions to local and regional problems; and

Whereas, the Northeast Interstate Dairy Compact has been submitted to Congress for approval as required by the Constitution; Now therefore be it *Resolved*, That the New England Governors' Conference, Inc. requests that Congress approve the Northeast Interstate Dairy Compact; and be it further *Resolved*, That, a copy of this resolution be sent to the leadership of the Senate and the House of Representatives, the Chairs of the

appropriate legislative committees, and the Secretary of the United States Department of Agriculture.

Adoption certified by the New England Governors' Conference, Inc. on January 31, 1995.

STEPHEN MERRILL,
Governor of New Hampshire,
Chairman.

VERMONT PUBLIC INTEREST RESEARCH GROUP,
Montpelier, VT, March 29, 1995.

Re Support for the Northeast Interstate Dairy Compact.

Hon. PATRICK LEAHY,
87 State Street,
Montpelier, VT.

DEAR SENATOR LEAHY: Thank you for your efforts last year to move the Northeast Interstate Dairy Compact through the Senate. VPIRG appreciates that those efforts fell prey to gridlock in Congress. Notwithstanding, we strongly support the Compact—we see it as a means to sustain family farms and agriculture in Vermont. We were thus heartened to see your co-sponsorship of Senate Joint Resolution 28 on March 2nd, and ask you to help accelerate its movement through Congress.

We know that passage will not be easy. But the time is right for a strong push. We need your help more than ever. The mood of Congress is to return power to the states and, in the case of the Compact, allow states greater power to manage their own affairs collectively. Please take advantage of this opportunity to promote passage of the Compact at the earliest time possible.

Time is of the essence—Vermont dairy farmers are in trouble. We read that the Vermont Department of Agriculture reported a loss of 50 more dairy farms in January and February alone, bring the total to below 2,000 farms. If anything, the rate of loss seems to be increasing, and this is of great concern to our club members.

In addition to their direct input into the economy. Vermont dairy farms add to the aesthetic quality of the state. And financially stable farms are better able to deal with agricultural run-off problems and important regulations to deal with non-point pollution. Family-owned dairy farms are also a significant part of Vermont's heritage and it is important that they continue to operate here.

Again, thank you for your efforts in supporting the Compact. We are behind you 100%!

Sincerely,

KATHERINE M. VOSE,
Executive Director.

VERMONT FEDERATION OF SPORTSMEN'S CLUBS, INC.,
April 13, 1995.

Senator PATRICK LEAHY,
87 State Street,
Montpelier, VT.

DEAR SENATOR LEAHY: Thank you for your efforts last year to move the Northeast Interstate Dairy Compact through the Congress. We appreciate that those efforts fell prey to gridlock. Notwithstanding, the Vermont Federation of Sportsmen Clubs, Inc. continues to strongly support the Compact—we see it as a reintroduction of Senator Joint Resolution 28 on March 2nd, and ask you to help accelerate its movement through Congress.

We know that passage will not be easy. But the time is right for a strong push. The mood of Congress is to return power to the states and, in the case of the Compact, allow states greater power to manage their own affairs collectively. Please take advantage of this opportunity to promote passage of the Compact at the earliest time possible.

Time is of essence for an even more critical reason—Vermont dairy farmers are in trouble. We read that the Vermont Department of Agriculture reported a loss of 50 more dairy farms in January and February alone, bring the total to below 2000 farms. If anything, the rate of loss seems to be increasing, and this is of great concern to our club members.

In addition to their direct input into the economy. Vermont dairy farms add to the aesthetic quality of the state. Tourism and recreational opportunities are enhanced by the open space provided by farms, Family owned dairy farms are a significant part of Vermont's heritage and it is important that they continue to operate here.

Again, thank you for your efforts in supporting the Compact. We are behind you 100%!

Yours in Sportsmanship,

RALPH BUCHANAN,
Secretary, VFSC.

BOURDEAU BROS., INC.,
Champlain, NY.

Re Support for the Northeast Interstate Dairy Compact.

Senator PATRICK LEAHY,
87 State Street,
Montpelier, VT.

DEAR SENATOR LEAHY: Thank you for your efforts last year to move the Northeast Interstate Dairy Company through the Senate. We appreciate that those efforts fell prey to gridlock in Congress. Notwithstanding, Bourdeau Brothers, Inc. continues to strongly support the Compact—we see it as a means to sustain family farms and agriculture in Vermont and the Northeast. A substantial part of our feed and fertilizer business is with Vermont farmers and they need help! We were thus heartened to see the reintroduction of Senate Joint Resolution 28 on March 2nd, and ask you to help accelerate its movement through Congress.

We know that passage will not be easy. But the time is right for a strong push. The mood of Congress is to return power to the states and, in the case of the Compact, allow states greater power to manage their own affairs collectively. Please take advantage of this opportunity to promote passage of the Compact at the earliest time possible.

The Compact is a unique piece of legislation and is clearly a regional solution to a regional problem. In the long-run, it benefits both consumers and producers. It complements the existing federal program, and even has a provision to discourage overproduction. It's a work of art.

Again, thank you for your efforts in supporting the Compact. We are behind you 100%!

Sincerely,

GERMAIN BOURDEAU,
President.

VERMONT HOUSING AND CONSERVATION COALITION,
Montpelier, VT, April 13, 1995.

Senator PATRICK LEAHY,
87 State Street,
Montpelier, VT.

DEAR PAT: I am writing on behalf of the Vermont Housing and Conservation Coalition to support passage of the Northeast Interstate Dairy Compact legislation. The Coalition is a group of land conservation and affordable housing organizations, including the Vermont Land Trust, that have been instrumental in the creation of the Vermont Housing & Conservation Trust Fund and in the implementation of its program. In less than eight years, that program has permanently protected more than 125 operating farms in Vermont through the acquisition of conservation easements, and the momentum is growing. Over a third of the transactions have involved the transfer of the farm from one generation of owners to the next, which is a key element in maintaining the long-term viability of the agricultural industry in this state.

But that is not the only key element, as you well know. What is also critically important, especially with dairy farming continuing to be the largest sector of Vermont agriculture, is that farmers receive a fair price for their product. If milk prices continue at their present disastrously low levels, Vermont may see a drastic shrinkage in its number of family farms. Even if much of that land is absorbed into other stronger farm operations, Vermont will have lost some of the fabric which makes this state so special.

Congress has been moving in the direction of returning more control to the States. It is therefore highly significant that the six New England States have all adopted the legislation endorsing the compact. The only barrier to returning some sense of fairness and control over milk prices is Congress' authorization.

I understand that the Joint Resolution has been reintroduced in the House and Senate. I hope you will do all you can to push for its passage by Congress at the earliest possible time. Time is short. An officer at the Farm Credit Association, who works with many farmers and is a strong advocate of Vermont's program to purchase development rights on farmland, recently told me that Vermont may lose as many as 800 farms in the next five years. He felt that the next 12–18 months will be the most difficult. We cannot afford to wait for the Compact legislation.

Thank you for your support. With best wishes.

Sincerely,

DARBY BRADLEY,
Co-Chair.

VERMONT SKI AREAS ASSOCIATION,
Montpelier, VT, April 11, 1995.

Re Northeast Interstate Dairy Compact.

Senator PATRICK LEAHY,
87 State Street,
Montpelier, VT.

DEAR SENATOR LEAHY: As you well know, tourism and agriculture in Vermont are mutually dependent industries. More and more, these two industries depend on the health and prosperity of each other. For as long as I can remember, the Vermont ski industry has taken a keen interest in the health and stability of Vermont's dairy farms. We not only share a working landscape, but we also share common markets as well as common values.

On behalf of Vermont ski areas, I want to thank you for your continued support of the Northeast Interstate Dairy Compact. Solving our financial problems within the dairy industry will challenge us for a generation to come, but there is little question that an essential first step is the passage of legislation creating the Northeast Interstate Dairy Compact.

I urge you to give this matter special attention in a very busy legislative session. We

in Vermont's ski industry know, perhaps better than ever, what hard economic times can mean and want to lend our voice of support to the enactment of this legislation at the earliest possible date.

Sincerely,

JOSEPH A. PARKINSON,
Executive Director.

VERMONT CURRENT USE
TAX COALITION,
Montpelier, VT, March 30, 1995.

Hon. PATRICK LEAHY,
87 State Street,
Montpelier, VT.

DEAR SENATOR LEAHY: We appreciate your efforts of last year to try to obtain passage of the Northeast Interstate Dairy Compact legislation. Congress did not see fit to act on the legislation. We still believe this legislation deserves your strong support and so urge you to help accelerate Senate Joint Resolution 28 through Congress.

It is clear that passage will not be easy against western and mid-western determination to hold onto control of milk pricing structures over the entire country. But, we believe that if agriculture is to be sustainable over the foreseeable future in New England, we must be able to set prices for our products based on production costs in New England, not in the corn belt, or on vast federal range lands of the west. The dairy industry should lead the way; the other agricultural sectors will follow.

It appears that now is not only an opportune time to press this legislation because of the general mood on federal deregulation and greater empowerment of the states to manage their own affairs, but also because Vermont agriculture, and dairy farms in particular, are undergoing increasingly difficult financial times. Vermont lost 50 more dairy farms in the first two months of this year. Where is it going to end?

The Compact was adopted with near-unanimous support by the six New England state legislatures. The Current Use Tax Coalition supported the process then, and we continue to believe that if agriculture is to remain an active part of our lives in Vermont this key piece of legislation must be passed.

Thank you for your efforts on behalf of Vermont agriculture.

Sincerely,

DAVID A. MCDONOUGH,
Chair, Current Use Tax Coalition.

NATIONAL BANK OF MIDDLEBURY,
Middlebury, VT, April 3, 1995.

Hon. PATRICK LEAHY,
U.S. Senator, State Street,
Montpelier, VT.

DEAR SENATOR LEAHY: Thank you for your efforts last year to move the Northeast Interstate Dairy Compact through the legislature. National Bank of Middlebury continues to strongly support the Compact, and we are pleased to see the re-introduction of Senate Joint Resolution #28 on March 2, We know that passage will not be easy. However, the Compact has received near unanimous support from the six New England state legislatures. There is a clear regional mandate to solve this problem.

Time is of the essence because Vermont dairy farmers are in trouble. The Vermont Department of Agriculture reported a loss of 50 more dairy farms in January and February alone bringing the total farms in Vermont to below 2,000 in number. We will see one of our customers added to the list of casualties in June. The "loss-of-farms" rate is alarming for the industry, but also for the state economy. It is unclear how much farming contributes to the tourism economy and the postal nature of Vermont. Our instincts tell us it is immeasureable. So, we urge you to promote passage of the Compact at the earliest time possible. Thank you for your efforts in supporting the Compact.

Sincerely,

G. KENNETH PERINE,
President.

NORTHEAST INTERSTATE
DAIRY COMPACT COMMITTEE,
Montpelier, VT.

INTERSTATE COMPACT LEGISLATIVE PROCESS

Connecticut: (P.L. 93-320) House vote = 143-4; Senate vote = 30-6. (Joint Committee on Environment voted bill out 22-2; Joint Committee on Government Administration and Relations voted bill out 15-3; Joint Committee on Judiciary voted bill out 28-0)

Maine: Originally adopted Compact enabling legislation in 1989 (P.L. 89-437) Floor votes and Joint Committee on Agriculture vote not recorded. The law was amended in 1993. (P.L. 93-274) House vote = 114-1; Senate vote = 25-0. (Joint Committee on Agriculture vote not recorded)

Massachusetts: (P.L. 93-370) Approved by unrecorded voice votes.

New Hampshire: (P.L. 93-336) Senate vote = 18-4; House vote unrecorded voice vote; (Senate Committee on Interstate Cooperation vote-unrecorded voice vote; House Committee on Agriuclture voted bill out 17-0)

Rhode Island: (P.L. 93-336) House vote=80-7; Senate vote = 38-0. (House Committee on Judiciary voted bill out 11-2; Senate Committee on Judiciary voice vote not recorded.)

Vermont: Originally adopted Compact in 1989 (P.L. 89-95) House vote = unanimous voice vote; Senate vote = 29-1. The law was amended in 1993. (P.L. 93-57) Floor voice votes, and House and Senate Agriculture Committee voice votes, not recorded.

Mr. LEAHY. Mr. President, the bill expands a great program in Vermont called the Farms for the Future.

Vermont's dairy farms are part of what makes Vermont so special. That is why I want to help Vermont farm families keep their land in agriculture through the Farms for the Future Program.

I included this program in the 1990 farm bill, and since then, Vermont has purchased the development rights for nearly 100 farms throughout the State.

Let me put that another way—nearly 100 Vermont farmers received cash payments under this program. This kept their land in farming.

I am pleased that this bill contains $35 million more for farmland protection programs throughout the Nation.

While this bill has many accomplishments, I wish we could have done even more in environmental areas. For example, the Wetlands Reserve Program places a lower cap on enrollments than the bill passed by the Senate.

Retaining the Senate's cap would have provided further environmental insurance to future generations.

The committee I sit on is called the Agriculture, Nutrition, and Forestry Committee for a reason.

We have a long bipartisan history of making sure every child in our Nation—whether they are rich or poor—has enough to eat.

While agriculture programs now extend for 7 more years, one of our most important child nutrition programs, food stamps, will expire 2 years from now.

Fourteen million children benefit from the Food Stamp Program. I fear that our precious children—those least able to defend themselves in our society—will be at risk in 2 years. I intend to work with Senators LUGAR, DASCHLE, DOLE, and others to make certain that this does not happen.

Mr. President, in closing, while this bill adopts important new provisions in farm policy, we must be careful about patting ourselves too much on the back. There are important areas in conservation, the environment and nutrition where we have failed to go the extra step.

Although this bill is called the farm bill, it affects every American every day of their lives. What we pass today will impact families when they take a vacation to one of our national parks, spread a picnic lunch under a tree, bit into a sandwich or drink a glass of juice.

The 2 million farmers are important and this bill will serve them well.

But we cannot forget that farm policy affects the more than 250 million Americans who are concerned about the environment, conservation, and important nutrition programs.

In the last year partisan fights on the budget and other issues have tied up Congress and shut down the Government on two occasions. We all realize that is not the way to govern. That is why last month, when it appeared that the farm bill would be caught in the same trap, I decided to act.

With Senator LUGAR and Senator DOLE, I offered a bipartisan farm bill with strong conservation, environmental and nutrition provisions. I am proud that a bipartisan step led to this final bill. I want to also thank Chairman ROBERTS for his efforts in working with me at conference. His freedom-to-farm idea has captured the hearts of many thousands of farmers through America.

This is Congressman KIKA DE LA GARZA's last farm bill, as it is the last farm bill for Senator PRYOR and Senator HEFLIN. I have greatly enjoyed working with all of them over the years.

Let me focus on the conservation provisions for a moment. They are different from most—they will provide cash payments to farmers for improvements they would want to make anyway.

One program is a voluntary program of payments to Vermont farmers who want to protect Lake Champlain, or protect rivers or other lakes near their fields. It is also a voluntary program for farmers around the Nation.

It can be expensive to manage your land. Some may need assistance in getting the job done right. That is why Senator LUGAR and I designed a conservation program called EQUIP. It cuts redtape and guarantees funding for conservation assistance for the next 7 years.

This is voluntary assistance that will be available if you need it. It can help Vermont farmers comply with the State's new accepted agricultural practices.

We are in this together. We want to keep our streams full of trout. We want to make sure St. Albans Bay, Lake Memphremagog, and Missiquoi Bay are clean for everyone to enjoy. This bill also protects lakes and rivers in all States.

Keeping our State and regional dairy industry strong is the driving force behind the Northeast Dairy Compact. Working together is how we have gotten so far. At a later date I will thank all those involved in getting the dairy compact approved.

Today I want to thank the agriculture committee chairmen in Vermont, Senator Tom Bahre and Representative Bobby Starr, Governor Dean, Commissioner Graves, Congressman SANDERS, and the hundreds of dairy farmers in Vermont who worked with me on getting the job done. And I want to say a special thanks to JIM JEFFORDS. He and I have worked side by side throughout this fight.

I also need to highlight the role of Danny Smith. He came down to Washington and worked directly with me on getting the compact included in the final bill. His support was vital.

The compact has come a long way, from the State legislatures of New England, to the Congress.

Vermonters and all of New England know the importance of the dairy industry. But in New England people know that the dairy compact is more than helping farmers, and helping the dairy industry in the region.

To New Englanders, a vital rural agricultural economy is part of both the heritage they treasure and the future in which they believe.

This bill represents real reform of Federal dairy policy. This bill phases down dairy price supports saving more than $300 million, more than 20 percent compared to the baseline. This bill fully funds the Dairy Export Incentive Program and poises the U.S. dairy industry to capture expanding world markets.

The Federal milk orders remain in place but mandates their reform and consolidated the current number of 33 by about two-thirds. I am concerned that the Secretary has been given only 3 years to complete this process. These provisions were hard fought compromises addressing the concerns of farmers, processors, consumers, and the various regions. No region or interest group is completely satisfied, but that is the sign of a good compromise.

A major thrust of this bill is to reduce regulations that are imposed on farmers and ranchers. It reduces conservation regulations and farm program regulations.

The conference report gives farmers a lot more flexibility to decide what crops to plant. That means farmers will be able to choose the crop rotations that are best for their farms, rather than planting to meet the requirements of the farm program.

The bill eliminates existing penalties for producing hay and other resource-conserving crops, so the environment should benefit as well.

The conference report also brings to an end the practice of requiring farmers to idle productive cropland. No longer will USDA decide each year how much land a farmer must set aside to get farm program payments. From now on, the Government will pay farmers to idle land only when that land is environmentally sensitive.

A key section of this farm bill is the continuation of international food aid programs—Public Law 480, Food for Progress and the Emerging Democracy Program. These programs are critical in our global efforts to fight world hunger. Our responsibility to help others is a moral obligation and I am delighted that the importance these programs play in the fight against world hunger is understood by all conferees.

I am pleased with the strong emphasis that this bill places on importance of maintaining strong U.S. agricultural export markets. Export of U.S. agricultural products, especially in the value-added market, is one of the most profitable and fastest growing sectors in our Nation's economy. My home State of Vermont understands its importance. Vermont export statistics indicate that Vermont exported more than $175 million in agricultural-derived products—many of these in the value-added category. That translates into a thriving economy and local job creation.

This bill also streamlines USDA farm lending programs. The conferees worked hard with Secretary Glickman to produce a title both the administration, Congress and farm borrowers can support, and I believe we have crafted an effective policy to help farmers prepare for the next century without creating the dependency on USDA loan programs that have existed in past to the detriment of both USDA and the individual borrowers.

I am disappointed that the conference report does not provide a better safety net for farmers. Farm program payments will not be tied to market conditions, so farmers may get large Government payments when they do not need them, and may not get sufficient aid when times are hard. I hope that we can work on new ways to help farmers deal with market risk.

I am also concerned with some of the changes that have been made in the Crop Insurance Program. Farmers will no longer be required to purchase crop insurance to get farm program benefits. While I support giving farmers freedom of choice, I fear that too many farmers will fail to obtain insurance.

If we have widespread crop disaster and many farmers do not have insurance coverage, there will again be political pressure to enact ad hoc disaster programs. I supported the effort to reform crop insurance in 1994 largely because I wanted to bring an end to ad hoc disaster programs. I want everyone to understand that my willingness to accept these changes in the Crop Insurance Program should not be misinterpreted as a willingness to return to wasteful disaster programs.

I have two major concerns with the meat and poultry advisory panel. First, it will waste money that would be better spent on meat and poultry inspectors. Second, the scope of what the panel can investigate is too broad.

However, on the positive side, the panel is advisory and does not have the constitutional or statutory power to delay food safety actions of the Secretary. Delays will only result if the Secretary voluntarily agrees that the delay is appropriate.

I accepted the provision on studying the usefulness of permitting the interstate shipment of State-inspected meat. This idea was proposed by the President of the United States in his farm bill recommendations. I think it would be useful to have the Secretary's most recent views on this issue.

I am especially happy that this legislation includes a proposal that was added at my request, the Flood Risk Reduction Program contained in section 385. I first became interested in this situation after the disastrous floods of 1993. I raised this issue in a hearing with then Secretary Espy.

I asked the Secretary whether it would make more sense to stop fighting the Mississippi River and the natural elements of these lands and instead to enroll them in the Wetland Reserve Program.

In addition, I spoke to the President personally about this proposal. I also wrote a letter to the President detailing my emergency wetlands reserve initiative that would improve the proposed disaster relief program for the Mississippi Valley floods. In this letter I continued to attack the inefficiency and high cost of the disaster relief program.

In addition, I pointed out that there is a very good possibility that many of the cropland areas that were once wetlands would be better off returned to wetland status rather than repaired and kept in crops.

The success of voluntary programs to help farmers move off flood prone bottom land can be seen in the example of

Levee District 8 in Iowa. This area had a history of flood damage. It would have cost the taxpayer about $1,500 per acre to return this land to farmable condition. And then a few years later, it would have flooded again. Instead this levee district was voluntarily abolished. A decision that works for the farmers and the taxpayer. I ask unanimous consent that a description of that success story be printed in the RECORD.

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

THE 1993 FLOODS—FROM LEVEE DISTRICT TO WILDLIFE REFUGE

(By Bruce Mountain)

The farmers were grim as they stood at the road below Bob Hawk's house that leads into the upper end of Levee District 8 and Louisa County, Iowa. It was 7 a.m. on July 8, 1993, and it appeared they were going to lose again. There had been record rains in the Iowa River Basin; and Levee District 8, only six miles from the Mississippi, was feeling the brunt of the massive run-off as it funneled 12 million acres down the river.

The levee was built in 1927 to protect 2,000 acres of crop ground. The area also contained 600 acres of old oxbows and sloughs (Spitznogle Lake, Sunfish Lake, Rush Lake, Parsons Lake, Wilson Lake, Hall Lake, and Diggins Slough) and riverine forests. It had been estimated the levee was a 25-year levee (able to withstand floods that occur once every 25 years), but in the last 60 years it had been breached 14 times.

This looked like it would be number 15. Ed Yotter and the other farmers stood at 551 feet above sea level, and the lower end of the district, at 541 feet, was already under several feet of water due to seepage up through the saturated ground and through the levee. By 8 a.m. water started to lap over the top of the levee at several locations, so the 25 farmers and neighbors moved off the main levee and worked to reinforce the cross levee between Levee District 8 and the adjacent upstream levee district, number 11.

At 9 a.m. word came that the main levee of District 11 had broken and water was gushing in. By 11 a.m. water was coming over the main levee in District 8 like a waterfall. Officially, the main levee was breached in six locations and the cross levee was breached in five, but actually these were the accumulation of many smaller breaches all along the levees. At its height, the flood water was more than two feet over the top of the levee, drowning the hopes of another year's crop.

When the flood water finally receded in September, the farmers looked over the damage. They were stunned by the numerous scour holes (some 25 to 100 feet long and 17 feet deep), sand deposits (some 6 inches to 6 feet deep), and flotsam. The Soil Conservation Service (SCS), now known as the Natural Resources Conservation Service, moved in to assess the damage to the crop ground in Levee District 8 (it was later set at up to $3,000 per acre) and to estimate the costs to fix the roads and drainage system. The Army Corps of Engineers obtained estimates to fix the levees.

But the landowners were tired of fighting the river. And conservationists and public officials knew this oft-flooded land shouldn't be farmed. For a brief time after the waters receded and before the repairs would need to begin, the situation was ripe for change, and a variety of agencies and nonprofits seized the opportunity. They put together a buy-out of the properties in Levee District Number 8 and created—a year and a half later—Horseshoe Bend, a division of the Mark Twain National Wildlife Refuge and a good case study of how a coalition can move quickly when conditions—and the will for change—are right.

GATHERING FUNDS AND WILLING BUYERS

If the flooding of Louisa County's levee had been a localized incident the levees would have been rebuilt ($800,000), the drainage ditches cleared ($400,000), the sand bars removed, the scour holes filled, and the debris removed ($1.7 million) for an estimated $2.9 million. This excludes the additional costs and federal dollars for disaster payments ($200,000) as well as crop insurance payments and the non-recoverable costs of the landowners. (Today, it is believed that these estimates were low because in the adjacent levee district, number 11, where the levee was actually repaired, the initial estimate proved to be 80 percent below the actual costs.)

This was not, however, a localized incident. The flooding of the entire Upper Mississippi River Basin in 1993 was the worst in years. At many of the U.S. Geological Survey gauging stations along the Mississippi, the flow levels exceeded the hundred year mark. In response, Congress passed the Emergency Wet and Reserve Program (EWRP) in October 1993 as a part of flood relief support. Without the funds provided by this program, the Louisa Levee District buy-out could not have occurred.

The federal government's disaster aid program was developed to provide compensation for severely damaged crop ground and also to break the cycle of paying for similar damage caused by future floods. Under the program, the Department of Agriculture would purchase a permanent easement on crop acres where the damage caused by the flood exceeded the value of the easement. The easement would prohibit all but very limited agricultural practices, and in Louisa County, it was set at $683 per acre.

In early October, the Iowa office of the SCS proposed the idea of buying out the entire levee district, but only from willing sellers and only if the district were dissolved so as to ensure that future levee reconstruction costs would not be incurred. The SCS did not have the funds or the statutory authority to purchase the district, so, in late October, it organized meeting with its own representatives, the Fish and Wildlife Service (FWS), the Federal Emergency Management Agency (FEMA), the Environmental Protection Agency (EPA), the Corps, the Iowa Department of Natural Resources, the Iowa Natural Heritage Foundation, Pheasants Forever, and other interested parties to seek a solution.

The group immediately realized that for the project to be successful, quick action would be needed. With winter approaching, the dredge barges the Corps needed to repair the levees would soon be frozen out. The group thought that a buy-out of the fee title to the parcels in the levee district could be accomplished through joining the Emergency Wetland Reserve payment with additional cash to be raised to equal the fair market value of the property.

The area also qualified for FEMA assistance. Applications were made to the Iowa Disaster Management Office, which helped handle FEMA payments, to have the buy-out declared as an alternative floodplain project. That declaration would make up to 90 percent of the disaster payments eligible to be applied for the buy-out. However, an estimated additional $500,000 to $600,000 would still be needed to accomplish the project. Representatives for the FWS indicated they would have the money but not until 1994. The National Fish and Wildlife Foundation then agreed to provide a $250,000 grant to be matched by $250,000 from The Conservation Fund; these monies would be used as a loan or stop-gap funding until the FWS funds became available. Other non-profits, such as the Iowa Natural Heritage Foundation and Pheasants Forever, also provided funding.

The Iowa Natural Heritage Foundation, a 15-year-old private group, was asked to be the project facilitator. The Foundation would coordinate the offers to purchase land from the individual landowners, coordinate the Emergency Wetland Reserve Program funding with the National Fish and Wildlife Foundation and Conservation Fund monies, and oversee the eventual transfer of the properties. Before the buy-out could proceed, the ultimate owner and manager of the area had to be determined. The choice was between the Iowa Department of Natural Resources and the Fish and Wildlife Service. Due in part to state budgetary constraints and federal management personnel available at the nearby Mark Twain Wildlife Refuge, the FWS was the logical choice to hold title and manage the project.

Another condition for the project to proceed was the closing of the levee district and drainage district. Therefore, the statutory requirements for closing the districts, including legal notice and voting procedures, had to be researched. The final closing took place on March 31, 1994.

Once the landowners agreed to the concept, offers to purchase had to be negotiated with each landowner. The district is owned by 13 different landowners with parcels ranging in size from 13 acres to more than 1,500 acres. One farm is owned by an investor/operator, and another was deeded by President James Polk under federal patent to the owners, Jack and Merrit Parsons's great-great-grandfather, in 1846. Two sisters, Mary Boysen and Martha Hawk, each owned Century Farms, a designation given to farms that have been in the same family for 100 years. Another farm was acquired by duck hunters in 1929, and it is still operated as a private duck hunting club by the heirs of the six original partners.

We concluded that all of the offers to landowners had to be based on a consistently applied formula. Several of the landowners said that they were dissatisfied with the offers, but eventually agreed to them, based on the knowledge that other landowners were getting the same offers and that there were no "special deals." By sticking to this strategy, individual negotiations and appraisals were avoided.

The first offer was signed December 13, 1993, and the last one was executed May 6, 1994. Seven of the ten landowners had closed by November 30, 1994. The rest closed by the end of 1994 as the farmers finished their field work.

MANY PARTNERS

Completing a project with so many partners and landowners in such a short time required creativity, cooperation, and attention to detail. One of the more important aspects of this partnership was the Cooperative Agreement signed by the Soil Conservation Service, the Fish and Wildlife Service, and the Iowa Natural Heritage Foundation. This agreement delineates the responsibilities of each party. One useful provision of the agreement is one that specifies that access will be available to top-level officials when efforts were stymied on the local level.

The public/private mix in the project was important. The public and private partners can be divided into five categories, each of which served different roles and functions: implementing non-profit organizations, jurisdictional agencies, funding agencies, funding non-profits, and project managing agencies.

In this project, the Iowa Natural Heritage Foundation was an implementing or facilitating non-profit organization. An implementing non-profit was necessary because flexibility and speed were needed to consummate the project. The Iowa Natural Heritage Foundation's Wetlands for Iowa Program was chosen for the project, in part, because it has expertise in land acquisition projects and in forming partnerships with state and federal agencies and other non-profits to fund the purchase of such projects. In this case, the Wetlands for Iowa Program had the responsibility to educate landowners on the concept of merging the Emergency Wetland Reserve Program easement with a buy-out.

The Foundation also had many other tasks. It did a preliminary appraisal of the land in November of 1993 and devised the uniform buy-out plan. It paid for a quick appraisal of cropland and non-cropland based on comparable sales and pre-flood land values. From this, a portion of the value due to the flood damage, as determined by SCS, was deducted to arrive at the current value. In dealing with non-motivated sellers, the Foundation packaged the idea as an attractive alternative to farming in the floodplain and as being fair among all neighbors.

The Foundation also negotiated offers to purchase land with each landowner and provided the flexibility to customize each transaction. Tax deferments were provided through three-way land exchanges. For example, the Foundation purchased land from a third party (pursuant to the instructions of the owner of levee district land) and then traded the land for land in the levee district. The Foundation then would receive the EWRP payment. Non-levee district acres were purchased to round out tracts that were not eligible for the EWRP. For example, the Spitznogle brothers owned 12 acres inside the levee district, but wanted to sell 20 acres to have square boundaries. The additional eight acres was purchased with some of the funds provided by other nonprofits.

Finally, the Iowa Natural Heritage Foundation developed a timetable for all public and private participants to ensure each was fulfilling its responsibilities. These included appraisals, surveys, title problems, financing, preparing grant applications, closing on each parcel, and transferring each to the Fish and Wildlife Service.

The many jurisdictional agencies involved in the project—the Soil Conservation Service, the Fish and Wildlife Service, the Federal Emergency Management Agency, and the Corps—had responsibilities that varied in breadth and longevity. The SCS was responsible for evaluating flood damage to each land parcel and for implementing the Emergency Wetland Reserve Program. The wetland restoration requirements of the EWRP for the participating landowners were the responsibility of the FWS. The FWS also conducted the environmental assessment and environmental impact studies and engaged an independent appraiser to assess the properties and develop comparable figures from in-house appraisers. These figures were very close to the "quickie" appraisal obtained by the Iowa Natural Heritage Foundation.

FEMA's involvement included assessing damage compensation under its statutory authority and developing the project as an alternative plan. FEMA also had a role as a funding agency for the project as did the SCS and the FWS. Funding non-profits included the Iowa Natural Heritage Foundation, the National Fish and Wildlife Foundation, The Conservation Fund, Pheasants Forever, and the Izaak Walton League. The fifth category of partners were project managing agencies, which included the SCS, the FWS, and the Corps.

Typically, this type of project does not work in normal regulatory frameworks. Entrenched bureaucrats, enamored with their own regulations, can be a death knell to a project. The time it takes to babysit hesitant landowners and coordinate state and federal agencies does not permit one agency to be inflexible in interpreting its regulations when the intent of the regulations can be met through cooperative and imaginative initiatives. All partners need access to top agency personnel because someone outside the organization can sometimes get results, whereas agency personnel may not have the authority or the influence to buck their way up the system.

The Louisa County levee buy-out required close interagency cooperation. As an example, SCS defined the value of damages to the land for purposes of qualification for EWRP. FWS then directed its appraisers to use the same data and valuation premises in determining the fair market value of the land. We would have had difficulty closing the project if the agencies had used two different methods of appraisal and the land qualified for EWRP but would not qualify for the buy-out.

Another example: Regulations for the SCS for EWRP easements, and the FWS for land acquisitions, required their respective legal counsel to determine that landowners had marketable title to the land, subject to the guidelines of the project. Through negotiations, SCS agreed to accept FWS opinions of title. This avoided a separate time-consuming step by keeping the project out of the hands of at least one set of government lawyers.

The last ingredient for success was agency flexibility. For example, EWRP regulations require all easements to be surveyed and this would have caused an immense delay in the project. To its credit, SCS waived these regulations, since most of the acquisitions involved the entire tract. Surveys were then conducted only on five parcels split on irregular boundary lines.

SEVERE LESSONS

This unique project is giving farmers an opportunity to find alternative agricultural land to continue farming without fighting the floods. Additionally, it provides short- and long-term savings to taxpayers because a one-time, fair-market purchase of flood-prone land is much cheaper than continued, expensive federal programs to rebuild levees, clean drainage districts, repair land, and pay disaster payments. All of these costs are interspersed with crop-deficiency payments and insurance claims. In addition, our latest calculation shows the Fish and Wildlife Service saved $235,000 by having the Iowa Natural Heritage Foundation facilitate the transactions. The federal government still has the responsibility to provide existing protection in certain floodplains; but it also must develop alternatives to controlling nature, such as relocating willing landowners and returning parts of the floodplain to the river.

The great flood of 1993 taught us some severe lessons. We have to expand our mission from just controlling the water that affects our individual properties to effectively dealing with the effects of the water all the way down the river ecosystem. We also have to learn to live with the river system by holding more of the rain water where it falls and by slowing its movement through the system, thereby allowing the river to reestablish some of its checks and balances.

Lastly, we have to stop "just greasing the squeaky wheel" and find ways to spread the available federal funds for floodplain management among the various alternatives that benefit the general public. This includes developing a management plan for the entire river system, coordinating pertinent programs and agencies and—where there are willing landowners—giving some of our natural resources back to nature.

Mr. LEAHY. The experience with the Emergency Wetland Reserve Program led me to include the flood risk reduction initiative into this legislation. The purpose of this program is to help farmers who farm in areas that flood frequently to move their farming activities off lands that are flooded frequently. It helps farmers by giving them the capital that they need to move their farming operations to fewer risky areas. To the taxpayer, it is a commonsense program that will reduce the long-term taxpayers' exposure for agriculturally related flooding costs. It should help reduce the severity and frequency of floods to the farmers' neighbors.

Crop damages in recent years have been the source of more than half of the property damages in many floods, including the great Midwest flood of 1993. Our farm programs have unfortunately provided incentives that increase flood damages because they have directly supported the growing of easily damaged commodities even in areas that are flood prone. The crop insurance, disaster assistance, and related programs also make the public assume much of the risk of growing commodities in flood prone areas. We have a strong interest in eliminating the authority to help farmers to switch to more flood resistant uses of flood prone land.

It gives farmers the financial capability to move their operations to less risky land. The incentives for farmers to switch to less risky land come from the funds that have in the past been paid to farmers who farm the flood prone land. In this way, we will give farmers in flood prone areas the flexibility to shift to alternative agricultural or conservation uses of land that are less subject to flood damages.

Under section 385 of this act, the Secretary may enter into a contract with a producer under which the producer will agree to forego virtually all of the forms of Federal financial assistance received in flood prone areas. In return, this section provides that the Secretary will provide the farmer a one-time payment equal to 95 percent of the future market transition payments on the land affected. It further provides these funds from the Commodity Credit

Corporation regardless of whether it has received advanced appropriations.

Subsection (e) of this section further authorizes the Secretary to provide additional payments to encourage this switch to less flood-sensitive land. It gives the Secretary the authority to add to the farm bills' lump sum payments, funds appropriated for programs that would otherwise be used to support agriculture in flood plains. For example, at a minimum this would include funds appropriated for crop insurance, disaster assistance or conservation programs.

The Secretary is, of course, free to condition payment for these funds on appropriate conditions.

The conferees, by including a separate subsection (e), were merely recognizing that funds are available to the Secretary from different sources—CCC and advanced appropriations. The conference included language requiring advanced appropriations because the conference wished the Secretary to offset any funds provided through the Flood Risk Reduction Program from funds for other appropriated programs that are saved by the flood risk reduction contract.

As you can see, I have fought hard for this Flood Risk Reduction Program. That is why, I am very pleased it is part of this farm bill.

Mr. President, I will speak further at a later time. I notice other Senators on the floor. I see the distinguished senior Senator from North Dakota here, and I know he wishes to speak. I reserve the remainder of my time.

I ask the distinguished Senator, under whose time is he speaking?

Mr. CONRAD. Who has time?

Mr. LEAHY. I think everybody does, for and against.

Mr. CONRAD. I would be speaking in opposition.

Mr. LEAHY. Then, Mr. President, that time is reserved by the distinguished Democratic leader, Senator DASCHLE. On his behalf, I yield time to the Senator from North Dakota under the control of the time of the Senator from South Dakota.

The PRESIDING OFFICER. The Senator from North Dakota is recognized. How much time does he seek?

Mr. CONRAD. I will just proceed and end at an appropriate time. That is the agreement that I have.

The PRESIDING OFFICER. The Senator from North Dakota [Mr. CONRAD], is recognized.

Mr. CONRAD. I thank the Chair and the ranking member for his courtesy. I thank the chairman of the committee, as well, for his graciousness throughout the debate. We have disagreed, but we have disagreed in a way that I think you would expect of Senators who have mutual respect. I certainly respect the chairman and the ranking member. I wish all committees were conducted in the way the Agriculture Committee is conducted. People are given a complete and fair chance to present their views. We disagree, but we do it without personal rancor. I think that is a tribute to the chairman and ranking member.

Mr. President, we are in 1996, and we are working on the 1995 farm bill. Something is wrong. What is wrong is that there has been a failure to act. This is the first time since 1947 that a farm bill has lapsed before a new farm bill has been put in place. So we are late.

Mr. President, it is critical that we act quickly so that farmers know the rules of the road as they proceed in this new crop year.

This new farm bill has many positive elements. Let me talk about three.

First, this farm bill retains permanent law. That is critically important because, at the end of this 7-year period, if we had followed the lead of the House, there would be nothing. There would be no permanent farm law. Farmers would have no assurance that there was provision for them in the future. Mr. President, we have had tough fights on this question, but permanent law has been preserved.

The second positive element of this bill is that it provides a dramatic increase in flexibility for farmers. They can plant for the market and not for the farm program. That is certainly a significant improvement.

Third, this farm bill provides a guaranteed payment that will help farmers with the repayment of advanced deficiencies from last year. Now, some say that farmers ought to be repaying, without assistance, their advanced deficiencies from last year because prices have been high. It is true that prices are very good right now. But it is also true that you do not benefit from high prices if you do not have a crop.

Mr. President, in my State, many farmers have had 3 years of very poor crops. They have had it because of very serious weather conditions. We have gone from the extraordinary circumstance of the worst drought since the 1930's—in 1988 and 1989—to having the wettest conditions, we have seen in decades, for 3 years in a row.

Mr. President, it is very hard for some people to understand why farmers are complaining about weather conditions, when conditions turn wet. Mr. President, they just did not turn wet; we got the deluge of the century. In one day, one little town in North Dakota received 10 inches of rain. This is an area that gets maybe 25 inches a year. They received 10 inches in one day. We have, in the Devil's Lake basin, what I have described to my colleagues in the past as a remarkable circumstance of a closed basin with a large lake that is rising as a result of these wet conditions. It has gone up 13 feet in the last 2 years. The National Weather Service has just informed us it is going to go up another 2½ feet this year. The surface area of the lake has doubled. We had Federal officials come out to look at the disaster that is occurring there.

They asked the city officials of the little town of Minnewaukan why they built their water treatment facility so close to this lake because now this water treatment facility is surrounded on three sides by this lake. The city officials laughed, and told the Federal officials, "When we built this treatment facility it was 7 miles from the lake. Now it is surrounded by the lake."

Mr. President, those very wet conditions have meant that many farmers have gotten only a partial crop, and even though prices are high they have not had the benefit because they have not had a crop to sell. So these guaranteed payments—especially this year—are important in allowing them to repay and stay in business.

But just as I have talked about what are I think the positive features of this bill, I would be remiss if I did not say that I believe the underlying farm policy contained in this legislation is fatally flawed. First of all, it decouples payments from prices and production. Mr. President, that is wrong. This legislation contains payments that are fixed but sharply declining. That is wrong. This legislation provides no adjustments if prices plunge, or yields are low. That is wrong.

I remember very well in 1986—that was the year I was elected to the U.S. Senate—wheat that is now selling for over $5 a bushel was selling for $2 a bushel. But we had a safety net. We had a deficiency payment system that allowed some offsets from the Federal Government. That saved literally thousands of family farmers in my State. Under this legislation there will be no safety net. Thousands of farmers will be forced off the land if prices plunge, or if yields are abnormally low because of disasters.

I remember very well what it was like in the 1980's going town to town and meeting to meeting. People came up to me broken financially and in spirit because prices collapsed.

Mr. President, we should not fashion a farm policy that turns its back on people in times of disaster, whether it is a price collapse, or a weather disaster. We ought to maintain a safety net in this legislation.

Mr. President, in my State there are now 30,000 farmers. I believe that under this legislation if prices decline—and they will; we know that it is inevitable in agriculture that prices will decline—when they do, literally thousands of family farmers in my State will be at risk. I believe we will lose perhaps as many as 10,000 family farmers. That will be felt in every city and town in my State. Every school, every rural electric cooperative, every farm co-op, and every grocery store will be hard hit, if more farmers leave the land. And

what will happen to those people? They will go to the cities of the country—the cities where there are already too many people. I look around us here in the Nation's Capital, Metropolitan D.C. and I see too many people here already. It makes no sense to have more people come to the cities and leave the countryside bare.

Mr. President, in Europe they have a policy to keep people on the land. Europe has that policy because they have recognized that it makes sense. They understand the jobs that are created by having agricultural production in their countries. Mr. President, Europe has been hungry twice. They never intend to be hungry again. As a result, they support their farmers at a level three to four times what we do for ourselves. On exports they support their producers at a level eight times ours. They understand that there are not just the jobs on the farm—that there are the jobs in every element of agriculture that are attached to having that production in their countries.

In this country there are 20 million jobs involved in agribusiness, from trucking to running the elevator, to all the ancillary activities of agricultural production—20 million jobs. Agriculture is one of the two shining lights in the export picture of the United States. Airplanes and agriculture are two places where we enjoy a substantial trade surplus.

But under this legislation, Mr. President, we are raising the white flag of surrender. We are engaged in what I call "unilateral disarmament" because we are saying to our competitors, "You go ahead and aggressively seek these markets. We are going to back off. We are going to back down. We are going to let you take them."

Mr. President, this is a profound mistake. And, if we allow it to go forward, we will see happen to us in agriculture what has happened to us in automobiles and electronics, and every other place where the United States did not fight for its market share.

Mr. President, that is a mistake. We would never do it in a military confrontation. It makes no sense to do it in a trade battle.

Mr. President, for those reasons I will reluctantly vote against this farm bill in the hopes that it will send a signal that there are things we must do for the future.

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

The PRESIDING OFFICER. Who yields time?

Mr. DORGAN. Mr. President, can you tell me the circumstances of the time available on each side?

The PRESIDING OFFICER. The Democratic leader has 122 minutes, the Republican leader has 65 minutes. Senator LEAHY has 50 minutes.

Mr. DORGAN. The Democratic leader has how much time?

The PRESIDING OFFICER. He has 120 minutes.

Mr. DORGAN. Let me yield such time as I may consume from the allocation allotted to the Democratic leader.

The PRESIDING OFFICER. The Senator from North Dakota [Mr. DORGAN], is recognized.

Mr. DORGAN. Mr. President, the conference report on the farm bill is now before the Senate. I listened to the presentation by my colleague, Senator CONRAD, who intends to vote against it. I, too, will vote against it. This is not a decent farm bill. It is not a good farm bill. It is attractive to some in the short term. It is sugar coating bad policy.

Those who walk around here with bags of sugar putting out bad policy and want to brag that they have done something good for people I guess might actually, in their minds, feel they have done something good for somebody. However, I cannot conceive that this piece of legislation, being addressed in a serious way, says that we want to help family-sized farms in this country.

This is not a good piece of legislation. This started out as something called Freedom to Farm, which is a handy title, but it really is nothing more than a title. The whole proposition here was to create what is called transition payments. We would create these transition payments in order to get out of a farm program and pull the safety net out from under family farmers.

I guess it is appropriate for those who do not want a minimum wage increase for the folks working at the bottom of the economic ladder to say we do not want a minimum wage for farmers either. Let us pull the rug out from under family farmers. Let us do it this way. Let us provide transition payments to farmers up front as a payment for our getting out of the business of helping farmers when prices collapse.

And so they make the transition payments attractive enough so someone looks at them the first year and says, "well, this is going to a be pretty good circumstance the first year; if I get a good crop and prices are high, I will make good money, plus the Government will give me a good payment." And they say, "well, that is pretty attractive, isn't it?"

Yes, it is attractive. It is wrong. If you have a good crop and prices are high, you do not need the Government to give you a payment for anything. But the whole premise of doing this is so that at the end of the 7 years you can pull the rug out from under them and say, "By the way, we gave you transition payments; we bought you off up front so you have no farm program anymore; you have no safety net any longer."

This bill passed the Congress, both the House and the Senate, and then went to conference, and I wish to show my colleagues a chart that just pulls off the first sentence of a rather lengthy Associated Press piece describing this piece of legislation. It says it better than I could, but let me just read it. Lest anyone who comes here bragging about how wonderful this bill is for family farmers wants to continue to brag about that, here is what this bill is. Robert Green had it right in the Associated Press:

> With a mix of luck, work, and unusual organization, the lobby for big grain companies, railroads, meat companies, millers and shippers scored a big win in the Senate-passed overhaul of farm programs.

This is the overhaul of those farm programs. This is what they won, not farmers. This is what the big grain trade firms won. They scored a big victory. Guess what. When the big grain trade firms win, who loses? Family farmers.

Is it unusual that the winner coming out of a debate about farm policy in this Congress would be the biggest grain trade firms in the world? I guess not. They have been winning right along. Why would they not win this debate?

What bothers me a little bit is that the bill which is going to help family farmers is mislabeled. It is a bill designed to tell farmers this is going to be in your best interests. The bill tries to sound attractive to farmers as a set of agricultural policies, but it is really a big grain trade farm bill. They scored the big victory. They are the winners.

Now, what do we have when we deal with farmers? What we have in most cases is a group of family operations out there around the country. They get up in the morning. They work hard. They go to bed at night. They have tried to make their own way. They have a yard light out there in the yard that shines every night.

If you get on an airplane and fly across this country, fly across Minnesota, North Dakota, South Dakota, Montana, what you see are those thousands of yard lights on at night. They all represent the economic blood vessels that feed into those small towns that make rural life worthwhile and possible. Every time one of those yard lights turns out, it means a little less economic life, a little less opportunity in rural America. And we have seen year after year after year fewer yard lights in our country.

There are some people who say it does not matter whether there are any lights out there in the prairie. They do not care whether the lights dot the prairie at night; that land will be farmed. We do not have to have people living out there to have people farming. We can have corporate

agrifactories farm this country from California to Maine. We do not have to worry about the little guy. We do not have to worry about the family. It will get farmed. We have bigger tractors and bigger combines. We have bigger corporations. They will farm it. They are big enough.

So if you do not care who lives there, whether there are families out there, then this is probably a great policy. Of course, food prices will go up once corporations are farming the country, but that is in the longer term. That may be what is behind all this. I do not know.

I do know this. I have a friend who lives 5 miles south of Regent, ND, in Indian Creek. He is down there trying to operate a small farm, planting in the spring, not knowing whether what he is going to spend on planting—buying the seed, fertilizer, having a tractor—it is an older tractor but having a tractor—and all the apparatus to plant that seed, he does not know whether that seed is going to grow.

All that money might be wasted because that seed may not grow. We may have a drought. It may not come up. So you invest all that money at the front end of the year and you may have no crop. Or it may come up and you may have the most beautiful looking crop you have ever seen, and then in July or June a hailstorm comes along and in 15 minutes the crop is gone. Your money is gone. Your dreams are gone. Your hope is gone.

Or let us assume that he plants that crop, it comes up, and it is a gorgeous crop, a bumper crop, and then he fixes up the combine and gases up and goes to harvest that crop and discovers the price has collapsed. This crop cost him $4.70 a bushel to produce, and then he takes the truck to the elevator and drops off his grain or her grain and discovers that the elevator says it is worth $3 a bushel. They have lost a $1.70 a bushel with all that work.

First you may not get a crop. If you get a crop, you may not get a price. Those are the twin risks that almost no one else in our country faces. For that reason, because we want families to have an opportunity to stay on the farm, we have had a safety net. The new mantra here in Washington is "no more safety net." Let's do transition payments, buy them off and say, by the way, we think you ought to operate in the free market.

Now, who is in the free market? What are the sharks out there in the free market going to do when we set all of this free? First of all, you have the big grain trading firms. What do they want? Do they want higher prices? Absolutely not. They would like lower prices. You have the big milling firms. Are they begging for higher grain prices? No. They want lower prices. You have the grocery manufacturers. Do they want higher grain prices? No. They want lower grain prices.

You have all these influences in the marketplace that in every way, every day are trying to knock down grain prices. When they win, farmers lose. Lower grain prices mean farmers simply do not have the opportunity to make a profit on their product.

I have shown you the story that I think is probably the only accurate one I have seen about what really happened with the farm bill passed by the Senate and now is back before us:

> With a mix of luck, work, and unusual organization, the lobby for the big grain companies, railroads, meat companies, millers and shippers scored a big win in the Senate-passed overhaul of farm programs.

When big grain companies, the big shippers, the meat companies, and the grocery manufacturers are having a party, when they are having a day of fiesta because of what this Senate did, does anybody here soberly believe that is in the interest of family farmers? Those interests do not run parallel, and everybody in this Chamber knows it. When these big grain companies win, farmers lose. It is very simple.

Let me talk just for a moment about grain prices. Some people say grain prices are high right now, and they are record high compared to the last 10 years. Take a look at what has happened to the price of wheat in 10 years. It goes all over the board. I must say, in every case the price of wheat is still below what the USDA says it costs to produce a bushel of wheat, $4.70 a bushel. In every case for 10 years the market price is still below what USDA says it costs, the full cost, to produce a bushel of wheat.

Nonetheless, the wheat prices go down to $2.33 in 1977, meander up to $2.49, back to $2.42 in 1986. In fact, just 5 years ago wheat prices were $2.61. I ask anybody in this Chamber, how many farm units do they think will survive if we get to the point of $2.60 wheat and no safety net? What will happen when we have transitioned people out of the farm program because we said we will give you a few payments up front and then you are on your own.

I know I strongly supported retaining permanent law until the year 2002, but everybody understands they included that in this bill to get it passed. The full intention of those who support this farm legislation is to transition farmers out of a circumstance where a safety net exists so when prices collapse they have a little help.

I am the first to admit, when they stand up to talk about, "The farm program does not work," I am the first to admit the farm program, in my judgment, needs improving. It became a straitjacket for farmers. We had the Government telling farmers what to plant and when to plant it, and that did not make any sense. Every proposal before the Congress would have changed that, including the substitute that we offered.

The current program did not work very well. What should have been a bridge across price valleys became a set of golden arches for the biggest producers in the country. I agree with that as well, and that ought to change. But none of those criticisms are a justification for pulling the rug out from under family farmers—none. If we are going to write a farm bill, we ought to do it seriously and thoughtfully, in a way that says this farm bill cares about whether we have family farmers.

Mr. President, if we in the Congress are not interested in who farms, if we are neutral on the question of whether there are family farms out there with yard lights burning and people living on the farms, if we are neutral on that, if we do not care, then get rid of the whole farm program. Get rid of it altogether. We do not need a farm program. Do we need a farm program to give incentives to the biggest agrifactories to produce? I do not think so. Let them produce for the market. Let us get rid of the farm program.

USDA was created under Abraham Lincoln. Abe Lincoln created the Department of Agriculture with nine employees—think of that. In the 1860's, USDA, nine employees. Now, a century and a third later, we have a USDA with close to 100,000 employees. A third of those, I guess, are in the Forest Service. But think of what has happened with the USDA. We do not need a USDA, in my judgment, if the purpose of the farm program here in Congress is not to try to nurture and maintain and help and strengthen family farms.

Someone says, how do you define a family farm? I do not have a simple definition. I guess a yard light. I mean, a family living out there on the farm, human beings living out there, that is a family farm, I guess I could define it.

Michelangelo was asked, "How did you carve David?"

"I chipped away a piece of marble at a time and chipped away everything that was not David."

I could chip away everything that is not a family farm and have a practical definition, I suppose. But my point is: If our business is not to try to help families to have an opportunity to survive the twin risks of the possibility of not being able to produce anything and the possibility of producing something and having no price, what is our business? If our business is not to try to protect those families or give those families some help, let us not have a farm program at all. If it is our business, let us create a farm program that does just that.

This farm program says to farmers, we are neutral on the issue of whether families are living on the land. It says to farmers, "We are going to transition you." We are going to say to you, "We will give you some really attractive-looking things in the first year or so. Then, we are going to pull the rug out."

We are going to say to you, "You might have record wheat prices this year, grain prices this year. You might have a bumper crop this year. You might have the best income you have had in a century of your family living on and operating on the land. We do not care. We are going to give you a big Government payment. But, down the road, you and your family might suffer catastrophe: no crop, no price, and do you know what we are going to say to you then? Tough luck."

This year we are going to say, "Here is a payment you do not need," and a few years down the road we are going to say, "Sayonara, tough luck. We do not care." That is not much of a farm bill, as far as I am concerned.

For farmers in this country, people out there who are trying to make a living, struggling against the odds, trying to deal with economic influences that are so much larger and so much more powerful than they are—this piece of legislation, while attractive in the first year or two, in my judgment undercuts the true long-term interests of trying to maintain a network of family farms in our country.

Let me finish where I started. We have kind of come full circle, in many respects. I know there are people on this floor who do not like what I said. They will stand up and say it is all baloney, this is a wonderful bill, they worked hard on it, they are wonderful people, and so on and so forth.

Let me admit they are wonderful people and worked hard on it, but let me also say the product they came up with does not serve the interests of family farmers in this country. I do not want more Government in agriculture. I want Government to let farmers farm. But I also want to care whether there are family farmers left in our country. I want us, as a country, if we have a farm policy and we are going to spend money on a farm policy, to decide we are going to spend it in pursuit of helping farmers when prices collapse, helping them stay on the land.

If that is not our business, get rid of the whole business, just get rid of it all. Do not come here and pretend you are passing a bill that is good for family farmers when you are going to pull the rug out from under them 5 or 10 years from today.

There is great disagreement in my State among farm organizations and commodity groups on this subject, but there ought to be no disagreement that family farmers have been the economic all-stars in our country. We have had, for some long while, a basic safety net to try to help family farmers over price valleys, when international prices drop and stay down. Those who believe that such a safety net is ill-advised are often the same people who are here suggesting minimum wages do not matter and a whole series of other economic contentions that I fundamentally disagree with.

I think, if we are going to spend billions, we ought to decide to spend billions in pursuit of policies that really do help America's family farmers, America's economic all stars. The failure to do that forces me to vote against this piece of legislation and to conclude that the winners, as is indicated in this piece of work, are the grain trade firms. The winners are the millers. The winners are the grocery manufacturers. Sadly, the losers will be America's family farmers.

We will have another day. This is advertised as a 7-year farm bill. There will be changes in this body and, when there are changes sufficient so that those of us who believe differently can come to the Chamber with additional ideas and have the votes to pass them, you will see a new farm program. This may last a year. But I tell you this, when this Chamber changes, we will be back. Those of us who believe that there are two sides to this issue, that the economic well-being of the big grain trading firms in this country is assured by their economic strength but that the economic well-being of family farmers is assured by our determination to try to help them, will be back. Those of us who believe this will come back with a farm bill that will work for family farms in our country.

Mr. President, I yield the floor.

Several Senators addressed the Chair.

Mr. LUGAR. Mr. President, I yield time to the distinguished Senator from Idaho.

The PRESIDING OFFICER (Mr. SANTORUM). The Senator from Idaho [Mr. CRAIG], is recognized.

Mr. CRAIG. Mr. President, let me thank the distinguished chairman of the Senate Agriculture Committee, Senator LUGAR, for yielding time.

At the outset, let me thank Chairman LUGAR and the ranking minority member, Senator LEAHY, for the bipartisan way they worked, together with the whole committee, in crafting the farm bill that we have before us today. It was a tremendous pleasure for me and my staff to work with the staff of the Agriculture Committee to produce what I think is a truly revolutionary document, and a change, a positive change for American agriculture.

Let me also recognize Sara Braasch, who worked with me on my staff, for the tremendous effort she put in, working with the Senate Agriculture Committee staff, resolving so many different issues that make up a good farm bill.

Over the course of the last 2 years I have held a series of meetings across my State, meeting with farmers and ranchers about what they thought ought to be in a new farm bill, a new, national, public policy, as to how Government, Federal Government, ought to interface with American agriculture and Idaho agriculture. I heard in so many ways a level of frustration mounting across my State that, while they thought some level of farm policy was necessary, Government was no longer a cooperating partner.

It had become a traffic cop, if you will, a conservation cop, if you will, telling that family farmer how to farm, what to farm, how much residue they could have on their soil, how they would have to do this, maybe they ought to change their equipment line to accomplish a different form of farming.

I doubt that that is the kind of agriculture that Abraham Lincoln envisioned when he created USDA. I think he saw USDA as a partner for research, as a partner for bringing on new concepts and ideas, but certainly not as a large, monolithic governmental agency that was telling production agriculture how it ought to farm, and that is exactly where we saw farm policy heading.

This weekend, I met, once again, with farmers in Idaho to talk about what is in the new farm bill. There were potato growers there, bean growers, wheat growers, barley growers, ranchers—a broad cross-section—along with processors. They were pleased with what they began to see and hear. Dairy was there, and dairy, of course, is a large and growing segment of my State's agriculture. They are concerned, but they believe that we have made the right decisions to move them toward a more open market.

That is exactly what I think we have accomplished: a significant change in agricultural policy, as the chairman of our committee so clearly spoke to last evening, and a very important change.

We are saying to American agriculture, "You have an opportunity now to adjust and change with the markets; that you don't have to farm to the program; that you don't have to have the Federal agent who comes out and says, 'Oh, I think you are 7, 8, 10 percent over acreage, you are beyond the flex, you better take some of that out or change it a little bit.'" Is that farming or playing the game?

The young farmers of Idaho—and, yes, they are family farmers—but they have millions of dollars invested. I find it interesting, when we worry about farmers, we always fall back on the word "family," "family." Farming is a big business in my State today. It is family-run, in many instances, but those families have assets in the millions of dollars, and they work daily as astute, well-trained businessmen and women trying to operate their agribusinesses.

We know agriculture is changing, and we know that it is capable of adapting. When those young farmers and ranchers come to me, in most instances they find Government the liability and not the asset. I think that is why they look at what we are doing in S. 1541, and the

new farm bill that we have before us, and say this is good policy.

I will be the first to recommend to our chairman that the responsibility of the Senate Ag Committee over the next several years will be to monitor, to do effective oversight, to make sure that that which we are crafting into policy that will hit the ground in rule and regulation that American agriculture will respond to, we ought to watch, especially in the more complicated areas like the dairy policy. But certainly, as the chairman said last night, there will be fewer visits to the local USDA office by production agriculture in the coming years, he speaks well, because there should be. We are saying to American agriculture and to my farmers in Idaho today, you have great flexibility to do what you said you wanted to do.

There are some provisions in this bill that are enhanced substantially, because along with all that we heard from agriculture over the last several years, Mr. President, there are several things we also heard that we just did not change and did not just take away from farm policy. Conservation is one of those. The CRP program has worked well in my State, and agriculture likes it because it gives us an opportunity to build back wildlife habitat and to improve water quality and to improve the erosion that was happening on some of our more erodible lands, some of our steeper landscapes.

We kept CRP. We strengthened the conservation program. We recognized that here is where USDA and Government can be a cooperating partner, and I underline the word "cooperating," not going in and telling them, "Here is how you must do it," but "Here are a variety of ways to manage your assets in a way that we can provide a better environment, and you can enhance your farmstead and all that you have on your private property."

Clearly, the chairman and the ranking minority member worked with all of us to assure that we had a strong CRP program; the creation of a wildlife habitat program; a grazing lands conservation initiative that will provide technical assistance to private landowners in grazing areas, again, a very positive approach toward dealing with the responsibilities we ought to have; an extension of the resource conservation and development districts. That which the House did not do, we reinstated.

We have strong water language, as was spoken to last night by the Senator from Washington as it relates to the responsibility of the U.S. Forest Service in responding to the relicensing or the recertification of water projects on public lands without holding these municipalities or water districts hostage or blackmailing them, as they should not do but as they were doing. We have offered a moratorium to make sure that we get USDA to understand their responsible and legal role under Western water law, and that is, not to take without compensation a property right as is clearly established under Western water law.

Guaranteed payments to wheat and barley growers to help provide stability over a 7-year period—somebody said no more safety nets. I think we have provided a very good glidepath and a very substantial ramp on which to glide that path toward the market, and that is what we are asking American agriculture to do.

I fought hard for a readjustment in an important program for my State, the sugar program. We have made major changes in deregulating it and creating greater flexibility. But it is a program that is no net cost to the taxpayer. It is one that pays for itself, and it is one in which, again, Government can play a valuable role, and that is to solve the political barriers that oftentimes happen in trade, where we can have massive dumping in a domestic market that could destroy that market for the producer. We have said, "Here are the regulations and the process that will protect the domestic producer, while recognizing our responsibility to the consumer," and I think the sugar program reflects that.

The one program that was the most difficult to change was the program that was the most regulated, and that was the dairy program. Literally for months in the Senate we tried to resolve that issue. In the House, there was a stalemate. Finally, in the last hours, we were able to work out compromises that like, again, all other programs in this bill, moves the dairy producer toward the market while at the same time allowing a tremendous opportunity for that individual producer to get into world markets. That is exactly where production agriculture in our country today must go to remain profitable.

I said on the floor of the Senate some months ago that in my youth, I had the opportunity to be a national officer in the once called Future Farmers of America, now known as FFA. I remember standing on the floor at State conventions around this country and saying one farmer produced enough for his or herself and 30 other Americans.

Today, we know that has changed dramatically. That one farmer produces enough for his or herself and about 130 other Americans or world citizens. I use that to dramatize how important it is for Government to participate with agriculture in knocking down the political barriers that disallow us from entering world markets. That is a legitimate role of Government. It is clearly spoken to in this bill.

Another legitimate role is research. I think that is what our first agricultural President, Abraham Lincoln, had in mind, using the assets of Government to advance agriculture, not to control it and manipulate it and manage it. That is exactly what we have done historically. But, frankly, over the last decade, we have backed away from Government's responsibility in long-term research that has helped advance new variety and kept productivity on the farms of America at ever increasingly higher rates. I think we speak again to that issue in this bill.

Let me conclude, Mr. President, by saying Government does, in my opinion, have a legitimate role in agriculture, and that is as a cooperator, to cooperate in the area of trade, to knock down the political barriers that might artificially be established that disallow production agriculture from getting into world markets.

It also has an area in research. That is what we ought to advance to assure the constant maintenance and ever-increasing productivity on America's farms.

It also has a responsibility to cooperate in conservation and improving environmental standards, but it does not have a responsibility to dictate the market or to micromanage the family farm or the agricultural production unit. That is what this farm bill speaks to.

Let me close by once again thanking the chairman and the ranking member for recognizing our role, as the Senate Ag Committee, to move quality legislation to this floor and now to the President's desk. I am pleased to have been a part of it. I am proud to serve on the Senate Ag Committee. I think we have made a quantum leap forward in working with agriculture to move itself into the 21st century as a market-producing entity of the American economy.

I yield back the balance of my time.

Mr. LUGAR addressed the Chair.

The PRESIDING OFFICER. The Senator from Indiana.

Mr. LUGAR. Mr. President, it has been our habit, at least thus far in the debate, to alternate sides. The distinguished Senator from Idaho has just spoken. The Senator from Oregon has been waiting to speak, but I request that it be permissible for the Chair to recognize a Democratic Party speaker and ask the distinguished ranking member to yield time and then to alternate herein. I will grant time to the Senator from Oregon.

Mr. LEAHY addressed the Chair.

The PRESIDING OFFICER. The Senator from Vermont.

Mr. WELLSTONE. Mr. President, I wish to let the Senator know I am speaking against the bill.

Mr. LEAHY. I understand. I have time reserved in favor of the bill. I wonder if I might yield——

Mr. WELLSTONE. I thought I had time from the minority leader to speak against the bill.

Mr. LEAHY. The Senator does, and the minority leader will let the Senator have whatever time he wants.

Mr. WELLSTONE. Ten minutes.

Mr. LEAHY. Mr. President, I see two colleagues here. We have had a speech in favor. Why do we not let the distinguished——

Mr. WELLSTONE. I would yield myself 10 minutes from the minority leader's time to speak against the bill.

Mr. LEAHY. Could I point out another thing, I say to the Senator? We have a conference on the appropriations, and the distinguished chairman of that wants to go forward. As the distinguished Senator from Florida only wants 5 minutes, why do I not yield to the distinguished Senator from Florida the 5 minutes so the distinguished Senator from Oregon, the chairman of the Appropriations Committee, can then next be recognized and then yield whatever time the distinguished Senator from Minnesota wants.

Mr. WELLSTONE. I have to go to the State Department for an arrangement between a Minnesota company and another country in 15 minutes. That is why I have been here early.

Mr. LEAHY. Mr. President, I ask that the time from the Democratic leader be given to the distinguished Senator from Minnesota to speak in opposition. I ask if he might try, as best he can, to accommodate the others, to limit his time.

Mr. WELLSTONE. Absolutely. I would be pleased to do so.

The PRESIDING OFFICER. The Senator from Minnesota is recognized.

Mr. GRAHAM. Mr. President, can I ask if I might be recognized after the Senator from Oregon?

Mr. LEAHY. I assure the Senator from Florida, he will be.

Mr. GRAHAM. I thank the Senator.

Mr. WELLSTONE. Mr. President, I thank my colleagues. I am sorry we are all here at once. I will try to be very brief. I have been on the floor for some time waiting to speak.

Mr. President, first of all, let me just thank all of my colleagues for their work on the bill, including the distinguished Senator from Indiana, whom I have a tremendous amount of respect for. I mean that very sincerely.

Let me say that the good news is that farmers need to know where they stand. The spring planting season is upon us. People need to know what the program is going to be.

The good news is that there are some programs, some provisions in this legislation that are positive and very important. One of them is the reauthorization of the Conservation Reserve Program, which I think has been a win-win-win program. It does my heart good when environmentalists and farmers and outdoor recreation people all come to my office, all in strong agreement about the importance of this program.

I also think that the $300 million for rural economic development is extremely important. In particular, the focus on encouraging and providing whatever kind of assistance we can for farmers to form their own value-added processing co-ops and retain as much of the value of what they produce as possible, is right on the mark.

Finally, I am no strong supporter of what was the status quo, and I do believe, as my colleague from North Dakota said, in all too many cases farmers have had to farm a farm bill as opposed to farm the land. No question about it: more flexibility is certainly one of the things that farmers in my State have been very interested in.

Let me talk about two fundamental flaws of this piece of legislation. I take very serious exception—and I do not think it is really provincial on my part to do so—to the dairy provisions. It has to do with why we are elected. We are elected to do our best, to speak for and represent and sometimes, I suppose, fight for people in our States. I thought that the Senate had spoken clearly that we were not in favor of a northeast dairy compact. I was very involved in the effort to knock that provision out. In the conference committee, we got a variation of that, giving the Secretary of Agriculture the right to certify such a compact.

That troubles me to no end. It is a huge flaw in this legislation. The dairy provisions of this bill are not favorable to farmers in Minnesota, period. There is not substantial, genuine reform of the milk marketing order system, which is what we need. We have been losing thousands of dairy farmers in my State.

What this potential northeast dairy compact is all about is it gives one region of the country an opportunity to have its own deal while it takes the problems of another region of the country off the table. It is simply unfair. For that reason alone, I would not vote for this farm bill.

The second reason is—and I could go on and on, but I am not going to out of deference to my colleagues who are also here on the floor to speak—but to make a very long story short, I believe that this piece of legislation is fundamentally flawed in one other respect. What we have here is a carrot followed by a stick.

The carrot is that if prices are high—and they currently are—and in addition to your price, you have a hefty support payment that goes on top of that, it is a carrot. I can hardly blame people for being attracted to that proposition. As a matter of fact, I can hardly blame some farmers in my State who I think are saying, "Look, we don't know, Paul, whether there's going to be any farm program in the future. We might as well get the best financial deal that we can." I understand that.

But the question is, what happens in the future? I heard my colleague from Idaho talk about a glidepath. But glidepath to where? I mean, if we are going to cap the loan rate at $1.89 for a bushel of corn and $2.58 for a bushel of wheat, the 1995 level, my question is, since what goes up, comes down, and what happens when prices are low again? That is the stick. That comes later on.

We are talking about children of farmers who want to farm in the future. We are talking about whether or not farmers are going to have any negotiating power in the marketplace. I think what happens is that eventually, with this piece of legislation, the grain farmers in my State will be on their own. They are on their own with the grain companies, and they are on their own with the Board of Trade. They are on their own with the railroad interests.

I agree with my colleague from North Dakota. I think the Tulsa World had it right: "With a mix of luck, work and unusual organization, the lobby for big grain companies, railroads, meat companies, millers and shippers scored a big win in the Senate-passed overhaul of farm programs . . ."

Mr. President, again, there is so much more to say. Let me put it this way. I wish there was a free market in agriculture. I wish Adam Smith's invisible hand was operative. I wish that in the food industry we had many small economic enterprises in competition with one another. But that is not what a rigorous economic analysis of the food industry really shows us.

The conglomerates have muscled their way to the dinner table, exercising raw economic and political power over farmers, taxpayers, and consumers. Everywhere the farmers look, whether it is on the input side or whether it is the output side, they are the ones, the family farmers are the ones, who really represent the free enterprise part of this, but they are faced with oligarchy at best and monopoly at worst.

I think this bill is a piece of legislation that is great for the grain companies because eventually they will get their prices low. If the farmers, as they look to who they sold their products to, if the farmers could see many small businesses, that would be fine. But that is not what they are faced with. They are faced with concentration. Now we are simply taking away the very leverage that farmers have had for a fair price in the marketplace.

So this piece of legislation is a carrot, followed by a stick. I think it is going to lead to the demise of many family farms. I really do believe that. I know my colleagues disagree with me. I hope they are right. I hope I am wrong. Because the health and the vitality of communities in Minnesota is not based upon the acres of land that are farmed or the number of animals, but the number of family farmers that live there. I see this piece of legislation

being a stacked deck against family farmers on the grain front. On the dairy front, the Northeast dairy compact is outrageous and discriminatory and never should have been put in the bill by the conference committee. On that basis alone, as a Senator from Minnesota, I do not support this piece of legislation. I hope my colleagues will vote "no." I yield the floor.

The PRESIDING OFFICER (Mr. FAIRCLOTH). The Chair recognizes Senator HATFIELD.

Mr. LUGAR. I yield time to the distinguished Senator from Oregon.

Mr. HATFIELD. Mr. President, I thank the chairman of our Agriculture Committee, the Senator from Indiana, Mr. LUGAR, for yielding time. I, too, want to add my word of congratulations to the leadership of this committee, Senator LUGAR and Senator LEAHY, for bringing forth an upgrading and updating of this agricultural legislation.

Mr. President, the flood of 1996 in my part of the country has had a devastating impact on much of my State. What I have enjoyed for many years, and now in my adopted home, is the lush and green countryside of the coastal area. It is now barren and covered beneath 2 feet of river silt. The once bountiful pasture lands are no more, and the dairy cows struggle, searching the bare landscape to find scant morsels of food. Many businesses, homes, and families have been adversely affected by the flood. Imagine a small part of this flood damage area, a small county in northwestern Oregon, seven raging rivers running through it and the silt-laden waste water flooding into three bays of the Pacific Ocean. There is such a county, and that county, Mr. President, is Tillamook County, a good Indian name, Tillamook County.

Tillamook County on the northern Oregon coast is the poorest per capita income county of the 36 counties in my State. The entire population of the town of Tillamook consists of only 4,000 people. Roads which connect Tillamook to the rest of the State have been and will be closed for months. Highway 6, which is the east-west corridor to Portland, will be closed for months. Highway 101, which is the north-south corridor out of Tillamook, has been closed since November when the storm started hitting this part of the State.

The leading enterprise in the area is dairy. Mr. President, no industry has suffered more than the dairy industry in Tillamook. As a result of the floods primarily, and windstorms, is that thousands of acres of Tillamook are covered with silt—in some cases as high as 2 feet. It may take as long as 2 years for these lands to recover. Added to the destruction of the grazing land, there have been tremendous losses in livestock and feed, along with damaged equipment and facilities.

Of this town of 4,000, more than 400 people work at the Tillamook County Creamery Association, a local co-op of producers and processors. In this county, there are over 2,000 people directly involved in the dairy industry. Those numbers do not include veterinarians, transporters, supply stores, restaurants, and businesses that live and die based on the health of the dairy farmers.

In summary, Mr. President, this community is isolated due to closed roads. The land, which is the lifeblood of the communities, is smothered under 2 feet of silt. The economic base of this community has been decimated. The short-term prospects for this community are bleak.

With such misery heaped upon this little community, it would have been easy for them to give up, but that is not what has happened. The community of Tillamook locked arms and is working their way back. Immediately after the floods, efforts were made to keep production levels as high as possible at the Tillamook County Creamery Association. Haygrowers throughout Oregon donated several thousand tons to feed the animals. The outpouring of relief efforts has been phenomenal. The Oregon Dairy Farmers Association coordinated relief efforts, which included $200,000 in donations from within the industry, lining up hay deliveries, and assisting hard-hit dairies outside of the town of Tillamook—which, by the way, this town of 4,000 is the largest town in that little county. Dairy farmers helping other dairy farmers. Local, State, and Federal agencies are also assisting with potential loan programs and technical expertise.

I inquired if there was anything else that Congress could do for this community. The response was, "Help us with the Pacific Northwest Milk Marketing order." Now, Mr. President, I attempted to include legislation in the farm bill which would have done so. My amendment would have separated, temporarily, Oregon from this regional milk marketing order. What is the Pacific Northwest Milk Marketing order? Let me explain.

Oregon and Washington and a small part of northern Idaho are part of this regional marketing order. Federal milk orders are authorized by the Agricultural Marketing Agreement Act of 1937. Mr. President, this depression legislation, almost 60 years old, unfortunately, is still governing much of our dairy industry. As the Senator from Idaho has indicated, this bill moves the dairy industry closer to the market economy. Under this law the Secretary of Agriculture establishes Federal orders that apply to buyers of milk. Orders are initiated by dairy farmers normally through cooperatives and can be issued only with the approval of the dairy farmers in the affected area. A milk order is a legal document issued to regulate the minimum prices paid to dairy farmers by handlers of grade A milk in a specified marketing area.

Now, Mr. President, my amendment would have temporarily changed the milk marketing order for a period of 2 years to let flexibility apply to this unique situation in one part of that industry in the Northwest, the Tillamook County Creamery Association. The change would have allowed these farmers to get back on their feet and compete in an open market by giving them added flexibility in establishing their prices.

It was at this point that I hit a brick wall. What was that brick wall? Darigold, Inc. Prior to 1989, Oregon had its own milk marketing order, and it was not until that time that efforts were made to combine the orders. Those efforts were headed up and dominated by Darigold. They used their size and their strength to combine Washington and Oregon under one marketing order, against the objections of the small milk handlers in Oregon. Darigold is the fourth largest cooperative in the Nation, the fourth largest cooperative in the entire Nation. Darigold had almost $1 billion in sales in 1994 alone, with much of their production—and please let me underscore this—with much of their production in powdered milk, for example, being purchased by Government surplus markets. Compare this with the Tillamook County Creamery Association, which had $124 million in sales, all in consumer products produced from local milk—consumer products, not big Government contracts. In their January 1996 member newsletter, Darigold claims a 1995 production of 4.7 billion pounds of milk, 10 times the volume of the Tillamook County Creamery Association, with milk purchased from three States. Darigold produces a wide variety of milk products, including powdered milk, ice cream, packaged cheese, and butter. Compare that with Tillamook, which focuses mainly on a specialty product known as the world famous Tillamook Cheese, which is sold to consumers.

How did Darigold hold up this amendment? The same way most things are done in this litigious society we live in—the Darigold lawyers came forth and threatened to tie up this legislation in the courts. They were sure they could do so for at least a year, and this is the year that needs help. This would have blocked the temporary separation of Oregon from the Pacific Northwest Milk Marketing order for this year. Tillamook County and its dairy farmers do not have the luxury of waiting a year. The Darigold brick wall would have been able to thwart the very will of Congress by stalling this amendment, if it had been adopted. Mr. President, this is a terrible injustice and a black eye on the capitalistic system,

when the giants can run out the small operators from the marketplace because they have Government contracts.

Tillamook County is small, it is battered, but I know it is not out. The strong will of the people of this community and the dairy industry in Oregon will not allow this setback to discourage them. I am disappointed that we will not be able to give Tillamook a helping hand at this time of great need. I am disappointed with the Darigold lawyers for blocking this assistance, and I am disappointed by the greed of the Darigold, Inc. Mr. President, in this situation, the almighty dollar was the bottom line, and compassion was nowhere to be found. That is not and should not be the character of our economic system.

I thank my good friends from Washington and Idaho, particularly Senator GORTON and Senator CRAIG, who have been very sympathetic of the situation in Oregon. They have offered their assistance where possible, and I thank my colleagues for their sensitivity to the plight of flood-damaged Tillamook and the State of Oregon.

I yield the floor.

Mr. LEAHY. Mr. President, I yield from my time such time as the Senator from Florida might need.

The PRESIDING OFFICER. The Senator from Florida is recognized.

Mr. GRAHAM. Mr. President, I want to commence by stating my deep appreciation to Chairman LUGAR and the ranking member, Senator LEAHY, for their great consideration of issues that were important to agriculture across America and especially important to agriculture and the people of my State of Florida.

Mr. President, as you well know, the State of Florida is a State peculiarly vulnerable to a variety of climatic and other disasters. One of the things that we have tried to do is to learn from those disasters and avoid, where possible, a repetition of previous mistakes, and to bring to the attention of the appropriate decisionmakers steps that could be taken in order to moderate the impact of future adverse consequences.

In the last few years, we have had an unusual number of incidents that have impacted Florida agriculture. Hurricane Andrew is the best known, but by no means the only such incident. As a result of that, we have assembled a number of lessons learned, in terms of how American agricultural law for disasters, crop insurance, and other steps that are intended to soften the impact of negative events, could be modified to be more effective and applied to the special agriculture of our State.

I wish to thank Senator LUGAR, Senator LEAHY, and their colleagues for their consideration and for the number of steps that are contained in this legislation that will have that effect.

Let me just briefly summarize a few of those provisions. The Federal Crop Insurance Act will be amended by the legislation before us today to provide for coverage of crops that have been destroyed by insect and disease, as well as those destroyed by storm or flood, or other natural conditions.

This act will expand coverage to nursery crops and to aquaculture, which have been two of the fastest-growing aspects of American agriculture. It will require that the Federal Crop Insurance Act consider marketing windows when determining whether it is feasible to require replanting during a crop year.

To elaborate on that, Mr. President, as you know, much of Florida agriculture is targeted on a winter growing season. There have been instances in which a natural disaster had occurred at the end of that season—let us say, in this month of March, there were requirements that you had to replant, even though by replanting the crops, they would mature in the middle of the summer when the window for our particular agriculture had closed. This will allow the Federal crop insurance administrators to consider the economic feasibility, as well as the agricultural feasibility of replanting a crop that has been destroyed. So, Mr. President, that represents an important set of lessons learned from disasters and now applied to moderate the impact of future disasters.

Second, Mr. President, there is an important provision in this legislation that is to avoid what would be not a disaster, but a calamity of global importance, and that is the collapse of the Florida Everglades. The Florida Everglades represent a treasure, which happens to be located within the State of Florida, but has been long recognized as a national treasure since 1947. The second largest national park in the lower 48 States is Everglades National Park. It has been recognized by international bodies, including the United Nations, as an ecosystem of international importance. It is a system that has been in very serious trouble. It is a system, which started thousands of years ago as a unique flow of water, commencing in the central part of south Florida, in a slow incremental process that eventually then led to the area that we now call Florida Bay. It provided one of the most fertile areas for wildlife, plants, and fisheries in the world. It is a system which has been destroyed largely because of its uniqueness.

When Europeans came to this region, they looked at the Everglades, and what they saw was a formidable swamp. They saw something that was different than they had known in their previous home. They committed themselves to the goal of turning this unique system into something that was common and pedestrian. For the better part of a century, that effort was pursued with great vigor, and with the support of the people of Florida, and of the Governments of the State and the Nation.

It has been in the last 30 years that we have fully appreciated the fact that it was that very uniqueness of the Everglades that gave it its essential value. Also, it was that uniqueness that contributed to the many ways in which the Everglades sustained life, for humans and others, in the south Florida region.

So a major effort to save the Everglades has been underway. It has been recognized that that effort would require a partnership, and an important member of that partnership was the Federal Government. The Federal Government has significant interest in the Everglades National Park's national wildlife refuges and national fresh water preserves.

The Federal Government also will play a key role in executing those things that will be necessary for the salvation of the Everglades. The people of Florida do not ask the Federal Government to do this singularly, but they ask for a unity of purpose between the National Government and themselves.

Mr. President, I am especially pleased to recognize the tremendous step forward that this legislation represents with that goal of "save the Everglades." In this legislation, there is contained a direct entitlement funding for a special Everglades restoration initiative of $200 million. There are also contained various provisions which will encourage the disposition of surplus land, with the proceeds of that disposition to be used for Everglades restoration. One of those provisions could provide up to an additional $100 million for restoration of the Everglades.

I want to particularly thank Senator LUGAR, who has been especially vocal in his recognition of the importance of the Everglades, and Senator LEAHY, who has been a staunch advocate of a whole variety of initiatives contained in this legislation that are designed to recognize the fact that there is no conflict between the economics of American agriculture and the protection of the fundamental environmental resources upon which agriculture depends.

I commend both of these colleagues for their outstanding contributions, and there is no place in which this will be more significant or more appreciated than in the contribution toward the salvation of the Everglades.

So I wish, Mr. President, to conclude with a joint statement with my colleague, Senator MACK, elaborating on the provisions that are of special importance to our State contained in this legislation, and to conclude with my deep thanks on behalf of the 14 million citizens of my State for what leaders of this legislation have done to prepare us for future disasters and to contribute

to avoidance of what would be a disaster of global proportion if we were to lose the qualities of the Florida Everglades.

Mr. GRAHAM. Mr. President, Senator MACK and I would like to take a moment to thank Chairman LUGAR and ranking member LEAHY for their hard work on the 1996 farm bill. We are particularly pleased with the inclusion of provisions that will have a direct benefit to the State of Florida, our growers, and the Everglades ecosystem.

First of all, this farm bill will address three problems that have faced Florida growers of specialty crops. Upon enactment of Federal Agricultural Improvement and Reform Act, the Federal Crop Insurance Act will be amended to provide for coverage of crops destroyed by insects and disease, expand coverage to all nursery crops and aquaculture, and require the Federal Crop Insurance Act to consider marketing windows when determining whether it is feasible to require replanting during a crop year.

Disasters are a way of life for all involved in agriculture. Disaster relief appropriations are an item of the past. The laws to today need to cover all of agriculture to allow recovery after time of great loss. The amendments which were passed go a long way to addressing inequalities in law and definition to allow coverage for major agricultural segments.

Multiple weather-related disasters, from Hurricane Andrew to the record number of hurricanes in 1995, clearly illustrated deficiencies in disaster coverage of many agricultural commodities. Many agricultural products such as aquatic species and numerous horticultural products are not clearly defined as being eligible for disaster assistance. Additionally, even though the Federal Crop Insurance Act was passed, many agricultural commodities still do not have crop insurance available and as such can not even recoup planting costs under current guidelines.

Changes were clearly needed to allow coverage of all agricultural crops during time of disaster. A tree grown for horticultural purposes should be covered whether it is grown in a port or in rows in the ground. Nontraditional species raised for food purposes should be clearly covered.

Acquaculture-raised species—whether for food or nonfood purposes—should also be covered. Foliage plants are agricultural commodities raised for aesthetic purposes. Tropical fish, while not for food purposes, are clearly raised in aquaculture for aesthetic purposes, and should be covered just as surely as our foliage protection. Many States now find that horticulture and foliage plants have become their No. 1 agricultural commodity.

Disasters are likewise not just weather-related events. A rapidly spreading pest or disease can statistically be a greater danger than a hurricane event.

DEFINITION OF DISASTER FOR FEDERAL CROP INSURANCE ELIGIBILITY

The history of natural disasters in Florida has demonstrated the need for the definition of disaster to include events that are not directly weather-related. Beyond a certain level, the devastation of the gypsy moth, citrus canker, or other pests and diseases constitutes a disaster of major scale. The 1996 farm bill will establish a pilot program to have the term "natural disaster" include extensive crop destruction caused by insects and disease.

DEFINITION OF AGRICULTURE FOR FEDERAL CROP INSURANCE ELIGIBILITY

Florida growers of specialty crops also need a definition of agriculture that includes more than just food, fiber and grain. Historically, for disaster purposes, neither aquaculture or nursery crops have been covered.

As recently as the December freezes, producers in the Hillsborough County area were told that aquaculture species, such as tropical fish and aquatic plants, were not defined as agriculture. While these species are reared for aesthetic purposes, they are certainly agriculture—as much as any other horticultural production.

In-ground plants and trees for the nursery industry were still not covered even after 4 years of negotiation and discussions with Federal Crop Insurance officials in Kansas City. Florida growers are appreciative that this farm bill will expand Federal crop insurance to aquaculture and direct the FCIC to establish a pilot program to allow nursery crops to participate in the Federal Crop Insurance Program.

INCLUDE "MARKETING WINDOW" AS A CRITERIA FOR REQUIRING REPLANTING

A third problem for Florida growers of winter crops has involved the interpretation of the clause requiring replanting where feasible after disaster destruction. Until this farm bill, the Federal Crop Insurance has not considered marketing windows when making judgments about claims. Given that USDA can consider economics, potential marketing of the product must be considered as an economic factor.

As a recent example, a potato crop in Dade County was destroyed. The climate of the county would have permitted the growers to replant and barely get in a crop before that weather became too hot. However, the marketing window and contracts for sale of the product would have been totally nonexistent by the time a long-term crop like potatoes could be raised. The Federal Government required the growers to replant even though no sales of that commodity would have been feasible after the area's marketing period was over. Florida growers raise crops in the dead of winter, and are often double and triple cropping the same land with a succession of commodities to meet very defined and limited marketing windows. I am gratified that the mangers of the farm bill agreed to include our provision requiring the Federal Crop Insurance Corporation to consider marketing windows in determining whether it is feasible to require replanting during a crop year.

BROWN CITRUS APHID RESEARCH

This farm bill also provides authorization of up to $3,000,000 in research funding for the eradication and control of the brown citrus aphid and the citrus tristeza virus. The virus, which is carried by the aphid, poses the most formidable threat in decades to the Florida citrus industry. The citrus tristeza virus, in several forms, has the capability of killing millions of citrus trees in Florida, Texas, and California over the next several years. The language included in this bill will help us provide to the citrus community of our Nation the tools it needs to combat this serious threat.

EVERGLADES RESTORATION FUNDING

The 1996 Farm bill also provides an unprecedented opportunity to further the restoration of the Everglades ecosystem. I yield to Senator MACK.

Mr. MACK. I and my esteemed colleague Senator GRAHAM rise today to congratulate this Congress for its foresight and commitment to one of the most important restoration efforts in our Nation's history, the restoration of the south Florida ecosystem, better known as the Everglades. Under section 506 of the 1996 farm bill, the United States has made a historical commitment to this unique national treasure.

Mr. GRAHAM. The Everglades is an extraordinary ecosystem that travels south from the Kissimmee River through the Everglades and down to Florida Bay. The Everglades ecosystem supports south Florida's industries of tourism, fishing, and agriculture and special quality of life of over 6 million residents by providing water supply and recreational activities. The Federal Government has a direct vested interest in the Everglades ecosystem, which houses the Loxahatchee Refuge, and three national parks: Everglades National Park, Big Cypress National Park and Biscayne Bay National Park.

Mr. MACK. The health of the Everglades ecosystem is critically endangered. The same American spirit of ingenuity and adventure that led us to the Everglades at the turn of the century must now be called upon to save this extraordinary resource that is so emblematic of the American character. The Everglades has taught us that a strong economy and healthy environment are not mutually exclusive.

Mr. GRAHAM. Historically, we have tried to tame the Everglades by focusing on small parts of the ecosystem without regard to how the whole system works. This has proved to be a mistake. As we have tried to develop or

manage parts of the ecosystem separately, the result has been to wreak havoc on the entire ecosystem, thus putting the entire ecosystem in jeopardy. The Everglades is not a set of discreet parts like the limbs of a body but instead is a blood line that circulates throughout the entire ecosystem. The long term viability and sustainability of the ecosystem—whether it is wildlife, urban water supply, agriculture, tourism, recreation activities, or fishing—are all dependent upon the same lifeblood, the Everglades, the River of Grass. Decades of diking, damming and using the Everglades for singular purposes has so endangered the health of the Everglades that in the future the ecosystem may not be available to be used for any purpose.

Mr. MACK. The State of Florida has made extraordinary efforts to address the complex problems of the region and to restore this precious resource. Because south Florida is home to 7 of the 10 fastest-growing metropolitan areas in the Nation, we are at a critical crossroad in the Everglades restoration. Together the State of Florida and the Federal Government can continue their developing partnership to consummate Everglades restoration.

Mr. GRAHAM. While it is understood that a significant gap exists in our scientific knowledge about the ultimate ecological and water management needs of the Everglades ecosystem—which necessitates continued detail studies—the framework for restoration and design of major projects for land acquisition, water storage, and restored hydrology are clear. Restoration of one of the largest functioning ecosystems in the world is a massive undertaking. Congress has acknowledged that success will depend on the Federal Government, the State of Florida, and local, regional and tribal interests working in tandem.

Mr. MACK. In acknowledgement of this responsibility, Congress has provided $200,000,000 and possibly as much as $300,000,000 to expedite Everglades restoration activities, which will include acquisition of the highest priority lands needed to improve water storage and water quality critical to the restoration effort. This unprecedented commitment of $200,000,000 will be provided to the Secretary of Interior to either carry out the restoration activities or to provide funding to the State of Florida or the U.S. Army Corps of Engineers to carry out restoration activities. Congress does not intend for these funds to supplant any previous funds committed to any agency of the Federal Government or the State of Florida for the purpose of Everglades restoration, including the commitment to fund STA 1E, a component of the Everglades Restoration Project.

Mr. GRAHAM. Specifically, the legislation does the following:

Section 506(a) directs the Secretary of the Treasury to transfer to the Secretary of the Interior $200,000,000 of any funds not otherwise appropriated.

Sections 506 (b) and (d) authorize the Secretary of the Interior to use the $200,000,000 until December 31, 1999 to conduct restoration activities in the Everglades ecosystem in South Florida. In implementing these sections, the Secretary may rely upon the priorities, programs, projects, and initiatives identified by the Federal South Florida Interagency Task Force.

Under Section 506(b)(3), the Secretary of the Interior can conduct restoration activities that include the acquisition of real property interests intended to expedite resource protection.

Under Section 506(c) as may be appropriate, the Secretary of the Interior and transfer the restoration funds to the U.S. Army Corps of Engineers or the State of Florida or the South Florida Water Management District to carry out restoration activities in the Everglades ecosystem.

Section 506(e) requires the Secretary of the Interior to submit an annual report to Congress that describes what activities were carried out under the initiative.

Section 506(f) also established a special account to be funded by the sale of surplus Federal property in the State of Florida. The special account is to be managed by the Secretary of the Interior to carry out restoration activities. The Secretary of the Interior is limited in his ability to use the special account funds to acquire real property or an interest in real property. The Secretary can use these special account funds for real property acquisition only if the State of Florida contributes or has contributed an amount equal to not less than 50 percent of the appraised value of the real property interest to be acquired. The actual sale of surplus property is to be managed by the Administrator of the General Services Administration. This account will not exceed $100,000,000.

And finally, under section 506(g), the Secretary of the Interior is directed to submit a report to Congress that assesses whether any unreserved and unappropriated Federal lands are suitable for disposal or exchange for the purpose of conducting restoration activities in the Everglades ecosystem. Section 506(g) is not intended to amend or supersede any applicable Federal statute that governs Federal land management, exchange or disposal.

Mr. LEAHY. Mr. President, I thank my distinguished colleague from Florida for his kind words. I note that he and his colleague from Florida worked very, very hard with both Senator LUGAR and me on this issue. It is one where we came together to address not only a Florida issue but what is truly a national issue.

Mr. LUGAR. Mr. President, I thank the distinguished Senator from Florida.

Mr. MCCONNELL. Mr. President, I congratulate Senator LUGAR, our conference chairman, and his staff, Senator LEAHY and his staff, Chairman ROBERTS and his staff, and Congressman DE LA GARZA and his staff for helping us get to this important day for American agriculture.

Policymaking decisions in agriculture have never been simple or easy. Chairman LUGAR and the ranking Democrat, Senator LEAHY, chartered a course that led them toward a bipartisan bill. Farmers and ranchers across the country are now awaiting the passage of this important legislation.

For the first time in 60 years, we have a commonsense approach that will release farmers from the bureaucratic controls of USDA. Under this approach, farmers will no longer be told what to plant, where to plant, or how much to grow. Uncertain deficiency payments tied to market prices are eliminated and replaced with preset and market transition payments that farmers can count on with confidence.

This legislation, formerly titled the Agricultural Market Transition Act, has been renamed the Federal Agricultural Improvement and Reform [FAIR] Act of 1996. This legislation not only reforms commodity programs but also includes rural development, conservation, credit, research, trade, and nutrition.

Highlights of the bill include:

Eliminates the requirement to purchase crop insurance to participate in commodity programs.

Establishes an Environmental Quality Incentives Program.

Export and promotion programs are reauthorized and refocused to maximize impact in a post-NAFTA/GATT environment.

Maintains the Conservation Reserve Program.

Reauthorizes nutrition programs.

Reauthorizes Federal agricultural research programs.

Provides for dairy reform. Eliminates the budget assessment on dairy producers, phases down the support price on butter, powder, and cheese over 4 years. Consolidates marketing years.

Provides funding for Florida Everglades restoration.

Establishes fund for rural America to be used for rural development and research.

Retains the 1949 Agricultural Act as permanent law.

Streamlines and consolidates rural development programs to provide a more focused Federal effort while encouraging decisionmaking at the State level.

When we began the process of formulating an agricultural policy about 14 months ago, the message I got was that farmers wanted less Government, less redtape, and less paperwork. They said we need planting flexibility and less regulation—to put it more simply let farmers be farmers.

Mr. President, many commodity programs and provisions in the 1990 farm bill expired on December 31, 1995. It is now late March. Spring planting is already underway in many Southern States, and it is imperative that producers know the requirements of the commodity programs. The farmers in this country already have their schedules altered by Mother Nature—they shouldn't have to wait for Congress too.

Producers who raise wheat and feed grains and other commodities want to know what kind of program will be in operation before they make their planting decisions and seek money for their operating loans. Program announcements are usually made in early- to mid-February, and farmers usually begin to sign up for the programs at the beginning of March.

Farmers in my State and across the country can wait no longer. We need a new farm program in place—quickly. It is time to pass responsible legislation that provides the agriculture sector with policy for the next several years.

There are many other provisions that deserve to be highlighted, however I wanted to mention a few that I took an active role in trying to resolve. I support this package and believe it provides a safety net and the opportunity for the agriculture sector to meet the challenges that lie ahead.

First, I am grateful that language concerning the regulation of commercial transportation of equine to slaughter is included. Under this provision the Secretary of Agriculture is provided authority to develop sound regulations that will protect the well-being of equine that are commercially transported to slaughter. Often these horses are transported for long periods, in overcrowded conditions and often in vehicles that have inadequate head room. Some of these horses are in poor physical condition or have serious injuries. These regulations would allow horses to get to a slaughter facility safely and as quickly as possible with the least amount of stress to the animal. I want to make it very clear this provision does not authorize the Secretary to regulate the transportation of horses other than to slaughter or the transportation of livestock or poultry to slaughter or elsewhere.

Second, I also want to thank Senator COCHRAN for his assistance in confronting what may be the most serious health crisis facing the U.S. equine population. I'm referring to the Department of Agriculture's recent decision to grant a waiver allowing the importation of horses infected with equine piroplasmosis, also known as EP, so that they may compete in the Olympic games to be held in Atlanta this year. With help from Senator COCHRAN we have strong report language stating that the 20-point plan that has been agreed upon by the European Union, the Georgia Department of Agriculture, and the U.S. Department of Agriculture must not be relaxed and the conditions must be followed and administratively enforced.

Third, dairy policy has always been a contentious issue and it was no different during this farm bill. One provision I felt must be included was the continuation of the Fluid Milk Promotion Program. Building a stronger demand for milk is essential to the entire dairy industry. Fluid milk sales account for about 35 percent of the total amount of milk produced, which means changes in this category are significant. I believe continuation of this processor-funded program is a very good way to attack misperceptions and to keep people drinking milk. We need to continue to increase people's understanding of the benefits and importance of milk and continue to show consumers new ways to keep milk in their diets.

Fourth, conservation concerns in Kentucky have centered around how to help farmers improve water quality. A new program—the Environmental Quality Incentive Program [EQIP] will target over $1 billion for 7 years to assist crop and livestock producers with environmental and conservation improvements on their farms. I believe this program will be very beneficial to the farmers in Kentucky in providing cost-share and technical assistance in improving water quality.

Another issue I heard loud and clear from my Kentucky farmers dealt with the mandatory purchase of catastrophic crop insurance [CAT]. I made this one of my top priorities, and I am happy to report that my fellow conferees also heard similar comments from their farmers. The conference agreement eliminates mandatory catastrophic crop insurance, but requires producers waive all Federal disaster assistance if they opt not to purchase CAT insurance. This means that tobacco farmers and grain producers don't have to purchase CAT crop insurance to participate in a commodity program or to get their marketing card. Eligibility to purchase crop insurance is no longer linked to conservation compliance and swampbuster for producers who choose not to participate in farm programs.

Mr. President, today's 2 million farmers and the 19 million workers employed in our food and agriculture system generate over 16 percent of our Nation's income. We must keep the farmer, the rancher, the food, and the agriculture sector healthy and growing. It is time to give our Nation's farmers and ranchers some answers and to pass this conference report today.

Again, I thank our committee chairman, ranking member, and staff for their dedication and hard work.

Mrs. KASSEBAUM. Mr. President, I rise today in support of the final passage of the conference report on H.R. 2854, the Federal Agriculture Improvement and Reform Act of 1996. In some ways, it is only natural that this farm bill occurred like one of the other major factors affecting agriculture, the weather. With the weather, you're never sure when the rains will come, but inevitably, it will rain. This legislation brings an end to the waiting and uncertainty currently surrounding farmers and ranchers in my state, as well as around the country.

I would like to thank Senate Agriculture Committee Chairman LUGAR and ranking member LEAHY for their tireless work to bring together the many different sides and address their concerns in this farm bill. And of course, a hearty congratulations to my fellow Kansans and members of the Kansas agricultural triumvirate, House Agriculture Chairman ROBERTS, Senate majority Leader DOLE, and USDA Secretary Glickman.

As a supporter of Congressman ROBERTS' freedom-to-farm bill, it is rewarding to see its inclusion in the final legislation. For production agriculture, this bill represents producer flexibility, program simplicity, and stability—all important priorities that will allow U.S. agriculture to successfully compete in the world marketplace. For the taxpayer, this legislation shows the continued commitment by agriculture to lower spending and reduce the deficit. Clearly, if all government programs displayed agriculture's commitment towards reduced spending, there would be no deficit today.

Many other important programs are also included in this legislation. A clear priority was given to conservation programs, including a strong Conservation Reserve Program [CRP]. The CRP has proven to be a valuable tool to promote wildlife habitat, reduce soil erosion, and improve water quality. Reauthorizing this program at its current level and allowing increased flexibility for the producer will allow current program benefits to be retained and increase the focus of this program to improve the most environmentally sensitive lands.

It should be noted that this farm bill is truly comprehensive legislation that will affect all Americans. Included in this bill is important trade legislation that maintains our commitment to providing valuable food aid to those nations in need, strengthens our ability to open new markets, and encourages the development of emerging trading partners. Research, nutrition, rural development, and credit programs are all included in this bill to ensure to their future viability.

Mr. President, it is true that the rains will inevitably come. However, no action by Congress can remove the uncertainty of how much, when, and where it will rain; but we in Congress can and should remove the uncertainty

surrounding agricultural programs by passing this legislation.

SECTION 147

Mr. LEAHY. Mr. President, the chairman and I want to discuss in more detail what was intended in section 147 of H.R. 2854, the section which grants congressional consent to the northeast interstate dairy compact, subject to certain conditions.

This compact will allow the six New England States to regulate the price of all class I drinking milk sold in those States. The regulation may apply to any class I milk sold in the New England States but produced elsewhere, as well as to such milk produced by New England farmers. The compact also provides that farmers from beyond New England receive its benefits as well as their New England counterparts.

The conditions of congressional consent are intended to ensure the compact operates in harmony with the Federal milk market order program, and in complement with the changes otherwise being imposed on that program by this act. Seven conditions of consent are identified.

The condition in section 147(1) requires that the Secretary of Agriculture make a finding of compelling public interest in the compact region before the compact may be implemented. This provision ensures a determination by the Secretary of the compact's need in the region before the compact's authority to regulate interstate commerce, as granted by the consent provided by this act, can become operational.

The next four conditions of consent outlined in section 147(2) through section 147(5) constitute substantive restrictions on the compact's operation, as entered into by the States. In response to concerns raised by some conferees, section 147(2) limits the compact's regulatory authority to only class I milk. Notwithstanding any provision of the compact to the contrary, the compact commission will not be able to regulate other classes of milk. This condition limits the compact's regulatory reach to only the local and regional, fluid milk market. It ensures that the compact will have no effect on the national market for manufactured dairy products.

Section 147(3) constitutes a procedural limitation on the compact's operation. This condition establishes a finite time limit for the provision of congressional consent to the compact. The section establishes that congressional consent terminates concurrently with the completion of the Federal milk market order consolidation process required under section 143 of the act.

Also in response to concerns raised by committee conferees, conditions in section 147(4) alter the procedure by which additional States may enter the compact. The list of potential new entrants is limited to a named few. Such States may only join if contiguous to a member State and only upon approval by Congress.

Section 147(5) requires the compact commission to compensate the Commodity Credit Corporation [CCC] for purchases by the Corporation attributable to surplus production in the New England States. This condition was necessary for the compact to ensure that there would be no score from the Congressional Budget Office. The compact commission's responsibility to make compensation is to be measured by the Secretary's reference to a comparison of the rate of increased production. The compact commission would have the responsibility to provide compensation for those CCC purchase attributable to an increase in the rate of New England milk production in excess of the national average rate of increase.

Section 147(6) provides for cooperation by the Department of Agriculture in the compact's operation. The Department has in the past construed findings of fact in the Agricultural Marketing Agreement Act of 1937 as precluding the Department's cooperation in the operation of State over-order pricing programs. This condition makes clear these past departmental determinations do not apply to the compact, and that the Department shall provide such technical assistance as requested by the compact commission and requires that the compact commission will reimburse the Department for that assistance. The provision is designed to avoid duplication in audit procedures and any other mechanism needed to administer the compact, and thereby to reduce the compact's regulatory burden and cost.

Except in one regard section 147(7) provides only language of clarification, rather than imposes any additional, substantive, or procedural restriction on the compact's operation. This condition in the main part clarifies that the commission may not limit or prohibit the marketing of milk or milk products in the compact region from any other area in the United States. It also clarifies that the commission may not alter or amend procedures established under Federal milk marketing orders relating to the movement of milk between or among orders.

Neither of the first two sentences of that section is intended to limit the compact commission's authority to establish a compact over-order price regulation for all fluid milk marketed into the compact region in any form, packaged or bulk, produced in another production region in the United States. The last sentence of this section 147(7) delineates this point.

The one substantive restriction of this condition is its limitation of the use of compensatory payments under section 10(6) of the compact. Because the use of compensatory payments is disfavored in milk marketing law, the compact itself placed strict restrictions upon their use in section 10(6). Their use even as so restricted proved to be of some concern, accordingly, the conference report further restricts their use under section 147(7).

Does the chairman agree that this description accurately reflects the views of the conferees.

Mr. LUGAR. That is correct.

Ms. MOSELEY-BRAUN. Section 334 establishes a new conservation program called the environmental quality incentives program. One of the purposes of the program, as stated in section 1240(2)(B), is to assist "farmers and ranchers in complying with this title and Federal and State environmental laws." Could the Senator explain to me how this might occur?

Mr. LEAHY. In order to provide the opportunity for an environmental quality incentives plan to be designed to assure that a producer is in compliance with other Federal State rules, regulations, and laws, USDA should enter into agreements with the appropriate agencies to assure that USDA is the only agency with routine decision-making authority and oversight of development and implementation of the plan. These inter-agency agreements should focus on the development process of the plan, not specific conservation practices or management techniques; strive for maximum flexibility due to the variability of agricultural operations and resource conditions; provide that specific practices in the plan may be implemented in varving timeframes within the duration of the plan; assure that implementation of the plan is not interrupted by frequent revisions caused by changes in agency agreements; and recognize the need to encourage producers to develop plans by allowing reasonable implementation periods that provide for economic recovery of costs. If a plan is designed to assure that a producer is in compliance with other Federal or State rules, regulations, and laws, the producer may request plan revisions when necessary to accommodate any significant operational changes or unforeseen technical problems within the farming or ranching enterprise.

Mr. President, I yield, from the time of the distinguished Democrat leader, Senator DASCHLE, to the Senator from Wisconsin such time as he may need to speak in opposition to the bill.

The PRESIDING OFFICER. The Senator from Wisconsin is recognized.

Mr. KOHL. Mr. President, I thank the Senator from Vermont.

Mr. President, we have heard many good things about this farm bill and the promises of market orientation and positive reform that it brings to farm policy, but I believe a more critical examination of this bill demonstrates

something entirely different, and so I want to refute some of the assertions that have been put forth during this debate.

I think every Member of the Senate would agree that agricultural policy needs reform. The realities of production, markets and budgets change rapidly, and therefore what is demanded is a periodic revamping of agricultural policy. I agree that we need greater market orientation in farm policy, and I agree that we need less Government intervention into the production decisions of farmers. However, we also need a farm policy that is defensible to all citizens of our country, and I believe that this bill will ultimately fall short in this very important regard.

The structure of current farm programs is basically to provide a safety net, making supplemental payments to farmers only when prices are low, and freeing farmers to make their money from the market when prices are sufficiently high, as they are currently.

In contrast, this bill offers farmers a so-called guaranteed payment every year for the next 7 years, based entirely on their past production, regardless of market prices. If market prices are high, as they are today, farmers will receive the same payments as they would in times of low prices. In fact, farmers will not even be required to plant a crop in order to get the Government payment. I have a very hard time defending this as a wise expenditure of Federal dollars.

Another assertion about this bill that I challenge is the idea that the goal of simplification and flexibility in farm programs requires guaranteed payments to farmers, even if they do not plant a crop. We all agree that farmers should have greater planting flexibility and that the Federal Government should get out of the business of dictating planting decisions to farmers. But again, farm programs must be defensible to all citizens of our country, not just those few in a position to reap short-term windfall profits from the Government.

Another assumption that the casual observer of this farm bill debate might be tempted to make after listening to the debate is that this bill cuts the cost of farm programs. Yet, a quick analysis of the cost projections for this bill indicates that in the first 2 years of this bill the taxpayer will be required to pay an additional estimated $4 billion for farm programs over what they would pay under the current program. Why? Because the taxpayer will be required to make large cash payments to farmers in times of expected high market prices, as opposed to making payments to farmers only in those years when prices are low.

While these are a few of my concerns about the overall structure of the bill, as a Senator from Wisconsin, my overriding concerns are with the dairy provisions of this bill. And in that regard I believe that this bill offers a very mixed and a dangerous message.

On the one hand, I am hopeful that the milk marketing order reform provisions of the final farm bill will give the USDA the tools that are necessary to bring about greater regional equity in milk pricing policies and to make the milk marketing order system more reflective of today's markets.

The bill instructs the Secretary of Agriculture to consolidate and reform orders within 3 years, and essentially instructs him to do so without consideration to the existing price system established by the 1985 farm bill. I think this is a positive change, and I am very hopeful it will bring about a marketing system that is more defensible in today's economy and more equitable to all the dairy farmers of our country.

However, I am stunned by the inclusion of another provision of this bill, which I believe goes in the complete opposite direction of market orientation, and that is the northeast interstate dairy compact. While the bill does not approve the compact, it does explicitly give the Secretary of Agriculture the authority to do so on a temporary basis if the Secretary determines that there is a compelling public interest in the area.

My colleagues will recall that during the Senate consideration of the farm bill, we voted to strike the northeast dairy compact from the bill. In doing so, the majority of the Senate demonstrated their disagreement with efforts to establish what amounts to regional dairy cartels, and on the House side the northeast dairy compact never was included.

So it is very hard for me to understand how a dangerous provision like this can appear in a conference report when it has been clearly rejected by both Houses of Congress. In my mind, Mr. President, that is back-room dealing at its worst.

It is true that some provisions have been added to the compact to try to blunt its negative effects. Other safeguards that had been agreed to in previous debates were deleted. But my overriding concern about the northeast dairy compact is now and always has been one of dangerous precedent.

Since my first day in the Senate, I have fought to make Federal dairy policy more equitable to the dairy farmers of the Upper Midwest. Most agricultural economists, and now even the Secretary of Agriculture, agree that the current milk pricing policies have had a disproportionately negative effect on the farmers of my region, and I am hopeful that the milk market order reform provisions of this bill will help reverse that injustice. But I fear that even the most equitable milk market order reforms will be meaningless in the long run if we start allowing regions to segregate themselves from the rest of the country economically through efforts like the Northeast Dairy Compact.

Our country and its Constitution are built on the concept of a unitary market without barriers. While I appreciate the efforts that have been made to water down the ill effects of the compact, I strongly believe that the long-term ramifications of this compact on a State like Wisconsin, which depends so heavily on national markets, are ominous.

A New York Times editorial this past weekend stated the following about the Northeast Dairy Compact:

> A House-Senate conference committee has managed to tarnish the most important farm bill in years by inserting a last-minute provision for a New England milk cartel that would gouge consumers and violate the free market concept that has made the 1996 farm bill worthwhile. The regional milk monopoly is the very opposite of the kind of reform this bill was meant to provide.

It will now be up to those who support true market-oriented dairy pricing reform to make that case to the Secretary of Agriculture and to assure this regional compact does not come into effect.

Lastly, while this farm bill eliminates the 10 cent per hundredweight budget assessment that all dairy farmers hate, its net effect on dairy farm income will be negative. In fact, I know of no other farmers that are asked to give up their price safety net as dairy farmers are through the elimination of the Milk Price Support Program without providing some sort of direct transition payment to soften the blow. While I question the wisdom of the overall structure of this bill, it would seem only logical to apply that structure equitably across commodities, and this bill does not do that with respect to the dairy farmer. So I will cast my vote against this farm bill.

I yield the remainder of my time.

Mr. LUGAR addressed the Chair.

The PRESIDING OFFICER (Mr. INHOFE). The Senator from Indiana.

Mr. LUGAR. I yield 10 minutes to the distinguished Senator from Pennsylvania [Mr. SANTORUM].

The PRESIDING OFFICER. The Senator from Pennsylvania.

Mr. SANTORUM. I thank the Chair.

Mr. President, I rise in support of this legislation, and I do so enthusiastically, although I must say I do have some reservations about a few of the titles which I will talk about later.

Overall, this bill does move in the right direction. It moves toward freedom to farm, which I think is absolutely important for agriculture in America, to be not only profitable for the farmer but to be able to produce goods that can be sold all over the world.

I am very proud of the conservation title in this legislation. I think the dairy title takes a step in the right direction. Dairy, as has been said by various people on the floor, is probably the

toughest area to reform, but we have taken steps in the right direction. It is going to take a little bit longer to get the kind of reforms in dairy that are necessary to be more free market oriented, but I think we have moved substantially in the right direction, and I support this bill.

I have some problems with respect to sugar and peanuts, but they will not keep me from voting in favor of this legislation and to commend both Chairman LUGAR and Senator LEAHY, the ranking member, for a job well done in putting this agreement together under fairly serious time constraints as we approach the planting season.

Let me first focus on the conservation title because this Congress has been excoriated by many in the national media for being an anti-environmental Congress. I suggest this farm bill is the most proenvironmental farm bill ever passed. It makes some terrific reforms by focusing on incentive-based programs, where we encourage farmers to be good stewards of the land. Farmers are good stewards of the land, by and large. We should have programs to complement their natural tendency, which is to take good care of the land that they need to grow their crops or to raise their cattle or sheep or whatever the case may be.

This is a very important step in the right direction. We should commend the leaders here, and the Congress, for putting this bill forward in an area, as I said before, where we are being criticized for not being sensitive to the environment. We have established new programs, incentive-based programs, that I believe will have a tremendously positive effect on the environment in rural America.

As a sponsor of the Environmental Quality Incentive Program that Senators LUGAR and LEAHY introduced and incorporated into this bill, I am particularly encouraged by the cost-shared assistance that will be available for livestock and crop farmers.

Senator LUGAR mentioned the Farms for the Future Program earlier. This is an amendment I offered on the floor of the Senate to provide $35 million for farmland preservation. It is an incredibly successful program in Pennsylvania. In fact, we have an overwhelming demand for this program in Pennsylvania that we simply cannot meet. This is an attempt to have the Federal Government help out to preserve high-quality farmland that happens to be located in an area near an urban area that is under very intense pressure for development. What we are seeing happen, obviously, as the urban sprawl continues to move out into the rural area, we are losing very valuable farmland. In fact, in many of my counties, particularly in southeastern Pennsylvania, we are seeing the whole farm economy destroyed because of the pressure of development. I know it is not just happening in Pennsylvania. It is happening across the country. Farmland preservation is a way to recognize that the farm economies in these areas where we have such high quality farmlands and we have a good agriculture base are worth preserving and protecting. This is a way to do it. So I am very excited about this aspect of the conservation title.

Finally, the whole freedom to farm concept is important with respect to the environment. Instead of dictating our farm policy from Washington, we are now giving flexibility to farmers. So they are not going to plant the same crop on the same ground, year after year. This practice requires increased uses of pesticides and fertilizers, because you are draining the ground of nutrients every year because you are planting the same crops. Now, you will see different crops planted and a reduction in the use of pesticides and herbicides. That is a very important, environmentally positive aspect to the freedom to farm approach.

So, there are a lot of things in this farm bill we should be very excited about from that perspective. I want to congratulate, again, the Agriculture Committee and the conferees, for keeping these programs strong and crafting a good title.

Let me now move to an area I am concerned about and that, obviously, is sugar and peanuts. But one other thing before that. I am disappointed we were not able to eliminate permanent law. Permanent law is from 1949. It is a law that is obviously not in use. It is superseded every few years when we do a farm bill, as we will this time. We will suspend permanent law, but it is still on the books. We say, "What does it matter if it does not come into effect? Why is it so important that you want to get rid of this?"

Permanent law is really the hammer held over our heads, that if we do not pass a farm bill, if we do not keep these farm programs going and we do not repeal permanent law, we kick back to this permanent law which means we have outrageously-priced commodities. This is, really, one of the reasons I believe we continue to pass farm bills and we continue to have an interfering Government hand in agriculture.

If we got rid of permanent law, then the farm bill would have to be passed based on its merits as a bill, not because there is a hammer out there that would throw the economy into disruption if we did not pass a farm bill. So, retaining the permanent law hammer gives me a little bit of trepidation that, when this farm bill comes up again for reauthorization, the transition to more free markets could be hampered because of that hammer. So I am disappointed in that. But, again, it is another fight for another day.

Finally, on the sugar and peanuts—I could talk at length about both, but I am going to focus my attention on what I see is the more egregious of the two programs and that is the peanut program. I stood on the floor right at this spot and offered an amendment on peanuts, which was a gradual phase-down of support price. The opponents of that amendment got up here and demanded—they said, "Look, you guys do not understand. We have real reform in here." They just said, "This is substantially reformed in the original bill. You do not have to go this far. This is outrageous reform, the Senator from Pennsylvania is talking about. This is just too severe. We have real reform in this underlying bill. As a result, you can be for reform of the peanut program and not vote for the amendment of the Senator from Pennsylvania."

Well, as I knew at the time and as I said at the time, I said: Yes, there are some reforms in here. They are not substantial. It is lipstick on a pig. But, yes, you can argue there are reforms here. But you know what is going to happen. These folks, who are advocates of this program, they are going to get in conference and they are going to gut all the reforms and they will come back and it is business as usual.

Surprise, what happened? They get to conference and almost all the minimal reforms that occurred in the original bill are gone. They are gutted. There is almost no reform in this bill anymore with respect to the peanut program in particular. That is fine. I should have known better. In a sense, I did know better. But I will state right here, that this program, while it is only reauthorized every few years—5, 7, whatever years it is—may be only reauthorized that often, but we are going to have another vote on the peanut program this year, maybe more than one vote. We are going to do it on appropriation bills. We may do it on who knows what other bills. We are not going to continue to sandbag reform on peanuts and then go to conference and gut it and have it included in the big bill where you cannot get to it anymore.

This battle is not over. There will not be any argument anymore from the other side that we actually reformed it because you did not reform it. Now we are going to talk about the merits of this program, as to whether it should go forward. Let me talk about the merits of this program. Yes, we cut the support price of peanuts from $678 a ton down to $610 a ton for quota peanuts.

By the way, the world price for peanuts is $350 a ton, but we are now at the tough, mean-spirited rate of $610 a ton, if you are on quota. We have two classes of citizens in peanuts, who grow peanuts. We have people who are lucky enough that their granddaddy was able to get a quota or license from the Government to grow them, and you get $610 a ton. If your granddaddy was not around when they were giving out the

quotas, you only get, if you sell them on the additional market to the Government, $132 a ton.

It is the same quality peanuts, maybe grown by the same farmer, some are quota some are additional. But you get $132 versus $610. OK? The world market is $350.

So we have two classes of people out here. You say, "Well, yeah, you reduce the price." "Well, yes, we reduce the price. Guess what? We now have made this a no-cost program." That is the way they sort of got around it.

No, it is not reform. It is not going to cost money anymore. How do they do that? Every year the Secretary of Agriculture estimates what the consumption of peanuts will be in this country and sets the quota. Let us say it is 1.2 million tons of peanuts, and he sets the quota.

The Secretary cannot allow the Government to be a big buyer of peanuts, and the reason is because we cannot get stuck with a lot of expensive peanuts and not be able to sell them.

Mr. President, I ask for 2 additional minutes.

Mr. LUGAR. I yield 1 additional minute.

Mr. SANTORUM. So the problem is, he will have to go out and short the market; in other words, he will have to have a lower quota than they actually expect so they do not end up buying a bunch of peanuts and being stuck with the cost.

We had two provisions in there that actually penalized farmers 5 percent every time they sold their peanuts to the Government when they had a price equal to the quota price available on the market. Well, they gutted that provision. They gutted that provision completely.

How do they do it? First, they said the farmer has to put up his entire crop. What do you mean "entire"? You put up 99 percent of your crop and you sell 1 percent on the open market, and you avoid all penalties. That is No. 1. There is a big loophole here, No. 1.

No. 2, it says that you have to sell your entire crop to the Government for 2 consecutive years, and then you get penalized. One year one producer sells it all to the Government, the next year another one does, and you play games with producers so nobody gets caught. That is another big loophole in this.

I can go on with a whole variety of other gutting amendments that occurred in conference. But the fact of the matter is this program is not reformed in this bill. We are going to have plenty of opportunities on the floor of the Senate over the next 6 months to reform it, and I am looking forward to that debate.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. HEFLIN addressed the Chair.

The PRESIDING OFFICER. The Senator from Alabama.

Mr. LEAHY. How much time does the Senator wish?

Mr. HEFLIN. Ten to twelve minutes.

Mr. LEAHY. I yield 10 minutes to the Senator from Alabama. My time is dwindling, so I yield 10 minutes.

The PRESIDING OFFICER. The Senator from Alabama.

Mr. HEFLIN. Mr. President, I rise today to talk a few moments on the farm bill conference report that is before the Senate. Last year, when the farm bill process began, farmers came to me representing all types of commodities enthusiastically supporting the continuation of the present programs which provided a safety net for farmers in times of disaster or low market prices. They told me the programs were working well, and, particularly in the South, these programs had worked exceptionally and extremely well, specifically in regard to cotton.

However, there was substantial Republican opposition to the continuation of such programs, even within budgetary limits. Therefore, the Republicans pushed the Agricultural Market Transition Act of 1996, formerly known as the freedom to farm bill, in which the farm program payments were decoupled and all Government programs would ultimately be phased out at the end of 7 years.

In order to gain producers' support for a farm program phaseout, the Republicans advocated fixed, but declining, payments regardless of market prices. The program that they advocated guaranteed payments to farmers whether they needed them or not. This program, in my opinion, constituted a welfare program.

In regard to cotton, it is understood that if you can produce cotton and get a price close to the target price, which is 72.9 cents a pound, you can make a living. The target price was based on the idea of taking the cost of production and the minimum amount necessary to have a return on equity comparable to what business groups endeavor to try to have as a return on equity, on a conservative basis.

But we find that under this program, this freedom to farm act, that if cotton went up to 85 cents a pound, which would be a bonanza year for profits and for prices, nevertheless under this, you would get a Government payment, a mailbox payment. If cotton went, as it did last year, to $1.06 a pound, you would, nevertheless, under the Republican proposal, get a Government subsidy. There is no point in paying money to people who do not need it, and that would be what would have happened last year under this particular program. Support for farmers should be available during times of low market prices or uncontrollable natural disasters. Payments should not be made to farmers when commodity prices are as high as they currently are.

I oppose such an approach, feeling that this program could not survive close public scrutiny and is simply not good policy.

However, in the Senate, there was extended debate, there were cloture motions filed, and it appeared that cloture would not be obtained at one point, so compromises were worked out. Senator LEAHY took a lead in trying to work out a compromise, and I commend him for the end result. I do not like all the compromises, but at least with the circumstances with which we were faced, we did achieve a bill.

One aspect of the compromise was reinstating permanent law. Permanent law will ensure that Congress in the future must address farm programs and not simply allow them to expire.

The addition of permanent law as a part of the now called Federal Agricultural Improvement and Reform Act of 1996 is a vital element for assuring that the Federal Government will refocus its attention on agricultural policy and ensure that we maintain a partnership with rural America and not abandon our agriculture producers at the end of 7 years.

The Senate compromise also reauthorized conservation programs, including the Conservation Reserve Program [CRP] and permitted new CRP enrollments. The conservation title of the farm bill demonstrated a very strong commitment to the environment.

In addition, the very important nutrition programs were also reauthorized.

Discretionary agricultural programs, such as research, trade, rural development and credit were also rolled into the final bill.

The conference report before us today contains much of the Senate bill, and even some improvements were achieved in conference, including improvements in the peanut program. However, to me, this bill contains about an equal amount of good and bad, and this is so even after the compromise changes were included in the conference report.

If I had to weigh the good and the bad on a scale, they would come out about equal. But we are faced today with the fact that the planting season is upon us. A day has not passed in which I do not hear from farmers anxious for some direction from Congress regarding farm programs. Time is of the essence. The planting season is upon us, and that is an element that we must consider.

Nevertheless, I cannot overlook my strong concerns regarding the outyears when it is predicted that commodity prices will fall and the farmers will need an adequate and certain safety net.

The agricultural policy in China, for all practical purposes, is today controlling cotton prices in America, among

others. They have vast billions of citizens to feed, and whatever policy they may establish concerning agriculture, it certainly affects the commodity prices in America today. If Chinese agricultural policy changes immediately, or in the next couple of years, then we will again experience commodity price fluctuations and the safety net provided in the bill before the Senate does not provide an adequate safety net to deal with this potential problem, and this concerns me deeply.

But at the same time, we also are faced with another situation. In my State of Alabama and in the Southeast, and in other sections of the country, last year saw disastrous conditions that affected the production of farm commodities. In the cotton belt, we had to deal with the boll weevil, the tobacco budworm, and the beet armyworm. Alabama also experienced a terrible drought, and then had to deal with two hurricanes unfortunately at harvest time. Alabama, along with other regions of the country, each had their share of uncontrollable factors to deal with this last season. Unfortunately, catastrophic crop insurance proved to be inadequate and many farmers struggled to make back their cost of production, and many did not. We tried to pass some limited degree of disaster assistance for cotton farmers during agriculture appropriations, but this effort was unsuccessful. So we are looking at a situation today where the first payment under the, as I call it the freedom to farm act, would act as a disaster payment to farmers for the disastrous situations experienced last year.

Therefore, while I believe this bill to be flawed in some areas, I have decided to vote for the conference report. I base this decision on weighing the good and the bad, and I believe it to be about equal. The fact that it is late in the day and this bill does provide some immediate assistance to farmers, I will, with reservation, vote for this conference report. I have hopes in the future that we will come back and take a responsible look at the policy, a year from now or 2 years from now, and look again at the overall policy pertaining farm programs.

I would like to commend Senator LEAHY for his work in this regard.

Mr. LEAHY. I will yield another minute for that, Mr. President.

Mr. HEFLIN. I think he did a great job and he reestablished a great deal of Democratic principles into the policy that we have, particularly research and conservation and environmental as well as others in regard to it.

I would briefly like to mention the peanut program. In my judgment the peanut program reform went far too far. According to studies that were made by Auburn University, the final version of the peanut program being voted on today will result in a 28-percent loss of income to the peanut farmer. While other commodity producers are receiving transition payments, the peanut producer is seeing nearly a one-third reduction in his income. In my judgment, the degree to which the program was reformed was unnecessary and punitive.

Mr. President, as I am looking at this farm bill, this will be the last farm bill that I will participate in, since I am retiring at the end of the year. I have long been a supporter of the American farmer. My commitment to agricultural producers has been constant throughout my career. I am concerned that the bill before us today does not provide the kind of safety net that I would prefer to see and leave as a legacy for future generations of farmers. I hope that in the future, Congress will not turn its back on American farmers in the event that commodity prices fall and farmers are left without any price protection.

I ask the Senator if I could have a couple more minutes.

Mr. LEAHY. I yield another minute to the Senator.

Mr. HEFLIN. Basically, I think that the farm bill ought to have balance. Take for example feed grains. Feed grains are important to the producers, and the structure of their program is important to them. But so on the other hand are the users of feed grains, such as the producers of cattle, hogs, and catfish. It is so necessary to have a balance. So I hope that as we look to the future and look again in regard to these matters, that we will attempt to achieve a balance between producers and users of agriculture commodities.

I would like to recognize Senator LUGAR for his work on this farm bill. Senator LUGAR has been a good chairman. I disagreed with him on many aspects of the bill and of the overall policy but he was certainly a gentleman throughout; he made certain that everybody had an opportunity to be heard. I think that he wants to achieve a balance in regard to farm policy and hopefully this will be addressed in the future.

So, as we look forward toward the future, we hope we can have a farm policy that has balance. At some time in the future I will deliver a speech to the Senate relative to balance—balance relative to trade, balance in regard to agriculture policy. But today, Mr. President, I will vote for the conference report.

Mr. LEAHY addressed the Chair.

The PRESIDING OFFICER. The Senator from Vermont.

Mr. LEAHY. Mr. President, we are going back and forth. I see a Member on the other side of the aisle. But I note, if I might, the distinguished chairman. I do intend to make a statement later in praise of both Senator HEFLIN and Senator PRYOR, two of our most distinguished Members, who are leaving the committee at the end of this year.

Mr. LUGAR. Mr. President, Senator GRASSLEY is prepared to wait for Senator KERREY's speech. Senator KERREY has been on the floor. I will ask recognition for him to speak following Senator KERREY.

Mr. PRYOR. Mr. President, I am not seeking recognition to speak, but merely to ask the question, is there a possibility that we could seek, once the speakers coming up are through—I have been here for a good while this morning. In fact, I have enjoyed being over here this morning listening to some of this debate. But I see some of my colleagues, Senator KERREY, Senator BRYAN. I would be glad to follow them, if I just knew some order.

Mr. LEAHY. I wonder on our side, as we go back and forth on the Democrat side, I wonder if my colleagues would be willing to have it be the sequence of Senator KERREY, Senator BRYAN, Senator PRYOR. Is that what the Senator is suggesting?

Mr. PRYOR. I would be glad to follow my colleague, Senator BRYAN.

Mr. BRYAN. If I might, the distinguished Senator from Arkansas has been here longer than I.

Mr. LEAHY. Why not Senator KERREY, Senator PRYOR, Senator BRYAN, as we take our turns. That is assuming there will be a chorus between each Democrat of a Republican seeking recognition.

Mr. LUGAR. If the Chair would permit, following Senator KERREY, Senator GRASSLEY would be the Republican speaker, to be followed then by the two Democratic speakers, and then any Republican that comes on the floor.

Mr. LEAHY. I thank the chairman.

Mr. PRYOR. So I will not surprise either of the splendid managers of this piece of legislation, I am going to vote against this bill. But there is one section I find very appealing in this legislation. I want to talk about that section just for a while, 4 minutes.

Mr. LEAHY. Those in opposition will have time yielded by the distinguished Democratic leader, and we will take that at that appropriate time.

The PRESIDING OFFICER. The Democratic leader has 84 minutes.

Mr. LEAHY. Is the Senator from Nebraska speaking in opposition?

Mr. KERREY. Yes. I ask for 10 minutes, to be charged against the Democratic leader's time.

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

Mr. KERREY. Mr. President, first let me praise the conferees. Given the acrimony surrounding the debate, and given the lateness of the hour, it is entirely possible for conferees to look and produce nothing, or to produce a bill which the President would have had to veto. I appreciate very much—I know a great deal of movement had to occur in order to resolve many of the conflicts. I applaud them for having

produced a piece of legislation that the President has indicated that he will sign and that he would like to revisit next year.

Mr. President, I would like to go through some of the things I see are good in this bill. I do intend to vote against it, but there are a number of things that are quite good.

First, in the area of conservation, one of the great success stories of farm programs over the past 60 years has been the tremendous improvement in conservation of soil and of water that has occurred on the private property in this country. Very often one of the political lines is used when describing the farm program as "What a failure it has been." But one need only look at the snapshot of what this country looked like in the 1930's versus what it looks like in the 1990's. Indeed, you can go back to the 1980's and see considerable progress just in the last 10 years. It has been a great, often untold story, this success story in this country.

This bill authorizes the CRP at 36.4 million acres through 2002. All conservation programs are going to become more responsive to State and local needs since the technical committees that control will be required to include agriculture producers as well as nongovernmental organizations, giving them an expanded role.

This is no small item, Mr. President. It empowers people at the State level to come up with plans for the CRP that dovetails with their plans for conservation, their plans for tourism, their plans for water quality. We have tried that at the State level in Nebraska, and I can alert colleagues that groups that typically opposed one another have been able to reach agreement as a consequence of being given the power and control over making these kinds of decisions.

There is simplified conservation planning in this legislation for farmers through the Environmental Quality Incentives Program and the Conservation Farm Options. It is a tremendous improvement. I applaud the conferees for including it.

It provides for pilot wetlands mitigation projects to give farmers flexibility in managing their frequently cropped wetlands that have been badly degraded.

It makes many improvements to the law dealing with good-faith violations of conservation requirements and granting of variances from conservation requirements, stemming from "abandonment" of farmed wetlands and in defining "agricultural land" so the U.S. Department of Agriculture will be the agency responsible for delineating wetlands on pasture, rangelands and tree farms.

Next, the Resource Conservation and Development Program, which has also been very successful in my State, is reauthorized through the year 2002. The next big thing I identify is something quite good, spoken at length by many other people, but we have retained permanent authority for farm programs. Thus, we are not phasing out the farm program, not only at the end of 7 years, but the door is open if this program turns out not to be successful, for us to revisit and perhaps change the law.

Third, it increases planting flexibility, though we take a step backward from the 1990 farm bill in planting flexibility for farmers who want to plant fruits and vegetables. I am pleased the conferees adopted a provision I requested regarding alfalfa and other forages. For the first time, farmers and ranchers will not be penalized for harvesting alfalfa and other forages on their base or contract agencies. This will help farmers meet their conservation compliance requirements and may result in more conserving-use species being grown on environmentally sensitive land.

I point out there was an alternative, called the Farm Security Act, providing tremendous flexibility and simplicity by reverting to the normal crop acreage system, what we, on the Democratic side, proposed and tried to get supported. It would have retained a market orientation but would have provided tremendous new simplicity and flexibility for the farmer.

In addition, the rural development programs are improved. The creation of the Rural Community Advancement Program will give States more flexibility to address their individual needs, and the Fund for Rural America will provide additional resources for addressing needs in both rural development and in research.

Next, on the negative side, now moving from the good to the bad, depending on your point of view, my point of view is that it is very bad to create a fixed payment system that is, in essence, ignorant of the market, ignorant of the farmer's revenue, and ignorant of whether the farmers even plant a crop. This decoupled program of so-called guaranteed payments is far from being market oriented. It is market ignorant. American taxpayers would not stand for our Government giving AFDC payments to a family making $100,000 a year, any more than they will stand for our Government giving producers a freedom-to-farm payment—up to $230,000, in fact—when that farmer has received record-breaking profits or when he decides not to plant at all.

Next, it overpays farmers when revenue is high but leaves farmers without adequate protection during bad years when they need Federal support the most. Worse, the loan rate is capped for the 1995 levels. It can go down, but it can never go up. In a time when farm prices have increased and are projected to remain high for several years, these cap loan rates quickly become as outdated as the crop basis of previous farm bills.

Wheat and feed grain farmers, the individual producers themselves, came and said, "If you take these caps off, we will pay for it by taking reduced guaranteed payments," but the majority party refused to make this commonsense change.

In 1996, the farm program was expected to cost very little. To be clear on this, in 1985 the farm program cost $26 billion; last year, $10 billion. This year was going to cost $6 billion; next year it is forecasted to be $3 billion as a consequence of prices being high. Farmers are getting a decent income from the market, and the taxpayers are benefiting from the greatly reduced cost of the farm bill.

As much as I dislike many of the aspects of the 1990 farm bill, it is undeniable, from a taxpayer's perspective, that the 1990 farm bill was working. Our deficit will actually increase by $4.5 billion by the end of 1997 as a result of this bill.

Yesterday, we heard the Secretary of Agriculture come before the Agriculture Appropriations Subcommittee and present the President's budget for 1997 to Congress, and he had to say, "We did not know what the farm bill would be, so we could not include the farm bill consideration." But his budget, assuming spending needs would be the same as they have been under the 1990 farm bill, shows that there is a $3 billion increase in the mandatory side of the farm program payments.

So, please understand for those who will vote for this thing and issue the press release talking about how it will be cheaper in the first year, and the budget that we will debating this year, the budget will actually increase on the mandatory side by $3 billion. Increasing mandatory spending by $3 billion in 1997 can mean one of only two things, Mr. President: Either the deficit will increase, or discretionary spending will have to decrease.

In the President's 1997 budget, budgetary authority for discretionary spending amounts to $13 billion. Budget authority for mandatory spending is $59 billion, including the nutrition programs. That $13 billion is a $200 million increase over last year. With inflation running about 2½ percent, that is an actual cut, Mr. President. With this $3 billion increase in the mandated side, unless we bust the budget or find an offset someplace else, we will have to take the discretionary programs down even further than is being recommended by the President.

Next, Mr. President, our Nation's neediest people are shortchanged by this bill, since the Food Stamp Program is reauthorized for only 2 years. Only 2 years' authorization of food stamps, while farmers are supposedly guaranteed payments up to $230,000 for 7 years.

Research is shortchanged as well, Mr. President, with programs being authorized only through 1997. This is a result

of the House insistence that we should force ourselves to craft a new bill dealing with research within that time period. I agree our research program should be reexamined and updated. However, if the past 14 months is any indication of how quickly the House and Senate Agriculture Committees and Congress as a whole will act to reauthorize agriculture-related programs, the majority's insistence of only a 21-month authorization for research is not a very good idea.

Less planting flexibility for farmers who grow fruits and vegetables is the next objection I have, Mr. President. Potatoes, in particular, is a crop grown increasingly in my State, and not only grown but also processed. So it is an important source of jobs. Under the 1990 farm bill, the current law, any farmer could plant potatoes as long as that farmer agreed to give up any Federal subsidy on the acres that were planted to potatoes. That is fair policy.

Unfortunately, I was unable to persuade the majority that we should adopt the same policy of planting flexibility for potato growers under this bill. Instead, the conferees adopted a provision that will create an allocation system, a quota, Mr. President, for farmers who want to plant potatoes or other fruits and vegetables on contract areas. Instead of allowing any farmer to plant potatoes, if the farmer agrees to forego his Federal subsidy it limits potato production on contract acres to three situations: First, a region with a history of double planting; next, a planting history that includes potatoes; and farmers that can prove to the U.S. Government, the USDA, they have grown potatoes in the past, but that farmer is limited to planting no more than his average production of potatoes in the 1991–95 period.

So in conclusion, we are saying freedom to farm, more flexibility, but you are not able to do what you are allowed under the old farm bill, which is, if you want to plant an alternative crop you are allowed to take a decreased payment off your normal base. I object to this arbitrary planting restriction, particularly since farmers of each of the three situations must also give up their guaranteed payment.

Mr. President, the last time the Congress failed to enact a farm bill during the year it was due was in 1947. I point out, in 1990, when this bill was being debated, when the current law was being debated, in July 1990, there was a great debate over an amendment offered by the Senator from Texas, Senator Bentsen. What he said was, we are going to authorize the Secretary—any section of this farm bill is extended during that 5-year period to reauthorize the rest of the farm bill. Why? Because the Republicans at this time were quite concerned—there was a colloquy between the distinguished Senator from Indiana and the Senator from Kansas saying, we have to do this because July is too late.

We waited far too long, Mr. President, this time around. 1947 was the last year when this happened. That year there was a Democrat in the White House and Republicans controlled the House and the Senate. In my judgment, we are going to have to do the same thing that the voters did in 1948 to break the current logjam we have on the farm bill and the appropriations bill if the American people's will is not going to continue to be frustrated.

However, the conference committee—as I said at the beginning, I must revert to praise—the conference committee does a terrific job. They could have ended the day and passed nothing. They were up against a time line—self-imposed, in my judgment—as a result of not getting the work done. That having been said, it would have been very easy for them to have passed something the President could not have signed.

I hope that the political changes in 1996 present us with an opportunity to revisit this bill on behalf of farmers who need income, on behalf of people in communities who depend upon that income for jobs, on behalf of the taxpayers who are going to pay for it, and, most important, on behalf of the American consumer.

I yield the floor.

Mr. LUGAR. Mr. President, I yield 10 minutes to the Senator from Iowa, Senator GRASSLEY.

Mr. GRASSLEY. Mr. President, Congress and the Senate takes up today the passage of legislation regarding the farming community and is presenting legislation as a basis for a safety net for the agriculture of the next century. The programs of this century are outdated for the agriculture of the next century.

Now, Mr. President, the opponents of this bill take great delight in calling this a welfare bill for farmers. Well, of course, that shows a complete lack of understanding of the farm economy and of farm programs.

First of all, farmers have relied on a Government program for the past 60 years. The urban press has always referred to Government programs as "welfare" because they are too stupid to understand the interrelationship between food production and what goes on in cities and the jobs that it creates.

But what the press does not tell you is what the farmers have done for the American consumer. Farm programs have helped farmers to supply us with the best and the cheapest food supply in the world. Is this welfare? Everyone—most of all, the consumer—has benefited from farm programs, and they will continue to do so under this bill.

But Congress has passed, in this bill, the most sweeping changes in farm programs in 60 years. We will not, in this new environment of change, pull the rug out from under farmers in this legislation.

We are providing in this legislation a glidepath to the free market type of agriculture that most farmers want. This bill provides a glidepath. It provides guaranteed, certain payments to farmers to allow them to adjust to a new era of agriculture.

This era will be heavily influenced by free market forces instead of Government programs. This new era will also be influenced by the opening of markets in Europe and the Pacific rim when free-trade agreements, such as GATT, are allowed a chance to work. Most farmers welcome the opportunity to meet every competitor abroad, compete in every market, and send a clear signal—which this bill does—that we are going to supply that market. We are going to be in the market to stay.

But, of course, during transition, there must be an adjustment period. The Government safety net must continue in order to ease the transition. This bill accomplishes that goal.

And anyone in this Chamber who thinks farmers will take this market transition payment and not plant a crop has a total lack of understanding not only about farming but about economics in general.

The farmers I know cannot afford to pay the property tax on their land and to take these payments and expect to make a living from them. They will have to earn income from the land. Not only do they have to do it, they want to do it. They have to produce and market a crop in order to provide such a living.

With all due respect to any of my colleagues who think otherwise, it is insulting to our farmer constituents to insinuate that they will take a Government payment and fly off to Florida and let the productivity of their land and the return from that productivity be nonexistent.

Obviously, you are not talking to the same farmers that show up at my town meetings and visit my office. These farmers want to continue to farm the land and make a living from that land.

So let us give farmers just a little bit of credit. Let us trust them not only to do the right thing, but to do the only thing that makes sense economically. That is what most of this farm bill is all about—letting farmers make their own decisions, instead of Government making all of their decisions for them.

Mr. President, I simply cannot, on another point, buy the argument made by the opponents of this bill that we have failed to provide an adequate safety net for farmers. The farmers I talk to do not think the current program is any safety net at all.

If you want to see how the current program would work for some farmers if it were extended, talk to the farmers

in southern Iowa, western Illinois, and northern Missouri who did not get a crop planted in 1995, and ask them about a safety net. They had little or no crop to market this year. Yet, they did not receive a deficiency payment because prices are so high. They lost a lot of income, and many of them are on the verge of going out of business. Yet, some of my colleagues want to extend the 1990 farm program because they think it is a better safety net.

This new farm bill has all the components of an adequate safety net. First, it makes guaranteed, fixed payments to farmers for the next 7 years—something they can count on. It lets farmers manage their income from the Government, instead of some bureaucrat in Washington doing it.

Since we know the amount that we have to spend on the farm program over the next 7 years—and we have to know that if we are going to get to a balanced budget—why not let the farmers manage this money instead of Washington? Once again, the opponents of the bill would rather keep the powers in the hands of unelected, faceless bureaucrats, when the farmers, business people, as they are and must be, are competent to do this and want to do it and welcome the freedom to do it.

This farm bill also has a strong Marketing Loan Program. This represents the true safety net for our farmers. It protects the farmers against rapid decline in prices. Finally, we establish a new program in this farm bill called revenue insurance. In fact, it is already being used in Iowa under the name of crop revenue coverage. This new product is a public-private partnership that represents the future of farm programs. The farmers I talked to in town meetings over the past weekend are very excited about this product. They feel that it is the only safety net that they need, one that they can control, and one that is related to the marketplace.

So let us not substitute our judgment for that of our farmers. It is their business, their livelihood, and there is nobody who knows better how to manage the 350-acre average-size farm in Iowa than the man who is operating it or the woman who owns and operates it. They know better than many people here. Let them decide what a sufficient safety net is for their business. I think most of them will decide that this new revenue insurance product is a very strong safety net.

Also, Mr. President, the opponents of this bill argue that we are ending Government involvement in farming, and that this is just plain wrong. These are scare tactics designed to undermine the intent of this bill.

First of all, permanent law, specifically the 1949 act, is still in place as an incentive for Congress to consider farm legislation after the year 2002.

Second, I understand from the Congressional Budget Office that agriculture will have about a $4 billion baseline for farm programs after 2002.

Finally, and most significantly, the bill establishes a strong insurance program. This program will be a public-private partnership that provides a very strong safety net for family farmers.

So Government will continue to play a very important role in farming. But the role will be much more limited. It is accurate to say that farmers' business decisions will no longer be made in Washington. But the Federal Government will continue to play a role in providing a safety net.

Maybe the opponents of this bill want the Government to continue to control all aspects of agriculture. But farmers do not want that, and the supporters of this bill do not want that. But it is just fear-mongering to insinuate that the Federal Government will pull the rug out from under the family farmers. This simply will not happen under this very good piece of legislation.

I commend the manager of the bill for writing a very good piece, as well as the Senator from Vermont.

I yield the floor.

Mr. LEAHY. Mr. President, I yield time from the time of the distinguished Democratic leader to the Senator from Arkansas.

The PRESIDING OFFICER (Mr. THOMAS). The Senator from Arkansas.

Mr. PRYOR. Mr. President, I thank the distinguished ranking member, Senator LEAHY, for yielding to me. I want to compliment not only Senator LEAHY but also our friend and chairman of the committee, Senator LUGAR of Indiana.

This has been a very, very difficult process indeed—Mr. President steering this particular piece of legislation through the Agriculture Committee ultimately onto the floor of the Senate. In my opinion, it is long overdue. We will not fight that battle now. That has been the battle of the past days, and perhaps it could be a battle for a future day. But at least let me say that our two ranking members, our two managing members, this afternoon have worked very hard and very closely to bring this matter to the floor of the Senate this afternoon.

I would like to take just a moment to highlight section 926 of the farm bill conference report to my colleagues in the U.S. Senate. I find myself in a very unusual position of pointing to something in this report which I actually support, and those sections are few and far between. But this is section 926 that I strongly support.

As many of my colleagues know, I have not nor will I today support the freedom-to-farm concept espoused in the philosophy of this legislation. I believe it ends the much-needed safety net for our family farmers. However, I have stated my opinion numerous times on this floor, in the Agriculture Committee, and most recently in the last week or so as a member of the conference committee that brought this bill to the floor of the U.S. Senate.

Nevertheless, I would like to very quickly highlight one particular provision which was included to recognize one of our distinguished colleagues in the U.S. Senate. Section 926 of the report designates the research facility operated by the Agricultural Research Service—ARS—near Booneville, AR, as the "Dale Bumpers Small Farms Research Center."

Booneville, AR, by the way, is less than 15 miles south from an even smaller Arkansas town known as Charleston. The reason I bring this up is that Charleston, AR, just so happens to be the hometown of our colleague, the senior Senator from Arkansas, the Honorable Dale Bumpers. At one time Senator BUMPERS not only operated a small business, which was a hardware store, but he was also an attorney in Charleston, AR. He took great pride in stating that he was not only the only attorney but that he was the best attorney in Charleston, AR.

Mr. President, naming this research facility after the Honorable DALE BUMPERS could not be more appropriate, and I am very pleased today to play a very small part in making this distinction possible. Senator DALE BUMPERS has been a tremendous ally for the farmers and ranchers of Arkansas and across the whole country.

As chair and now ranking member of the Agriculture Appropriations Subcommittee, Senator BUMPERS has worked and continues to work tirelessly on behalf of the agriculture community. He is also, as we all know, the former chairman of the Senate Small Business Committee.

It was early 1976 when the Booneville Chamber of Commerce went to work to find a better way to utilize State-owned land near this particular town. With the tireless help of Senator DALE BUMPERS, the necessary groundwork began, and this truly grassroots project was off and running. After consideration of all possible uses for this land, the overwhelming conclusion was that a research facility to benefit small farms would be the most valuable use. I so well remember this project. It seems so many years ago, as I was Governor at the time and did what I could at the State level to push this project forward.

Over the next couple of years working with Senator BUMPERS, with his help, vision, and foresight with the feasibility studies that he was responsible for when they were conducted, additional backing was gained. Certainly they showed that a research facility for small farmers in small farming operations was justified. Since it was State-owned and State-involved, Mr. President, support from the Governor

was crucial. And when my successor, Governor Bill Clinton, entered office in 1979 he quickly recognized the merit of establishing a small farms research center. Approval from local organizations was also obtained, and the citizens of Booneville traveled to Washington, DC, to the Nation's Capital to follow through on their efforts. I remember so well those meetings. I also remember the leadership of Senator DALE BUMPERS—that much-needed fire that got these funds committed, and the project was then off the ground.

Finally, in 1980, Mr. President, with all of the planning, and all of the studies finally completed, about 15 acres of State-owned land was leased to the University of Arkansas, which in turn was leased to the Department of Agriculture to be used in research. All of this would not have been possible without the leadership and the vision—and certainly the commitment—of the Honorable DALE BUMPERS.

On behalf of the citizens of Booneville, AR, and throughout our entire State, on behalf of the farmers and the ranchers who have and will continue to benefit from the important research conducted there, let me at this time express the much-deserved appreciation for all of Senator BUMPERS' efforts in making a worthy project become reality. We hope that this small token of recognition will demonstrate our gratitude to Senator DALE BUMPERS.

Let me conclude, Mr. President, by stating that this idea to name this particular facility has been kicking around I must say for a long time. For a long time many members of the community of Booneville have thought that the appropriate name for this center would be the "Dale Bumpers Small Farms Research Center." We have leaders like Jeral Hampton, Rick Lippard, Gene Remy, Don Dunn, A.B. Littlefield, and John T. Hampton who served on a committee to steer this center from the blueprint stage to the active research stage that it finds itself in today.

It is a great opportunity, and I must say a great challenge that lies ahead to benefit not only small farmers in our State but small farmers in research across this great country of ours.

It is a great honor for me. It is great to be able to assist in the proper naming of this U.S. Department of Agriculture research center after our distinguished colleague and senior Senator from the State of Arkansas.

Mr. President, I yield the floor.

Mr. LEAHY. Mr. President, I understand that under unanimous consent Senator BRYAN would be recognized.

Mr. BRYAN. Responding to the floor manager's inquiry, I will speak for less than 10 minutes, hopefully.

Mr. HARKIN. Parliamentary inquiry: This Senator would like to know what the speaking order is that is coming down the pike?

The PRESIDING OFFICER. Let us defer to the floor manager.

Mr. LUGAR. Mr. President, may I suggest to the Chair that it might be appropriate after Senator BRYAN is recognized that Senator JEFFORDS be recognized on our side, and then Senator HARKIN, if that would work out with the arrangement. We have attempted to alternate back and forth. But there was no Republican present when Mr. BRYAN appeared and, therefore, I recognized that he was the next speaker on that occasion. But after him, I would like to proceed to Senator JEFFORDS.

The PRESIDING OFFICER. I understand Senator BRYAN, Senator JEFFORDS, and Senator HARKIN, in that order.

The Senator from Nevada is recognized.

Mr. BRYAN. I thank the Chair. I thank the majority floor manager for accommodating me and recognizing me in sequence.

Mr. President, I rise today in opposition to the conference report and to speak about an aspect of this farm bill that is particularly troubling to me and has been troubling to me for many years.

Again and again this Senate has passed provisions to reduce and to reform the Market Promotion Program which is also known as MPP. Each and every time the Senate has called for reform of MPP the conference committees which convened subsequent to the passage of those reforms have removed the reform language from the final conference report.

By way of background, Mr. President, the Market Promotion Program was created to encourage the development, maintenance, and expansion of exports of U.S. agricultural products. MPP is a successor to the Targeted Export Assistance Program [TEA] which was established in 1986. TEA was originally created to counter or offset the adverse effect of subsidies, import quotas, or other unfair trade practices of foreign competitors directed at U.S. agricultural exports. Since 1986, the Federal Government has spent $1.43 billion on TEA and MPP.

The General Accounting Office has pointed out that the entire Federal Government spends about $3.5 billion annually on export promotion. While agricultural products account for approximately 10 percent of total U.S. exports, the Department of Agriculture spends about $2.2 billion each year or 63 percent of that total. By contrast, the Department of Commerce spends $236 million annually on trade promotion.

MPP is operated through approximately 64 organizations that either run market promotion programs themselves or pass the funds along to individual companies to spend on their own advertising efforts. In fiscal year 1994, about 43 percent of all MPP activities involved generic promotions while 57 percent involved brand-name promotions.

In fiscal years 1986 through 1993, $92 million of MPP funds went to foreign companies.

Mr. President, when I talk about MPP funds, I am talking about tax dollars collected from American citizens who remit their taxes to the Federal Government each year. That $92 million represents nearly 20 percent of the total funds allocated for brand-name promotions during those 8 years. In fiscal year 1994, more than 140 foreign companies received MPP funds.

Although the stated goal of MPP is to benefit U.S. farmers, the program can also benefit foreign enterprises. By funding foreign firms, the General Accounting Office has contended that MPP can make it more difficult for U.S. firms to compete and to obtain a foothold in foreign markets. While it has been argued that the funding of foreign companies may produce short-term gains in the export of U.S. agricultural commodities, those gains are likely to come at the expense of U.S. firms gaining a more permanent foothold in overseas markets.

On September 20 of last year, the Senate voted 62 to 36 to reform the MPP Program and to lower the amount of Federal Government money supporting it. This amendment was cast in the form of the Bumpers-Bryan amendment and would have made three reforms to MPP.

First, under the provisions of the amendment, only small businesses and Capper-Volstead cooperatives would be eligible for financial assistance.

Second, no funds would be used to provide assistance to foreign trade associations.

Third, the funding level would be reduced to $70 million.

When the fiscal year 1996 agriculture appropriations conference report came back to the Senate on October 12 of last year, it was passed on a voice vote. The conference committee had removed the Senate language reforming MPP and restored its level of annual funding to $110 million.

Again we tried to reform MPP when the 7-year farm program authorization first came before the Senate last month. The Senate passed the Bryan-Kerry-Bumpers-Reid amendment by a vote of 59 to 37, and it contained the same provisions that were previously included in the Bumpers-Bryan amendment, the reforms as well as reducing funding to $70 million annually. Now the farm bill conference report has come back to the Senate and, again, repeating the pattern of the past MPP reforms that passed the Senate, have been removed.

Let me make specific reference, Mr. President, to language contained in the conference report itself that addresses this subject, and I quote:

Funds shall not be used to provide direct assistance to any foreign for-profit corporation for the corporation's use in promoting foreign-produced products.

Now, at first blush, a superficial reading of the language might suggest that foreign companies would be excluded from receiving money through MPP, but this apparent reform is disingenuous. While the language adopted by the conference committee might prohibit direct assistance to foreign companies, it does not prohibit indirect assistance to foreign companies by nonprofit associations. And in what may be the ultimate irony, the conference report implies that a new reform is being enacted that would preclude payment to foreign corporations for foreign-produced products. MPP was never designed—and I repeat never designed—to compensate corporations for foreign-produced products. This claim of reform is illusory.

At a time when the gospel of budgetary restraint has reportedly been embraced by all, a majority of the agricultural conferees continue to pursue a taxpayer giveaway to foreign corporations.

Finally, this conference report adds a new and rather curious mandate. It officially changes the name of the Market Promotion Program to the Market Access Program [MAP] as it will now be designated. Is this reform? I would submit that if it looks like a duck, walks like a duck, quacks like a duck, swims like a duck, it is a duck. Whether it is called MPP or MAP, this program remains what it has always been, a frivolous use of taxpayer money and a prime example of a corporate welfare program that should be eliminated.

Mr. President, I yield the floor.

Mr. LUGAR. Mr. President, I yield 5 minutes to the distinguished Senator from Vermont, Senator JEFFORDS.

The PRESIDING OFFICER. The Senator from Vermont.

Mr. JEFFORDS. First of all, I commend the chairman of the Committee on Agriculture, along with the ranking member, for the incredible work that they have put into this bill. I believe it is an excellent piece of legislation that provides stability, enhances markets, streamlines outdated programs, creates incentives to protect the environment, and benefits all farmers from all regions of the country. Having worked on several farm conferences in my period in the House, I know how difficult and how hard it is to come through with a consensus. Not only do you have to worry about all the farm interests but also you have to worry about all of those who are affected by farm policy. It is a tremendous piece of work which they have accomplished. I also thank the Members in the House with whom I worked for many years, for their support at the critical time on the conference committee. Without their help this could not have come about.

I am especially pleased that the conference reached a comprehensive dairy title that reflects the interests of all regions of the country. I was most keenly concerned about the Senate farm bill's inability to give our dairy farmers at least a fair deal. It was this concern that motivated me to vote against the bill for the first time in my 20 years in Congress.

Fortunately, through the help of our chairman and ranking member from my good State of Vermont, the conference committee, after hours of intense consideration produced a dairy title that provides stability for our farmers and true reform in the dairy program. The dairy title eliminates the 10-cent-per-hundredweight assessment paid by dairy producers, returning $150 million annually to dairy producers throughout the country at this difficult time for them. It reforms and consolidates the Federal milk marketing order system, consolidating the orders from 34 to between 10 and 14 will help bring more uniformity in prices throughout the country. It continues price support purchases from December 31, 1999, followed by a recourse loan program for butter, nonfat dry milk and cheese beginning on January 1, 2000, giving the industry the means to compete in world markets and enhancing the future of a strong, renewed dairy industry. Most significantly for the farmers of New England, the bill grants consent to the Northeast Interstate Dairy Compact.

Mr. President, in March of last year, I introduced the Northeast Interstate Dairy Compact along with the entire New England delegation. The dairy compact is intended to help give farmers and consumers fair and stable milk prices in New England. It will establish an interstate commission consisting of one delegation from each of the six New England States. The commission will have the authority to hold public hearings on the fluid class 1 milk market in New England.

The dairy compact originated in the Vermont legislature over 7 years ago. It has universal support among Vermonters and throughout New England and is critical to the maintenance of the region's dairy industry, if not its survival, offering both income stability and income enhancement. The compact has been overwhelmingly approved by the legislatures of all six New England States and simply needed the consent of Congress.

What the State legislatures offered was not at all a novel idea. The widespread support for and central importance of the dairy compact to New England has been throughly emphasized by the regions Governors, legislatures, consumers, farmers, and local processors.

The single most overwhelming fact about the economics of dairying in New England is that the price to the consumer continues to increase at the same time the price to the farmer continues to go down. In fact, current farm milk prices are, as low as they were over 10 years ago while the price to consumers is substantially higher.

The hard working dairy farmers of New England have seen federally set minimum prices return less money than it costs them to produce their milk. The result, during the 1980's, 40 percent of the New England farms ceased to operate. In my own State of Vermont, where agriculture is such an important part of our economy and way of life, nearly 50 percent of the farms have been lost in past 10 years.

The inclusion of the dairy compact in the conference report is a tribute to the hard-working dairy farmers of New England, who are such a vital part of the region's heritage. The compact ensures that family farms from St. Albans to Pawlet, to those in the Northeast Kingdom and all across New England will have the ability to survive and remain economically viable into the next century.

Mr. President, milk processing plants, feed and equipment dealerships, veterinarians, banks, and many others suffer when farms in their communities go out of business.

Not surprisingly, the dairy processors' lobby fought hard to prevent Congress from approving the compact. After all, they have benefited for a long time on both ends of their business from cheaper farm milk and higher consumer prices.

Several of my colleagues have heard from large milk processors in their States about how this compact could hurt the national dairy industry or the farmers in their own State.

Such claims are false. The compact would in no way prevent milk from coming into the region or affect the price of milk in any other region of the country. Despite the claims of the processors' lobby, the fact remains that the compact is very similar to existing State over-order programs currently in place. Like those programs, the compact would not conflict with or alter the Federal milk marketing order system, but only complement its operation. In short, New England States are working cooperatively as a region only to maintain a healthy dairy industry in New England, without adverse effect on the rest of the country.

The compact has been carefully crafted so that it will not affect the national dairy industry. Nonetheless, in order to address any concerns that the conference committee may of, had of, how the compact will work in practice several additions were included.

The compact limits the ability of other States to join; allows farmers outside New England who sell milk within the region to benefit from the compact; restricts the interstate commission to regulate class I milk only,

and will terminate concurrent with the Secretary's implementation of the dairy pricing and Federal milk marketing order consolidation and reforms.

Mr. President, I am also pleased that this bill takes great strides at addressing conservation practices. USDA conservation programs have traditionally addressed the problems faced by producers growing row crops. The technical and financial assistance that livestock producers need have not been well addressed by our current set of conservation programs. This bill creates a new Environmental Quality Incentives Program to help farmers with conservation projects, creating new incentives for farmers to protect and enhance the use their land.

In addition, the bill includes a $35 million initiative to buy easements on farmland threatened by development and $50 million wildlife habitat program. These provisions, along with several others will help farmers from throughout the country deal with water quality, erosion and other conservation challenges.

Mr. President, the hard work and partnership with both the House and Senate has produced a comprehensive bill that reflects accountable reform, important market stability, and environmental responsibility.

I encourage my colleagues to support this important piece of legislation.

Mr. DOMENICI. Mr. President, I rise in support of the conference agreement on the farm bill.

This is the first major, fundamental change in Federal agriculture policy since the first farm programs were created in the 1930's.

Today an international market has developed for America's farm products and we need to provide the mechanisms that allow farmers to base decisions on market conditions and not on Government programs.

This conference agreement provides farmers with that mechanism through the Market Transition Program.

The Market Transition Program moves agriculture in a new direction which will give farmers the freedom to plant what they want, when they want.

The Market Transition Program also ends the production control programs of the Depression era.

Under our current system, farmers may be required to take land out of production which allows our foreign competitors to make up the difference in the world markets.

This conference agreement gives the farmer the flexibility to base business decisions on market conditions and not on Government programs.

Mr. President, this conference agreement allows the Department of Agriculture to spend $67.7 billion on commodity, trade, research, rural development, and conservation programs over the next 7 years as estimated from the December 1995 baseline.

CBO's preliminary estimates indicated that this conference agreement saves $2.1 billion over the next 7 years.

This conference agreement does not achieve the $4.6 billion in savings that was included in the Vetoed Balanced Budget Act of 1995. However, it does provide a down payment toward a balanced budget and is a step in the right direction.

Mr. President this bill also adds spending discipline to the commodity programs by including a spending cap. Spending for commodity programs through the Commodity Credit Corporation has varied widely from $600 million in 1975 to $26 billion in 1986.

The spending cap will limit unforseen spending increases which have frequently occurred in past years.

Mr. President, on a more parochial issue, the bill includes a provision regarding the New Mexico valencia peanut pool.

The Senate-passed bill included an amendment to clarify the original intent of the law. The House passed bill had no such provision.

Mr. President, as part of the 1985 farm bill, Congress created an exclusive pool for New Mexico valencia peanuts, and the provision was retained in the 1990 farm bill.

The original intent of the law is to allow only those valencia peanuts physically grown in New Mexico to enter the pools of the State.

However, peanut growers in my home State have notified me that valencia peanuts grown in Texas have entered the New Mexico pool because of a loophole in existing regulations.

It is my understanding that the USDA regulations allow a producer to enter valencia peanuts grown on a Texas farm if that producer has a combined New Mexico-Texas farm that is administered in New Mexico.

The compromise reached in this agreement clarifies that valencia peanuts must be physically produced in New Mexico in order to enter the New Mexico valencia peanut pool for 1996 and subsequent crop years.

The compromise also grandfathers those producers who entered valencia peanuts grown in Texas during the 1990 to 1995 crop years.

Producers may enter Texas grown valencia peanuts in the New Mexico pool, but the amount is limited to the 6-year average—1990 to 1995—that the producer entered into the pool during that period.

For example, producer "A" entered 10 tons of Texas grown valencia peanuts for each year during 1990 to 1995—a total of 60 tons for the 6 year period. Producer "A" would have a 6-year average of 10 tons.

Producer "A" will be able to enter up to 10 tons of Texas grown valencia peanuts per year into the New Mexico pool.

Producer "B" also has a combined New Mexico-Texas farm administered in New Mexico. But, producer "B" has no history of entering Texas grown valencia peanuts into the New Mexico pool during the 1990 to 1995 crop years.

Under this scenario, producer "B" would not be allowed to enter Texas-grown valencia peanuts into the New Mexico pool for future crop years. Producer "B" could, however, continue to participate in the New Mexico pool with peanuts physically grown in New Mexico.

Mr. President, this conference agreement also includes other provisions which are important to native Americans and the operations of the Commodity Supplemental Food Program.

I thank the distinguished chairman and ranking member of the Agriculture Committee for their review and consideration of this and other issues that I brought to the committee's attention.

I urge the adoption of the conference agreement.

Mr. BAUCUS. Mr. President, I rise today to express my support for the conference report to H.R. 2854, the Federal Agriculture Improvement and Reform Act—the farm bill.

Mr. President, this is a bill which has been too long in coming to the floor of the Senate. The authority contained in this bill expired on New Year's Eve. This debate began on the 1995 farm bill. And with the tardiness of our action this bill will barely be in time for the 1996 crop.

I will cast my vote in favor of adopting this report. I feel that it is essential that we get this legislation passed and to the President for his signature. It is time for our Nation's food producers to know what their program will be in the coming year.

It is my hope that by next week, this bill will be signed into law. The Secretary of Agriculture has recommended that the President sign it. And the President has indicated he will do so. So I am pleased that today we will pass this bill.

There are a number of important items which have been included. In my mind, the most important inclusion is retaining the 1949 Agricultural Act as underlying, permanent law. Mr. President, I am convinced that the 1949 act is the reason we have had this farm bill debate. And I expect that 7 years from now, it could very well be the reason we have a farm bill debate at the sunset of this bill.

This legislation contains a number of valuable conservation programs. In our part of the country, the Conservation Reserve Program, the CRP, is a major factor in wildlife habitat conservation, water quality enhancement, and soil conservation. We are continuing this valuable program. And we are authorizing a new Environmental Quality Incentive Program which will help producers of both crops and livestock to make management changes for the improvement of the natural resource on

which their future and their livelihood depends. This program will also provide for cooperative efforts with conservation organizations to enhance wildlife habitat. It's a win-win for States like Montana.

I am pleased that this is comprehensive legislation—it extends beyond the commodity programs. In addition to conservation, we have addressed credit, research, trade, rural development, and promotion activities. In the arena of trade we have authorized the important Market Access Program, the Export Promotion Program, and the Foreign Market Development Program. These programs are vital to our export activities.

Agriculture trade is a real bright spot in our total trade effort. Our agriculture exports last year were over $54 billion dollars. This year, we are expected to exceed that, reaching $60 billion. That will leave us a positive agriculture trade surplus of $30 billion.

The commodity program featured in this bill directs our farmers to obtain an ever-increasing percentage of their income from the marketplace. In today's world, that means American producers will need to be very competitive and expand their exports. And while our export programs are not funded at levels I would prefer, they will go a long ways toward our export goals.

The commodity programs will provide farmers the flexibility to plant crops which the market demands. No longer will the Government be making planting decisions. While that will be helpful to many farmers that flexibility will carry with it a need to develop and improve alternative crops to grow more successfully in arid climates like that in Montana. Only then will Montana farmers have true planting flexibility. The work at Agricultural Research Stations like the one in Sidney, MT will be an important part of this equation.

In this year, with good prices and sizeable payments it should be a pretty good year for our Montana producers. I hope that the prices we are now experiencing can be maintained. If so, this program should work well for the entire 7 years it is authorized. However, we need to take advantage of the strong price cycle we are in to reform the crop insurance program so it is a more functional system of risk management. If we fail to accomplish this task we could be in for tough times in the late years of the bill.

There are other problems I see in this bill. I am disappointed that this will end the Emergency Livestock Feed Program. And I would like to see the loan rate caps removed. I would also prefer that the research title was authorized for the entire 7 years. This forces a research title to be authorized next year or to risk authorization by appropriation in our important research program. Some might find these to be small concerns, however, to my State they are important.

Before I close Mr. President, I want the record to reflect my appreciation for the work of our Senate conferees on this issue. They had a difficult task and I would like to thank them because this bill is far preferable to the bill brought to conference by our colleagues across the Hill. So I would thank the conferees, especially the chairman and the ranking member for their efforts in getting this accomplished.

And with that Mr. President, I urge my colleagues to approve this conference report and I yield the floor.

Ms. MOSELEY-BRAUN. Mr. President, I am pleased that the Senate has finally reached closure on the farm bill.

Bringing the farm bill to this final stage in the legislative process has not been an easy task. As we approach the end of this debate, I am reminded of the words of Thomas Jefferson, who once said "Were we directed from Washington when to sow and when to reap, we should soon want bread."

While we are far from wanting bread in America, Jefferson's words sound almost as if they had been said by a farmer only 2 hours ago, instead of two centuries ago. Farmers today, like farmers in Jefferson's time, want to get their profits from the market, with as little Government interference as possible.

The new approach to farm programs embodied in this bill, known as the Market Transition Act, or freedom to farm, finds its roots in these views. The new commodity programs are designed on the belief that it is important to reduce Government interference with planting decisions. These new programs have been fashioned to provide farmers with the simplicity, flexibility, and certainty that they seek.

I have great reservations about some aspects of this new approach, however. Farmers still need a system in place to help moderate risk, and provide a financial safety net. In this regard, the Market Transition Act falls profoundly short. And that is a very serious flaw we must revisit as quickly as possible.

Perhaps these problems would have been resolved had the farm bill been handled by this Congress as farm bills have been handed in the past. For over 40 years, farm bills were considered early, and passed on time. Farm programs, which are so very important to rural America, and which can have far-reaching effects, were rigorously debated and reviewed well in advance of their expiration date. While the results may not have been perfect, previously Congresses gave farm bills the time and attention they deserved.

But, I am not running the Senate. And the hour is late. There is a time to debate, and a time to act. Planting season is upon us. We must move beyond politics, and move ahead. Farmers need a farm bill in place—now.

The Market Transition Act may need to be revisited. But it is time to enact a law. My vote for the 1996 farm bill was a vote to end debate, pass a farm bill, and provide farmers with the certainty they need for this crop year.

There are good things about this farm bill. The bill is strong in the areas of conservation, environment, rural development, and research. The Conservation Reserve Program is maintained at 34.6 million acres. The Environmental Quality Incentives Program is authorized at $200 million per year to help livestock and crop farmers control pollution and erosion. The Fund for Rural America, a program I support, was created to provide $300 million for rural development and research initiatives. The Market Promotion Program, now known as the Market Access Program, survived and is authorized at $90 million to promote U.S. agriculture exports overseas. And permanent law is retained, lessening the danger that in 7 years, Federal support for agriculture will end.

I am particularly pleased this bill includes my proposal to increase the marketing loan rate for oilseeds. For soybeans, a major Illinois commodity, the marketing loan rate will be set at 85 percent of the Olympic 5-year average, but no less than $4.92 or no more than $5.26 per bushel. Allowing the soybean loan rate to rise by 5 percent if prices increase helps to treat soybeans equitably with other crops, allows soybeans to compete more effectively for acreage, and provides some protection for small producers against increased volatility in production and prices that may result from full planting flexibility.

With other aspects of this bill, however, I have serious concerns.

I am greatly disturbed by the decision of the conferees to include the Northeast interstate dairy compact. These provisions were soundly rejected by the Senate, not considered by the House, and, therefore, without question, should never have been included in this conference report. I intend to work with my Midwestern colleagues in the Senate to ensure that the U.S. Department of Agriculture never implements this compact, which would set dangerous constitutional precedent and have a serious impact on both dairy farmers and dairy companies in Illinois.

I am also concerned that food stamps have been reauthorized for only 2 years. Roughly 27 million Americans are served by food stamps, 1.2 million of whom are Illinoisans, and over half of whom are children. Food stamps are about providing the nutrition necessary to ensure that mothers and babies remain healthy, students remain alert, and the unemployed make it through tough times. It is poor policy

for Congress to play political games with programs designed to support the health of children, working families, and the elderly.

Many of the improvements in this bill would not have been possible without the leadership of the distinguished Democratic leader, Senator DASCHLE. While he will vote no on this bill, he has worked to make this a better bill, and I commend his leadership on agriculture issues which are so very important to his State.

I would also like to thank the distinguished majority leader, Senator DOLE, and Senators LUGAR, LEAHY, GRASSLEY, and COCHRAN for their work on this bill, and for their assistance and support for programs important to the State of Illinois.

Mr. President, agriculture programs must change with the times. The economic practices and social trends in rural America are vastly different than in decades past. These changes aren't just important to farmers and rural communities. They are not just about dry statistics buried in some obscure report. They are about issues that are critically important to everyday people.

That is why changes to farm programs must be made judiciously. Major changes to Federal farm policies must receive careful attention before they are made, so that inadvertent mistakes that could be very harmful to farmers are avoided.

We can do far better than this bill. But doing nothing—having no bill—is not an option, and that is why I will vote in favor of the 1996 farm bill.

Mr. WELLSTONE. Mr. President, I am pleased that we finally have a farm bill which will pass and will be signed by the President. The bill is long overdue. Farmers should not have to wait any longer for certainty regarding the programs they will operate under.

I regret that the bill has taken so long. The process itself has contributed to a poor outcome for American agriculture and for rural American communities. There are some positive sections of the bill—conservation, nutrition, and needed funding for rural development. But the commodity provisions take us exactly in the wrong direction. The bill decouples Government support from production and from market prices. It caps loan rates at low levels. And it directs the majority of taxpayer payments to the largest, most affluent farms to the same degree as the status-quo programs which operate so unfairly now.

It would be more appropriate to refer to this legislation as the "corporate agribusiness bill" than as a farm bill. After a few short years, American farmers will be left to the tender mercies of a global marketplace that is dominated by corporate conglomerates and trading boards.

We might have produced a better farm bill if our debate over it had been more timely and deliberate. The effort to include an entire 7-year bill in last year's budget reconciliation bill, with little debate and practically no input from Democrats, followed by the now-successful push to pass a plan that was not subjected to extensive hearings or substantial input from rural America has produced a bad bill. Better proposals were offered in both the House and the Senate, including a reform bill introduced here last year by Senate Minority Leader DASCHLE, which I was proud to cosponsor. But those proposals were never given real consideration.

This bill is as deeply flawed now as when I voted against its original Senate version. It was not improved by the conference committee. It does not represent good farm policy and will not likely promote economic revitalization in rural America. I will vote against it now, and it is my hope that as this bill's flaws become even more apparent in its implementation, the result will be its reconsideration by the next Congress so that more genuinely progressive reform of Federal farm policy can be enacted.

Some people, including some Minnesotans, believe that the so-called freedom-to-farm approach to farm policy is the best way forward for American agriculture. I profoundly disagree with that judgment. I believe it is designed to benefit large corporate agribusiness and will actually harm most family farmers. It will likely increase current trends toward economic concentration in agriculture, to the disadvantage of small and moderate-sized farm operations.

I have consistently favored long-term Federal farm policy that would promote family agriculture and revitalize our rural economy. That is not what freedom-to-farm represents. It is such bad policy that it will discredit farm programs forever. The public will not support farm programs that write checks to farmers when prices are high, and no matter what, or even whether anything, is planted.

During initial consideration, Senator DORGAN offered an amendment which I supported, which would have required that farmers plant a crop in order to receive the guaranteed Government payment. That was voted down. I don't think this is the kind of policy that reaches out to the general public for support at a time when we are looking at slashing the budgets for health care and education programs.

Freedom-to-farm represents a dubious carrot followed by a very real stick. What is the short-term carrot? The carrot is so-called "contract" payments, or "transition" payments on the way to the elimination of farm programs. Farmers who have some debt, or who have had a poor crop in the past couple of years, or who did not get good prices last year, would like a Government payment this year on top of decent prices. There is no question about that.

I understand why some people consider that promise attractive. They believe that a promise of 7 years of payments is the best they will get from this Congress. But the contracts cannot be guaranteed. Congress can do another budget bill at any time and reduce or eliminate the payments. The entire purpose of freedom-to-farm is to reduce farm-program spending, then eliminate it. Even current policy, which I have never supported, offers farmers more protection over seven years than freedom-to-farm.

What is the medium-term and the long-term stick? Prices will not stay where they are likely to be this year. Freedom-to-farm caps loan rates at 1995 levels. As the so-called guaranteed payments diminish, and then when they run out, how many Minnesota farmers can make a living off of $1.89-a-bushel corn, or $2.58-a-bushel wheat? Is that the future we want to leave our young farmers?

That is the reality of freedom-to-farm. It ultimately leaves farmers to the tender mercies of the grain companies and the railroads and the Chicago Board of Trade—$1.89 corn is what freedom-to-farm is about. Maybe not this year. But who believes that prices will always be strong? I voted for an amendment to lift the caps off the loan rates. That amendment failed. If farm policy were designed to deliver farmers a fair price in the marketplace, there would be no need for any Government payments. But this bill is designed to encourage maximum production and low prices.

I have supported what I consider to be genuine reform of farm programs. I cosponsored a 7-year proposal last year which called for a targeted marketing-loan approach. That plan would provide farmers the planting flexibility they need. But it also would provide needed long-term protection from some of the uncertainties that farmers face—uncertainties of weather, and of markets that are dominated by large multinational companies. It also would raise loan rates and target farm-program benefits to family-size farmers. I still believe that our proposal, modeled after the Farmers Union plan and endorsed by the Minnesota corn growers, was the best proposal. Perhaps the debate over agriculture policy in the United States will be resumed next year. I intend to see that it is.

Mr. President, I have been working since I arrived to the Senate 5 years ago to achieve an improvement in Federal dairy policy and meaningful reform of the Federal milk marketing orders. This bill does not achieve that goal. Some small improvements in dairy policy were included in the conference committee, notably the elimination of assessments. But not nearly enough. And the bill now will allow

creation of a Northeast dairy compact, despite our overwhelming vote here during initial consideration of the farm bill against that outcome, and despite the fact that the compact was not in either the House or Senate version of the bill. The Northeast compact would only further forestall real Federal order reform. It would cut a special deal for one region's dairy farmers to the detriment of dairy farmers in the Upper Midwest. And it would set a bad precedent for interstate commerce in milk by creating new regional barriers. We need good national dairy policy. And I will continue to resist establishment of a Northeast compact in the absence of substantial reform which will benefit the Midwest. Minnesota and Wisconsin are the best natural dairy-producing states in the country. It is not rational that Federal policy should drive thousands of Minnesota producers from business.

Mr. President, I am pleased that we finally have authorized the enrollment of new acres into the successful and popular Conservation Reserve Program [CRP]. I worked very hard on that. And I am pleased that we could include some additional conservation, rural development and nutrition provisions. It is very important that we ensure that rural development efforts include assistance for farmer-owned, value-added processing cooperatives, which represent an extremely hopeful development in rural America. They are the best of rural America's innovative, self-help tradition, which keeps capital and jobs in local communities.

SAFE MEAT AND POULTRY INSPECTION PANEL

Mr. BRADLEY. Mr. President, I am very concerned about the inclusion in the farm bill conference report of language establishing a Safe Meat and Poultry Inspection Panel. This seemingly innocent-sounding organization may actually be a device to delay needed food safety reforms, and give power over crucial safety decisions to a part-time, administratively unworkable group. Under the terms of the conference report, it would be superimposed over the Food Safety and Inspection Service as one more, unaccountable layer of government.

Authorization for this new panel was contained in neither version of the farm bill, and it was not subjected to hearings in either body. It was slipped into the report at the last minute and has had no public or press scrutiny. Not only would it duplicate existing bodies such as the National Advisory Committee on Microbiological Criteria for Foods, the panel would also be exempt from the Federal Advisory Committee Act and its open-government requirements. Even worse, should it be used to delay or restrict needed safety reforms, the result will be disastrous, not just for consumers but also for the industry itself.

At a time when Britain may be compelled to kill its entire cattle herd because of mad cow disease, the meat industry cannot afford any more actions which will diminish public confidence in our food supply.

I am especially concerned that the new panel would delay issuance of the final version of the proposed pathogen reduction; Hazard Analysis and Critical Control Point System [HACCP] rule. This set of regulations, more commonly known as the E. coli rule, is crucial for controlling this deadly organism and modernizing American meat inspection.

Mr. President, a year ago last March I introduced the Family Food Protection Act which built on these regulations and extended them even further. I was moved by the death of Katie O'Connell, a beautiful, happy 2-year-old girl from my home State of New Jersey who died from eating a hamburger at a fast food restaurant. Although her meal was contaminated with the deadly pathogen called E. coli, the meat that Katie ate had been declared safe by inspectors from the U.S. Department of Agriculture.

Katie died from a disease that should have been detected through our Federal meat inspection system. Katie is no longer alive because that system failed her and her family and has failed thousands of others across the country.

Diseases caused by foodborne illness often strike those most vulnerable in our society: our children. Two summers ago, health officials in New Jersey battled another outbreak of the disease that killed Katie O'Connell. One family, the McCormicks of Newton, NJ, had two of their children (ages 2 and 3) hospitalized. Their lives were in danger because they, too, ate meat that was declared safe by Federal inspectors in the Department of Agriculture.

These cases are far from isolated: the Centers for Disease Control estimates that over 9,000 people die and another 6.5 million get sick from food borne illnesses each year.

The USDA regulations proposed a year ago February would require a daily testing for salmonella at meat and poultry processing plants across America. Additionally, each of the Nation's 6,000 slaughterhouses and processing plants would have to develop operating plans designed to minimize possible sources of contamination—in other words, to design systems to avoid contamination in advance instead of fighting it after it breaks out.

This proposal represents a significant improvement over the current system which has remained in place remarkably unchanged for over 90 years—since the reforms put in place in the wake of Upton Sinclair's wrenching expose, "The Jungle."

Ironically, a cost-benefit analysis was done on the proposed rule. Even though it used a very conservative figure for the value of human life, the ratio was still extremely favorable. According to the analysis, while the rule would cost $250 million per year initially, falling to $220 million a year once it was fully implemented, the benefits were at least $1 billion per year. If a more generous value were used for human life, the cost-benefit ratio was, of course, even more positive.

And $220 million would be the cost to consumers only if every penny of the system's costs were passed along—just two-tenths of a cent per pound. That's right. Two-tenths of a cent per pound. So a consumer would have to buy 5 pounds of hamburger before incurring even a penny of cost. Contrast this with the cost to consumers of $1 billion to $3.7 billion per year attributable to lost wages and medical costs that otherwise would occur without the rule. Surely, the typical American would be more than willing to pay this modest price to avoid sickness or even death to a loved one.

I don't want any more children to die. According to the USDA, the summer months are the prime time for food borne diseases. I question the need to reinvent the wheel at this time.

Unfortunately, these proposed regulations have been the subject of countless hearings, roundtable meetings with industry and consumer groups, and on and on. At one point the industry even claimed that the E. coli organism was not technically an adulterant under our food safety laws in an attempt to deny the agency the ability to regulate. This new panel is yet another attempt to delay.

Do we really need to waste years, lives, and money redoing old analyses and creating new ones in an effort to stall or even defeat these regulations?

Mr. President, I am concerned that these regulations are already a target of members in the other body who would try to delay them further through appropriations riders and other techniques. Instead of delay, I urge my colleagues to stop interfering with these regulations. They are exactly the kinds of regulations we claim to want. They are cost-effective, deal with a serious problem, and have been subjected to close scrutiny by a wide variety of interests. We should not misuse the farm bill to thwart these important regulations.

Mr. FEINGOLD. Mr. President, my colleagues have been speaking today about their frustrations with the 1996 farm bill. I share those frustrations as well as dismay about the process in which this body has been engaged.

In early February we considered this legislation on the Senate floor. The specific commodity program provisions of that bill were never once the subject of a Senate Agriculture Committee markup, and in fact, were not even the subject of a single hearing in that committee. That the commodity provisions represented a drastic change from both

the philosophy and mechanics of current policy appeared irrelevant to the sponsors of this bill.

The process for consideration of this bill was flawed in numerous ways. For example: The text of the underlying bill considered on the floor was written in the backroom, separate even from the eyes and ears of members, of many members of the Agriculture Committee; Almost immediately after the bill was introduced, the majority leader filed cloture to limit debate on the measure before debate had even begun; This bill was considered on the floor with just 10 hours for members to offer and debate amendments prior to final passage; Farmers, the public, and even Senators were not given an adequate opportunity to review this bill before it passed on the floor of the Senate.

Contrast that to consideration of the 1990 farm bill in which each title of the bill was considered separately by the Agriculture Committee during extensive public markup sessions. Consideration of the 1990 farm bill, reported on June 21, 1990, gave Senators nearly a month to study the bill and another 7 days of floor consideration before final passage. Senators were free to iron out their differences with the managers and were provided time for full and open debate with adequate opportunity to offer amendments to the bill.

The 1985 and 1981 farm bills provided similar opportunities for review and debate. Senators had roughly 2 months to review the 1985 farm bill after it was reported and had 12 days of active floor debate. Following the filing of the committee report on the 1981 farm bill, Senators were provided with over 3 months to study and review the bill before its passage in September after 5 days of floor debate.

It is no wonder that the general public is frustrated with Congress. Based on this farm bill process they have every right to be. The conference agreement on which we are to vote in just a few hours was printed in the RECORD just 2 days ago. I ask how many of my colleagues have had an opportunity to read this bill? There are numerous provisions in this bill that were in neither the House nor the Senate bill. The implications of these provisions have not been fully explored.

I wonder if Senators are aware that this bill gives broad authority to the Secretary of Agriculture to propose and implement commodity promotion programs without an initial congressional authorization. In fact, producers of any commodity could be assessed a mandatory tax under this proposal for a period of 3 years before they ever get a chance to vote on the promotion program they have been forced to pay into. This bill contains no protections for consumers in the event that agricultural processors wish to establish mandatory promotion programs and pass those costs directly on to consumers.

Are Senators aware that section 501 of this bill attempts to rewrite 30 years of legislative history with respect to commodity promotion programs in an effort to combat Federal court challenges to these programs? Mr. President, that language was in neither the House nor the Senate bill and has not been the subject of hearings or debate in either Chamber of Congress. I want to make clear that the legislative findings in section 501 of this bill are not indicative of the views of more than a handful of farm bill conferees. Many of these findings, in fact, do not even make sense unless one is aware of the efforts of dissenting farmers to reform programs or are familiar with the first amendment challenges to these programs. Indeed Mr. President, this bill contains some very creative language intended to rewrite an already well-established history as to the purpose and intent of these programs.

I think this has been a shameful process, Mr. President, irresponsible to farmers, consumers and taxpayers, and completely inconsistent with our responsibilities to carry out a deliberative legislative process.

It seems the Congress can't even decide what this farm bill is about. Since its inception, the name of this farm bill has changed 3 times. First we were told this bill was the freedom to farm bill. Then it became the Agricultural Market Transition Act—a name which perhaps most accurately described the motivation of the sponsors of this legislation: to transition farmers away from the basic safety net provided by existing programs. Now, Mr. President, it is called the Federal Agricultural Improvement and Reform Act, or FAIR. That name creates a catchy, if not superficial, acronym, but is about as inaccurate a name as could be found. It presumes this bill represents both reform and improvement of existing programs. In my opinion, this bill does neither.

Even the catchy acronym is a misnomer. To whom is this bill fair? I don't see any fundamental fairness in this bill.

Is it fair to the average farmer to be given an ultimatum on the very programs that help manage the vagaries of farming caused by factors beyond his control? Because that is what many farmers in Wisconsin felt they were given. They were told that Congress was going to eliminate farm programs in any case, so they had better grab the money in these transition payments while they can.

However, when some of these farmers argue in favor of the bill, they really appear to be arguing for the maintenance of the safety net, not in favor of termination of these programs and the so-called transition payments. They argue that farm programs are critical in allowing family farmers to secure credit. They argue that farm programs provide them with the security to adopt forward-looking business plans. They argue that without farm programs, the attrition rate in farming will only increase while younger people will be unable to enter farming. I have not heard substantive arguments in favor of eliminating the basic safety net for farmers and replacing it with guaranteed but declining payments that aren't tied to market prices.

Is it fair to small farmers who rely more on the existence of farm programs for their survival than larger corporate farms, that this declining pot of money is not targeted more toward their needs? This bill bases a farmers' payment on what he received in the past. Large farmers continue to get large payments under this bill. How does that help small farmers transition away from their reliance on Federal programs? The answer is, it doesn't, Mr. President.

This bill could have provided a tremendous opportunity to reform farm programs by targeting limited Government funds to smaller farmers. While this bill takes some steps to reduce corporate welfare, Congress could have made far greater reductions in the payment limitations. Instead the bill makes a slight reduction in the maximum deficiency payments one can receive but fails to eliminate loopholes that allow large farmers to get twice that amount. Eliminating loopholes and reducing payment limitations would have likely achieved greater Federal savings in commodity programs than the commodity titles in the so-called FAIR Act without hurting America's family farms. Instead, this bill depletes the small pot of money for farmers by providing transition payments in the same proportions as they are now provided. That doesn't sound very fair to me.

Is this bill fair to taxpayers who will now be asked to provide annual checks to farmers even when market prices are good? The fact is that these market transition payments cannot be justified on sound fiscal grounds. While this bill may save money over 7 years, based on CBO projections, it results in far greater costs in the next 2 years for commodity program payments compared to current law. That is because we don't make unnecessary payments under the current farm bill. Government costs are low when market prices are high. Existing programs make payments to farmers only when market conditions are poor and farm income is depressed. But market conditions are expected to be favorable in the next few years. Even so, the FAIR Act doles out the money to producers even if they are making a profit through the marketplace. This bill is fiscally irresponsible and fundamentally unfair to taxpayers. USDA reports that, based on their estimates, taxpayers will pay out $25 billion more to farmers under this

bill than under current law. Every taxpayer should ask why they should pay farmers when market prices are high.

Is this bill fair to consumers when the most costly programs from their perspective, such as the sugar and peanut programs, are left fundamentally untouched? Is it fair that the program which has very little effect on consumer prices, the dairy price support program, is the program eliminated in the name of consumer protection? Is it fair to consumers that this bill virtually ignores the aspects of Federal milk marketing orders that do have a substantial impact on consumers—that is the federally established prices for fluid milk that are excessive in many parts of this country? No, Mr. President. This bill is not fair to consumers, particularly on dairy policy. It is a fraud from the standpoint of consumer protection, making only token changes in the programs that most offend the pocketbook.

In my opinion this bill should be called the unfair act of 1996 because it is most unjust to dairy farmers in the upper Midwest. Fundamentally, this bill includes major provisions strongly opposed by the upper Midwest dairy industry. This bill provides congressional consent to the Northeast Dairy Compact and includes much of the House-passed Solomon amendment which the upper Midwest had opposed.

The provisions of the House-passed dairy amendment were improved somewhat in the conference committee but are still devastating to America's family dairy farmers. The House passed amendment reduced dairy farmer income by $4 billion over the next 7 years by eliminating the price support program for milk. The conference agreement is expected to cause only slightly less pain because the support level is not reduced as much prior to program termination. However, the conference agreement eliminates the price support program in 1999 rather than 2000 as provided by the House bill.

It is ironic the dairy price support program is eliminated in this bill given that it was the lowest cost of all commodity programs in fiscal year 1995, except for no-net cost programs such as sugar and tobacco. The program cost less than $4 million in fiscal year 1995 according to USDA. Interestingly, the no-net cost programs all operate under strict supply control mechanisms in order to extract the support price from consumers through higher market prices. The dairy price support program does not rely on supply control and has had little impact on consumer prices unlike the sugar and peanut programs.

And yet, the dairy price support program is the only commodity program actually terminated in this legislation and dairy farmers the only producers not provided with transition payments. Not only do producers of other commodities continue to benefit from their underlying programs maintained in this bill, but they also receive sizable transition payments annually.

As a result, most observers expect dairy farmers to suffer from a larger decrease in family farm income than producers of any other commodity affected by this bill. Producers of some other commodities will actually enjoy income increases out of this so-called reform bill, at least in the next 2 years. But dairy farmers are asked to suffer.

Mr. President, I am baffled as to the reason why this was agreed to in this conference report. The dairy price support program has made great strides toward market orientation and operates truly as a safety net. While the conference agreement authorizes a processor recourse loan program for dairy after price supports are terminated, such a program can merely act as a price stabilizer, not as a price support mechanism.

I am extremely concerned about the impact of terminating the price support program. Wisconsin loses over 1,000 dairy farmers annually. I am fearful that without a basic safety net, that rate will increase in the coming years, particularly if the inequities of the Federal milk marketing order system are not eliminated.

I have spoken often on the floor and to the Agriculture Committee about the need to reform Federal orders to eliminate market distortions, regional inequities, and consumer-related costs caused by excessive class I differentials. Even Secretary of Agriculture Dan Glickman has conceded that Federal orders have created regional inequities and that upper Midwest producers have suffered as a result. I had hoped the farm bill process would ultimately provide for those much needed changes.

I am concerned, however, that this bill does not ensure that such discriminatory features will be eliminated. The House bill provided exceptionally limited reform of the Federal milk marketing order system, which is among the most outrageous commodity programs in existence.

Unfortunately the minimal reforms in the House bill were made only slightly stronger by the conferees. The agreement requires the Secretary to reduce the existing number of orders to between 10 and 14. That is certainly a step in the right direction. However, consolidation alone does not guarantee a fundamental restructuring of class I prices nor does it ensure that Eau Claire, WI will no longer be used as the basing point for pricing milk. These should have been simple assurances to provide if the conferees were sincere in their reform efforts as some claim.

The conference agreement appears to release the Secretary from compliance with statutorily required class I differentials in the reform process, but provides no further guidance on what factors the Secretary is to consider in these deliberations. All too often, those factors are political, not economic, and they do not work in our favor. There is absolutely nothing in this bill to ensure that class I differentials will be reformed or substantially altered from their current levels. In fact, the report language appears to specifically allow for an outcome in which reformed differentials are virtually the same as the current excessive statutory minimums. I will work to ensure that does not happen.

I think, however, that the greatest blow to the upper Midwest is the inclusion of the Northeast Interstate Dairy Compact in the conference agreement. The compact was not only defeated in the Senate, it was also excluded from the House bill. Its emergence in the final conference agreement is outrageous and unconscionable. While many might contend that the conference agreement provides a scaled back version of the compact, I am still concerned about its ultimate approval, its precedent, and its potential impact.

The conference agreement gives congressional consent to the compact subject to the Agriculture Secretary's determination that it serves a compelling public interest in the Northeast. I have a number of concerns with this. First, while this may put some members at ease, I caution those who think the Secretary of Agriculture will be more resilient against the political forces that came to bear upon the entire U.S. Congress and which resulted in the inclusion of this language. Second, a finding of a compelling public interest in the compact region is not an appropriate test for approval of this compact. The U.S. Constitution requires Congress to approve interstate compacts in order to protect the national interest. We can assume that the States agreeing to the compact have already determined that this is in their States' overall public interest. That test should be irrelevant. Rather, Congress should be able to ensure that the compact serves a compelling national public interest. I think the Northeast Dairy Compact would fail that test. Third, I think it is quite cowardly for the Congress to abdicate its role in the approval of this very controversial compact by making the Secretary do the dirty work. Authority for compact approval resides in the legislative branch, not the executive branch. This is a congressional responsibility, and this bill shirks it.

That the term of congressional consent for the compact is tied to the implementation of consolidated Federal orders, is somewhat of an improvement over a compact of indefinite term. I would provide two caveats to those who think this provides protection to dairy producers elsewhere, and in particular in the upper Midwest. First,

once consent is provided, it will be easier to reinstate after expiration. Second, the compact could remain in place much longer than the 3-year deadline for implementation of order consolidation. Consolidation can be delayed if the Secretary is enjoined by a court order from implementing order changes, thus providing continuing consent for the compact.

The conference agreement attempts to provide safeguards to prevent the compact from interfering in interstate commerce by keeping noncompact milk outside of its borders. However, the compact commission will still be able to require that anyone buying milk from outside the compact region pay the compact over-order price. That provision, coupled with transportation costs, is still an extremely effective barrier to trade.

I urge my colleagues to keep in mind that the fight over the compact was not just about the regional walls it erected. It was also about the impacts the compact would have on national markets for milk and dairy products. And, Mr. President, the dairy compact will have impacts outside its region. Increasing prices in the compact States, particularly to the levels anticipated by those farmers, will cause increased production. That production will likely spill over from fluid markets into manufactured product markets. That will ultimately impact the base price that all farmers receive for their milk, since prices nationwide are linked to prices for manufactured dairy products. In fact, the conference agreement neglected to include language contained in Senate Joint Resolution 28, ensuring that such production responses would not impact the national market.

Furthermore, the conference agreement will allow the compact States to provide their processors with export subsidies so that they can export their high cost product to other parts of the United States that are playing by the rules. This is the type of subsidy we are asking other countries to eliminate through our trade agreements, yet we are creating our own domestic export subsidies through this compact.

The Senate made clear by voting down the compact during consideration of the farm bill that this type of price fixing compact is not acceptable. And yet here we are again, fighting the Northeast Dairy compact. Having won this issue in the Senate we will now be forced to fight this administratively as well. And if it is approved administratively, we will have to fight when the Northeast comes back to Congress seeking renewal of this consent. And finally, we will fight this battle as other regions come to Congress looking for approval of similar price fixing agreements for dairy farmers in their regions.

Mr. President, I ask unanimous consent that an editorial from the New York Times regarding the compact be printed in the RECORD.

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

[From the New York Times, Mar. 23, 1996]

MILK SOURS THE FARM BILL

A House-Senate conference committee has managed to tarnish the most important farm bill in years by inserting a last-minute provision for a New England milk cartel that would gouge consumers and violate the free-market concept that has made the 1996 farm bill worthwhile. The full House and Senate need to excise this noxious favor to the New England dairy lobby before approving the bill in voting set for next week.

The dairy interests achieved their victory in the conference committee after failing to persuade either chamber to enact such a proposal earlier. The conferees accepted the bill's major reform, a seven-year phaseout of subsidies for corn, wheat, rice and cotton. That could save billions eventually and release farmers to make their own marketing decisions free of government supervision. But the conferees adopted a weak Senate provision that would reinstate the subsidies after 2002 unless Congress again votes them out.

The conference committee also weakened the Government's ability to preserve wetlands, something neither house had done on its own. The committee wants to restrict the Agriculture Department's valuable program to prevent diversion of fishing streams that run through Federal land.

There were some environmental gains. At least $200 million was approved to buy and restore major stretches of the Florida Everglades. A program to encourage farmers not to develop environmentally fragile land was renewed, as were food stamp and nutrition programs. A program to help farmers keep their animal waste and other pollutants from running off into waterways was adopted.

But the regional milk monopoly is the very opposite of the kind of reform this bill was meant to provide. The bill would authorize the Secretary of Agriculture to permit the six New England states to set high prices and erect tariff hurdles against outside competition. That is totally alien to the central idea of agriculture reform, which is to set loose the forces of free-market competition.

How could such a backlash occur? The agriculture committees of both Senate and House are dominated by farm and dairy interests. By appointing conferees from this limited group, Congressional leadership vests tremendous power with the members least responsive to the current popular concern over the environment and over consumer prices. The full Senate and House can do better.

Mr. FEINGOLD. Mr. President, at the beginning of the 104th Congress I thought it inconceivable, given the deregulatory and market-oriented rhetoric of some of our Senate leaders, that the Northeast Dairy Compact would be granted approval. It is the antithesis of market orientation. It seeks to protect agricultural producers in one particular region by imposing artificially high costs on consumers.

In fact, this compact flies in the face of the rhetoric associated with this very farm bill. I've heard so many Senators claim this bill allows farmers to make decisions based on the market, not on Government payments. But the compact attempts to insulate a small group of farmers from the very market conditions this bill embraces so tightly.

Mr. President, I am opposing this farm bill for the many reasons I have outlined today. And I know this bill will pass. I intend to fight hard for the upper Midwest as both the Northeast compact and Federal order measures proceed through the administrative process. I will work with Secretary Glickman to ensure that meaningful reform of Federal milk marketing orders is implemented in a timely manner.

And if, as the minority leader has suggested, this is a 1 year farm bill, I will be back on this floor trying to improve dairy farmer income which is so badly slashed in this bill.

I yield the floor.

Mr. CHAFEE. Mr. President, on March 15, 1996, I wrote to Chairman LUGAR to express my concerns about the potential undermining of wetlands conservation provisions in the farm bill. Proposals to exempt a vast number of wetlands from the Swampbuster Program and changes to the definition of "agricultural land" for purposes of wetlands delineations were among the specific concerns raised in my letter. I am pleased to report that Chairman LUGAR has responded to these concerns. A letter written by Chairman LUGAR upon the completion of the conference states:

The bill makes no changes to the existing definition of a wetland, and does not exempt any lands based solely on cropping history or size. Although the report does define "agricultural lands" for the purpose of implementation of the interagency memorandum of agreement on wetlands delineations, it does not amend Section 404 of the Clean Water Act or require any changes to the 1987 Army Corps of Engineers wetlands delineation manual.

Mr. President, I ask unanimous consent that a copy of this letter dated March 23, 1996, be printed in the RECORD following this colloquy. I congratulate Chairman LUGAR and ranking member LEAHY for their efforts in crafting a sound conservation title that will benefit the environment and the economy well into the next century.

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

(See exhibit 1.)

Mr. LUGAR. I want to thank the Senator from Rhode Island for his kind words. As I mentioned in the letter, I believe that this conference report is the most environmentally responsive and responsible farm legislation in our Nation's history. As chairman of the Environment and Public Works Committee, which has jurisdiction over the Clean Water Act and the Federal Wetlands Program, Senator CHAFEE's support means a great deal to me.

EXHIBIT 1

U.S. SENATE,
COMMITTEE ON AGRICULTURE,
NUTRITION, AND FORESTRY,
Washington, DC, March 23, 1996.

Hon. JOHN H. CHAFEE,
Chairman, Senate Committee on Environment and Public Works, Dirksen 410, Washington, DC.

DEAR CHAIRMAN CHAFEE: Thank you for your letter of March 15 in which you expressed interest in the conservation provisions of the 1996 farm bill. I am pleased to report that the Conferees agreed to what I feel is the most environmentally responsive and responsible farm legislation in our nation's history.

You specifically mentioned a concern that existing wetland conservation provisions might be undermined in the farm bill. In fact, the Conference agreement makes several common-sense updates to the "swampbuster" compliance requirements that will make the program more flexible for producers while still protecting wetland functions and values. The bill makes no changes to the existing definition of a wetland, and does not exempt any lands based solely on cropping history or size. Although the report does define "agricultural lands" for the purpose of implementation of the interagency memorandum of agreement on wetland deliberations, it does not amend Section 404 of the Clean Water Act or require any changes to the 1987 Army Corps of Engineers wetland delineation manual.

In other areas, the Conference agreement established the new Environmental Quality Incentives Program, which stands to make a significant positive impact on water quality. In addition, the Conservation Reserve Program and Wetlands Reserve Programs are reauthorized through 2002, with new provisions that will make the WRP more attractive to producers. Combined with the new crop planting flexibility provisions in the commodity title, these conservation efforts represent an impressive commitment to addressing the potential adverse environmental impacts of agricultural production. I know that, as Chairman of the Environment and Public Works Committee, you can appreciate the tremendous investment made in this new farm bill. I hope you can enthusiastically support the Conference Report when it is debated on the floor later this week.

Sincerely,

RICHARD G. LUGAR,
Chairman.

Mr. GRASSLEY. I am pleased that the conferees agreed to include a provision in the bill that I originally authored regarding revenue insurance. I and the farmers in my State truly believe that revenue-based risk management tools are a vital resource for today's and tomorrow's American farmer as the weather, market, and global trading patterns continue to fluctuate and pose often unpredictable risks for farmers worldwide.

The FAIR Act would require the Federal Crop Insurance Corporation to offer pilot revenue insurance programs for a number of crops for crop years 1997 through 2000 so that by 2002 and the end of the production flexibility contracts provided under this bill, we will have well-tested revenue based risk management products available for farmers.

It is very important to note, however, that it was never my intent to restrict the authority of the Federal Crop Insurance Corporation as it currently exists under law to conduct pilot programs. There are two revenue insurance pilot programs currently operating for crop year 1996. I, and I do not believe the conferees, intend for this new language in any way to interfere with the operation or expansion of these existing programs to other crops under the same terms and conditions under which they are currently operating. Rather, my intent was to encourage the Corporation to expand current efforts to other crops and speed the development of such products for the American farmer. Does the chairman agree with this interpretation—that the FAIR Act language is not intended to restrict the existing authority of FCIC to approve pilot programs under similar terms as the 1996 revenue pilot programs—for example on a whole State basis, although in a limited number of States?

Mr. LUGAR. Yes; I would agree that the conferees intended for this language not to restrict FCIC authority to implement the revenue insurance pilot program authorized by this Act.

Mr. GRASSLEY. I thank the chairman. I strongly urge the Corporation to further experiment with revenue-based insurance products and to do so under similar terms and conditions represented by the 1996 crop year revenue insurance programs.

Mr. FEINGOLD. Mr. President, the Federal Agricultural Improvement and Reform Act of 1996 eliminates the requirement that farmers buy catastrophic crop insurance in order to participate in other USDA farm programs. However, as I indicated in my letter to you on March 20, there is some concern that language as drafted may not technically delink the crop insurance purchase requirement for forage. The language in the bill delinks the crop insurance purchase requirement for crops planted in spring of 1996. However, forage crops, as perennials, are typically planted once every three or four years. Thus, forage crops which will be harvested in 1996 may have been planted several years ago, and may not be captured by the language in the bill.

It is my understanding that it was the intent of the conference committee and the intent of this legislation to delink crop insurance purchase requirements for participation in other USDA programs for all crops, including forage. Is that correct?

Mr. LUGAR. The Senator is correct. section 193(a)(2) of this bill is intended to allow delinkage of the purchase of catastrophic crop insurance for all crops including forage harvested in 1996 and beyond. Producers of forage crops harvested in 1996 should be able to participate in all USDA programs without purchasing catastrophic crop insurance, regardless of when that forage crop was planted. There was no intent to exclude forage from these delinkage provisions and the Secretary should interpret section 193(a)(2) as such.

Mr. FEINGOLD. I thank the Senator.

Mr. LEVIN. Mr. President, I had hoped to be able to support the farm bill conference report. On balance, however, the conferees did not make enough improvements to the bill passed by the Senate for me to do so. In several important ways, the conferees have made it worse. It is unfortunate that this Congress, overdue in completing action on a farm bill, has produced this bill in apparent haste to get something down.

The conferees have included a dairy title that treats milk producers very differently from other agriculture sectors, and is potentially damaging to Michigan milk producers. This bill reauthorizes the basic dairy price support program that we have today, but reduces the price support level from $10.35 per hundredweight [cwt.] in 1996 to $9.90/cwt. in 1999. Then, in the year 2000, the program is somehow to magically transform into a recourse loan program. This type of experimentation, without adequate consideration or hearings on its economic effects, could seriously harm the dairy sector and producers income, not to mention supply and price stability. I regret that the conferees did not incorporate more of the comprehensive and cost-effective Gunderson approach into the final product.

Further, the bill opens the door for establishment of the Northeast Dairy compact, a door that we had closed in the Senate bill. It gives the Secretary of Agriculture the authority to create the compact if he finds a "compelling public need in the [Northeast] region." This is a mistake and I will join efforts to repeal this provision if this bill becomes law.

I have been open to producers' desire to increase their flexibility, in the context of Federal farm programs, so long as it has not required crops like fruits and vegetables to unfairly compete against crops that receive Federal price supports. This bill continues that protection, which is important for Michigan's diverse and productive fruit and vegetable sector. But, my colleagues and producers should remember why the Federal Government has a farm program—our Nation needs a secure and stable supply of food. Producers have always had the flexibility to not participate in these programs.

The contract payments in the bill may assist producers to achieve greater flexibility and encourage them to be more sensitive to the market. But, I am still disturbed that the Government payments bear no direct relation to market prices. Producers will receive these payments in times of high prices even though they are doing well. That

makes no sense. There are no provisions for a safety net when prices drop. That makes no sense either.

The managers of the bill have informed me that there is no requirement that a contract payment recipient actually engage in farming on contract acreage for the 7 years that the contract runs. At a time when we are reforming welfare and emphasizing work, I find it unacceptable to give taxpayers dollars away to a producer or owner who might decide to leave contract land fallow and still collect a tidy Government payment.

Simplification of Federal agriculture programs is generally a good idea. That is one positive concept in the bill before us, which I hope will bear out in implementation. I am also pleased that this bill contains most of the important conservation programs, particularly the Conservation Reserve Program, and the trade, and research titles that were included in the Senate bill. And, we have been able to prevent any serious damage to the sugar program.

In my judgement, however, Congress could and should have put together a better farm bill than this one, and in a more timely way. The majority should have put the farm bill higher up on its agenda so that we would not be acting hastily now to give producers some direction on Government agriculture policy so far into the crop year. This bill charts a controversial and uncertain course for 7 years. But, at least we have retained permanent law so that Congress must revisit agriculture policy no later than 2002.

Mr. FAIRCLOTH. Mr. President, I rise to speak on behalf of the Federal Agriculture Improvement and Reform Act.

Mr. President, I am one of only a few working farmers in Congress. Having worked the land most of my life, I know, first hand, what it is like to try to make a living under Federal farm programs. As my colleagues began crafting a new farm bill, I believed we had a historic opportunity to change the way our farm sector operates while still maintaining a strong commitment to conservation practices that truly protect the environment.

Now that our work is complete, I can tell you that Congress is steering the farm community in the right direction. Through the FAIR Act, farmers will no longer be told by someone in Washington what to plant, how much to plant and even how much not to plant. Farmers will now have the freedom to make their own planting decisions based on market demands rather than mandates from Washington.

The age of micromanaging the farm sector from a corner office at the USDA is over. And it should be. The world has changed dramatically since I first took over the farm from my father. Whether we like it or not, NAFTA and GATT are now the law of the land. Fortunately, Congress recognized this and crafted a farm bill that gives farmers the freedom to respond to these new market demands. Had Congress not done their job by producing the FAIR Act, farming in this country would have been left behind in the cold.

This farm bill also goes a long way toward protecting the environment. Mr. President, it only makes common sense that farmers would support strong conservation practices because a healthy environment is essential to a good harvest. As a matter of fact, the conservation title attracted strong bipartisan support because it reauthorized and expanded the Wetlands Reserve Program and the Conservation Reserve Program and created new conservation initiatives like the Environmental Quality Incentive Program. Through strengthening the conservation title, this Congress has proven our commitment to protecting the environment while allowing farmers to make a living from their land.

I am proud of the work done by my colleagues in both the Senate and the House. Senator LUGAR, Representative ROBERTS, and the conferees have produced a farm bill like no other in the history of this Nation and they should be commended for it.

Mr. HELMS. Mr. President, in many ways this farm legislation is historic. In my 23-plus years as a member of the Senate Agriculture Committee, I have never been faced with so many changes in the overall structure of American agriculture—and, in large measure, for the better most of America and the farmers of this country.

I doubt that anyone seriously imagined that this Congress could succeed in streamlining agriculture programs and increasing the effectiveness of agriculture. This bill includes reforms to most of the major commodity programs, including peanuts, cotton, dairy, feed grains, and wheat.

In my home State of North Carolina, agriculture has long been a leading industry, providing jobs and economic opportunity for countless small family farmers and their communities. This legislation will give North Carolina's farmers stability for at least the next 7 years while removing the strong arm of government controls over our commodity programs. It will ease the strain on rural America.

Mr. President, I applaud the two chairman for undertaking these market-oriented reforms that will unquestionably help the family farmers adapt and adjust to the 21st century. As a former chairman of the Senate Agriculture Committee, I know and understand the difficult and painstaking process that has consumed weeks and months.

I am convinced that this farm bill will help farmers become more productive, and will continue to save tax dollars and it will improve the rural environment.

At a time when the Federal debt has climbed beyond the 5 trillion dollar mark, Congress owes it to the farmers and taxpayers of this country not to enact a meaningless temporary solution, but to establish a sound new policy of agricultural reform.

That is what happened, and I, for one, believe both Agriculture Committees, House and Senate pursued the real reforms that were needed. In that, I am proud of the peanut farmers of my State and other States for embracing a no net cost program and sacrificing close to $500 million out of their pockets to contribute to balancing the Federal budget in 7 years. In order to save the peanut program we all had to sacrifice, but in the end, this bill retains the peanut program and reforms it to make it more efficient for the farmers and less costly for taxpayers.

This bill offers a future to the farmers of America, who can now wake up everyday and knowing what their future payments will be. The taxpayers will know how much of their money will be spent. U.S. agriculture now has a future—our farmers have a future.

Mr. CAMPBELL. Mr. President, I would like to offer my full support for the farm bill conference report. I believe this bill, carefully crafted after many months of hard work and compromise, will offer much needed stability to farmers across America. In addition, it symbolizes a new path for our agricultural industries, leading us away from the Depression-era policies of the past and towards a freer, more flexible system which will empower our farmers to face the challenges of the 21st century.

I am particularly pleased and supportive of the conservation and nutrition components of the bill, which I believe illustrates the strong bi-partisan collaborative work that crafted this compromise. The environmental provisions will help farmers protect agricultural lands through specific appropriations that will conserve farmland from development. With my homestate of Colorado facing a tremendous growth in population, this will enhance the precious preservation of private land, open space and wildlife habitat from developers and subdivisions. In addition, by recognizing the inexorable ties between agriculture and water, this bill will provide much needed support to farmers to help protect our water supplies and maintain water quality.

I also want to congratulate the managers of this bill—Senators LUGAR and LEAHY, and the conferees in maintaining and extending the Food Stamp Program. This will reiterate the commitment of the Federal Government to families, women and children that rely on this vital program for their daily subsistence. I know there are many issues that still need to be resolved for

welfare reform legislation, but I am glad that the farm bill recognizes the importance of the Food Stamp Program.

Mr. President, I would like to conclude my statement by reiterating the fundamental importance of agriculture to my homestate of Colorado's economy, environment, and identity. The importance of this bill to my constituents is tremendous, and I hope these dramatic reforms will breathe new life into the farms of America to revitalize the industry for the next century.

Mr. WARNER. Mr. President, as you know, every 5 years Congress undertakes a rewrite of farm legislation. Some years this process is relatively painless, some years it is more difficult. Farm programs are bipartisan efforts, with both sides working to achieve the best result possible for the nation's farmers.

This year has proven to be the most contentious, hard fought farm bill in memory. I am fortunate, through seniority, to have become a member of the Senate Agriculture Committee—the first Senator from Virginia, I might add, in nearly 30 years.

For close to 1 year the Agriculture Committee has been working diligently to craft a new farm bill for our country. On September 30 of this past year, the old farm bill expired. Under the necessary budget changes and spending priorities that we set forth, a large portion of the farm bill was part of the Balanced Budget Act that Congress passed and sent to the President. The President, unfortunately for America, vetoed it. This veto created a critical problem for U.S. agriculture.

The problem is that commodity support programs for the next 7 years were wiped out with the President's veto of the Balanced Budget Act. Existing authority for those programs had expired. All that remain are outdated statutes from 1938 and 1949.

The solution required action. Chairman LUGAR skillfully negotiated the regional and political obstacles that could have doomed this effort. Certainly, there are areas still to be addressed and work to be done. But today we take a major step forward in farm policy—a step toward the future.

Mr. President, the farm bill debate is a microcosm of the larger debate we have witnessed over the balanced budget. It represents a struggle with those who are comfortable with the status-quo, who want to continue the failed policies of big government intervening in people's lives and dictating their decisions. We are ending Washington control of farm policy.

Reformed farm policy is one step towards our goal of smaller government and a balanced budget. But, as you know, this is a new direction. Even the name of this bill—the Agricultural Reform and Improvement Act—indicates the direction toward which farmers want to go.

Briefly, this farm bill will accomplish several things. The bill will reform and modernize farm programs; provide a more certain income safety net for farmers through direct payments; strengthen conservation programs; and, provide broad planting flexibility.

In short, we give farmers what they want—greater flexibility and freedom from Government intervention. Farmers like the plan because it is good for the bottom line. Support is broad because it will have the most positive impact on farm income. The plan is simple, certain and efficient. It eliminates layers of bureaucracy and accompanying regulations. Best of all, this bill shifts decision making from Washington back to the farm.

The bill calls for the end of Government planting controls. It provides an entirely new outlook for American agriculture, which I find very exciting both as a member of the Committee responsible for farm policy and as somebody who has owned and operated a farm.

The plan is simple, in contrast to the needless complexity of current programs.

It offers certainty. Farmers will know what their future payments will be. Taxpayers will know how much these programs will cost. U.S. agriculture will have more security against future budget cuts.

Finally, it is market oriented. Farmers' payments will be the same even if they choose to plant alternate crops. Producers' planting decisions will be based on the market—as these decisions should be. Under this bill there will be planting freedom, not arbitrary government controls.

This bill is good for the environment. It strenghtens conservation programs, enhances wetlands protection, and emphasizes improving water quality, which is of critical importance to Virginia and the Chesapeake Bay.

This bill's agricultural provisions are a long-term plan endorsed by a broad spectrum of agricultural groups, including, in my State, the Virginia Farm Bureau and the Virginia Agribusiness Council. Let us be clear: U.S. producer and agribusiness organizations nationwide support this plan. We owe it to those who work in agriculture in our respective States—not to those who would dictate farm policy from behind a desk—to pass this bill.

Mr. President, I have heard many Senators lament the delay in enacting a new Farm Bill. While this bill is a few months late—due in large part to President Clinton's veto of the balanced budget bill—the reforms it contains are years overdue.

I am proud to have participated in this historic legislation during my first term as a member of the Agriculture Committee. And I commend Chairman LUGAR and his able staff on a job well done.

SECTION 389

Mr. BROWN. Mr. President, section 389 comes as a result of many hours of negotiations involving the U.S. Department of Agriculture, the U.S. Forest Service, the U.S. Fish and Wildlife Service, and various Members of Congress. The language agreed to by the conference committee is a step forward in an effort to ensure that the Forest Service does not take water from existing users without providing proper compensation.

My amendment, as modified by the conference committee, provides for an 18-month moratorium on any U.S. Forest Service decision to require bypass flows or any other relinquishment of the unimpaired use of a decreed water right as a condition of renewal or reissuance of a land use permit. Nothing in this section changes current law regarding the allocation of water or rights to the use of water, and the expiration of the moratorium is not intended to be a recognition or grant of authority to the Forest Service for imposition of bypass flows.

The amendment also creates a water rights task force to study, make recommendations, and report back to the Congress and the administration on questions of: First, whether, and the manner in which, a Federal water right should be acquired by the U.S. Forest Service for minimum instream flow, environmental and watershed management purposes on the National Forests domain either through purchase from or a lawful exchange of valuable consideration with a willing seller; second, measures, if any, deemed to be necessary to protect the free exercise and use of decreed non-Federal water rights which require land use authorization permits from the U.S. Forest Service; and third, the legal and economic effects of creating a Federal environmental water right upon existing state laws, regulations, and customs of water usage and measures that would be useful in avoiding or resolving conflicts with any regulatory taking of a valuable decreed water right pursuant to conditions for the reissuance of a special use permit.

This language is intended to reaffirm the fact that for over 150 years, the United States has followed a policy of deferring to State laws governing the use and allocation of water in the western United States. As the Supreme Court observed in *California* v. *United States*, 438 U.S. 645, 653 (1978):

> The history of the relationship between the Federal Government and the States in the reclamation of the arid lands of the Western States is both long and involved, but through it runs the consistent thread of purposeful and continued deference to State water law by Congress.

It is also necessary to understand that national forests were created to protect and allow water uses, not as an excuse to take water away from people

that have been using it for decades. The national forests were created pursuant to the Organic Administration Act of 1897, 16 U.S.C. 481, which explicitly provides for the use of water from national forests for domestic, mining, milling, or irrigation purposes. In *United States* v. *New Mexico*, 438 U.S. 696 (1978), the United States Supreme Court rejected claims by the Forest Service that the Organic Administration Act authorized the assertion of claims to the use of water for fishery and other secondary purposes of the national forests. The Supreme Court held that the Organic Administration Act was enacted by Congress "principally as a means of enhancing the quantity of water that would be available to the settlers of the arid west." The Court rejected the Forest Service claims to the use of water for secondary purposes because they would defeat the purpose for which the national forests were created, in part because these claims would result in a gallon-for-gallon reduction in the water supply available for use by farmers and cities in the West. The bypass flows that the Forest Service now wants to require are for the same secondary purposes, and would result in the same, or even greater, losses of water by existing users.

The assignment of land management functions to a Federal agency in and of itself does not provide an appropriate legal basis for assertion of water rights by Federal agencies to preempt State law with regard to the expropriation of already existing decreed water rights. The enactment of the Multiple Use and Sustained Yield Act [MUSYA], 16 U.S.C. 528–31, and the Federal Land Policy Management Act [FLPMA], did not change or expand the primary purposes for which the national forest lands are to be managed pursuant to the Organic Administration Act. In fact, the National Forest Management Act [NFMA] expressly provides that any change in land use authorizations "shall be subject to valid existing rights," 16 U.S.C. 1604(i). In addition, sections 701 (g) and (h) of the Federal Land Policy Management Act [FLPMA] contain explicit savings provisions regarding the management and use of water, specifically disclaiming any delegation of authority to "affect" the use of water. The provisions make it clear that these acts create no new Federal authority over the use or water, and most certainly do not authorize the imposition of bypass flows on existing facilities.

It is also important to recognize that any Federal claims to water for the Organic Administration Act, Federal Land Policy Management Act [FLPMA], National Forest Management Act [NFMA], or other Federal purposes, whether based upon appropriative rights, riparian rights or reserved rights, must be asserted and established pursuant to the McCarran amendment, 43 U.S.C. 666.

In conclusion, Mr. President, I ask that the Senate act favorably to pass the conference report to H.R. 2854, the Agricultural Market Transition Act, which includes my amendment containing the subject moratorium and task force language. I would hope that in the coming 18 months an agreement will be reached on this subject—an agreement which will ensure the adequate protection of western water.

Mr. KEMPTHORNE. Mr. President, I join my colleagues in supporting the final passage of the conference report for the farm bill, and applauding the efforts the members of the Senate and House Agriculture committees. In particular, I call attention to the efforts of Senator CRAIG, coauthor of the compromise which this body adopted a few weeks ago, and which formed the basis for the bill we are adopting today.

Mr. President, this bill is an important step forward for our Nation's agricultural policy. For Idaho's farmers, it means the freedom to have the Federal Government off their backs and out of their tractors. For the first time in a century, they will be able to plant crops according to the market, instead of according to Uncle Sam's outdated policies. The 7 year contracts and loan programs provided in the bill give farmers the safety net they need to make this transition.

Under the bill, Idaho's wheat farmers will have the security to analyze market demands. Idaho's growing dairy industry will be better prepared to take their place in the world market. And Idaho's sugarbeet growers will be in an excellent position to compete as domestic market restrictions are removed.

This bill grants agricultural producers the freedom to meet the demands of growing international markets. They will be able to step back and look at their crop rotation plans, and to try new and innovative crops that might not have been allowed under the old programs. Some of those new crops may well prove to be the solution to soil erosion, or a dependable alternative source of income. Such individual innovation and specialization were not possible under the old bureaucratic dictates.

Mr. President, this bill is important because of what is changes, but it is also important for what it strengthens, and that is our Nation's commitment to research and international trade development. Of all the concerns raised by Idaho's farmers since we began debate on the bill, commitment to research and international trade has been at the top of their list.

Under the new rural development provisions, and specifically through the agriculture competitiveness initiative, we will see a strengthened agriculture research program, the key to our Nation's strong food supply system. This research program will encourage the development and application of new technologies, such as the precision farming research being conducted at the Idaho National Engineering Laboratory in Idaho Falls.

The bill also maintains a strong commitment to international market development programs. So long as our Nation's agriculture producers face subsidized competition in our foreign markets, we will need to ensure that our producers are in a position to meet that challenge. We have maintained the Export Enhancement Program and the Market Promotion Program, and elevated the Foreign Market Development Program to an independent status. These programs are vital tools for Idaho commodities, such as wheat, beans, peas, and lentils, to help them develop their overseas markets.

The bill also removes needless burdens and provides important incentives. It eliminates the requirement that farmers sign up for crop insurance and encourages private insurance companies to fill the gap. It streamlines current USDA conservation programs, and provides new incentives to help farmers achieve these national goals. I am particularly pleased to see that successful conservation programs, including the Conservation Reserve Program and the Wetlands Reserve Program, will continue to be a tool to protect the environment and provide habitat for wildlife.

Agriculture is Idaho's No. 1 industry. Its diversity forms the foundation for the rest of the State's economy. There is still work to be done to remove regulatory and tax burdens on farmers, these small-business people who are the stewards of our Nation's open spaces. This includes our efforts to reform the Delaney clause and its unrealistic limitations on pesticide tolerances, and to remove disincentives to re-registration of minor crop pesticides. But this farm bill is the first step to bringing Idaho's and the Nation's farmers into the 21st century and I urge my colleagues to support its passage.

Mr. McCAIN. Mr. President, first let me express my sincere admiration and respect for the chairman of the Agriculture Committee, Senator LUGAR of Indiana. Senator LUGAR is a man of vision and reason with respect to our nation's agricultural policies, and the Senate is fortunate to have a man of his caliber as Chairman of the Agriculture Committee. It is an extremely challenging position, due to the pleadings of numerous regional and narrowly-focused agricultural groups that descend in droves upon the Congress every 5 years. They urgently request more and more Federal aid, lest the extent of their taxpayer-funded subsidies, price supports, and grant programs stray too far from the status quo.

A Senate that is split between Members dedicated to fiscal responsibility, and those equally dedicated preserving virtually every aspect of Federal largesse, is not a promising forum for a boldly reformist farm bill. For those of us that were hoping for a significantly less costly, less expansive farm bill, this is deeply regrettable. I cannot support a massive new farm bill that does little to lighten the heavy burden that price supports and farm programs have long placed on taxpayers, and I will oppose this conference report.

Mr. President, the unprecedented election of 1994 has been interpreted in many ways; its signals meant different things to the diverse Members of this body, and among the luminous commentators who purport their views to represent the pulse of the masses. My personal beliefs about what the American people are calling for often run head-on into the resistance of this body. I can, however, confidently convey my judgment about one meaning of the November, 1994 election without reservation. Clearly, the new Congress was not empowered to cautiously piece together an expensive array of farm programs, and pass the bill to taxpayers. This Congress was not directed to timidly wander among agricultural special interest groups and seek a consensus that would offend no one. No one, of course, except for taxpayers, who unknowingly will be stuck with the bill.

I oppose this conference report with regret. I supported H.R. 1541 with the understanding that it would actually reduce the cost of farm programs by 15%. The Senate-passed version of S. 1541 was widely described as a substantial reduction of spending on farm subsidies. I also hoped that the House would make further reductions and fiscally responsible reforms. I was mistaken. This conference report contains almost $50 billion in direct farm subsidies over the next seven years, and in its entirety will cost taxpayers close to $70 billion over that time. If any savings are achieved they will be modest, and I am all too familiar with the outcome of previous farm bills, which routinely cost billions more than anticipated.

This is simply unacceptable, Mr. President. We are acquiescing to the well-organized interests who are satisfied with nothing but a bigger trough from which to feed.

At a time when Congressional overspending has already rung up a $5 trillion dollar debt; and when we must fight the administration and its free-spending allies every step of the way for even the most modest restraints on spending, a $70 billion farm bill is simply indefensible. I cannot justify voting for such a bill to my constituents in Arizona, who this year must work five months a year just to pay their taxes!

The logic of passing a new, $70 billion farm bill escapes me, Mr. President, but I think it will prove positively unfathomable to most Americans. A large segment of the Congress seems to operate in a world completely disconnected from any sense of urgency about deficit spending. News reports which mindlessly turn reductions in increases into life-threatening cuts—as we saw with the School Lunch Program last year—cynically feed this atmosphere. This manipulative shell game will go on and on, I'm sure, until a decisive majority of the Congress—with the support of a President who has the courage to lead—stands up and simply says, "Enough!"

To the contrary, this conference report—and this Administration—continues to say: "No problem."

Just last week the Washington Post had a prominent story about how the fiscal year 96 deficit will be dramatically lower than expected. It will undoubtedly bolster the administration's confidence in striving for billions more in domestic spending. Of course, there was no mention in the article about how this year's cheery, refreshingly low deficit means that at best, the Federal Government will spend $400 million more each day than it takes in. This farm bill will keep the tab on that credit card rolling along with respect to agricultural spending for the next 7 years.

During the initial Senate debate on the 1996 farm bill, I was optimistic that the freedom to farm concept of decoupling farmers from bureaucratic crop controls would be a ground-breaking, cost-effective reform. It has not turned out that way. With this conference report, farmers do get a freedom to farm, but lurking just below its surface is the same, dusty maze of permanent price subsidies that the Congress purportedly wanted to move away from.

Let me point out several other areas where this conference report has stumbled badly away from the Senate bill I supported. First, it has several dairy provisions which boggle the mind of anyone interested in cost-efficient, pro-market farm policies. The Northeast Dairy Compact—a price control consortium reminiscent of the very best of Soviet block agricultural policies—is given new life despite being previously rejected by the Senate. Furthermore, this conference report will allow dairy interests in the State of California to impose a new trade barrier on out-of-state milk. California's price-enhancing dairy regulations jack up milk prices for its nearly 30 million consumers, and they will now be codified in Federal law to shield California's dairy industry from fair and open competition. The California solids-added provision is incontestably anti-competitive, anti-market, and definitely anti-consumer. However, even in 1996, those dubious attributes are not enough to exclude them from being tucked into a farm bill.

There are many more areas of great concern for me in this measure. A new, $300 million-a-year rural development program—added at the behest of the administration—was the subject of some thirty seconds of debate in the Senate. There is a $360 million grant program for private grazing lands; a $600 million grant program for livestock activities; $360 million for a new twist on the Market Promotion Program. And, of course, cherished, old standbys like the sugar and peanut programs.

Let me emphasize, Mr. President, I support providing a credible level of truly-needed assistance to farmers in America. I would oppose pulling the rug out from under them with a complete elimination of farm programs. Many agricultural producers in Arizona have relied on price support programs, and dozens of rural communities in my State have greatly benefitted from important rural development initiatives. We should continue meritorious farm programs that work, and that also comply with the fiscal discipline necessary to balance the budget.

I want to express my gratitude to Senator LUGAR for preserving an amendment that will assist Native American community colleges. Indeed, I recognize that if Senator LUGAR was able to fully develop all of his ideas for federal agricultural policies, our country would be in much better shape. I regret that his best efforts have been dissipated by interests unwilling to yield in their defense of a status quo we can no longer afford.

I cannot support a massive package of $70 billion in agricultural spending at a time when the administration and the Congress has been unwilling to stem the tide of deficit spending. It represents too little real reform, not enough relief for taxpayers, and too much toleration of business as usual.

Mr. GLENN. Mr. President, I rise today in opposition to the conference report on the the farm bill. While I strongly favor some aspects of the bill, I have serious reservation about the 7-year contract and the dairy provisions.

This bill ends the system of giving subsidies to farmers when market prices drop. Instead farmers sign a 7-year contract to get annual market transition payments regardless of market conditions. I support moving to a market oriented farm policy. However, I think it is wrong to pay farmers regardless of market conditions and I strongly oppose paying farmers when they do not plant a crop. In times when commodity prices are high, such as now, farmers will receive big checks they do not need; in bad years farmers will receive little or no support.

I also oppose giving the Secretary of Agriculture the authority to implement the Northeast Interstate Dairy Compact. This provision allows six

States more leeway in setting their own prices. I think we need to take a good look at our current system of dairy price supports and move dairy along with the other commodities into a realistic market oriented system.

I support the conservation provisions put forward in this bill which emphasize land management options for farmers and livestock producers, not simply land retirement, to reduce the harmful environmental and economic impacts of agriculture activities. For example, the bill authorizes the Environmental Quality Incentives Program [EQIP] which combines the functions of several current conservation programs into one voluntary incentive and cost-share program for crop and livestock producers. I am pleased that the bill channels additional needed funds to rural development and agricultural research programs through the Fund for Rural America.

I do not believe this bill is good public policy. I am concerned it will cost us more to phase into the new program than to maintain current law. And finally, I also feel that the Congress will be forced to return to this issue as soon as less favorable market conditions return for farmers.

Mr. HOLLINGS. Mr. President, I rise today to voice my opposition to the 1996 farm bill. Although the conferees have worked hard on this legislation and have obtained many good things for rural America, overall the bill is a bad bill, it is bad policy, and it is bad for the small family farmer in South Carolina. With this bill, Congress isn't the goose that laid the golden egg. It's the goose that is laying the rotten egg. And like rotten eggs, this bill stinks.

As I said, this farm bill does have some positive aspects. We establish the Fund for Rural America to infuse $300 million into research and rural development—something that South Carolina and other rural States can definitely use. We create a new Environmental Quality Incentives Program that will help smaller farms with conservation projects.

We also reauthorize the Conservation Reserve Program, a program which is extremely popular among farmers and which improves millions of highly erodible acres across the country. Finally, we reauthorize several nutrition programs for 7 years. I am disappointed that the conference committee chose to reauthorize food stamps for only 2 years, but I hope we will revisit this issue soon.

Despite the few good portions in this farm bill, it remains bad farm policy. Here's how absurd the bill is. Instead of the current price support system in which we help farmers recover their losses with deficiency payments, this bill allows the Government to pay farmers in each of the next 7 years—regardless of whether they have a good or bad year, regardless of whether they plant anything at all or regardless of market prices. Do you know what that means to the budget? It means we'll have to spend a lot more money than we currently spend on farm programs. It is estimated that this farm bill will cost the taxpayers an additional $4 billion over the next 2 years compared to current law. The current system works—why fix it? Current law provides that farmers do not receive Government subsidies in good years. But under this bill, we'll essentially give farmers a bonus in good years—like this year. That makes no sense to me in this environment of fiscal responsibility in which everybody and his brother is trying to find ways to save money.

The small family farmer—especially the South Carolina farmer—comes under attack in this wrong-minded legislation. Through this bill, payments to farmers will decline over the next 7 years. But farming, like history, occurs in cycles. This bill doesn't take the cyclical nature of farming into account. Over the next 7 years, prices almost certainly will decrease from the high prices we now enjoy. But, at the end of this 7-year farm bill, prices likely will be low at the same time that payments are low. In other words, farmers who might be living high on the hog now will be scraping to make ends meet later on. I am worried that this will have catastrophic effects on the small farmer in my State and that many small farmers will have no choice but to harvest their fields for the last time.

And that, in turn, could lead to the expansion of corporate farming. While I do believe there is a place for corporate farming, I don't believe that their successes should come at the detriment of small family farms. These folks, including many of my friends in Mullins, Dillon, Manning, Kingstree, Bamberg, Hampton, Orangeburg, and Charleston, have faithfully cultivated their land for many years. I believe they should be able to continue their profession, not be forced out of it by ill-conceived legislation. This bill is shortsighted. Down the road, it will hurt farmers.

Mr. President, we should have passed a farm bill last year and farm policy should never have been considered as part of the budget package. The hour, however, is late. Farmers need to know where they stand for the coming crop year. For this reason, I understand that the Secretary of Agriculture has reluctantly recommended that the President sign this legislation, and that the President has agreed to sign it with serious hesitation. The President, however, also has indicated that he will continue to work with Democrats in the Congress to propose more farmer friendly legislation next year. I look forward to working with the President on this issue because, as sure as I stand here today, I guarantee that this farm bill won't be around for the 7 years it stipulates.

The so-called freedom to farm concept has been flawed from the start. This piece of legislation, although it may have a different name, follows in the same disastrous direction. I refuse to turn my back on the family farmers of South Carolina and I believe it is wrong for us to pay money to farmers when they do not need it. As a result, I will vote against the farm bill this afternoon. I look forward to revisiting this issue again next year.

I thank the chair.

Mr. SIMON. Mr. President, In many important ways, this farm bill is a good bill for Illinois. While it is not a perfect bill, I'm pleased to see that some of the most meaningful programs were protected. The bill offers farmers limited certainty in the area of income protection and provides a safety net for farmers in future years. In addition, it improves conservation efforts and reauthorizes important nutrition programs, as well as trade and research titles.

Illinois is second only to Iowa in soybean production, with 9.7 million acres planted to soybeans. Exports for soybeans and soybean products totaled $7.9 billion in 1995, making soybeans the largest export, in terms of value, in U.S. agriculture.

This bill raises the marketing loan rate for soybeans to 85 percent of an Olympic 5-year average, with a ceiling of $5.26 per bushel. Despite a 3-percent annual growth in world demand for vegetable oil and protein meal, U.S. oilseed acreage has declined by 17 percent since 1979. This slight increase in the marketing loan rate creates some incentive for soybean production here at home, which helps our trade balance.

The bill also retains permanent law for farm programs. Agriculture policy should protect family farms as well as consumers. The original freedom to farm proposal eliminated permanent law for farm programs, allowing no safety net past the year 2002. Through the leadership of Senator DASCHLE, Democratic Members of the Senate were able to guarantee a safety net for farmers in year 7.

I strongly object to language in the bill giving the Secretary of Agriculture authority to implement the Northeast Interstate Dairy Compact and will work to see that it is not implemented. Dairy farmers in the Midwest cannot compete against this kind of regional price fixing. It is bad policy, legally questionable and the Senate voted to remove it from the Senate bill.

In addition, we are making a big mistake authorizing the safe meat and poultry inspection panel. The role of the panel is to delay implementation of proposed meat inspection regulations. We need to modernize our meat and poultry inspection system and speed up

efforts to implement the proposed hazard analysis and critical control point system, not set up road blocks to improving the system. Meat and poultry inspection is a human health issue. At a time when the world is facing serious food safety problems, such as the British beef crisis, the rejection of United States poultry imports to Russia due to Salmonella contamination and the E. coli disaster in the United States, it is simply irresponsible and shortsighted to be stalling efforts to improve the system. I will work with my Democratic colleagues to prevent funds from being appropriated for the panel.

Ms. MIKULSKI. Mr. President, I will vote against the farm bill conference report. I believe that the farm bill, in its present form, goes against the true purpose of a farm bill—to help America's farmers. While I support the reauthorization of the Conservation Reserve Program and other conservation and nutrition programs, I do not believe this bill is in Maryland's interests.

I realize that spring planting is fast approaching, but that is no reason to be forced into accepting a bill that will hurt Maryland farmers and the Maryland industries that depend on our farmers. This bill does just that.

I believe that the Freedom to Farm Act, included in this bill, will have harmful long-term effects on the family farmer in Maryland. This bill puts the family farm up for sale. The bill does not provide a strong enough safety net for farmers. Setting a flat subsidy rate, then removing it in 7 years, without allowing flexibility during extreme economic conditions or natural disasters, is dangerous for farmers in Maryland and across the country. Under this conference agreement, producers will be paid even when prices are high, but will not receive necessary protection when prices are low.

I am particularly concerned that this bill continues and expands the Sugar Price Support Program to the detriment of cane refiners such as Domino in my hometown of Baltimore. This sugar program jeopardizes the future of the cane refining industry. It provides additional protection to domestic growers that would increase the price of raw cane sugar and put Domino and its 600 employees out of business. This is totally unacceptable. Sugar cane refining is one of the few manufacturing industries still left in our inner cities. The farm bill conference report threatens Domino's future. I see no reason why a farm bill must threaten an entire industry.

Also of deep concern to me is the fact that this bill reauthorizes the Food Stamp Program for only 2 years. What happens to Maryland's poor after that? To add insult to injury, while it provides a helping hand to the most impoverished in our communities for only 2 years, this bill guarantees corporate welfare to huge agribusiness for 7 years.

During this Congress, we have debated the issue of a balanced budget. We need a balanced budget, and I regret that we have not succeeded this year in finding consensus and the sensible center on a plan to eliminate the deficit. This bill will make this task even more difficult. Originally designed to save billions of dollars, this conference report will end up costing the American people an extra $1.3 billion.

It is for these reasons that I must vote against the farm bill. I acknowledge that this bill will likely pass and be signed into law by the President. But I also believe that the flaws in this conference report are so severe that Congress will need to revisit these issues next year. I hope at that time we will be able to produce a workable farm bill, one that addresses the best interests of farmers, business, and families.

Mr. NICKLES. Mr. President, I want to compliment my friend from Indiana, chairman of the Agriculture Committee, and all of my colleagues involved in the farm bill debate for their hard work in crafting legislation which reforms our Nation's agriculture policies. The conference report on the Federal Agricultural Improvement and Reform Act represents a long-term plan to get the Government out of the farming business—an idea I strongly support. The final agreement offers farmers flexibility, simplicity, certainty, opportunity and growth and I urge my colleagues to support its adoption.

Under the provisions of this bill, farmers will have the flexibility to plant the crop or crops that best suit their climate, conditions and market opportunities. No longer will the Government tell farmers which crops to plant and no longer will the Government tell farmers to leave productive land idle in exchange for a Federal handout.

Current agriculture programs will be simplified by allowing farmers to enter into 7-year contracts. After the initial sign-up, many farmers will never need to visit USDA again. I strongly support provisions in the bill which eliminate the countless rules and costly regulations that accompany today's farm programs.

The conference agreement provides certainty to farmers by ensuring they will know all program parameters and payment rates for the next 7 years. Under current programs, payment rates often change after program sign-up and payments in future years are unknown. A fixed stream of payments bolsters confidence in farm lending and all areas of farm business decisions.

I believe in the opportunity this legislation provides to farmers. Decades-old planting patterns that limit profits are eliminated and replaced with flexibility and fixed market transition payments. Farm income will grow as farmers are no longer limited to planting stagnant, low-value, market crops.

With respect to haying and grazing provisions included in the conference agreement, I want to thank both the House and Senate Committees for their commitment to allowing farmers to hay and graze their lands. I was involved in amending the original bill, which restricted haying and grazing, and I thank my colleagues for their continued interest in providing the utmost flexibility to those who earn their living in agriculture.

Finally, as many of you know, Oklahoma and other Western States have suffered a severe drought during the past 6 months. Farmers tell me that if Congress doesn't enact this farm bill many will be forced out of business. Frankly, I do not want to see that happen.

Congress has a responsibility to farmers in Oklahoma and every other agricultural State to enact a farm bill this week. I support the conference report before the Senate and urge my colleagues to vote for its adoption.

APPLICABILITY OF THE CONGRESSIONAL REVIEW ACT

Mr. LUGAR. I would ask the sponsor of the just-passed Congressional Review Act of 1996, the Senator from Oklahoma, Mr. NICKLES, whether the bill, if signed by the President this week, will apply to the Department of Agriculture's rules that will be promulgated under the Agricultural Reform and Improvement Act.

Mr. NICKLES. Yes, I will inform the chairman of the Agriculture Committee that all Federal agency rules will be subject to congressional review upon enactment of the Congressional Review Act.

Mr. LUGAR. I ask the Senator from Oklahoma if the Department of Agriculture were to issue major rules under the Agricultural Reform and Improvement Act, that is rules that would have a large economic impact on the agricultural community might be held up for 60 calendar days by the Congressional Review Act?

Mr. NICKLES. Yes, my colleague is correct. If any Federal agency issues what the Congressional Review Act defines as "major" rules, those rules would not be allowed to go into effect for at least 60 calendar days. However, I advise my colleague that the President, by Executive order, may declare a health, safety, or other emergency, and that particular major rule would be exempt from the 60-day delay. I would add, that the President's determination of whether there is an emergency is not subject to judicial review.

Mr. LUGAR. As the Senator from Oklahoma may know, we in the conference on H.R. 2854 did not contemplate such prompt enactment of the congressional review bill. I would

inform the chairman that H.R. 2854 requires that the Secretary of Agriculture, within 45 days of enactment, offer market transition contracts available to eligible producers. These contracts must not be further delayed, or they will not be effective for the 1996 planting season. Moreover, these contracts are worth billions of dollars, and are certainly going to qualify as major rules under the Congressional Review Act. Would the chairman agree that these major rules are the type that are contemplated by his committee as qualifying for the emergency exception available to the President?

Mr. NICKLES. Yes, I agree with the chairman of the committee that the other emergency exception from the 60-day delay of major rules was included for this kind of circumstance. Certainly, it would be totally appropriate for the President to determine by Executive order that the market transition contract rules promulgated this spring under the Agricultural Reform and Improvement Act are emergency rules that would not be subject to the automatic 60-day delay.

Mr. LUGAR. I thank the Senator for that clarification.

Mr. KERRY. Mr. President, today the Senate is considering the conference report on the farm bill. I had hoped that the conference would produce a bill that would be more fiscally responsible than either its House or Senate predecessors. However, I regret that in my view it does not achieve that fiscal reform. I voted against final passage of the Senate's farm bill, S. 1541, when the Senate acted on it last month because, while it was improved considerably in some key respects from the bill that the Republican leadership originally introduced, ultimately, it was not the reform package that I believe our Nation needed and had the right to expect. Unfortunately, neither does this conference report provide the improvements that would be needed to secure my support.

I understand that the President, with some reservation, is expected to sign into law the conference report now before us. I know that farmers, as they head into the spring planting season, need to know the conditions under which they must operate. And I acknowledge that this bill is probably the best package that could be expected to emerge from a conference with the House in the contentious, partisan environment which pervades Capitol Hill. Indeed, the conference package is far better than the House bill, which, in fact, was not complete legislation because it did not reauthorize important conservation and nutrition programs that have traditionally been addressed in omnibus farm legislation.

It is imperative that I congratulate and sincerely compliment the Senators who worked diligently to secure an agreement at least as good as the one before us today. Agriculture Committee Ranking Democrat PAT LEAHY deserves our commendation for his successful struggle to insist that adequate conservation and nutrition provisions be included. Chairman LUGAR again on this bill demonstrated his well-known and respected ability to place the Nation's interests as his first objective instead of partisan scoring and ideological rigidity. The way in which Senators LUGAR and LEAHY worked together in pursuit of responsible legislation that could pass both houses and receive the President's signature is a model that others in this body would do well to emulate.

I compliment Senator LEAHY, also, for his instrumental role in including in this conference agreement a provision important to me and my New England colleagues allowing the Northeast Interstate Dairy Compact to go into effect upon the approval of the Secretary of Agriculture. As a cosponsor of the compact legislation, I am very pleased that it will be included in a bill that apparently will become law.

This conference agreement includes important rural development programs that are important to farmers in my State of Massachusetts as well as to farmers across the country. The bill retains new development initiatives such as the multimillion-dollar Fund for Rural America and the new structure for delivery for rural development programs, the Rural Community Advancement Program [RCAP]. RCAP provides important flexibility to States to allow them to develop innovative approaches to their unique rural development problems by permitting each State director to tailor assistance to local needs. This is a vast improvement over the previous Republican proposal for block grants to the States.

But on the central question of the way it deals with farm incomes, I reluctantly must conclude this conference report fails to make the grade. While it eliminates the current price support structure for many commodities programs, it replaces it with an extremely costly fixed direct payment to farmers. The Congressional Budget Office estimates that for the first 2 years under this new proposal—fiscal years 1996 and 1997—the Treasury will pay out $5 billion more to farmers than would be paid under a continuation of the current price support programs.

While some claim that this 7-year direct payment program is necessary to wean farmers off Federal support, that argument is significantly weakened by the provision in the bill that retains the outdated 1949 Agricultural Act as the permanent law governing Federal commodity programs. According to the United States Department of Agriculture, the 1949 statute, if enacted today, would cost taxpayers $10 billion for 1996 alone, substantially more than the recently expired provisions.

I remain convinced that we need a new approach to farm policy. We need to transition to a situation where we permit the free market to function with much less interference, regardless of how well-intentioned it may be. When this issue first came before the Senate, I supported cloture on the Leahy-Dole reform package—although it was far from ideal in my mind—because it would have replaced the 1949 statute and the financial support provided by the current price support programs with a 7-year phase-out plan. Also, importantly, that package would have reauthorized critical conservation and nutrition programs, including food stamps, through 2002. The conference agreement reauthorizes food stamps for only 2 years.

Today we must vote yes or no on the conference package in its entirety. While it contains many important and acceptable nutrition, conservation and rural development provisions, it falls well short of the kind of bill we ought to be passing. While I accept the explanation of Senators LUGAR and LEAHY that this is the best bill they could get their House counterparts to approve, it falls too far short of what our Nation needs and there will be too little to show for too great an expenditure of tax dollars for me to be able to vote affirmatively.

Mr. President, for these reasons, I will cast my vote in opposition to this conference report.

Mrs. MURRAY. Mr. President, this Farm Bill Conference Report represents a bold new direction for the future of this Nation's agricultural policy. A direction I do not support. The removal of the safety net for our farmers will prove itself to be a mistake, I think. Undermining the safety net is easy now since prices are relatively high, but when prices drop, and we all know they will, I fear this farm bill may come back to haunt us. In fact, it may well come back regardless of prices. It may come back because of the so-called market-transition payments: guaranteed payments to farmers regardless of market conditions or production. I am truly afraid that the American public will not view these payments as a safety net to maintain a safe and stable food supply. They will view the payments as a give-away. Those of us who understand the importance of farm programs know better than to undermine farm support structures in this way. That is why we think the payments should continue to be tied to production and the marketplace.

Many have expressed the sentiment that after the 7 years of Freedom to Farm, we will continue to maintain some kind of farm program. While the preservation of permanent agricultural law in the conference report provides some assurance that this will be the case, I am not so confident. The proponents of "Freedom to Farm" have

made it explicitly clear that they view the market transition payments as a transition to nothing. Moreover, I am also concerned that public outcry over these direct payments will force us to revisit the farm bill sooner than 7 years. If this occurs, I am not at all convinced that Congress will seek to rectify the situation by reinstating a more traditional safety net, they may well decide just to end the payments, period.

Which just goes to the point: we had the opportunity to appropriately address national agricultural policy and we failed. Instead, we chose to let budget priorities drive farm policy. By putting forward policies that could not even make it out of committee, we undermined the process and the result is far from satisfactory. Congress has let our farmers down. The farm bill has traditionally been bipartisan with considerable time provided for debate and discussion. Congress sought to provide all parties a chance to provide their input. That tradition has ended with this bill. Take the dairy provisions for example. There is still a considerable amount of disagreement over these provisions, a compromise has not been achieved.

Despite all this, our farmers do need certainty for the 1996 season. I spoke with the wheat growers in my State of Washington yesterday. While they share many of my concerns with this farm bill, they told me they need something for this season. It would be unfair to hold the farmers of America hostage to our disagreements. While in the long term, I have serious concerns about the future of our farms under this bill, in the short term, they need to know what to plant for. I therefore will support this conference report, with serious reservations, in order for my farmers to have the certainty they need this season. I am committed to protecting the ability of our farmers to continue producing a safe and stable food supply for this Nation and the world. I will be watching the impacts of "Freedom to Farm" on our Nation's farms closely as the program, or lack of program, moves forward.

The PRESIDING OFFICER. Who seeks time?

Mr. LEAHY. Mr. President, on the procedure we have, we have been going back and forth. I know the distinguished Senator from Iowa was seeking recognition.

I yield, from the time of the Democratic leader, time to the distinguished Senator from Iowa.

The PRESIDING OFFICER. The Senator from Iowa.

Mr. HARKIN. Mr. President, there are really two parts to this farm bill. One component was in general put together in a very bipartisan and cooperative manner. That process has produced a number of sound provisions that deserve broad support.

There are many good features in the titles of this bill dealing with conservation, for example, the continuation of the Conservation Reserve Program and the Wetlands Reserve Program, the Environmental Quality Incentives Program and improvements in the wetlands conservation rules. The wetlands rules are something that has concerned me greatly. They have been very confusing and frustrating to many farmers in Iowa, but there some positive changes in this bill that should make wetlands conservation rules more reasonable and workable for farmers.

One of the wetlands changes involves farmland that has been converted in the past and drainage tiles have been put in, but for one reason or another, such as tile plugging up, the land has returned to wetland again. Farmers in this situation have had problems with the rules in trying to reopen their drainage systems. This bill will allow farmers to go in and unplug their tiles and go ahead and drain those fields, if they have already been previously converted. That is very important.

This bill also provides that farmers can take a wet spot, a small spot in the field, and go ahead and convert it and farm it if they mitigate the loss through improving, restoring or creating wetlands in the area. Sometimes that is the best thing to do, because there may be a better area for a wetland than where it is existing right now in the middle of a field. And the bill also calls for clarifying the rules on the types of wetlands that are so insignificant that they are not subject to wetlands rules. So these are very good changes for our farmers.

Although there are a number of positive features in the bill, there is one aspect of the bill that outweighs everything else, and for that reason I cannot support this farm bill. I am speaking about the commodity program provisions in this bill. They are the most substantial part of the bill: $35.6 billion in direct payments alone. Commodity programs involve by far the largest amount of Federal agricultural outlays, and they will have, naturally, the largest effect on the agricultural economy of my State of Iowa. So, if the commodity programs in the farm bill will not be good for the farm families in my State, I simply cannot support the bill. Regrettably, that is the case with this bill.

It is true it is late in the season. This farm bill is at least 6 months late—more like 9 months late. Farmers, at least in my area, are starting in their fields. They are wondering why the leadership of this Congress could not get its work done to pass the farm bill on time. I will not be forced into voting for a farm bill simply because the Republicans could not get their act together and get it done last year.

I have here the CONGRESSIONAL RECORD from July 26, 1990. I was here. I was working on the farm bill at that time, the 1990 farm bill to take effect with the 1991 crop. Here is what the minority leader, Senator DOLE, said at that time, July 1990:

> Mr. President, we are rapidly approaching the August recess, and back in my home State of Kansas farmers are preparing for the seeding of the winter wheat crop. Even as they reflect upon the record Kansas wheat crop recently harvested, uncertainty lies ahead. That is because Congress again has been unable to finish the farm bill in a timely manner so that producers of fall crops will know their program in advance.

Here is the Senator from Kansas, Senator DOLE, complaining in July 1990, that we do not have the farm bill done in July 1990 to cover 1991 crops. Here it is March 1996 and we do not have the 1995 farm bill done to cover 1996 crops.

Again, it was the other side that was in charge. We could have had a farm bill out here on the floor last fall. We passed commodity provisions out of our committee last September. We could have had a farm bill on the floor in October or November or December. We sat here and twiddled our thumbs, waiting to try to get some kind of budget deal that was never agreed upon. We could have had the farm bill done at that time, but the leadership did not bring it up. So now we have a gun held to our heads, saying we have to pass it now, it is awfully late. I do not like to operate in that atmosphere, and I will not vote for it on that basis—just on that basis.

I cannot support the bill because it sets up a farm program with payments that have no relationship to commodity prices, crop production, or farm income levels. This bill has it exactly backward. It will provide far less protection against low farm income than previous farm bills. But then it turns around and makes substantial payments to farmers in good times, when there are good prices and high incomes. What this is going to mean is it will hurt agriculture's image and undermine support for any sound farm policy in the future.

A sound farm policy is one that promotes good farm income from the market, but helps farm families survive circumstances beyond their control, when the market goes down or they have a disaster. The farmers I know want to farm for the market and not the mailbox. This bill says no matter what the market does, no matter how good your income, you are going to get a check in that mailbox. Most farmers I know do not want to farm like that.

I want to make it clear that I want reform in farm programs with full planning flexibility, less paperwork, less redtape, less hassle. We can do that. There was general agreement on both sides of the aisle, in a bipartisan fashion, to make those reforms. We can provide that planting flexibility without adopting the payment scheme in

this bill that will send checks to farmers, even when they have a good income from the market.

I want farm programs that work better for farmers, but this bill goes far beyond reasonable reforms to destroy the farm income safety net. It is absolutely unnecessary to take the radical approach in this bill in order to achieve the commonsense reforms that farmers have told me they want.

The proponents of this farm bill are not really telling farmers the whole story. The payments may look good now, but if commodity prices and farm incomes fall—and past cycles in the farm economy show how quickly and devastatingly that can happen—this bill sets farmers up for a big fall. By the time we get to the later years in this farm bill, the maximum payment for corn is about 28 cents a bushel—no matter how low the price may fall, 28 cents a bushel.

Have no doubt about it, what this bill does is it shifts risk. It is a tremendous shift of risk onto farmers. They are being told to produce all they can so that grain companies will have plenty of grain to trade, but if surpluses and low prices develop, as they most certainly have many times before, it will be the farmers who get the short end of the stick.

They will have much less help in working out of that low-price situation than we have had in the past. There will be no farmer owned reserve, for example, because this bill specifically takes it out, and the bill also raises the CCC interest rate by a full percentage point above the cost of money to CCC. I offered amendments here on the Senate floor to put the farmer owned reserve back in and take out the CCC interest rate hike. Only two Republican Senators voted for those amendments and neither was approved.

To see how the farm income safety net is slashed in this bill, let us take, for example, an Iowa farmer with a 350-acre corn base. If the price of corn, let us say, is $1.90 in 2002, that farm will have about $23,000 less income protection under this bill than it would have under the 1990 farm bill. That is because this bill will not respond to low prices.

I suppose some of you might say, "Well, $1.90 a bushel, we won't get to that price." I have been around long enough to remember when Earl Butz in the 1970's said that American farmers should plant "fence row to fence row" to meet burgeoning world demand for U.S. agricultural exports. In my State of Iowa, we plowed up a very large share of the hills in southern Iowa, planted soybeans and planted corn. I tell you, we had a ride. There was a boom. Farmers had a good ride and a lot of them went deeply into debt. Why shouldn't they? There was supposed to be no end to it. Land prices skyrocketed. A lot of big new tractors and combines were bought. Many young farmers, in particular, took on a lot of debt to get started or to expand. Then in a few short years the crash came and out went the young farmers. We had a devastating time in the 1980's. I am very concerned this bill is setting farmers up for that same kind of situation again, because it does not have enough protection against low prices and farm incomes.

This bill also imposes a new cap on loan rates for wheat and feed grains, which is another weakening of the farm income safety net. The loan rate for corn cannot go above $1.89 a bushel, but it can go below $1.89. I offered an amendment in conference, backed by the National Corn Growers and the National Association of Wheat Growers, to lift the cap on loan rates for wheat and feed grains, but, again, I could not get one vote from the Republican side of the aisle.

To illustrate the lack of farm income protection in this bill, I did some rough calculations and determined that if this bill had been in effect in Iowa for the last 5 years of the 1980's, Iowa's farm families would have had about $2 billion less in farm income than they had under the farm bill in effect at that time. That would have been devastating for Iowa's farm families and rural communities. That kind of situation could develop again, and if it does this bill will be woefully inadequate.

I am convinced this bill will hasten the trend to larger farms and the decline of the family farm. The largest share of these contract payments will go to the larger farms, and there will be much less income protection for the smaller farms against low prices and incomes. Do not take my word. Here is an article that appeared in the March 24, 1996 Sunday New York Times:

> The new approach, called Freedom to Farm by its supporters, would accelerate the ongoing consolidation of smaller less profitable farms into larger, more efficient corporate farms. That has serious implications, not only for the face of farming in America but also for the livelihoods of rural communities.

That is from the New York Times. I might also point out, Mr. President, that the New York Times, the Washington Post, and the Wall Street Journal have all editorially endorsed this so-called freedom-to-farm type of program. I tell farmers in Iowa, any time the New York Times, the Wall Street Journal, and the Washington Post all editorially endorse a farm program, I get worried, I get really worried.

Let us talk about fiscal responsibility. Here we are trying to reduce the deficit. We want to get a balanced budget. I support that. We ought to be as tight as we possibly can with taxpayers' dollars. If someone needs help, yes, that is when you come in with some assistance. But if you do not need help, why spend taxpayers' dollars?

This bill will spend $35.6 billion on direct payments to farmers, even if prices are high and farm incomes are high. Those payments, made whether they are needed or not, hold huge potential for embarrassing farmers and those who support sound farm policy. We should save that money for farmers when and if they need it.

Going back to the example of the Iowa farm with the 350-acre corn base, that farmer would get a payment of about $13,000 in 1997, even if corn is $3 a bushel and yields are good. No matter what that farmer makes from the market, the Government will send out a check for $13,000. I just do not see how that is fiscally responsible when we are trying to balance the Federal budget.

Here is another example: a large Kansas wheat and grain sorghum farm, with 1,800 acres of wheat and 600 acres of grain sorghum. Let us assume wheat is selling for $5 and grain sorghum for $3 in 1998. That farm would have a net income of about $195,000 after costs. That is net farm income. On top of that, Uncle Sam will write a check to that farmer for just under $40,000. Furthermore, if a farmer arranges his or her business carefully to take full advantage of the programs and maneuver around the payment limitation, that one individual farmer could receive as much as $80,000 in a year in direct cash payments from Uncle Sam, even if the farmer makes a net income of over $195,000, as in the example, or more. That money will be paid out regardless of how much money that farmer makes in the market.

I want someone to explain to me why the taxpayers—especially taxpayers living in rural communities across this Nation trying to make ends meet in small businesses or working at low wages—should be asked to pay for a farm program that makes sizable payments to farmers, even if they are making a good income from the market?

Where is the fairness in a system of income transfers from taxpayers who are struggling to make a living if that money will be spent in providing payments to other people when they do not need the help?

And the impact of this bill on taxpayers could be substantial. The Congressional Budget Office has estimated this bill will send out over $5 billion more in direct farm payments during fiscal 1996 and 1997 than would be the case under the 1990 farm bill. USDA estimates that this bill will result in direct income support payments of about $25 billion more over the 7-year period than would have been the case if we had just continued the 1990 farm bill.

Mr. President, here is the conference report on the farm bill. I know not too many people read these documents. I just want to read one sentence out of section 113. It is titled "Section 113. Amounts Available for Contract Payments," and it spells out for every fiscal year how much money would be

available. It amounts to about $35.6 billion. But listen to this:

The Secretary shall, to the maximum extent practicable, expend the following amounts to satisfy the obligations of the Secretary under all contracts.

"The Secretary shall, to the maximum extent practicable" make these payments. Wait a minute. I thought we were trying to save money for the taxpayers. I thought we were trying to reduce the deficit and balance the budget. Here is a bill that says USDA has to pay it out no matter what happens, no matter how much money farmers make; to the maximum extent practicable, it has to make those payments.

I would like someone to show me one other bill passed by this Senate or House that says, for example, that the Secretary of Health and Human Services has to pay out, to the maximum extent practicable, a sum of money for welfare payments. Or let me see a bill stating that the Secretary of Education has to pay out, to the maximum extent practicable, money for title I. I do not believe you will find such a provision anywhere.

I certainly have never seen anything like this in an agriculture bill in all the time I have been here. I just do not see how anyone who claims to be a conservative can be in favor of mandating that the Secretary shall make the maximum payments possible no matter what commodity prices or farm incomes are.

I offered an amendment on this very point. My amendment said that payments under this bill could not be any higher than they would have been under the 1990 farm bill, except in the case of a farmer with a disaster loss. Farmers with disaster losses would receive the whole contract payment. Any money saved in a fiscal year through my amendment would be rolled over and reserved for payments to farmers in later years when they may have a greater need for them.

Here is an article from the front page of the Iowa Farm Bureau Spokesman dated November 18, 1995, quoting Dean Kleckner, the president of the American Farm Bureau Federation. Mr. Kleckner is not a member of my political party, and we have disagreed on issues in the past. But here he is, quoted just a few months ago, expressing opposition to the payment mechanism that is in this bill, just as I have:

"In order to provide a long-term safety net, the conference committee should develop a program that maintains a price-payment linkage and allows budgeted funds not expended in years of high prices to be available in years when farm income is low," the Rudd, Ia., farmer said in a letter to House and Senate budget conferees last week.

"Failure to resolve this issue will render farm programs either an ineffective income support mechanism or subject them to being an irresistible political target," Kleckner said.

Mr. President, I offered an amendment in the conference committee to do just that. It would have kept the money in reserve in times of high prices; USDA would not have paid out any more than under the 1990 farm bill unless the farmer had a disaster. Any money that was not paid out would have been rolled over for use in making payments in future years when the need may be greater because of lower prices or disaster losses. Again, my amendment was rejected along strict party lines. Every Republican voted against it.

Some people get pretty edgy and touchy when they hear it said that this farm bill makes farmers vulnerable to criticism that they are receiving welfare payments. If this bill becomes law, I can only say, get used to it; get used to it. The national press, who have never been friendly to agriculture, will have plenty of new material. There will be television stories and the same editorial writers at the New York Times, the Washington Post, and others will go to work. You mark my words. There will be editorials about USDA making large payments to large farmers no matter how much money they are making from the market.

The editorial writers do not understand what is going on in agriculture anyway, but what I am concerned about is the damage this bill threatens to do to the public's image of farmers and of agriculture programs. Farmers do not want to be perceived as receiving something for nothing, regardless of whether they need it. I do not believe farmers receive welfare, or that farm programs are welfare. Farmers work very hard for their money. They are proud people. They want to get their income from the market and not from the mailbox. There is real potential for this bill to contribute to an impression among the public that farm programs are welfare.

What I am saying is that I firmly believe and most sincerely believe that those who support this program are doing a great disservice to farmers because it sets up farmers for this kind of attack, that they are receiving welfare, getting payments even though they are making good money from the marketplace. It is setting up farmers, I think, for a big fall.

Not only are farmers going to have a greatly reduced farm income safety net under this bill, they are also likely to suffer damage to their public image because of the payment scheme in this bill. We should not pass a bill that gives critics of farmers and sound farm policies more ammunition to fire away in the national press. It can only be damaging to hard-working farmers in Iowa and across our land. It is hard enough sometimes to explain to our urban counterparts why we need a decent farm policy, without having to overcome the image created by this bill.

Mr. President, farm programs should be there as a safety net to provide adequate protection when times are hard, not to pay out over $35 billion to the maximum extent practicable even when commodity prices and farm incomes are high. This bill slashes the farm income safety net, and it is not fiscally responsible. For those reasons, I cannot in good faith support this farm bill. I hope we can come back next year, perhaps, and readjust this bill so that we will have enough money available for farm programs in the years when it is really needed.

I hope and pray this radical so-called freedom-to-farm approach will not devastate our farm families. I am very concerned that the payments made in the next year or so will create a political liability. When we do have a downturn in the farm economy and there is a real need for an adequate farm income safety net, the political capital required to pass the necessary legislation will have been used up. Those of us who care very deeply about family farms and about rural America will not be able to get anything through here to help them through their tough times.

For these reasons, Mr. President, I cannot support this farm bill. I see the train is on the track expect this bill will pass. I understand the President has indicated he will sign it reluctantly. I must say, in all candor, I am disappointed that the President did not rely upon his authority under the existing law to carry out a decent farm program and avoid being cornered into signing a bill as objectionable as this one. Farmers should not be in the position of having an entirely new farm bill enacted at this late date. We should not have been in a position of writing a farm bill with a gun held to our head, instead of working together in a bipartisan fashion to hammer out a really good, sensible farm bill for farmers. I am just sorry the President did not use his authority to avoid this situation. I yield the floor.

Mr. DASCHLE addressed the Chair.

The PRESIDING OFFICER. The minority leader.

Mr. DASCHLE. Mr. President, let me commend the distinguished Senator from Iowa for his excellent statement. I do not know that anyone could say it any better. He has capsulized very well what many of us feel about this legislation. He has been in the trenches and has fought the fight and has led the effort in many cases. I applaud him for his statement and for the contribution he has made to this debate again this morning.

As I consider the contributions made by many of our colleagues, let me also call attention to the fact that this is the last farm bill that the Senator from Alabama, Senator HEFLIN, and the Senator from Arkansas, Senator PRYOR, will probably be involved in. Over the years they have been remarkable advocates of sound farm policy and leaders in their own right in so

many ways. The people of Alabama and the people of Arkansas could do no better than to have the representation that they have had in Senators HEFLIN and PRYOR. They will certainly be missed as we consider farm legislation in the future.

Let me commend as well our distinguished ranking member and the chairman for their work in bringing us to this point. We may not agree entirely on many of the issues involved in farm policy or ultimately on what we should do with this legislation, but no two people have worked harder and in a more bipartisan manner to bring us what we have been able to achieve today. So I again publicly thank them for their leadership.

As I said last night, Mr. President, this bill is long overdue. I do not have an explanation as to why, as late as it is, we are dealing with the 1995 farm bill in 1996, but we do know this, we know that farmers need certainty. We do know that it is too late to start over. We know that the winter crop will soon be harvested. We know that southern crops are already in the ground. We know that midwestern farmers are ready to begin planting.

In fact, just recently a farmer from Volga, SD, called me from a supply store trying to decide what kind of seed to buy for spring planting because the seed was going to be determined in part by what the ground rules are for the farm bill. How much planting time he had available to him, what the planting year was going to be like was going to be determined by what we decided. He simply said, "We can't wait any longer. Get it done. Get it done."

So we are here with that realization. We know we need to get it done. We received hundreds of calls to do something, to provide certainty, to take what we can now and to fix the rest later. That is exactly what we are doing. I do not know what the farm programs eventually will be, but I do know this, that the time for action is long overdue. I know and farmers know that we cannot wait any longer.

As a result, the President is going to be forced to sign this legislation, forced to sign a bad bill because of a late date. He shares our concern about the safety net and the decoupling in this legislation. But with our ranking member and with others, we intend to fight another day, to come back, to do even more to ensure that farmers will have the kind of certainty, the kind of assurances that they have had in past farm legislation.

There are some good provisions in this bill. No one should be misled in that regard. The continuation of the Conservation Reserve Program is a good thing. The incorporation of many of the conservation programs and the adequate funding for those programs is a good thing and would not have happened without the effort made by the ranking member.

The Fund for Rural America is a good thing. That it guarantees spending on rural development and research, that it addresses the needs of rural America, especially in creating new value-added markets all over the country, is a good thing. We provide assistance for value-added processing facilities through the Fund for Rural America. I must tell you, it is one of the best features of this farm legislation.

The increased flexibility for some producers also is a good thing. Simplification is a good thing. Perhaps most importantly of all, the guarantee that we will have permanent law, with the expiration of this legislation, is perhaps the most important thing of all. Ensuring that permanent law will be there, regardless of circumstances, regardless of our inability to find some consensus about what to do after this legislation expires, in my view, is perhaps the best thing.

In spite of all of that, and that does represent a significant amount of bipartisan consensus, there are at least six serious flaws, Mr. President, that in my view, bring me to the same conclusion that the Senator from Iowa has just expressed. I cannot support this bill in large measure because, simply, it fails to provide the safety net that we believe is so essential in any piece of farm legislation.

Loan rates are capped in this bill. They can go down. They can never go up. The farmer owned reserve is eliminated. There is no possibility for farmers to truly have the freedom to farm if they do not have the freedom of access to the tools necessary to farm. The farmer owned reserve is one of the best tools farmers ever had. It is no longer there. It is not freedom to farm when you take the tools, financially and otherwise, away from the same farmers that ostensibly have such freedom today. The Emergency Livestock Feed Program is gone, another tool that undermines a real opportunity to provide the freedom that we all say we want for farmers today.

Not long ago, three South Dakota farmers met with the President. If they expressed anything in the short time they had with the President of the United States, it was this: "Mr. President, we need that safety net. Mr. President, we know we will face national disasters. We will face natural calamities in South Dakota and throughout the Midwest, and for that matter in all parts of the country that will require we have a safety net, an insurance program. Do not be a part of taking that away."

The second and perhaps equally as significant a problem I see with this bill is it pays producers, regardless of price. It requires guaranteed payments, as the Senator from Iowa has indicated today, probably in an unprecedented fashion. It requires the Government to pay producers, regardless of their circumstances. As the Senator so ably said, where else in law today are people required to get a payment, regardless of need, regardless of circumstance? I must say, Mr. President, of all the things in this bill, that is the one that troubles me the most.

Third, while we do have some degree of flexibility, some degree of new-found simplicity in this legislation, no one should be misled about the fact that there are some who have less flexibility. Vegetable producers are treated differently than grain producers. A potato producer in South Dakota is not given the freedom to farm, is not given the flexibility he may need to be able to compete effectively in the marketplace. Why? Because we are protecting other potato producers in other areas of the country.

That kind of freedom to farm is not articulated very well by proponents of this bill. Instead of getting signals from the market, some producers are receiving stronger signals from the Government for certain products, such as potatoes.

Fourth, the research program, in my view, Mr. President, is one of the greatest concerns as I look to the long-term future of farm legislation. What happens in 2 years to research? How do we assure those who are involved in research today in our colleges and universities across this country, in agricultural clinics and laboratories all over the country, what we are going to do with regard to basic and applied research 2 years from now? We do not have the luxury of turning the spigot on and off. We do not have the luxury of telling a researcher out there, "Go ahead and do it, but we cannot give you any guarantees 2 years from now you will have any assurance that money will continue." What kind of a vote of confidence is this? Researchers want to know that when it comes to new production or new markets, we are going to stand, ready in partnership, with research to make sure that agriculture continues to be what it is today.

Mr. President, I am also concerned about the deficit consequences of this legislation. No one denies this bill increases the deficit in the first 2 years by more than $4 billion. In rooms just down the hall we are trying to figure out how to cut billions of dollars from education, the environment, national service, programs that directly affect people in virtually every walk of life. We are cutting billions there and adding billions on the floor as we speak—$4 billion in the next 2 years, largely in payments given to farmers who will tell you privately this is not the year they need them. You do not need farm payments when prices are as high as they are in grain today, but we are going to provide them. We are going to mandate them. We are going to tell farmers you go out and do whatever

you want, get as much money as you can from the marketplace, God bless you, we will still give you $50,000, $100,000, $200,000 in some cases.

Mr. President, the nutrition program, as well, troubles me a good deal. How we can reauthorize farm program benefits and these payments to farmers for 7 years, but payments to nutrition for children for only 2 years, is troubling in many ways.

Having said all of that, we recognize the good things. We wish we could improve those that are not good. We recognize that we will fight another day. We recognize that there are a lot of people out there struggling who want certainty. Bob Ode, a farmer near Brandon, SD, who was just in my office the day before yesterday. He is concerned about the lack of a safety net. He has told me that grain farmers and livestock producers in our State 2 years ago lost 13 percent of their income. Last year, they lost 18 percent of their income. In the last 2 years, many farmers have lost over 30 percent of their income, and our response today is to say we are going to take away your safety net. It is no longer there. You are on your own.

Are we really prepared to do that? Do we want to tell Bob Ode and farmers across this country that is the best we can do? Mr. President, we can do better. We must do better. We must come back, whether it is next year or at some time in the not-too-distant future. We must address these deficiencies. We cannot conscientiously allow this to happen.

I am very pleased that the President has promised to join forces with us, next year, to make that happen. We can do better. I yield the floor.

Mr. LEAHY. I understand the Senator wishes to speak in opposition to the bill?

Mr. BUMPERS. Yes.

Mr. LEAHY. I yield 5 minutes, from the distinguished Democratic leader's time.

The PRESIDING OFFICER. The Senator from Arkansas.

Mr. BUMPERS. I thank the distinguished ranking member, my good friend from Vermont.

First, I want to express my profound gratitude to my colleague, Senator PRYOR, for the very laudatory and kind words he delivered on the floor a moment ago when he referred to a provision in the bill to name the U.S. Department of Agriculture Small Farmer Research Center in Arkansas after me.

As I sat there in my office watching Senator PRYOR deliver those accolades I couldn't but help question if it was really me he was describing. He laid it on pretty thick.

The thing that makes Senator PRYOR easily the most popular politician in Arkansas is because he is one of the most generous to a fault and one of the hardest working people I have ever known. You never see his name mentioned in the Arkansas press that it does not say, "Senator PRYOR, the most popular politician in Arkansas," as the lead to whatever story they are reporting.

I have been deeply honored to have him as a colleague, and deeply distressed to know that he will depart this body at the end of this session of Congress. We have had what I think is probably as fine a working relationship as any two Senators in the U.S. Senate have ever had. But I want to publicly express my gratitude to Senator PRYOR for all the kind things he did say about me.

He gave me much too much credit. Of course, that is one of the things that makes him so popular back home. He gives other people credit for everything that happens, no matter what his role was in it.

In this particular case I can honestly say the Senate would have been justified in naming that after an aide, my agriculture assistant back in those days, Rhona Weaver. It was essentially Rhona's idea. She worked with the State leaders and the leaders of the community. I would be remiss if I did not pay tribute to her. We politicians take credit for everything, but the truth of the matter is most of it originates with our staff, and this is a classic case in point.

I am deeply honored, Mr. President. And now, because I detest this bill so much, I am in the very ambivalent position of having to vote against a bill that places a great honor on me. Nevertheless, I have no choice but to vote no.

Let me just say, in these few remarks, that I personally thought the bill before us, which will probably be always remembered as the freedom-to-farm bill, was fatally flawed in concept. Senator CONRAD of North Dakota said it more appropriately several times, and it bears repeating. This bill is like the people who followed Jim Jones down to Guyana, and he told them, when they were committing mass suicide, to drink the Kool-Aid, it tastes good, and the children drank the Kool-Aid. It was after they got it down that the problems began. And so it is with this bill. It is going to taste good to the farmers, initially, because they are going to be paid a handsome bonus on top of record commodity prices. They do not even necessarily have to farm to get the bonus. The conference report did make one improvement from the earlier Senate version. To get the bonus, they at least have to engage in some sort of agricultural activity. But I can think of all kinds of activities that I can argue are "agricultural" in nature but do not resemble farming as farmers in my State would recognize it. You are going to see "60 Minutes" stories of farmers who are maybe getting 80 cents or a dollar a pound for cotton, plus a very handsome, generous payment from "Uncle Sugar." To make matters worse, depending on how they finally define "agricultural activity," you might see farm payments being paid to people who no longer plant a seed or turn a clod of dirt.

That is not what farmers want. They do not want welfare. That is what this is, pure and simple. Actually, I suppose you could argue that welfare is what you give to people who need it, which may not be the case with these freedom-to-farm handouts. But the problem is going to be just like drinking the Kool-Aid. Seven years from now, or sooner, when these payments have been terminated or have dwindled to nearly nothing, if commodity prices are back where they were 2 years ago, I do not know what is going to happen. We either go back to the drawing board and draft a bill similar to the one we are abandoning, or we just say "adios" to the farmers of America. I might remind my colleagues that in 1987 when the farm credit crisis was at its worst, the Congress did not abandon America's farmers. We stood by them in bad times as well as good and helped many of them make a substantial come-back. But with this bill, we are virtually saying "don't let the door hit you on the way out."

The tragedy of this is that many aspects of current law—the marketing loan in particular—that we have used all of these years is working. And they are working as they were intended. According to the CBO baseline estimates—one of our more esoteric exercises—USDA will show a $4 billion reduction in spending of farm programs in 1995 below what we anticipated less than a year ago. While terms like "baseline" do not mean anything to laymen, we all understand that we spent $4 billion less last year than we anticipated because wheat, cotton, and corn are well above the target price. Rice is really the only major commodity that is below the target price, and under current law, rice farmers would benefit. If commodity prices in the next 7 years stay as high as they are right now, the freedom-to-farm bill will cost $21 billion more than current law. In fact, if prices stayed at current prices, and rice improved a little, then every penny paid out as freedom-to-farm welfare is money we have no business spending this way. I can think of lots of better uses of this money for rural America. We are cutting conservation, we are cutting research, we are cutting rural water and sewer programs, we are cutting rural housing, and the list goes on and on. If you will give these billions of dollars that you are willing to give farmers already making record profits to us on the Agriculture Appropriations Subcommittee for discretionary spending, I will show you how we can put it to use in a way that can really make a difference

in farming communities in every State of this Nation.

Finally, Mr. President, let me speak about the Market Promotion Program, which Senator BRYAN and I have tried to kill as religiously as I have tried to kill anything in my life. On a very handsome vote in the U.S. Senate, we cut the Market Promotion Program—the program that subsidizes Tyson, McDonald's, Hiram Walker, Gallo Brothers, and many other of the biggest corporations in America These subsidies were paid to them for advertising they ought to be, and perhaps would be, doing on their own, according to the GAO. Finally, we got that program cut back to $70 million less than 2 months ago on the floor of the U.S. Senate. What do you think? Here it is reincarnated in this bill at $90 million.

Senator BRYAN has already spoken on some of the ways the reforms he and I successfully brought to this program were dismantled one by one. Defenders of this program may have tried to hide their changes by changing the name of the program or by using language that appeared to be making reforms but were actually just a restatement of current law. MPP may have become MAP—and I won't begin here to describe the fun the press can have with this new name when you consider some of the former program beneficiaries—but it is really nothing new. Fortune 500 companies will still find ways to taxpayer-finance their already huge advertising budgets and foreign companies can still get the federal government to advertise in a way that might be adverse to similar U.S. companies. And so, is the only reform a provision to prohibit giving federal assistance to foreign companies for the purpose of promoting foreign agricultural production? And they call this bill the Federal Agriculture Improvement and Reform Act [FAIR]? This measure is hardly an improvement or a reform, and it certainly isn't fair.

So MPP, MAP, or whatever it ultimately gets called, lives on. I guess that is one of the unique things about the U.S. Senate. Nothing ever really dies. Rasputin finally died, but it seems that the Market Promotion Program, or whatever you call it, never will. So while there may be some things in the bill that have some redeeming value, they seem to have miraculously escaped my attention under the glare of such unbelievable policies as those I have just described.

So, Mr. President, when the roll is called, I will have no choice but to vote "no" on this. That is not to say that I do not admire the distinguished chairman and ranking member for their endless hours of trying to craft something that this body could agree on and that the House could agree on. Maybe it is the very best anybody could do. I do not know. But those best efforts do not require me to vote "aye." Therefore, I will vote "no."

I yield the floor.

Mr. LEAHY. Mr. President, I will speak on my own time. I always enjoy hearing the distinguished Senator from Arkansas. I told him before that one of the joys of coming here is that we came in the same class. He is one of the best friends I have had for 22 years here. I almost hate to go into this speech and muddy the water with facts, but one that I point out is on the Market Promotion Program, which I voted to cut and change over the years. There are significant changes. We made significant reforms to this program in 1993, and we gave a great deal of flexibility to the Secretary to carry out the reforms we had. I agree that participation in this program should be limited. This program is designed to help those who do not have large marketing organizations or deep pockets. It is designed for the small dairy co-ops in Vermont that use it now to promote exports to Canada, and other places, or the small rice dealers in Arkansas, who might use it. And bit by bit, this supertanker is being turned around, I tell my friend from Arkansas. We are improving it and will continue to do so.

I also tell my friend from Arkansas—and he knows this, as I do—that nobody ever brought to the floor a farm bill where they liked every single page of it. There is no legislation that comes before this Congress that is more a product of having the balanced interests of regions, individuals, of commodities, and balance of the needs of people who are not directly involved with farming, but have an actual interest—people who see the legislation in here to protect the Everglades and to help rehabilitate the Everglades, and those who see a Conservation Reserve Program continued and strengthened, those who see permanent law maintained, those who see improvements in some of our nutrition programs, as well as several new environmental initiatives like the EQUIP program, added here. These are things that effect every one of us, whether we are farmers or not. There are those throughout the country, farmers or not, who applaud these initiatives in this bill.

I would like to take this time, Mr. President, to thank several of my colleagues for their work on behalf of agricultural interests, who will not be here in the next farm bill. One, of course, is the distinguished ranking Member of the House Agriculture Committee, Representative KIKA DE LA GARZA. He went out of his way to be not only bipartisan in his own body, but in this body, as we have tried to bring together competing interests of farm bills. His most recent success was accomplished while chairman of the House Agriculture Committee, with a reorganization of the USDA and overhaul of the Federal Crop Insurance Program.

Then, in our body, let me speak of two Members I will miss greatly, both in serving with them on the Agriculture Committee and serving with them in the Senate.

One is my colleague from Alabama, Senator HEFLIN. I am proud to say I have served for 15 years on the Agriculture Committee with Judge HEFLIN. I served with him also on the Judiciary Committee. But I think in many ways I have relied on his expertise and his good humor. His ability to help forage consensus and coalition has been on the Agriculture Committee. His expertise and his judgment is going to be sorely missed. He has been the spokesman for southern agriculture. Certainly nobody ever discussed peanuts without Judge HEFLIN being there, and so much else of southern agriculture.

I think of the times when I traveled to his State of Alabama with him, with he and his wife, Mike, and on occasion when my wife was able to join us. I remember going to one function—a dinner in a school—where there were several hundred people there. I am positive that the judge called every one by name and asked about members of their family by name. I was then chairman of the Senate Agriculture Committee. I was nothing but a spear carrier on that trip to Alabama. I can assure the Chair, they were there to see Senator HEFLIN and this Eastern Senator who came with him, and who talked funny as far as they were concerned.

So I want to thank Senator HEFLIN for all he has done to further agriculture programs and, in particular, the rural development programs—the rural development programs that helped Alabama but also helped rural Vermont, and have helped rural areas throughout our country.

Another person I want to recognize from that committee is Senator DAVID PRYOR. I never have known any Member of the Senate, Republican or Democrat, who did not have great affection for DAVE PRYOR. I know I have been proud to serve on the Committee with him and proud that he has been one of my close friends in the Senate over the years.

Again, DAVID PRYOR is one who has time and again helped us bring coalitions together—his quiet dedication, his obvious knowledge of the facts, but also his knowledge that, as a Senator, there are certain prerogatives, especially debate prerogatives, that are available to all of us, and my memory of that goes back to the 1985 farm bill.

Senator PRYOR and his colleague Senator BUMPERS were concerned that the bill would cut Federal price supports for the rice industry. They came to the Senate floor and they delayed action by reading their favorite rice recipes into the CONGRESSIONAL RECORD. The opposition finally gave in to these Southern gentleman when

Senator PRYOR announced that he knew of 1,000 rice recipes. I checked that figure with Senator PRYOR this morning, and the distinguished Senator from Arkansas told me that not only did he know them but that he kept copies of them in his desk should the need arise to add to our education in the Senate. Should he suddenly be called upon to give us time for reflection, he is prepared to talk about rice recipes.

That kind of dedication is going to be sorely missed. But these are people—Senator HEFLIN and Senator PRYOR—who have improved the Senate Agriculture Committee by their presence and have left a great legacy for all of us.

Mr. President, I have sometimes joked that Senators are merely constitutional impediments to their staffers, or constitutional necessities for their staffs. But I must say that this bill was made possible by the hard work of staff. And I think of those on my side of the aisle that I was able to appoint who have worked tirelessly in 1995 and 1996 on this farm bill.

I am particularly indebted to my staff director, Ed Barron. He joined me in 1987, and he has been a great fountain of education, encouragement, and tireless work. He is a good friend. He is a good adviser.

In the past he was the lead staff person who handled nutritional and rural development programs. The continuation of the nutrition programs in this bill is a tribute to his commitment to these issues. Ed also had a critical role in getting the dairy compact included in the final bill. His attitude on the compact reflected mine: "Never give up." And he never did.

Ed worked tirelessly in a bipartisan manner demonstrating superb political judgment and negotiating skills.

I thank him for his hard work. And, I believe his sons, James and Stephen, and his wife, Bonnie, will be delighted to know that they finally are going to see him again. They will have him back this weekend.

Jim Cubie, my chief counsel, has been with me over a decade on both appropriations matters and agriculture matters. His commitment to conservation and environmental issues has helped make this the most environmentally progressive farm bill in history. Without his dedication, there would not have been such a strong connection between farm policy and conservation initiatives.

Working alongside Jim was Brooks Preston whose commitment to the environment was forged during a childhood spent outdoors. Brooks provided invaluable legislative support for both my personal office and the committee on environmental and forestry issues.

Pat Westhoff, my chief economist, poured endless amounts of energy providing economic analysis for the committee on commodity program and budgetary issues. I felt confident knowing that Pat was leading the complex negotiations needed to fine tune the intricate details of the bill. Pat, your dedication and service to this committee is recognized and commended.

Thanks, as well, to Pat's wife Elena and to his children Christina, Ben, and Maria for letting us borrow Pat for what seemed to them to be about 50 years.

Kate Howard, my counsel for international trade, joined the staff for the 1994 GATT deliberations. Since then, Kate has continued to play a lead role in the trade, international food aid, and agricultural credit programs. Kate's efforts to build a bipartisan consensus for the international programs in this bill, and her support for the international food assistance programs, is especially appreciated.

Tom Cosgrove played a leading role in the passage of the dairy compact and other dairy reforms. On my committee for the past 5 years, Tom has worked endless hours on behalf of dairy farmers in Vermont and across America. Born on a dairy farm himself, Tom connected with the dairy community and understood their concerns, enabling him to effectively translate their needs into legislation.

David Grahn spent countless hours drafting the bill and deserves a special mention. Without him, the drafting of this legislation would not have been as successful. David would be here now—except that he and his wife just had a baby during the last 2 weeks of the farm bill. Congratulations, David and Jill, on your baby girl, Carolyn Elizabeth Grahn.

Bob Paquin has worked tirelessly for me on agriculture issues in Vermont. I appreciate that he flew down to Washington to help out on the compact at the critical moment. His talents are greatly appreciated.

Diane Coates, who started in my Vermont office and has been working on the committee for 2 years, provided invaluable support to Ed Barron. Her work on nutrition programs was particularly helpful.

Kevin Flynn, who started with me in the Washington office and joined the committee last fall, provides excellent support for everyone on the committee.

I was also very fortunate to have on staff several people as fellows or from the Department of Agriculture. Rob Hedgerg provided invaluable expertise in the areas of conservation, research, and rural development. Kate DeRemer's efforts ensured that the final bill included a research title that prepares our farmers for the next century.

Ron Williams, who arrived right in the thick of things, provided critical assistance. His patience and unflappable personality are invaluable.

There are a number of people who are no longer on the committee but worked very hard to help get us to the point we have reached today. Nick Johnson did a superb job for Vermont and me on rural development and nutrition and I wish him all the best at the Center for Budget and Policy Priorities.

Craig Cox, who left my committee to join the Natural Resources Conservation Service at USDA, spent countless hours over the past 3 years to help lay the foundation for the conservation title that we included in the farm bill.

Bryant Farland, who left the committee last year to enter law school, provided excellent support to the committee. His professional attitude and cheerful approach to every assignment is sorely missed.

Senate legislative counsel—especially Gary Endicott, Tom Cole, and Janine Johnson—deserve a lot of credit for their willingness to stay late and their excellent work.

I must also thank Secretary Glickman, and his chief of staff, Greg Frazier, as well as the Secretary's dedicated staff at USDA for countless hours of support during this long process.

But I have emphasized over and over again that this is bipartisan legislation. I compliment my good friend from Indiana, as I have before, Senator LUGAR, who listened and worked so hard with me so that we could pass this bill. We agreed on some issues and disagreed on others. But, we know that we can always take each other's word.

I think many times staff reflect the Members they work for. Chuck Connor deserves a great deal of credit for that. He works for one of the most honest, dedicated, hard-working Senators here. This is reflected in the type of person Chuck Connor is. He is someone I have respected in all of the years that I have worked with him. I consider him one of the finest staff in this body. I compliment him, and I thank him for his work and the direction he gave to Randy Green, Dave Johnson, and Michael Knipe, and others.

Mr. LUGAR. Mr. President, our side will be represented ably by the majority leader in a moment as he will make a final statement.

For several decades, the U.S. Department of Agriculture subsidized farmers with target prices and deficiency payments. Target prices for wheat, feed grains, cotton, and rice were set at levels believed to represent a fair price for the crops.

Whenever the average market price was below the target price, the Federal Government paid farmers the difference. This was called a deficiency payment.

Now Congress is considering a plan that would scrap deficiency payments and target prices and replace them with fixed payments. The farmer receives the same subsidy payment whether prices are high or low. Advocates for change believe this system

provides the certainty farmers need with regard to payments and the predictability taxpayers demand with regard to balancing the target. Defenders of the status quo criticize this plan because farmers receive payment during periods of extremely high prices.

While no one wants subsidies paid when they are not needed, the current system of deficiency payments and target prices fails even the most modest standards of targeting or means testing.

Deficiency payments are a poor indicator of farm wealth. Price represents only one-half of the farm income picture. Cash receipts in farming are a product of price per bushel multiplied by the quantity produced.

Recent history is a case in point: 1994 was a remarkable year for corn production. Total corn production for the country exceeded 10 billion bushels—a feat most thought was impossible. In the Midwest, whole fields averaging over 200 bushel per acre were commonplace.

Large supplies caused prices to fall. The average corn price for the year was $2.26 per bushel—almost 50 cents below the target price. According to our system of calculating farm wealth, 1994 was a terrible year because prices were lower. Taxpayers came to the rescue with substantial subsidies even though farmers harvesting 200 bushels per acre corn at $2.26 per bushel grossed a record breaking $450 per acre.

As is often the case in farming, 1995 was different than 1994. Weather problems and pestilence plagued farmers throughout the year. Many farmers who harvested 200 bushels per acre in 1994 saw their production fall to 90 bushels or less in 1995. Some farmers lost their entire crop. With falling production and strong demand, prices were substantially above target price levels. Corn farmers received $3.00 per bushel or more for their crop.

1995, however, was a very difficult year for many farmers because they had little, if any, crop to sell at higher prices. Ninety bushels per acre at $3.00 per bushel represents a per acre gross of $270 per acre—40 percent below 1994. Yet the USDA declared 1995 as a good income year, and took away all subsidies for the 1995 crop. Generous subsidies were paid to 80 percent of the corn farmers in America in 1994.

Freedom to farm gets the Government out of the business of estimating good income years and poor income years. The 7-year baseline payment levels are distributed—on a declining basis—to farmers over the next 7 years without regard to commodity prices.

Will there be years in which farmers receive a subsidy even though their income was high? Perhaps. But this is no more the case than under present law. The current system has indeed failed to identify genuine need. Let's give the USDA something better to do with their time.

In short, Mr. President, although it has been suggested that the freedom-to-farm bill would not be a good idea in the event that a bad year came along on the farm, the fact is the current program has not been particularly helpful. In those years in which we have had a great abundance of crops in and great revenue from the fields, we have also had target prices in addition or great deficiency payments. That is an important point to make, and I make it for the RECORD.

Mr. President, I thank, once again, the distinguished ranking member, Senator LEAHY, for an extraordinary opportunity to work with him and to create, I believe, a remarkable farm bill.

Today, as we pass a farm bill that shapes the outlook of agriculture for the 21st century, it is time to recognize the tireless efforts of one of the finest staffs on Capitol Hill.

I want to start by recognizing the efforts of the professional staff of the committee led by senior professional staff member, Robert (Randy) Green. Randy deserves special credit for his outstanding professional efforts in translating complex ideas into effective legislation. Often working through the night into the mornings and on countless weekends, Randy and his staff exemplified a dedication to the truth in the details of the committee conference process. While respecting the views of others, the professional staff crafted a bill in a manner that was fair. They have worked on endless proposals and through many very tough negotiating meetings to achieve the exciting new concepts about agriculture that were passed today. Katherine Brunett McGuire, David Stawick, Darrel Choat, Terri Nintemann, Terri Snow, Elizabeth Johnson, Douglass Leslie, Patrick Sweeney, and Bill Simms combined their extensive knowledge of agricultural issues to create this landmark revision of Agriculture policy. They are the unsung heroes who took the plight of the American farmers seriously and kept their shoulders to the task until we have arrived at the conclusion of this conference.

Dave Johnson, chief counsel, Marcia Asquith and Michael Knipe, counsels, spend endless hours giving assiduous attention to the details in the drafting of legislation to forge compromises on the most difficult issues. They worked diligently to negotiate provisions that would be effective and yet pull together diverse interests. Patiently drafting and redrafting a great many ideas that ultimately were not part of this legislation, but necessary in arriving at the concluding language, they never gave up and determinedly made the resulting Farm Bill a strong one.

Chief economist, any Morton, spent hours crunching numbers for the committee to ensure that the bill's cost fell within budgetary constraints. It is a tribute to his ability that this bill is scored so successfully by CBO and achieves the numbers that are required. Andy's knowledge of agricultural economics has proven to be a most valuable resource to the committee.

Andy Fisher did a superb job of keeping the press informed of the bill's progress and his ability to translate complex agricultural issues for the press and operate under severe time constraints ensured that the public was well informed.

Chief clerk, Robert Sturm, along with Debbie Schwertner, Danny Spellacy, David Dayhoff, Mary Kinzer, Jill Clawson, Cathleen Harrington and Barbara Ward kept the office running smoothly throughout this process. In conducting many hearings, both here and in the field, responding to hundreds of letters, answering thousands of telephone calls, and tracking a very active staff they demonstrated their diligence and loyalty to the Committee.

I also want to thank Gary Endicott, Janine Johnson and Thom Cole from the legislative counsel's office for their willingness to respond to the committee's requests and for lending their valuable expertise to the development of this bill.

As well, I want to commend the minority staff of the committee who contributed greatly with their professionalism and cooperation. In particular, I want to thank minority staff director, Edward Barron and chief counsel, Jim Cubie. They led the way to agreement through many continuous issues.

I would especially like to commend staff director, Chuck Conner for his tremendous contribution to the committee. Chuck's leadership and broad expertise in agricultural policy provided the committee with sound guidance on key issues. His resolute attitude and strong convictions kept the conference advancing when the process seemed mired in difficulty. Chuck molded a superb staff and prepared them with precision so that they could navigate a steady course to the passage of this legislation. The public rarely sees the work of the Senate staff but they give so much to our country. Their sacrifice and long hours are shared by their families and I applaud their efforts.

Mr. DOLE. Mr. President, we have had a number of farm bills discussed and passed since I have been in the Senate. Of course, the first question is, is it good for agriculture and good for the consumers and good for the American people generally? I think we can say that the answer is in the affirmative in each case.

I certainly thank Senator LUGAR, the chairman of the committee, and Senator LEAHY, the ranking Democrat on

the committee. They have worked together, as we must, in agriculture. I have always found that if you bring a bill to the floor that is too partisan, either Democratic or Republican, it is not going to pass. And so, as has been the case in the past 20, 30 years, as far as I can recollect, this is a bipartisan piece of legislation. It should be bipartisan or nonpartisan. I do not believe that to the American farmer who is sitting out there making his decision on what is good or bad it depends on whether it has a D or an R behind it. But if it is worked out in Congress, as it has been, on a bipartisan basis, then I believe the American farmer, rancher, and, of course, the American taxpayer, too, is generally more satisfied.

This bill is also a good environmental bill, as I will touch on later.

I would like to also congratulate my friends and colleagues on the other side of the Capitol, PAT ROBERTS, and Congressman DE LA GARZA. I have worked with them over the years. My friend, PAT ROBERTS, is my Congressman in western Kansas. He has done an outstanding job working with the Senate and working with the House and again in coming up with a very important piece of legislation. It is truly a bipartisan effort.

I congratulate my colleagues, particularly those who were conferees. It has required a lot of patience and a lot of perseverance, qualities which farmers and ranchers have to have themselves. They have to have patience and persistence or they would not be in business very long.

The legislation before us will transition America's farmers into the 21st century without disrupting the farm economy or land values, and farmers, as other Members in the Chambers have said, finally are going to plant for the market and not for the Government.

In addition, this legislation provides farmers with what they have asked for the most—certainty, simplicity, and flexibility. As I travel across America, farmers and ranchers tell me the same thing: Keep it simple. All Government programs, and especially all regulations, must be simpler and less intrusive. The farm program should pass the common sense test.

As I said, another big winner in this bill is the American taxpayer. This legislation ensures reasonable and responsible spending through a capped entitlement. If we are to balance the budget—and we will—the American farmer will tell you that everyone must contribute including himself. Farmers often remind me that they are taxpayers, too. And as taxpayers, farmers want a balanced budget because they know under a balanced budget, spending on interest payments are projected to decline $15 billion over 7 years. And the farmers would be one of the greatest beneficiaries in that event.

For family farmers who often struggle to make ends meet, the money saved through reduced interest payments could make the difference between success and failure.

This is landmark legislation. The bill contains one of the most significant conservation packages ever enacted. Instead of mandates and the heavy hand of Government, this bill reflects a common sense approach. This historic farm bill is one that conservationists can be proud of.

This legislation includes elements from the conservation bill authored last year by Senators LUGAR, CRAIG, GRASSLEY, and myself, also known as S. 1373, the Agricultural Resource Enhancement Act.

For example, this farm bill continues the Conservation Reserve Program which, at 36.4 million acres, makes the program twice the size of the National Wildlife Refuge System. This program is the Nation's biggest and the most successful private lands conservation program.

The bill streamlines cost-share incentive programs into one revitalized program, the Environmental Quality Incentive Program. The program will spend $200 million per year on cost-share assistance for crop and livestock farmers as they work to control pollution and erosion.

For years, farmers have been planting the same crops year after year which leads to excessive use of fertilizer, chemicals, and tillage to control pests and maintain crop yields. This bill provides farmers with complete planting flexibility, allowing them to plant environmentally sensitive crops.

The bill also ensures sound conservation practices on over 300 million acres. This legislation continues the successful record of the 1985 and 1990 farm bills by requiring participating producers to meet soil conservation and wetlands protection standards.

In addition, the bill provides funding for the restoration of the Florida Everglades, balances conservation compliance regulations, expands mitigation options for wetlands, and authorizes new conservation and wildlife enhancement programs.

Several national farm organizations have praised the conservation provisions as providing a more common sense balance between practical conservation methods and protection of natural resources and wildlife.

As I see it, this bill is not the end but a beginning. It is a positive first step in a larger effort to ensure that rural America prospers. From here, we can address other issues. Tax and regulatory reform are a must. Property rights protection and health care reform are vital. I am committed to taking action on these issues, so that rural America can realize a brighter future.

American agriculture is ready and waiting for policies that will help prepare it for a successful 21st century. This legislation lays a solid foundation for sustained growth.

Like other members on the Ag Committee—and I have been proud to be a member of that committee for a long time—I certainly have had outstanding staff, headed by Mike Torrey, who has worked closely with Chuck Conner and others, along with Dave Spears, who is in my Kansas office but has been back here from time to time to help us on this legislation, and Bruce Knight, who helped us a great deal with the conservation title.

I want to thank my three staff members, in addition to all the others that have been mentioned by Senator LEAHY and Senator LUGAR. Without staff, I do not believe we could be here today, on the verge of voting for this historic legislation.

This is historic legislation. This is a complete departure from the past when it comes to agricultural legislation.

Again, I want to particularly commend our distinguished chairman, Senator LUGAR, along with Senator LEAHY and others, who have made it possible.

Mr. BURNS addressed the Chair.

The PRESIDING OFFICER. Who yields time?

Mr. LUGAR. Mr. President, do I have time remaining?

The PRESIDING OFFICER. The time has expired.

Mr. LEAHY. Is the Senator from Montana speaking in favor of the bill?

Mr. BURNS. In favor of the bill.

Mr. LEAHY. How much time does the Senator wish?

Mr. BURNS. Two minutes or less.

Mr. LEAHY. I will yield to the Senator, not to exceed 5 minutes.

The PRESIDING OFFICER. The Senator from Montana.

Mr. BURNS. Mr. President, I thank Senator LEAHY, the ranking member of the Ag Committee, and of course Senator LUGAR, who has displayed great leadership crafting this legislation.

I rise today in support of the conference report of the Federal Agriculture Improvement Act of 1996, now known as FAIR. I see this as a positive move forward for agriculture and agricultural production in America. This is a bill—and an idea—that is overdue and now the time has come for the implementation.

As I review this conference report, I see many components that I favor, and of course there are provisions that I think are softer than they should have been for the good of the producer and the good of the Nation and its economy. Positive steps have been taken in the Commodity programs and in the marketing and foreign trade provisions. However, I do believe that we could have provided greater flexibility for our producers in some of the conservation programs.

I have listened to many of the Members of the Senate in the past day discuss that this will doom the future of

agriculture, and that we are providing welfare for the American farmer. This is truly not the case. This act will provide for the future of the American farmer in a way that Congress has not had the nerve to address for almost 60 years. This bill will assist many young farmers to have access to the land and allow for the future development of agricultural production in this country.

I have heard many times that we have not provided for a safety net for the small farmer. As I look at the programs that were enacted to protect the small family farmer in the past, they have not done a very good job at offering protection to these people that make their living of the land. In recent years, due to many circumstances, we have seen a decline in the number of small family farmers.

What we have done is bring American agriculture into the future. Gone are the days that a producer can take grain to the elevator and figure that the job is done as they watch the grain drop through the grate. American producers are going to have to take an active role in marketing their own products, from the field to the final product.

I suggest that with the passage of this bill our work has just begun. We now need to work on the improvements for the future of agriculture in our Nation. With the passage of this measure we will finally take a step toward getting Government out of the farming business. We need to set our sights on those areas of law and Government assistance that Government should work on. The role of Government in this new future will be those areas that the individual farmer has little or no real access to. The role of government in the future should be in the development and expansion of research assistance in the marketing in both domestic and foreign markets. This is how we can and should develop the future for our producers.

As we place our producers in the world market, we need to provide them with the tools to compete in this market. To do this we need to offer to them the advancements that will keep American agriculture a lead player in the world. At a time when we see a trend in declining yields, we need to provide our producers with the best research in developing resistant crops. The market is there for them to be active in, but they need the tools available to them to see meaningful gains in the amounts that they can earn from their had labor. Just recently, we have found the presence of a fungus in grain that could, if it was not properly dealt with, permanently damage our access to foreign markets. I would like to commend the Department of Agriculture for the work that they have done with the recent discovery of karnal bunt within our country. With a meaningful and dedicated research effort, we can and should be able to find a way to develop a resistant seed to this and many of the diseases that target our crops in the United States.

In addition, we need to offer to our producers the understanding and assistance in marketing their commodities. As I have previously stated, many producers think that their job is done when it reaches the elevator. As we move into this new program, our producers are going to need the knowledge and the access to information and opportunities to improve their ability to make a return on their investment. In my discussions around the State of Montana, many farmers, young and old, have stated that they are glad to have the Government out of their business. What they would like to see from Government now is a little assistance in learning what it takes to market their product. They do not want Government directly involved. They would like assistance in marketing their efforts, both here in the United States and on the world market. This was one of the major reasons that I worked hard to have this legislation include wording on the foreign market development cooperators program.

Finally, but not least of all, we need to address a major concern in the agriculture community: tax reform. This Congress has been called upon by the people to institute tax reform to address the concerns of all Americans. Any progress that we make on this front will greatly benefit the American small family farmer. Provisions must include changes in the inheritance tax code, to allow more families to keep their operations in the family. For generation after generation, our farm families have worked to keep their operations within the family, yet current tax structure seeks to penalize those people who want to keep the operation in the family.

Another of the Tax Codes that we need to address is the capital gains tax. There are a great number of Montanans who would like to sell their operation. However, with current structure and the price of land, they are not in a position to put their property on the market. Action in this tax will allow many new and younger farmers to move onto land that may now be out of production. This must be addressed, and we must do so soon.

We have taken the first step to address the future of American agriculture. It is only the first step. The future is upon us and we must make the most of it for the family farmer in America. I support this first step and I hope the Senate will endorse it fully for the producers in the field.

I want to make a further comment. I think there are some areas where we have to continue to work. I think the market development amendments we got put in there to develop markets abroad, our foreign trade—we know agricultural exports are one of the great, bright, and shining spots of our trade. But I think tax reform for agriculture still remains a very, very important part of our work to be done here on the floor of the Senate.

We had a hearing this morning on agricultural appropriations and the work of the ARS. Of course, with the inspection service, we know we still have problems. Sometimes we look at the funding. Maybe it is not quite enough in our Agricultural Research Service. We have to continue to do research on how do we produce food and fiber for America, this great Nation, and also, over in the area of inspection, on how do we isolate these very disastrous things that can happen to us in agriculture.

I will give you an example, karnal bunt now in wheat. They got it isolated. They knew what to do. But it is a situation that could have devastated the durum wheat industry in our part of the country. In Montana, it is karnal bunt. All we have to do is look across the ocean and take a look and see how important APHIS is to us, the inspection service on plants and animals, when we take a look at England and the situation they are in with their "mad cow" situation.

So I congratulate the leadership on this bill. We will be supporting this bill. It is a departure from even the carryover from the 1930's.

I thank the leadership, and I yield the floor.

The PRESIDING OFFICER. Who yields time?

Mr. SIMON. Mr. President, my understanding is we will go to discussion on minimum wage at this point?

The PRESIDING OFFICER. Time remains on the farm issue.

Mr. SIMON. I yield the floor.

Mr. DORGAN. Mr. President, my understanding is the minority leader has 12 minutes remaining. Is that correct?

The PRESIDING OFFICER. The Senator is correct.

Mr. DORGAN. Mr. President, let me yield myself as much of that 12 minutes as I shall use. I shall not use the entire 12 minutes.

The PRESIDING OFFICER (Mr. GRAMS). Without objection, it is so ordered.

Mr. DORGAN. Mr. President, my colleague from Montana just a few moments ago spoke of something my colleague from North Dakota spoke about earlier this morning. Let me just make a comment about that topic. I also want to make a couple of final comments about the conference report that is on the floor before us.

My colleague from Montana, Senator BAUCUS, and my colleague, Senator CONRAD, talked about actions Canada has taken in the last 24 hours with respect to the restriction of durum, durum wheat, moving into Canada because of a fungus called karnal bunt. I

have in the last couple of hours talked to Chief of Staff at the White House, Leon Panetta, who is going to be contacting the agriculture secretary of the trade ambassador to talk about the actions Canada has taken. It has the possibility of causing some real chaos in our ability to export durum grain, because that durum goes through ports on the Saint Lawrence Seaway that are Canadian facilities. To suggest somehow American durum could not move through those facilities could have a devastating impact on our ability to export durum grain.

The Canadians, I think, have created a circumstance that is fundamentally unfair. Karnal bunt does not survive above the 35th parallel, we are told by the scientists. The suggestion that they can use karnal bunt as some sort of an excuse to injure our ability to serve export markets is, I think, a transparent attempt to create advantage for themselves in international trade at our expense. I have asked the President to take some immediate action to respond to this issue.

But the reason I make that point now is my colleague from Montana made the point about things like karnal bunt and the problem they pose in the marketplace. There are a whole series of things that can cause significant changes in grain prices. We had someone out here recently talking about, "Well, we have a loan rate in this bill which provides a safety net. So there is, in fact, a safety net." However, the fact is that the loan rate in this piece of legislation creates a safety net that is so far below the market price that, for family farmers to make a living, it is not much of a safety net at all.

The point I wanted to make finally in this discussion is one about market power. I brought to the floor a story that was written following the Senate passage of the farm bill. This news story says that the big grain trading firms won in the U.S. Senate, the meat companies won, the millers won, the grocery manufacturers won. The biggest economic interests got a full plate when the Senate passed this farm bill.

The fact is, when the big grain trading firms win in farm policy it means family farmers lose. What happens is, you set people loose in a survival of the fittest circumstance and say, "You just battle it out, out there in the marketplace," And what do you face in the marketplace? You face grain trading firms, one of which has more storage capacity in one firm than all of the wheat raised in my State, one grain trading firm can store all the wheat that is raised in North Dakota—that is market power.

Now, if you put 8 or 9 grain trading firms at the choke neck of the bottle through which all that grain has to move and then you say to the 30,000 North Dakota farmers, "Each you should compete in these circumstances," guess who wins and guess who loses? It is not a surprise. The story I showed on the floor of the Senate describes it accurately.

This bill is a major victory for the biggest grain trading firms, the biggest millers, grocery manufacturers and others, because they like lower grain prices in the long run. They are in the marketplace in order to nick grain prices back, to keep them down. What does that mean? Family farmers cannot survive. The deck is stacked against them. The odds are against them. The fact is, there will be fewer yard lights out there, fewer families able to live on the farm and make a decent living.

When you see those yard lights, those economic blood vessels that serve small communities and create a rural life style, turn out, you lose something important. When those blood vessels shrink away, you devastate something I think is very important in our country.

The reason I keep talking about family farmers is I care who farms this country. It makes a difference to me. It makes a big difference to me, whether an corporate agrifactory is farming America from California to Maine, or whether America is dotted with yard lights where families exist out on the land, trying to make a living.

We had an world renowned author from North Dakota who died last year, whose name was Critchfield. He wrote several wonderful books about what this country gains from the rural parts of America. He talked about the nurturing of values that comes from the farms to the small towns and to the cities, as people move in our country.

I think to suggest somehow that those values, which have always started at the family farm, are not important is a mistake. These values have moved their way through this country of ours—I'm talking about helping one another, shared sacrifices and so on—and to suggest that this is not important in our future is a regrettable oversight for this country.

It does matter who farms in this country. If we do not have a farm bill that stands up for the interest of family farmers, let us not have a farm bill at all; we do not need it. And if we have a farm bill, let us have a farm bill that stands up and speaks for the economic interests of families out there trying to make a living. We need a farm bill for those trying to make a living in circumstances where, if they plant a seed, they may not get a crop, and if they get a crop, they may not get a price. Family farmers face twin risks that no one else in this country faces.

Time after time when international prices drop—and they will and they do—family farmers go bankrupt. That is why we for years have decided we will provide a basic safety net to try to give family farmers a chance to survive over those price valleys.

This bill, for all of the huffing and puffing of those who support it, basically pulls the safety net out from under family farmers. Yes, it is attractive in the first year. Yes, there will be money in the first year, the second year and people will like it. But that money is labeled "transition money."

What is the transition from? The transition is to move farmers away from a safety net. If we do this we will be left one day with more expensive food produced by corporate agrifactories that farm all of this country. There will be precious few lights dotting America's prairies because this Congress says family farmers do not matter.

I will make one final comment. This issue is over this year. We are a year late, we are pretty short on the correct policy initiatives, but this issue is not over for the long term.

Next year there will be a different Senate, and those of us who believe that we ought to invest in the future of family farmers will be here. We will be here to give family farmers a chance to make it in a marketplace where there are a lot of larger interests that want lower prices and do not care whether family farmers survive. Those of us who believe in a different philosophy in a different approach will be back. We will be back to rewrite a farm bill based on a policy approach that is more appropriate for the long-term economic interests of those families who today struggle against the odds.

Mr. President, with that, I yield the floor.

The PRESIDING OFFICER. Who yields time?

Mr. LUGAR. Mr. President, I know of no one else who wishes to speak. I have been authorized by the distinguished Democratic leader, Senator DASCHLE, and the ranking member, Mr. LEAHY—and I have exhausted my time—to yield back all time.

The PRESIDING OFFICER. All time is yielded back.

PRESIDIO PROPERTIES ADMINISTRATION ACT

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

The assistant legislative clerk read as follows:

A bill (H.R. 1296) to provide for the administration of certain Presidio properties at minimal cost to the Federal taxpayer.

The Senate resumed consideration of the bill.

Pending:

Murkowski Modified amendment No. 3564, in the nature of a substitute.

Dole (for Burns) amendment No. 3571 (to amendment No. 3564), to provide for the exchange of certain land and interests in land located in the Lost Creek area and other areas of the Deerlodge National Forest, Montana.

Dole (for Burns) amendment No. 3572 (to amendment No. 3571), in the nature of substitute.

Kennedy amendment No. 3573, to provide for an increase in the minimum wage rate.

Kerry amendment No. 3574 (to amendment No. 3573), in the nature of a substitute.

Dole motion to commit the bill to the Committee on Finance with instructions.

Dole amendment No. 3653 (to the instructions of the motion to commit), to strike the instructions and insert in lieu thereof "to report back to April 21, 1996 amendments to reform welfare and Medicaid effective one day after the effective date of the bill."

Dole amendment No. 3654 (to amendment No. 3653), in the nature of a substitute.

AMENDMENT NO. 3573

The PRESIDING OFFICER. There will now be 30 minutes equally divided prior to the cloture vote.

Mr. SIMON addressed the Chair.

The PRESIDING OFFICER. The Senator from Illinois.

Mr. SIMON. Mr. President, I yield myself 2½ minutes.

We are talking about the minimum wage. We are talking about 12 million Americans who can benefit, and what that means to 12 million Americans, people who are struggling, I do not think I need to spell out for most people. But unfortunately, in the U.S. Senate, we have to spell it out.

We ought to spell it out, among other things, in terms of welfare. I have heard the phrase "welfare reform" on the floor of the Senate over and over again this year and last year. Let me tell you, this minimum wage bill will do more to help people on welfare and for welfare reform than any welfare reform bill that has been before us. And it will save money for the Federal Government.

Once in a while, we can do the humanitarian thing and save money. We will save welfare money. We will save money on the earned income tax credit if this is adopted. So for people who are interested in saving money, moving toward a balanced budget, here is one practical way of doing it.

But let me mention one other observation that I think is important, and that is the way we finance campaigns and distort what is taking place. Probably before this session of Congress is over, we are going to reduce the capital gains tax. Primarily 10,000 people will benefit from that. People are going to come out with the numbers, but 60 percent of the benefits go to 10,000 people. But those 10,000 people are contributors on both sides of the aisle, and we listen to them.

How many of the 12 million people earning the minimum wage are big campaign contributors? Virtually none. So their voice is muted in this process. We ought to today speak up for 12 million people who are not big campaign contributors but need our help.

Mr. President, I see you are about to gavel me down, so I yield the floor.

The PRESIDING OFFICER. Who yields time?

Mr. KENNEDY. Mr. President, how much time remains?

The PRESIDING OFFICER. There are 12 minutes 15 seconds remaining on your side and 15 minutes remains on the other side.

Mr. KENNEDY. I yield 3 minutes to the Senator from Minnesota.

The PRESIDING OFFICER. The Senator from Minnesota.

Mr. WELLSTONE. Mr. President, this minimum wage increase is a very simple and straightforward proposition. Minimum wage right now is $4.25 an hour. You can work 52 weeks a year, 40 hours a week and you still do not make poverty wages. This is important for working families in Minnesota and across the country—almost 200,000 workers in my State—much less their children.

We are talking about a 90-cent increase over 2 years—90 cents over 2 years—to try and respond to the concerns and circumstances of working families in the United States of America, working families in Minnesota.

Let me put it another way. The U.S. Senate a few years ago voted itself 1 year a $30,000 increase in salary. That is almost four times the total yearly income of what minimum wage workers make right now in our country. The U.S. Senate voted itself a $30,000 increase in 1 year, which is almost four times the total annual salary of a minimum wage worker and his or her family in this country, and we cannot raise the minimum wage for working people?

I do not consider this to be partisan strategy. I do not consider this to be a game. I do not consider this to be tactics. People in the United States of America make it a plea that we respond to the issues that they care about; that we respond to fundamental economic justice questions. That a worker in our country should be able to see his or her wage raised from $4.25 an hour to $5.15 an hour over 2 years is a matter of fundamental economic justice. It is what I call a Minnesota economic justice issue, and I urge my colleagues to vote for cloture.

Mr. KENNEDY. Mr. President, I yield 3 minutes to my colleague from Massachusetts.

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. KERRY. Mr. President, thank you. I am pleased to join with my colleagues in asking the rest of my colleagues to join with all of us in voting for this increase in the minimum wage.

This vote is not a vote on process, it is not a vote on cloture, it is not a vote on who controls the Senate, it is not a vote on Presidential politics; it is a vote on whether or not people who are today working at the minimum wage who are at a record almost 40-year low in the purchasing power of that wage are going to get a raise.

We hear colleagues try to make diversionary arguments: "Well, this is going to lose jobs."

We have heard those arguments, Mr. President. We put the minimum wage in America into effect in 1938 at 25 cents. Obviously, to get up to the $4.25, it has been raised in the meantime.

In 1989, we raised it here, and 89 U.S. Senators, Democrat and Republican alike, joined in raising the minimum wage. We raised it each time against the arguments that, "Oh, this is going to lose us jobs."

Finally, in the last 5 years, because that argument keeps being raised, a series of studies have been done, study after study. More than two dozen of them have shown you do not lose jobs when you raise the minimum wage. As long as you obviously raise it to a reasonable level, you increase employment.

The study by Lawrence Katz, of Harvard, and Alan Krueger, of Princeton, most recently has showed what happened in New Jersey. New Jersey, Mr. President, raised the minimum wage to a level that is well above the $5.15 that we are seeking. If you had a comparable level today to what they raised it in New Jersey, it would be the equivalent of $5.93. We are only asking to raise it to something that is still 13 percent below the level the minimum wage had in the 1980's. We are not asking to raise it to the full level of purchasing power the minimum wage has had in the past.

America was never slowed by having it at that level in the past. We have increased employment in this country. In fact, after adjusting for inflation, studies would show that if we raised it now to just $5.15 an hour, you would still be below the purchasing power level of the minimum wage in prior years.

The other day we had an employer stand with us talking about the minimum wage. He is in the restaurant business. That is one of the businesses you most often hear about might be negatively impacted. This employer not only pays more than the minimum wage in his restaurant business, but he gives everybody in that business full health care—full health care—more than the minimum wage, and he is doubling his business every single year. He keeps the people employed. He keeps the people working for him. It is good for his business. It is good for the country, Mr. President. This is fair.

When chief executives are getting paid more, when the stock market goes up 34 percent in 1 year, when the productivity of this country increases 12 percentage points over the course of the last 5 years, but wages only go up 2 percent, it is time to say, give those people working at the least point of the economic ladder a raise. I hope we will do that in a bipartisan fashion.

Mr. President, let us not misunderstand this cloture vote today; let us not misunderstand what it means about the prevailing political agenda of the majority leadership who have consistently supported huge tax cuts for the wealthiest Americans and millions

of dollars in corporate give-aways, but will not allow a simple up-or-down vote on increasing the minimum wage.

This cloture vote today is that vote. Some on the other side of the aisle would have us believe that this is a vote about schedules, or about Presidential politics, or about Democratic attempts to usurp control of the Senate when, in fact, it is none of those things. It is the vote on whether or not we support an increase in the minimum wage. It's a vote about economic justice.

Mr. President, I have offered, on my part, and we, on this side, have all said that we would "sit down and shut up," in exchange for a vote anytime between now and June—an honest, up-or-down vote on rasing the hourly wage of the poorest American workers. But even that request was rejected by the majority leadership. So, this is not about us—on this side of the aisle—taking hold of the Senate's agenda, or stalling action on the Presidio bill. On the contrary, it is an honest insistence that we address this fundamental issue of fairness and economic justice.

The arguments that we are hearing from the other side—that an increase in the minimum wage loses jobs, that somehow giving people a better chance at survival is a bad thing—simply do not hold up on the economic side or on the fairness side.

In fact, Mr. President, the last time we raised the minimum wage by 90 cents over 2 years, it was with broad bipartisan support and the signature of a Republican President. These arguments never came up then, but now, we cannot even get the Republican majority to bring the issue up for a vote. It would seem to me that the only thing that has significantly changed—besides the inability of 22 million hard working Americans to keep up in this economy—is the political imbalance of a Republican Party sliding hopelessly to the extreme. Because—based on empirical evidence—the need for an increase is clear.

Study after study show that increasing the minimum wage helps.

I have brought up example after example in the last few days of young single mothers and working families in my State, trying desperately to find a job that pays them enough to raise their families with dignity—that pays enough to provide health care for their children, a decent safe place to live—enough to afford daycare and groceries, pay the heat and pay the electricity. Mr. President, is that too much to ask for people on the job and off the doles?

The evidence is clear. This increase would not be out of the range of increases that have been enacted at the Federal level and in some States, and the overwhelming preponderance of evidence—in studies that looked at the two-step 90-cent increase in the Federal minimum at the turn of the decade, as well as State increases at the level of nearly $5.70 an hour in 1996 dollars—is that these increases do not increase job loss.

So any argument here that points to job loss as a reason for voting against giving people a raise, is, on its face, absurd. David Card, in "Industrial and Labor Relations Review" in October 1992, studied the first 45-cent increase to $4.25 in the Federal minimum wage and found there to be no increase in job loss. Now, that study is in 1991 dollars. The equivalent in 1996 dollars is $4.93—without—without causing job loss.

Another study by Card and Alan Krueger, "The Effect of the Minimum Wage on the Fast Food Industry" studied the effects of New Jersey increasing its minimum wage by 80 cents, from $4.25 an hour to $5.05 an hour in 1992—that's $5.69 an hour in 1996 dollars—and they found that the increase did not cause job loss.

And a specific study by David Card entitled, "Do Minimum Wages Reduce Employment: A Case Study of California, 1987–1989" that looked at California's 90-cent increase in the minimum from $3.35 an hour in 1987 to $4.25 an hour in 1988—that's $5.68 in 1996 dollars—has no significant impact on job loss.

Card concluded: "Comparisons of grouped and individual State data confirm that the rise in the minimum wage increased teenagers' wages. There is no evidence of corresponding losses in teenage employment."

Another study by Lawrence Katz of Harvard and Alan Krueger of Princeton examined an increase on the minimum wage on the fast-food industry in Texas and found that the employment effects, if anything, were positive.

Mr. President, let us not be fooled by diversionary arguments that muddy the waters. There's no correlation between increases in the minimum wage and job loss, and that argument should be put to rest once and for all.

Harvard labor economist Richard Freeman, in the International Journal of Manpower, in November 1994, said it best. He said: "at the level of the minimum wage in the 1980s, moderate legislated increases did not reduce employment and were, if anything, associated with higher employment in some locales."

He said, "Studies based on employment across economic units such as States and counties yield more disparate results. Most studies, however, reject the notion that the late 1980's and early 1990's increases had adverse employment effects, and the studies that find adverse effects prior to those increases obtain small elasticities—meaning small employment effects—which confirm the effectiveness of the minimum in redistributing wage income.

He concluded: "That moderate increases in the minimum wage transferred income to the lower paid without any apparent adverse effect on employment at the turn of the 1990's is no mean achievement for a policy tool in an era when the real earnings of the less skilled fell sharply."

Freeman also observed that any net reduction in employment from a higher minimum wage that might occur among teenagers would be mitigated by the extremely high turnover rates of these workers. So even if a higher minimum wage means that it will take some low-wage workers a little longer to find jobs, once they do find a job they will benefit from the higher wages.

Do you know what this vote comes down to, Mr. President? It comes down to whether or not to put $2,000 more in the pockets of workers. In these times, is that a difficult choice? That, $2,000 more for every minimum wage worker in local economies. My Republican friends rail against welfare, but when it comes to being fair, mark them absent.

So what are we arguing about. What are my Republican colleagues trying to tell us. What straws are they grasping at to create an argument about job loss, and teenage employment—or about the imagine hobgoblins that would appear if we were to give more money to the people who need it most.

Mr. President, the truth is that raising the minimum wage to $5.15 an hour, according to everyone, would make up slightly more than half of the ground that was lost to inflation during the 1980's. In fact, after adjusting for inflation, the studies show that even if we raised the minimum wage to $5.15 an hour it would still be 13 percent below its average purchasing power during the 1970's. To have the same purchasing power that it had in 1996 it would have to be raised to $5.93 and we certainly would not get a vote on $5.93 when we can't get one on $5.15.

Mr. President, the purchasing power of the minimum wage is now at its second lowest level in four decades. After adjusting for inflation, the value of the minimum wage is below its level for every year—except 1989—going all the way back to 1955.

To put this in perspective: as real wages for the middle-class have been stagnant, the real wages of people at the bottom end have dropped. And so the dramatic shift in wealth and obvious wage inequities in America are contributing to an extraordinary change in worker morale.

To put it simply: the dreams and hopes of millions of hard-working American families who or on the job and off the dole are at stake here. This is about whether or not we understand what people are going through in this country.

Mr. President, we are talking about the working poor. In 1993 more than half of the poor, some 22 million people, lived in households with someone

who went to work everyday—8 hours a day—7 days a week. Some 4.2 million workers in America paid by the hour in 1993 had earnings at or below the minimum wage. This was 6.6 percent of hourly workers. An additional 9.2 million hourly workers had earnings just above the minimum wage.

Mr. President, these are not teenagers. These are not minorities. They are, to large extent, women. Less than one-in-three, 31 percent, were teenagers. About one-in-five, 22 percent, were 20 to 24 years old. Nearly half were aged 25 and older.

And almost 62 percent of them were women.

Mr. President, who are the real losers in today's economy? Not the corporate executives. Not the Republican leadership in the Senate that is looking to give them a massive tax cut, and reward these same corporations with huge giveaways. No. The ones being left further and further behind—are working women.

They represent 46 percent of the paid work force, but 60 percent of those working for the minimum wage. These working women cannot make ends meet on $4.25 an hour. A single working woman with two children cannot pay for daycare, health care, housing, and food on subpoverty wages. For that family of three, the Federal poverty level is $12,500. At the minimum wage that family earns only $8,500, $4,000 below the poverty level. Times have changed since the 1960's and 1970's when the minimum wage was enough to raise families up to the poverty line.

That imbalance is an unacceptable inequity in America. Yet, Republicans in Congress are quibbling over raising the minimum to $5.15—even though, since 1979, the minimum wage has lost 25 percent of its value—while at the same time they favor a tax cut for the wealthiest Americans, and wonder why women who take home less than $132 a week are forced to choose welfare over work.

While it may be easy for some to moralize about values and the dignity of work while they earn a congressional salary that is 10 times the poverty level for a family of three, common sense and common decency require that we look at what a single mother with a child and $148 a week faces in real terms, everyday. She has to hope that her employer provides or subsidizes the cost of daycare. But daycare programs at work are rare, particularly for minimum wage earners. Nationally only 5 percent of employers pay for or subsidize daycare costs for full time employees, and, if a mother is offered a second- or third-shift job, daycare is simply not an option.

The Republicans response is not only to say no to increasing the minimum wage, but to cut food stamps, cut school lunches, and cut nutritional programs for underprivileged children. Yet, they ask single working mothers to work hard, stay off of welfare, pay for daycare, get a decent apartment, feed the children, pay for health care, save for the future, have a good time, and make ends meet.

Times have, indeed, changed in the 57 years since Congress first set the minimum wage at 25 cents an hour in 1938. But what has not changed is our pride and our spirit and our sense of hope. There are millions and millions of young, hard-working Americans in the vanguard of a new labor movement that is no longer fighting against ruthless employers for child labor laws, fair labor practices, health and safety standards, decent working conditions, or an 8-hour day. I hope we have put those fights behind us because those labor wars were fought over the most fundamental rights of people trying to work for a living and survive the unregulated power of ruthless employers.

Now, there is a new labor force struggling against downsizing and technology and a global economy. For them, an increase in the minimum wage is not too much to ask. The last time we voted to increase it, in 1989, a Republican President and a Democratic Congress did it together. And there were none of these arguments that we are hearing today.

We worked together then to raise the minimum from $3.35 an hour to $4.25 an hour, and I was proud to have voted for it. The House passed it by a vote of 382 to 37 with 135 Republicans voting for the increase. It passed the Senate by a vote of 89 to 8 with 36 Republicans on the side of common sense. We can do it again together, if common sense and fairness are still bipartisan virtues in Washington.

I yield the floor.

Mr. KENNEDY. Mr. President, how much time remains on both sides?

The PRESIDING OFFICER. The Senator from Massachusetts, has 5 minutes 50 seconds remaining on his side. There are still 15 minutes remaining on the other side.

Mr. MURKOWSKI addressed the Chair.

The PRESIDING OFFICER. The Senator from Alaska.

Mr. MURKOWSKI. Mr. President, I am sorry I was distracted. I think the Senator from Massachusetts suggested time run over here.

Mr. KENNEDY. I was inquiring what the allocation of time was that remained.

Mr. MURKOWSKI. Mr. President, as the chairman of the Energy and Natural Resources Committee, the committee that brought the Presidio legislation to the floor, I want to make some very brief comments at this time. I think we are all very much aware that minimum-wage legislation has absolutely nothing to do with the parks package that included the Presidio, the Utah wilderness, Sterling Forest, and numerous other titles. As a matter of fact, we had some 35 titles in the bill that affected some 26 States.

It is no secret that, unfortunately, the parks package coincides with the national convention of the AFL–CIO, or at least their Washington meeting, and it is unfortunate for this legislation that the timing and the announcement by the group that they were going to raise some $35 million to put into the campaign effort against Republicans who were up for reelection. The announcement that they were clearly endorsing the Clinton administration, provided Members on the other side the opportunity to put the minimum wage, which is one of labor's criteria, on something that might move. Unfortunately, the parks package, the Presidio, all the 35-some odd titles, are affected.

The point is, Mr. President, minimum wage legislation has nothing to do with this package of bills before the Senate. It has really no business being offered or even debated while there is one of the most important environmental and conservation legislative packages before the 104th Congress. Yet, they have seen fit to take advantage of this opportunity. They are well within their rights, but, in the opinion of the Senator from Alaska, this is simply politically motivated and it is political grandstanding. We all know it, even if the media refuses to report it that way.

It is rather interesting to see the media's comments with regard to the bill and the support base concerning the adequacy of wilderness in Utah. Not too many people are aware of just how much a million acres of wilderness is in size. It is about three times the size of the State of Rhode Island. Two million acres is about half the size of the State of New Jersey. It is a pretty big hunk of real estate. In any event, in this legislation, there was a provision that would have put 2 million additional acres into a wilderness classification in Utah.

There are those who suggest that the legislation prevents the Federal Government and the Congress from making a determination that additional wilderness might be created. That is absolutely false, Mr. President. Anyone who studied the legislation, anyone who looked at the bill, and particularly the media, should recognize that Congress can create more wilderness any time they see fit, as is evidenced by the creation of 56 million acres of wilderness in my State of Alaska.

So, the point I want to make at this time, Mr. President, is, as we look at the status of this bill and the package in the context of its significance, this package of park-related issues constitutes the most significant single environmental package before the Senate in this Congress.

Those who criticize the package process have a responsibility for two things.

One, ask the question why is the package needed? The answer to that question is simple. As these individual bills came before the Energy and Natural Resources Committee and were reported out, had their hearings, and so forth, a hold was put on virtually every one of these 50 plus bills now found within the 35 titles of this legislation. The Senator from New Jersey who saw fit to hold up the entire collection of reported bills to negotiate his particular interests relative to the State of New York and the State of New Jersey. That issue was Sterling Forest.

We have no problem with that, but it did force us to package all of the individual bills into a single piece of legislation. Some are now suggesting we take it apart. Yet we all know it will not prevail in the House if one goes and the others do not.

Mr. President this process has been going on for a year. Mr. President, the other interesting thing is that hundreds of thousands of dollars have been expended criticizing this package by unnamed, motivated elitists. They do not have to report where the money comes from. They simply write full-page ads in some of the Nation's major newspapers.

I think that is a bit irresponsible, Mr. President, they are responsible to no one. They are well-financed groups that are single focused.

They are not the people of Utah. They are not the legislature of Utah. They are not the delegation from Utah. They are an elitist group that wants to dictate the terms and conditions under which they can recreate in Utah or any other Western State.

I advise my colleagues that perhaps it is time to put a little wilderness in all of our States. We have six States that have no wilderness. Is there justification for that?

Mr. President, in conclusion, I urge my colleagues to show some restraint in their enthusiasm to get 5 seconds on the evening news tonight. Let us move forward with the most important conservation measure to come before this body. We have an opportunity to preserve that magnificent Presidio, provide the necessary authority for the Bureau of Land Management to set aside 2 million acres of new wilderness, and provide critical protection for other areas.

Mr. President this bill affects almost every single State, let us move forward on this important environmental bill and leave this specific amendment for the Labor Committee.

We need to pass the Presidio bill, Mr. President. The minimum wage has no business even being on this bill. We all know it.

I reserve the balance of my time. How much time is remaining?

The PRESIDING OFFICER. The Senator from Alaska has 7 minutes and 32 seconds remaining.

Mr. MURKOWSKI. I yield the floor.

Mr. LEVIN. Mr. President, the issue before us is straightforward. It is about whether or not we are truly committed to helping working people earn a livable wage.

Recently, we have begun to hear more concern expressed about jobs and wages for the working family in America. Some have newly discovered the problems that working families face today: the declining purchasing power of their wages, increasing health care costs, and the high cost of child care are among those most important. But, for some of us, and for the American people, this is not a new issue.

Unfortunately, too little has been done to address these concerns. Today, we have the opportunity to take an important step in the right direction, by making sure that those hard-working Americans at the bottom of the wage ladder get closer to a fair living wage.

Many workers in our society work for low wages and few benefits. They have virtually no bargaining power in their workplaces and any attempt to negotiate for higher wages is futile. For these workers, the government has historically provided protection in the form of a minimum wage.

The Rand Corp. a highly respected think tank, recently reported what they called a double dose of bad news: economic inequality is growing and living standards for millions are getting worse.

The last time we gave minimum wage workers a raise was 5 years ago April 1. The current minimum wage is $4.25. In the last 5 years, because of inflation, the buying power of that wage has fallen 50 cents. The minimum wage is now 29 percent lower in purchasing power than it was in 1979—17 years ago.

With this amendment, the hourly minimum wage would rise to $4.70 this year and to $5.15 next year. Close to 12 million American workers would take a step forward toward a more equitable living wage.

Remarkably, there are some in this Congress who not only would not increase this wage to a fair level, but would eliminate the wage completely. But, I think that they comprise a minority. The last increase had overwhelming bipartisan support. On November 8, 1989, the Senate passed the increase by a vote of 89 to 8. Supporting that increase were the current majority and minority leaders. In the House, this bill passed by a vote of 382 to 37. Voting yes were the current Speaker of the House and the minority leader. Of course, the bill was signed into law by President George Bush.

The results of Rand's study demonstrate once again that the economic squeeze is real. Discounting inflation, the study shows that the median income of families fell more than $2,700 over 4 years to about $27,000 in 1993. People at the lower rungs of the economic ladder have had it the worst.

These figures illustrate that although our economy is growing and unemployment is relatively low, working families are confronting difficult and uncertain times. This amendment would provide a modest boost in earnings for many of these households.

A higher minimum wage could help reverse the growing wage inequality that has occurred since the seventies. A raise in the minimum wage is not only good for workers, but it is also good for business.

The minimum wage is now at a lower level in terms of purchasing power than it has been in three or four decades. That means minimum wage workers buy less. More money in the pockets of workers means more dollars circulating in the local economy.

While some claim a moderate increase in the minimum wage will cost jobs, leading economists find little evidence of loss of employment. Instead, they find that a ripple effect could expand the impact beyond the immediate minimum wage workforce. Some workers in low-wage jobs who currently earn more than the minimum wage may see an increase in their earnings as minimum wages rise.

As the richest nation on Earth, our minimum wage should be a living wage, and it is not. When a father or mother works full-time, 40 hours a week, year-round, they should be able to lift their family out of poverty. Sadly, even the proposed $5.15 an hour will not do that. But, our proposal makes an important stride toward assuring that work is more profitable than welfare.

A minimum wage hike rewards work and lessens the burden of dependency. The current minimum wage is actually about $2 an hour less than what a family of four needs to live above the poverty line. At $4.25 an hour, you earn $680 a month, gross. That's $8,160 per year. The poverty line for a family of four is $15,600 per year.

Adults who support their families would be the prime beneficiaries of our proposal to raise the minimum wage. Nearly two-thirds of minimum wage earners are adults and more than one-third are the sole breadwinners. Nearly 60 percent of the full-time minimum wage earners are women. Often these are women bringing home the family's only paycheck.

We must puncture the myth that a minimum wage hike would only help teens holding down part-time jobs after school. An increase in the minimum wage would improve the standard of living for many working Americans who live paycheck to paycheck, trying to get a foothold on the American dream. In reality, almost half of minimum wage earners work full-time

while only one-fifth work less than half time. Only a quarter are teenagers.

In 32 States, including Michigan, over 10 percent of the workforce would benefit directly from an increase in the minimum wage. Workers who now earn less than $5.15 per hour stand to gain immediately. An analysis by the Economic Policy Institute finds 10.5 percent of all Michigan voters, more than 420,000 workers, are in this group.

Mr. President, the bottom line is work should pay, and the current minimum wage is not enough to live on. The minimum wage is a floor beneath which no one should fall. But we should make sure that standing on that floor, a person can reach the table. A full-time minimum wage job should provide a minimum standard of living in addition to giving workers the dignity that comes with a paycheck. Hard-working Americans deserve a fair deal.

Mr. CAMPBELL. Mr. President, I take this opportunity today to clarify my position on the pending Kennedy amendment to increase the minimum wage. As with any debate that takes place in this Chamber, we debate both the merits of a particular legislative initiative as well as, and equally important, the procedures and timing of bringing a legislative initiative to the floor for debate.

Mr. President, last year during debate on S. 1357, the Balanced Budget Act adopted by this Congress, I supported a sense-of-the-Senate resolution to debate and vote on the merits of increasing the minimum wage. While I have been supportive of past minimum wage increases, I don't believe H.R. 1296, the Presidio Act, the underlying bill currently being considered, provides a proper vehicle to increase the current minimum wage. This bill, and the fact that the pending amendment prevents further consideration of this bill, is not conducive to properly address some of its more contentious issues regarding a minimum wage increase.

For example, just as minimum wage opponents may believe the highest proportion of low-wage workers to be young people, proponents of a higher minimum wage often portray the minimum wage work force as largely adult and, therefore, much more in need of an increase. However, we must recognize that this debate hinges upon how one defines youth. If, for example, one defines a youth as between 16 and 19 years of age, then about 36 percent of workers, paid hourly at the minimum wage, are youths and 64 percent adults. However, if one adopts a definition of youth as one between 16 and 24 years of age, then about 60 percent of the work force at the Federal minimum wage are youths and only 40 percent are adults. Indeed, this discrepancy alone warrants further debate.

Mr. President, this brings me to the second, and equally important issue, that of the procedure and timing of this discussion. I believe this debate on the minimum wage deserves to be debated as a vehicle unto itself, and not as a proposal to be attached to each and every legislative initiative that comes up on the floor in this Chamber, in this case H.R. 1296, the Presidio legislation.

The procedure of appending the minimum wage initiative to H.R. 1296, in my view Mr. President, is to attach a nongermane element to a bill that deserves to be debated on its own merits. In this case, it is a bill that has several elements that are important to my State of Colorado.

As a small business owner and former minimum wage laborer, I can truly understand where both sides of this debate are coming from. While a compromise increase of 45 cents over 2 years is something I would consider, Congress should approach this issue with full deliberation; over 80 million workers are covered by the Fair Labor Standards Act's minimum wage, and its impacts would undoubtedly be far reaching.

Therefore, I look forward to working with my colleagues on this issue in the future, and I am hopeful a more suitable legislative vehicle will be found in which we can properly address the issue of raising the Federal minimum wage.

Mr. DODD. Mr. President, I rise today in strong support of this amendment on behalf of American workers and American families.

Here in Washington, and on the campaign trail we hear a lot of talk about corporate downsizing, stagnant wages, and worker anxiety. Throughout this country, American workers and their families are frustrated and anxious of what the future might bring.

And, if we're going to do more than pay lip service to these issues, if we're going to be serious about helping those Americans that work hard and play by the rules then this amendment should pass by a unanimous vote.

Today, with this measure we have a genuine opportunity, on behalf of millions of American workers, to turn the minimum wage into a true living wage.

Today, the real value of the minimum wage is at its second lowest point in 40 years—$4.25 an hour.

Now, I want every person in this room to consider living on $4.25 a hour; or, living on $36 a day. That's an annual income of $8,500 a year—well below the poverty level for a family of three, which is $12,500.

How can any American expect to bring themselves out of poverty or pull themselves up by their bootstraps when they're expected to raise a family on $8,500 a year?

Over the past year I've heard a lot of talk from the other side of the aisle about encouraging responsibility and a strong work ethic among our Nation's welfare recipients. I think it's something we can all agree upon.

But, it is utter hypocrisy to talk about encouraging self-sufficiency and responsibility while we ask our Nation's poorest citizens to live on a meager wage of $36 a day.

Let us be clear, the people affected by the minimum wage aren't high-school kids flipping hamburgers at McDonald's. I can see why people would like to believe that: it certainly makes it easier to oppose this amendment.

We're talking about child care workers, waiters and waitresses, telemarketers, custodians, salesclerks, and the list goes on and on.

The fact is, more than 73 percent of those affected by the minimum wage are adults. More than 47 percent are full-time workers. Four in ten are the sole earner for their families and nearly one in five currently lives in poverty.

What's more, nearly 60 percent of minimum wage workers are women, more than three-quarters of whom are adults. That's 5.2 million adult women, many of whom are also busy raising children who would be directly affected if we pass this amendment.

These figures represent millions of American workers who are just able to keep their heads above water, who are barely subsisting at three-fourths the level of poverty.

For them this amendment isn't about politics or partisan games—this is about economic survival.

Now, my colleagues from across the aisle often use the argument that raising the minimum wage will cost jobs. But study after study has shown that this is a fallacious argument.

Studies done after the minimum wage was raised in 1990 demonstrate that not only did it have a negligible effect on job loss, but in some locales it actually brought higher employment.

The fact is, a higher minimum wage is not only a stronger incentive to work, but it reduces turnover, increases productivity, and lowers cost for retraining and recruiting.

And, the fact is we're not even talking about an enormous increase—only 90 cents an hour. And, while 90 cents may not seem like a lot to most people, it represents $1,800 in potential income for American workers.

For a family struggling to make ends meet, a simple 90-cent-an-hour increase in the minimum wage would pay for 7 months of groceries, or 1 year of health care costs, or more than a year's tuition at a 2-year college.

And if you don't believe me, listen to the experts. According to a recent study by economists William Spriggs and John Schmitt: "The overwhelming weight of recent evidence supports the view that low-wage workers will benefit overwhelmingly from a higher Federal minimum wage."

And that's the choice we have before us today: To raise the minimum wage and make a real difference in the lives of close to 12 million American workers.

If we want to be serious about moving welfare recipients to work, if we want to calm the fears of anxious workers, if we want to provide economic opportunity for every American we have a solemn commitment to pass this amendment and raise the minimum wage for American workers.

In the past, this body has, in a bipartisan manner, overwhelmingly supported increasing the minimum wage. The last time we raised it in 1989, the Senate voted 89 to 8.

Indeed, Senator DOLE, who I often hear talking about the importance of working families on the campaign trail, was a key supporter of raising the minimum wage in 1989.

Well, I hope Senator DOLE and all my colleagues continue the bipartisan tradition of supporting the minimum wage and join me in backing this critically important amendment for American workers.

Mr. KOHL. Mr. President, I rise in support of the Kennedy amendment to raise the minimum wage.

This amendment presents the Senate with a unique opportunity to address one of the most pressing anxieties for America's lower and middle-class workers—stagnant wages. By passing this amendment, Congress can take a small step to help reverse the shrinking purchasing power and suppressed living standards of America's lowest paid workers.

The amendment before us would allow some of the hardest working American's to make a better life for themselves and their families. It would increase the minimum wage from the current level of $4.25 to $5.15 over 2 years. Granting a 90 cent wage increase over 2 year's will not solve the economic problems of the working class nor will it break the bank; but it will help working families.

Mr. President, over 12 million workers would directly benefit from an increase in the minimum wage—over 210,000 of those workers live in Wisconsin.

Contrary to assertions of minimum wage opponents, this amendment would not wreak havoc on job availability. In fact, a large group of prominent economists, including three Nobel prize winners, recently endorsed a minimum wage increase. These economists assert that the moderate Federal minimum wage increase will not significantly jeopardize employment opportunities. The Kennedy amendment represents such a moderate increase.

Mr. President, the plight of the American worker has received more attention in speeches during recent political primaries than through the policy decisions of the 104th Congress. During the first session of the 104th Congress, we have seen proposals to cut education, job training, and workplace safety programs. Perhaps most inexcusable are the severe cuts proposed in the earned income tax credit for low paid working Americans. These are the same workers who are held down by the artificially low minimum wage.

Mr. President, the economy appears healthy, unemployment is down and millions of jobs have been created over the past 3 years. Yet the average American worker remains uneasy. Real wages have become stagnant and many Americans have discovered that their standard of living has decreased over the years.

It has been almost 5 years since the minimum wage has been increased. Studies indicate that after the minimum wage was increased in 1991, the real value of the wage has fallen by nearly 50 cents. Furthermore, the real value of the minimum wage is 29 percent lower than it was in 1979. If this trend continues, the value of the minimum wage will plummet to a 40-year low by 1997.

The importance of increasing the minimum wage looms even larger today as Congress attempts to balance the budget and cut spending for welfare, worker education and training, the earned income tax credit, child care and other resources that families use to stay afloat economically. To deny America's lowest paid workers a sustaining wage during a time of substantial budget cuts simply represents misguided priorities. This is precisely the time when we need to reward the people who work. If we are going to cut funding for education and training, we must provide individuals with the economic tools necessary to get ahead.

The last minimum wage increase under President Bush enjoyed broad bipartisan support. I urge my colleagues in the Senate to undertake a similar bipartisan effort today and demonstrate their commitment to working families by restoring the fair value of the minimum wage. It is time for Congress to remove this issue from Presidential politics and take real legislative action to address the economic problems facing the American worker.

Raising the minimum wage will not solve all of the problems of low-wage workers, but it will go far in demonstrating that Congress can act to help those on the lowest rung of the economic ladder. I urge my colleagues to vote for cloture and pass the minimum wage increase.

Ms. MOSELEY-BRAUN. Mr. President, I support raising the minimum wage over the next 2 years, from its current $4.25 per hour to $5.15 per hour, because I believe in the American dream and I believe in family values.

If a person works hard and diligently, he or she should succeed. This is a deeply held belief in this country and one which I share—this is the American dream. And if a person works hard and diligently, he or she should be able to care for family—this is family values.

Today, 12 million Americans earn the minimum wage. In my State alone, over 10 percent of the workforce earns the minimum wage—545,647 Illinoisans earn $4.25 an hour. This means that an Illinoisan, working 40 hours a week, 52 weeks a year, earns only $8,840.

These workers are not just young people working at their first job—although young people often contribute to their family's income. The majority of the people earning minimum wage—73 percent—are adults. Many of these are parents raising families on under $9,000 a year—still eligible for food stamps. It is a travesty that a mother or father working full-time— 40 hours a week, 52 weeks a year—cannot support a family.

As we continue to purge the welfare roles of children and their mothers, we should remember that close to 60 percent of those earning minimum wage are women. These are women who are taking responsibility for themselves and their children. These are women who are trying to make it on their own. These are women who go to work every single day. And still, minimum wage does not provide them with a living wage for their family.

This legislation would not overcompensate workers. It has been almost 5 years since the minimum wage was last increased. Prices have increased over the last 5 years, as I'm sure anybody who has bought a carton of milk or a dozen eggs lately can tell you.

In this country, we increasingly face a declining standard of living for working people. In the 1980's, 80 percent of Americans did not improve their standard of living. While the average wage increased 67 percent, the average price of a home increased by 100 percent, the average price of a car increased 125 percent, and the cost of a year in college increased by 130 percent. And the minimum wage increased by only 23 percent.

If a 90-cent increase in minimum wage had been part of the Contract With America, by today, a full-time worker earning the minimum wage would have earned an additional $2,000. That money could pay more than 7 months of groceries, rent or mortgage for 4 months, a full year of health care costs, or 9 months of utility bills. The money would make a world of difference to a family—and it is money that the employee earned.

And paying a living wage does not mean that jobs will be lost as opponents of increasing the minimum wage claim. Last year a group of respected economists, including three Nobel Prize winners, concluded that an increase in the minimum wage to $5.15 an hour will have positive effects on the

labor market, workers, and the economy.

Workers are our greatest resource. The American worker is what has made this country great. We should recognize the contributions of our workers and reward those who work long and hard to earn a living. And we must make certain that parents working full-time can support their families. If a parent working full-time cannot keep a family above poverty, a child will learn about the American nightmare, not the American dream.

Let us today show that America rewards work, that Americans who try hard can succeed, that America's families are important to us. A living minimum wage is a sign of a just and decent society. I urge my colleagues to vote for cloture and for this modest increase in the minimum wage.

Mr. BAUCUS. Mr. President, this one is real simple. If you raise the minimum wage, you provide working people with a higher salary and a better standard of living. And so I come here in very strong support for the minority leader's effort to give working people a raise by increasing the minimum wage.

BUTTE SAFEWAY

Over the years, Butte, MT, has seen more than its share of hard times. When the mines closed, a lot of people said it was curtains for Butte. But those people had obviously not spent much time in Butte.

Through a lot of hard work, resourcefulness, and community spirit, the folks in Butte fought to rebuild their economy. And they did it. The economic success story that is Butte today is a great example of what can happen when people come together, play by the rules, and work hard.

A few weeks ago, I was in Butte. I spent some time at the Safeway store just listening to people. And I was struck by what a young woman named Rhonda had to say. She was in her early 20's; friendly, energetic, and bright. And like most people that age, she was also anxious to build a better future for herself. But she told me, "Max, I am having a hard time making ends meet on minimum wage. I work hard, but it's just not enough."

A whole lot of Montanans feel just the same. They see their wages increasing too slowly to keep up with the cost of living. They find it harder and harder to save money to send their children to college.

In fact, according to a recent study, over 52,000 Montana workers—more than the entire population of Lewis and Clark County, Montana's sixth largest county—would find it a little easier to make ends meet if we raised the minimum wage to just $5.15 per hour.

FALLING WAGES, RISING COSTS

The experts confirm this. A recent Paine-Webber analysis shows that real wages in America have declined from $7.55 per hour in 1990 to $7.40 in 1995.

We're getting the worst of it in Montana. Our wage growth has been slower than virtually any other State in the Nation. Let me point to a few startling Montana statistics to prove my point:

The purchasing power of the average Montana family has actually fallen by $700 over the last 10 years;

In 1980, Montana's average personal income ranked 33 in the Nation. But today we've slipped to 41;

And the cost of living continues to climb—particularly when it comes to housing costs. Just 5 years ago, the average price of a Montana home was about $48,000. But today that figure has increased by 30 percent to $68,500.

NEED THE RIGHT KIND OF CHANGES

The people who suffer most from this wage stagnation are the middle class—the backbone of America. People who work hard. Pay taxes. Volunteer in their communities. When they suffer, the whole country suffers. Because if our middle class cannot afford homes, or cars, or college educations for the children—ultimately American businesses and America itself will be weaker.

Congress is not going to solve these problems all by itself. But there are some things Congress can do to help.

We need to cut the tax burden on working families. Not by giving new tax breaks to corporations that are already profitable, but by giving a tax deduction for college expenses, so more families can afford college and more children can qualify for high-paying jobs in demanding fields.

We need to make sure family businesses can stay in the family, by reducing the estate and gift tax substantially.

We need to balance the budget, in the right way. Not by threatening retirement and health security. Not by threatening the next generation's prosperity by cutting college loans and vocational education. But by a more serious effort to attack fraud and abuse in Government health care programs, by sticking to the Defense Department's recommendations on security rather than tacking on pork programs, and by resisting the temptation to create new loopholes and deductions for profitable companies.

RECORD OF THE CONGRESS

So these are the people Congress is here to help. And I think it's fair to say that at the beginning of 1995, a lot of Montanans felt this Congress might help. There was a lot of new blood and some new ideas, and people had some high hopes.

But those hopes have vanished in the mess of bumbling revolutionary experiments and Government shutdowns which the leadership in the House has created. Rather than make people a little more prosperous and secure, the Congress seems to have deliberately done just the opposite.

When Speaker GINGRICH, for example, was angry about his seating assignment on Air Force One a few months back, he shut down Yellowstone and Glacier National Park, along with most of the rest of the Government, to take revenge. That drove small businesses in the gateway communities to the edge of bankruptcy. And it threatened to put Park Service employees and Government research scientists on welfare.

A SECOND CHANCE

So the leadership in this 104th Congress has let our State down pretty badly. All too often, rather than do something good and positive for the people, it has done something irrational and destructive.

But we are here today to offer the folks in charge a second chance.

By adopting this amendment, we will give hard-working people a raise. Plain and simple. A 90-cent-an-hour raise in the minimum wage, from $4.25 an hour to $5.15 an hour. That is something concrete for people like Rhonda. People who are working hard and finding they can't make it.

For a young woman working 40 hours a week at the minimum wage, this amendment means a raise of 90 cents per hour. That means almost $2,000 more in the pocket every year. And it means a bump along the wage scale that will give some help to Rhonda's co-workers with a bit more seniority—the men and women struggling to provide for their families on $6 or $7 an hour.

OPPOSITION TO MINIMUM WAGE MISGUIDED

I know some around here don't like the idea. But if they'll step back and look again, they'll find that the opposition to a minimum wage increase boils down to one idea: higher wages are bad for the country.

I simply can't accept that. America cannot prosper by keeping a lid on the prosperity of most of our families. That doesn't make sense.

So by putting party ideology aside, the majority here can rebuild some of the credit it has squandered in the past year and a half. It can do some good for honest, deserving working people like Rhonda. And that is what we ought to do.

This minimum wage increase is a chance for Congress to show some common sense. Some independence from elitist supply-side ideologs. The courage to do what we all know is right.

Let's agree to this amendment and give America a raise.

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

Mr. KENNEDY. I yield myself 4 minutes.

Mr. President, I urge the Senate to vote for cloture and end this unconscionable Republican filibuster against the minimum wage. Senate DOLE is leading this filibuster. He is the one who can end it. It is his decision.

Thumbs up, and 13 million wage earners get their first pay raise in 5 years.

Thumbs down, and 13 million minimum wage workers go on living in poverty, because the minimum wage is not a living wage. A hard day's work deserves a fair day's pay. No one who works for a living should have to live in poverty.

Senator DOLE locks up the nomination, and the first thing he does is lock out the 13 million Americans who are only asking for the fair minimum wage they deserve. Stock prices are going right up through the roof, and the minimum wage is falling through the basement. That is not fair. It is not acceptable.

Speaker GINGRICH and Senator DOLE make a remarkable couple. It is like Bonnie and Clyde writing the Republican platform. NEWT GINGRICH wants to repeal the ban on assault weapons, and BOB DOLE wants to block any increases in the minimum wage. Democrats do not share those appalling priorities and neither do the vast majority of the American people.

Who are the minimum wage workers? The vast majority are not teenagers. More than two-thirds are adults, 59 percent are women. Minimum wage workers are nurses aides caring for patients, child-care workers caring for young children, garment workers, retail clerks, janitors cleaning office buildings.

Last year, we heard the story of Tonya Outlaw. She had been teaching at a child care center in Windsor, NC, for 4 years making the minimum wage. She left a high-paying job because she could not afford the child care for her own two daughters. Earning only $4.25 an hour, she cannot afford medicine for her family. She lives with her uncle and sister. Every bill is a struggle. Why are the Republicans filibustering against giving the raise that she deserves?

David Dow was 23 years old when I met him last year working for a pizza chain, in Southfork, PA, working for the minimum wage, struggling to support his 2-year-old daughter and 1-year-old son. His wife works for telemarketing, just above the minimum wage. They have no health insurance, are repaying college loans, and cannot afford child care. They work different shifts and see each other for an hour or two a day, except on weekends.

This is America in 1996. Who are the Republicans kidding? David Dow needs the pay raise the Republicans are filibustering.

The question is, whose side are you on? You cannot have it both ways. We cannot be for working Americans and their families and against making the minimum wage a decent wage. You cannot be concerned about declining living standards for American families and the widening income gap between the wealthiest Americans and everyone else, and then deny a fair increase in the minimum wage.

Congress has not voted to raise the minimum wage in 5 years. At least three times since that last increase, the Senate has given themselves a pay increase. We take care of the privileged. Surely it is time to take care of those at bottom of the economic ladder.

It is shocking that the longstanding bipartisan support for raising the minimum wage has disappeared. The last vote in the Senate in 1989 was 89–8 in favor of a 90-cent increase in the minimum wage.

The economy is healthier in 1996 than it was in 1989. Inflation and unemployment are lower. Corporate profits and the stock market are at record highs.

BOB DOLE and all but a handful of Republican Senators were in the mainstream in 1989 and voted to make the minimum wage a fair wage. The question now is, why have they changed?

I withhold the balance of the time.

The PRESIDING OFFICER (Mr. FRIST). The Senator from Alaska.

Mr. MURKOWSKI. Mr. President, how much time do we have remaining on this side?

The PRESIDING OFFICER. Seven minutes and thirty-two seconds.

Mr. MURKOWSKI. I will yield my remaining time to the Senator from Oklahoma after I make a few remarks.

Mr. President, I think it is interesting to reflect that the attack now is being made on the majority leader as a consequence of the fact that he is the designee, Republican nominee for President.

The comment has been made that there is a filibuster going on. I do not know that there is a filibuster going on. We voted yesterday on cloture. We will vote today on cloture, but, instead, the attack is on the majority leader. I resent that.

Mr. President, the amendment today being offered would raise the minimum wage from $4.25 to $5.15, a 20-percent increase over 2 years. Now, our Democratic friends suggest that this would be very meritorious and everybody would be a winner. They are accommodating, obviously, the interests of the unions. Of course, those members are virtually all in the unions, receiving a wage much higher than the minimum wage. But look at what they are not addressing and the consequences associated with that.

That is why I oppose the amendment, because of the danger that it is going to foreclose job opportunities precisely for those who we want to help. They do not mention that. Increasing the minimum wage will raise the lower rung of the economic ladder and leave behind those just trying to get a foothold with their first job. They will not be hired and we all know it.

The amendment, though well-intentioned, will cause a loss of entry-level jobs. It will limit job opportunities for low-skilled workers. This will not help raise the standard of living for the poor. They do not even want to address that in the discussion.

The U.S. Senate cannot repeal the law of supply and demand. Common sense tells us we cannot make it more expensive to hire new workers and then expect employers to hire the same number of workers. Experience has shown when we raise the minimum wage, employers hire fewer workers and substitute new machinery and new technology in place of those workers. That is why we pump our own gas today. That is why we pay with a credit card rather than have a gas attendant do the job, wash our windows. It is why we bus our own trays in the fast food restaurants.

Make no mistake about it, Mr. President, this is not a win-win-win. As a consequence, the appropriateness of putting this on the parks bill, the most significant environmental measure to come before this body, is simply unconscionable. It is political opportunism at its worst. The fact that it is directed at the majority leader is absolutely uncalled for.

I yield the balance of my time to the Senator from Oklahoma.

The PRESIDING OFFICER. The Senator from Oklahoma.

Mr. NICKLES. How much time is remaining?

The PRESIDING OFFICER. Four minutes.

Mr. NICKLES. Mr. President, I compliment my friend and colleague from Alaska, Senator MURKOWSKI, for, one, his statement, but also for maybe one of the most important things he said: This amendment has nothing to do with the national parks. It does not belong on this bill.

You might say, well, why is it on this bill? Why was it offered by my friend and colleague from Massachusetts to put on this bill? I will tell you. In my opinion, it is all about politics. It is not about increasing minimum wage. If my friends on the other side of the aisle wanted to increase the minimum wage, they controlled this body in 1993, in 1994. They controlled the White House. They could have done it at that time. They had that right. They had the votes. The majority leader could have called it up any time. They did not do it.

Why did they do it now? Well, Presidential politics. Plus, I noticed an article in the paper that says the AFL-CIO endorses Clinton and approves a $35 million political program. They want to run a lot of independent expenditures, all against Republicans. It is all about politics. It does not belong on this bill. We should reject this amendment.

What is the substance of the amendment? The substance of the amendment is, it says if you make less than $5.15 an hour, you should not have a job. Not only should you not have a job, you cannot have a job. An increase in the minimum wage says it is against the Federal law for you to have a job if

you make less than $5.15. You cannot have a job.

I do not care if my friends from the States of Massachusetts, New York, or North Dakota want to increase the minimum wage to $10 an hour in their States; let them do it. I do not think they should do it in my State because they are going to put some people out of work. I heard them say that it has no adverse economic impact and maybe it will increase jobs. If that is the case, let us increase minimum wage to $10 an hour. I do not want everybody to make just $5 an hour; I want everybody to make more than $5 an hour. Why not $10 or $20 an hour? If we can repeal the law of economics, if it makes no difference whatsoever economically, let us make it more because I want people to make a lot more money. I am not against people getting a raise. I want that.

But I do not want to raise the minimum wage and say it is against the law for you to have a job if the best thing you can get is $4.50 or $4.75. I have kids that make that amount of money. We are going to pass a law that says they cannot have a job if it does not pay $5.15. If the infinite wisdom of Washington, DC, says, "If you do not have a job that pays at least $5.15 an hour, you should not have a job," and that person cannot get a job and they are idle, then what are they doing? A lot of times they end up involved in crime or involved in mischief. That is ridiculous. And they do not learn a trade or a new skill.

I worked for minimum wage. I do not make any bones about it. I worked for minimum wage after my wife and I were married, 27½ years ago. We made $1.60 an hour. I needed more, but it was enough. I quit that job and started my own janitor service. I learned a trade, and I hired a lot of people, and they all made more than minimum wage. Why in the world should we set an arbitrary level, a higher level, and say, "If you do not meet this level, you cannot have a job? Uncle Sam says we would rather have you be idle if you cannot meet at least this standard." I think that is ridiculous.

I think the Senator's amendment is wrong in its substance. It is nothing but a political act of appeasement or trying to make organized labor leaders happy. Thank you very much for your $35 million. You are going to get a great program. We are going to try to embarrass BOB DOLE and see if we cannot come up with a great program to thank you for your money. I think that is blatant political abuse and should be rejected. I hope it is rejected.

My colleagues on the other side know this amendment is not going to become law. They hope to score some political points, and I hope they will not be successful.

Mr. KENNEDY addressed the Chair.

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. KENNEDY. Mr. President, how much time remains?

The PRESIDING OFFICER. The Senator has 1 minute 12 seconds.

Mr. KENNEDY. Mr. President, I yield myself 1 minute 12 seconds.

BOB DOLE, March 28, 1974:

> I am pleased to support the conference report on the minimum wage bill. A living wage for a fair day's work is a hallmark of the American economic philosophy.

May 17, 1989, BOB DOLE on the floor of the Senate:

> I have said, as a Republican, I am not going to stand here and say you can live on $3.25 an hour, or $4.55 an hour.

BOB DOLE on the Senate floor, April 11, 1989:

> To be sure, I am all for helping the working poor. I have spent most of my public life supporting causes on behalf of the working poor, and no one would deny that the working poor are the ones who most deserve a wage increase.

Mr. President, where is that BOB DOLE? Where is that BOB DOLE? I hear from my colleagues that they resent the fact that this is being offered on this particular bill. I want to tell you that it does not make a difference whether any Senator resents it in here. The people who resent us not doing this have a right to, and they are the men and women not getting it. They are the ones who ought to feel the resentment by our failure to provide a decent wage, a livable wage, for working 40 hours a week, 52 weeks of the year.

Mr. DASCHLE addressed the Chair.

The PRESIDING OFFICER. The minority leader is recognized.

Mr. DASCHLE. Mr. President, I will use my leader time.

Mr. President, I think it would be very unfortunate if someone cast this as anything other than what it is—unless we act soon, we will be at the lowest point in terms of purchasing power that we have been in our Nation's history when it comes to the minimum wage. That is a fact.

This is not an effort to encumber an environmental bill, as troubling as one aspect of that bill is. It has nothing to do with Presidential politics, it has nothing to do with labor unions. It has everything to do with the fact that the economic foundation for working families in this country has been, is now, and will continue to be the minimum wage. That is a fact. A fair minimum wage is an economic foundation for working families, period.

Seventy-three percent of those who would benefit from this minimum wage increase are adults. Almost three out of every four people; not just those getting started in life, or just out of high school or college. They are people struggling to make ends meet with a family. And 40 percent of those on minimum wage today are the sole breadwinners.

Let us put an end to the stereotype of the teenager flipping hamburgers so he can buy a car, or somehow get started right out of school. The face of a typical minimum wage worker is a woman working full time or part time to support her family, a single mother working 40 hours a week, and concluding at the end of every week or month when she tries to pay the bills that she is still living in poverty. A minimum wage increase could help, at long last, after 5 years, pull her at least a little bit out of the depths of concern that she has about the economic and financial problems she is facing. A 90-cent increase, which is what this bill would do, provides $1,800 more in a year's time. And 45 cents does not sound like a whole lot, but when you combine 45 cents this year and next, over a period of time you find that it buys more than 7 months worth of groceries, 1 year of health care, including insurance premiums, prescription drugs, and other out-of-pocket costs.

This increase will buy 4 months rent or mortgage payments. This increase pays 9 months of utility bills. So do not let anybody mislead you. This is not just a minuscule amount for a lot of people. This is whether people can eat or have the ability to pay their bills. That is what we are talking about here.

The increase in the minimum wage is obviously just a piece of it. The earned-income tax credit is also a very important part. We have faced, throughout this last 14 months, efforts by many of our Republican colleagues to cut the earned-income tax credit. They tell us that they ought to go out and find a job, they do not need the EITC, they ought to rely on the marketplace to find, somehow, an increase in wages there. If we are going to rely upon the marketplace, we better have a living wage to do that. The minimum wage can only be the beginning for many of these working families.

Republicans often tell us they want to move people off welfare and on to work, and we share that view, that desire, that goal. What do you tell people who work 40 hours a week and are still below the legal level of poverty in this country? How is that an encouragement to tell people to get off welfare? Restoring the minimum wage to a working wage is one of the best ways you get people off of welfare.

Five years, Mr. President, is a long time. In that 5 years, we have had increases in our wages. Just about every CEO in this country has seen dramatic increases in their wages. I do not deny them that. In many cases, they truly deserve it. On April 1, we will see the fifth anniversary of the last increase in the minimum wage. We have seen a 20-year period of wage stagnation, and the gap between the richest and poorest in this country has never been wider. The stratification in this country has to be something this Senate addresses.

A higher minimum wage is the least we can do to begin dealing effectively

with that stratification. The real value of the minimum wage has fallen by nearly 50 cents since 1991, and by 29 percent since 1979. If we do not act right now, the real value will be at a 40-year low by January 1997.

This is not just a matter affecting a few people, Mr. President; 12 million working people will benefit directly by what we are going to decide this afternoon. In 32 States, it is over 10 percent of the work force. In study after study, in spite of all the denials you hear from our Republican friends—nearly two dozen in all, not one or two—have shown that a moderate increase in the minimum wage can be achieved without costing jobs. That is not our assertion. That is not something we just postulate about. This is something that actually has been examined in case after case after case, and in every single case it has been reported that you can raise the minimum wage at a moderate level and not cost jobs.

In fact, we see a positive effect on both business and workers. A higher minimum wage reduces turnover, raises productivity, and lowers recruitment and training costs. When workers are paid better, when they get a better living wage, then there is more demand for the products they make.

There are all kinds of advantages in doing this in a proper way. We know that. Apparently, a lot of Republican colleagues share that view because the last time we voted in 1989, 89 Senators supported the increase in the minimum wage. A Republican President signed it into law indicating that he endorsed the principle of a guaranteed and fair minimum wage.

The time has come to show that same bipartisanship and to do it again. A recent Gallup poll said that 77 percent of the American people think that we ought to do it again. Sixty-three percent of Republicans think that we ought to do it again.

This is not a "new mandate." This is not something that we have just dreamed up. This is something we have been doing for decades and decades with the realization you have to start somewhere. The U.S. Conference of Mayors just sent us all a letter that makes it very clear that they endorse an increase in the minimum wage. These are government leaders at the most local level telling us that they see what this does; they know that if we get people off welfare, they can reduce the cost of government. The way to do it is with a minimum wage that works.

So, Mr. President, there are those who say we are somehow encumbering the process. So be it. If there is no other way to ensure that we get a vote on the minimum wage, we have no other choice but to do it this way.

We have all agreed that we will hold off on offering this as an amendment to any other piece of legislation if we can simply get a timeframe within which this can be debated, when we can consider it in a way that gives us a commitment to vote on a minimum wage.

The ultimate irony is that the majority is asking people making $4.25 an hour to wait until the majority figures out a way to cut their Medicare benefits before they allow them a 45-cent increase. Republicans—at least some of them—are prepared to wage a war on working families.

Two days ago, we saw that they are willing to go to any length to avoid a vote and to face a choice. We saw a 4-hour quorum call, a motion to recommit, a recess in one of the biggest weeks of the year, and talk of an unfunded mandates points of order.

Mr. President, never have so few done so much to deny so little to so many.

Working Americans are not going to be fooled. Our Republican colleagues cannot have it both ways. They express newfound concern for workers in a campaign but then manufacture reasons to oppose them when it is real.

If you oppose the minimum wage, as the House majority leader does, then vote against this. But if you believe that 12 million people—many the sole earners for their families—deserve an increase, then vote for it.

The time to face up to that choice is what this is all about. It is what we were elected to do. Let us do it this afternoon.

Several Senators addressed the Chair.

Mrs. BOXER. Mr. President, will the minority leader yield for a question?

Mr. DASCHLE. If I have time available, I will be happy to yield for a question.

The PRESIDING OFFICER. The Senator from California.

Mrs. BOXER. Thank you, Mr. President.

I ask the Democrat leader. Is it not so that 51 Senators have already gone on record in favor of raising the minimum wage?

Mr. DASCHLE. The Senator is correct. We have seen a number of Republicans as well as Democrats—in fact, almost unanimously the Democrats and many Republicans have indicated their support in votes taken earlier last year.

So clearly we have a majority vote in the Senate in support of an increase in the minimum wage.

Mrs. BOXER. Mr. President, will my leader agree that these parliamentary maneuvers are really meant to delay, put off, postpone, block an up-or-down vote even though the majority of Senators support such an increase?

Mr. DASCHLE. The Senator is correct.

Several Senators addressed the Chair.

Mr. NICKLES. Mr. President, will the minority leader yield for a question?

Mr. DASCHLE. I am happy to yield, if I have any time.

Mr. NICKLES. I ask the Senator from South Dakota, correct me if I am wrong, but when the Democrats were in control of the Senate and the House in 1993 and 1994 and you had Bill Clinton in the White House, if this is so urgent, why did not you bring it to the floor any time during those 2 years? Is there any reason why it was not brought to the floor at that time?

Mr. DASCHLE. The answer is very simple. Obviously, if we could put some sort of cost of living adjustment in the minimum wage we would do so. We would do so today. We would do so any time. Obviously that is not possible. So we have to revisit the issue from time to time. The average length of time between increases of the minimum wage is 6 or 7 years. You cannot do it the first couple of years. We know that. As much as we would like to, we recognize the limitations of increasing the minimum wage. But over a period of time, you finally have to come to the conclusion that, if you cannot do it in 2 years, if you cannot do it in 3 years, at least you have to do it in 5 years.

That is really what this is all about—a recognition that we could not do it before but we ought to do it now—now that we have reached a purchasing power level that approaches the lowest in history.

So certainly the Senator from Oklahoma recognizes, as all of us do, that this is the time to face up to the facts and adjust this minimum wage as we know we must.

Mr. DORGAN. Mr. President, will the Senator yield for a question?

The PRESIDING OFFICER. The time has expired.

Mr. DASCHLE. My time has expired. I appreciate the indulgence of the President.

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

The PRESIDING OFFICER. Fifteen seconds.

Mr. MURKOWSKI. Mr. President, I think we have just witnessed a preview of the course of the Senate action from here on until the elections. It is going to be crass political attacks against the Republican Presidential nominee, BOB DOLE. Nothing meaningful is going to get done in this body, and that is simply too bad.

The PRESIDING OFFICER. All time has expired.

Mr. WARNER addressed the Chair.

The PRESIDING OFFICER. The Senator from Virginia.

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

AGRICULTURAL MARKET TRANSITION ACT—CONFERENCE REPORT

The Senate continued with the consideration of the conference report.

Mr. MURKOWSKI. Mr. President, I ask for the yeas and nays on the conference report to accompany H.R. 2854, the farm bill.

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 conference report. On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

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

The result was announced—yeas 74, nays 26, as follows:

[Rollcall Vote No. 57 Leg.]

YEAS—74

Abraham	Ford	McConnell
Ashcroft	Frist	Moseley-Braun
Baucus	Gorton	Moynihan
Bennett	Graham	Murkowski
Biden	Gramm	Murray
Bingaman	Grams	Nickles
Bond	Grassley	Nunn
Boxer	Gregg	Pell
Bradley	Hatch	Pressler
Breaux	Hatfield	Robb
Brown	Heflin	Roth
Burns	Helms	Santorum
Campbell	Hutchison	Shelby
Chafee	Inhofe	Simon
Coats	Inouye	Simpson
Cochran	Jeffords	Smith
Cohen	Johnston	Snowe
Coverdell	Kassebaum	Specter
Craig	Kempthorne	Stevens
D'Amato	Kyl	Thomas
DeWine	Leahy	Thompson
Dole	Lieberman	Thurmond
Domenici	Lott	Warner
Faircloth	Lugar	Wyden
Feinstein	Mack	

NAYS—26

Akaka	Feingold	Levin
Bryan	Glenn	McCain
Bumpers	Harkin	Mikulski
Byrd	Hollings	Pryor
Conrad	Kennedy	Reid
Daschle	Kerrey	Rockefeller
Dodd	Kerry	Sarbanes
Dorgan	Kohl	Wellstone
Exon	Lautenberg	

So the conference report was agreed to.

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

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

The motion to lay on the table was agreed to.

PRESIDIO PROPERTIES ADMINISTRATION ACT

The Senate continued with the consideration of the bill.

CLOTURE MOTION

The PRESIDING OFFICER. The cloture motion having been presented under rule XXII, the Chair directs the clerk to read the motion.

The legislative clerk read as follows:

CLOTURE MOTION

We, the undersigned Senators, in accordance with the provisions of rule XXII of the Standing Rules of the Senate, do hereby move to bring to a close debate on the Kennedy amendment No. 3573.

Edward M. Kennedy, Paul Wellstone, Joe Biden, J.J. Exon, Chuck Robb, Carol Moseley-Braun, Christopher Dodd, Bryon L. Dorgan, Claiborne Pell, Kent Conrad, John F. Kerry, Ron Wyden, David Pryor, Russell D. Feingold, Paul Sarbanes, Patrick Leahy, Dianne Feinstein, Frank R. Lautenberg.

VOTE

The PRESIDING OFFICER. The question is, Is it the sense of the Senate that debate shall be brought to a close?

The yeas and nays are ordered under rule XXII.

The clerk will call the roll.

The bill clerk called the roll.

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

The yeas and nays resulted—55 yeas, nays 45, as follows:

[Rollcall Vote No. 58 Leg.]

YEAS—55

Akaka	Ford	Moseley-Braun
Baucus	Glenn	Moynihan
Biden	Graham	Murray
Bingaman	Harkin	Nunn
Boxer	Hatfield	Pell
Bradley	Heflin	Pryor
Breaux	Hollings	Reid
Bryan	Inouye	Robb
Bumpers	Jeffords	Rockefeller
Byrd	Johnston	Roth
Cohen	Kennedy	Santorum
Conrad	Kerrey	Sarbanes
D'Amato	Kerry	Simon
Daschle	Kohl	Snowe
Dodd	Lautenberg	Specter
Dorgan	Leahy	Wellstone
Exon	Levin	Wyden
Feingold	Lieberman	
Feinstein	Mikulski	

NAYS—45

Abraham	Faircloth	Lugar
Ashcroft	Frist	Mack
Bennett	Gorton	McCain
Bond	Gramm	McConnell
Brown	Grams	Murkowski
Burns	Grassley	Nickles
Campbell	Gregg	Pressler
Chafee	Hatch	Shelby
Coats	Helms	Simpson
Cochran	Hutchison	Smith
Coverdell	Inhofe	Stevens
Craig	Kassebaum	Thomas
DeWine	Kempthorne	Thompson
Dole	Kyl	Thurmond
Domenici	Lott	Warner

The PRESIDING OFFICER. On this vote the yeas are 55, the nays are 45. Three-fifths of the Senators duly chosen and sworn not having voted in the affirmative, the motion is rejected.

Mr. HELMS addressed the Chair.

The PRESIDING OFFICER. The Senator from North Carolina.

FOREIGN RELATIONS AUTHORIZATION ACT, FISCAL YEARS 1996 AND 1997—CONFERENCE REPORT

Mr. HELMS. Mr. President, I ask that the Chair lay before the Senate the conference report to accompany H.R. 1561, the State Department Authorization bill.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The committee on conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 1561), a bill to consolidate the foreign affairs agencies of the United States; to authorize appropriations for the Department of State and related agencies for fiscal years 1996 and 1997; to responsibly reduce the authorizations of appropriations for United States foreign assistance programs for fiscal years 1996 and 1997, and for other purposes having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses this report, signed by a majority of the conferees.

The PRESIDING OFFICER. Without objection, the Senate will proceed to the consideration of the conference report.

(The conference report is printed in the House proceedings of the RECORD of March 8, 1996.)

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

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. WELLSTONE. Mr. President, I ask unanimous consent to call off the quorum call for 5 minutes to speak as in morning business.

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

NO GIFT BAN EXEMPTION

Mr. WELLSTONE. Mr. President, today in the Washington Post, and yesterday in the Congress Daily, there were some articles suggesting that Senator MCCONNELL, Chair of the Senate Ethics Committee, was talking about a blanket exemption on the gift ban—and there may be changes to this, and I hope so—for the upcoming political conventions in San Diego and in Chicago.

Mr. President, I want to speak very briefly—and I suspect that I speak on behalf of other colleagues, Senator MCCAIN from Arizona, Senator FEINGOLD from Wisconsin, Senator LAUTENBERG, Senator LEVIN—after more than 2½ years of negotiations and several hard-fought battles, just as the ink is drying, for a major change like this to be proposed, I think would be a serious breach of faith with the people in our country.

Mr. President, a friend and former Senator, Eugene McCarthy, who, by the way, will be 80 this weekend, has joked with me about being a "Calvinist" on congressional gift rules, but the reason many of us Senators worked very hard on this reform is that we want people to have more confidence and more trust and more faith in the political process. I just want to say that I really think if there is any kind of blanket exemption here, it would be a terrible mistake.

I can see the headlines now: "Members of Congress Take a Holiday from New Ethics Rule;" or "Pressed By Special Interests, Members Backslide to Provide Access;" or another headline,

"Safe Harbor From Ethics Rules Members Let Their Hair Down at the Conventions."

Mr. President, I just want to make it clear to colleagues that we would be making a terrible mistake. It is one thing if there are specific issues that have to be resolved, specific problems where maybe there could be minor clarifications. I say just maybe because I think this gift ban legislation is very reasonable.

But, quite frankly, people do not want to see us go into these conventions and having special interests pay for our hotels or having them pay for various kinds of outings or having them pay for fancy dinners. It is just simply out of the question, Mr. President.

We have a $50 limit on a gift. You can take one up to $50. I say if somebody is thinking about eating more than $50 worth of shrimp at a gathering, this is becoming more a health care issue, not an issue of gift reform.

I do not mean to be just talking about this with a twinkle in my eye, but I want to say to colleagues, I do not know what was intended by these comments, but those who worked very hard on this certainly would be out on the floor. If there was any broad or blanket exemption, we would oppose it with all our might. And, more importantly, people in this country would not stand for it.

Mr. President, let me just say one more time: The ink is barely dried on these new gift rules, and some are now proposing to relax them. All of a sudden we hear about possible exemptions from the gift rules while Members are at the conventions. For Democrats and Republicans alike—let me be bipartisan—it would be a huge mistake to go back on the very reform law that we passed a few months ago. We must not do it.

There should not be any broad exemptions for these political conventions. We ought to live up to the law of the land that we passed. We ought to live up to this reform. We all ought to go by very high standards. I think people want us to.

I yield the floor. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

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

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

FOREIGN RELATIONS AUTHORIZATION ACT, FISCAL YEARS 1996 AND 1997—CONFERENCE REPORT

The Senate continued with the consideration of the conference report.

Mr. HELMS. Now, Mr. President, will the Chair review for me the unanimous consent in terms of time.

The PRESIDING OFFICER. The agreement is 2 hours under the control of the Senator from North Carolina, Senator HELMS, or his designee; 2 hours under the control of Senator KERRY or his designee; 2 hours under the control of Senator NUNN; 3 hours under the control of Senator JOHNSTON; and 1 hour under the control of Senator FEINSTEIN.

Mr. HELMS. That makes 2 hours on our side. That is a total of 10 hours.

The PRESIDING OFFICER. Ten hours.

Mr. HELMS. I yield myself such time as I may consume.

Mr. President, the Senate now has before it the conference report accompanying H.R. 1561, which, of course, is the Foreign Relations Authorization Act for fiscal year 1996 and 1997.

This bill authorizes $6.5 billion for the operation of the Department of State, the U.S. Information Agency, and the Arms Control and Disarmament Agency for 1996 and 1997. That represents a $500 million cut from fiscal year 1995 spending.

After 1996, the bill authorizes funding for the State Department and requires the President to abolish at least one of the three anachronistic foreign affairs agencies: Either the Arms Control and Disarmament Agency, the U.S. Agency for International Development, or the U.S. Information Agency.

During the course of this debate, some may attempt to portray this legislation as isolationist. I hear that all the time. But you better not go out and ask the taxpayers of America what they think of it, because they do not agree with these people who cry isolationism.

These people who oppose this bill and have opposed it will not ever, of course, mention that the Secretary of State, Warren Christopher, himself proposed the abolishment of not one but all three of these agencies. The fact is likely to be ignored, as well, that such prominent isolationists as Henry Kissinger, George Shultz, Larry Eagleburger, General Al Haig, and Jim Baker, all five being former Secretaries of State, support this, testified on behalf of it, and urged that we pare back these anachronistic, bloated foreign affair agencies. Of course, the media did not say much about that. They never do.

This bill, of course, does not cut the muscle out of our foreign affairs apparatus. What it does do is cut the fat—a little bit of it—by making deep and necessary reductions in the current bloated and unwieldy Federal bureaucracy that says it is dedicated to foreign affairs.

This bill cuts $500 million from the 1995 spending level. I have already said that. I do not think that is isolationism. If it is isolationism, Mr. President, let us make the most of it, because if I could have my full way, we would cut even more deeply across the board and save the taxpayers billions upon billions of dollars, not only in terms of the State Department but all across this bloated Federal bureaucracy.

This bill is simply a recognition that the U.S. Government wants too much money and desperately needs to reduce the $5 trillion Federal debt that has been piled up and will be dumped on the backs of young people. Simply put, the State Department can and must do more with less, and the greatest advocates of that have been the present Secretary of State, before he was instructed to take a hike, and five former Secretaries of State, who stood up and said, "This needs to be done."

Most important, in agreeing to this conference report, the Senate has an opportunity to send to the President of the United States a bill to disestablish at least one anachronistic Federal agency and, thereby, save the American taxpayers $1.7 billion. It was my intent, when I embarked on this legislation, to do far better than that, but the distinguished Presiding Officer knows what happened all of last year, and for most of this year—it was filibustered. There were instructions from the White House to delay and obfuscate and not to let this bill pass because it will cost some bureaucrats their jobs. So they filibustered. And only when the Senator from North Carolina said, "All right, if you are going to filibuster this bill, you are not going to get any more ambassadors, and you can tell your President that." Pretty soon, they said, "Let's make a deal." When they made a deal, they got the ambassadors. But if they had not made a deal, at least to have a vote on this legislation, those ambassadors would still be sitting twiddling their thumbs.

Let me remind all involved that Republicans were elected in 1994, in the majority of both the House and Senate, to cut the size of the Federal Government and to eliminate waste by the Federal Government. And this is the first piece of legislation to be sent to the President of the United States which will result in one agency—one anachronistic Federal agency—being abolished.

I sat at home the night that the President delivered his State of the Union Address. I would rather be with Dot Helms than go to any State of the Union Address. She is a lot better company. I heard the President say over and over again—it was a great show, by the way—"The era of big Government is over." Do you remember him saying that? Some people cheered, including the few conservatives who were sitting down there. Well, the President will soon have the opportunity to prove that he meant that. But, already, the White House is sending word that the President is going to veto this bill, minimal as it may be.

Mr. President, after months of foot-dragging and calculated delays, our friends on the other side grudgingly allowed our reform efforts to be voted on in the Senate and went into a conference committee with the House of Representatives. Mr. President, I have participated, during my nearly 24 years in the Senate, in a lot of conferences. But this conference was one of the most peculiar I have ever seen or heard about, let alone participated in. Prior to the convening of the conference between the House and the Senate, the Democrat Senators made three demands, and I believe the majority made every possible good-faith effort to meet those demands. First was on the question of funding levels. This conference report is consistent with the Commerce, State, Justice appropriations bill on nearly every account. The funding levels contained in this bill are the best that the President of the United States is going to get from a Republican Congress.

Second, despite receiving no input whatsoever—not a syllable—a bipartisan attempt was made to work out an acceptable compromise on population funding. That not being possible, the entire issue was then set aside for later consideration.

Finally, the Democrats demanded that no more aid provisions be included in the final conference agreement. Again, the majority agreed and obliged. Except for the Peace Corps and some antinarcotics funding, there are no foreign aid authorizations in this bill. Important provisions necessary to bring peace in Ireland and to end the embargo of Armenia are included. What do you know? Despite all of these concessions that we made, when the conference began, not one Senate Democratic conferee—except for JOHN KERRY of Massachusetts, with one brief visit by the distinguished Senator from Rhode Island, Senator PELL—attended any meeting of the conference. Senator PELL just visited briefly one time, and JOHN KERRY was there for a while.

Now, the conference met on five separate occasions over a period of 2 weeks, and never did any other Democratic member of the Foreign Relations Committee even set foot in the room.

Mr. President, the Office of Management and Budget recommends that the President veto this bill when it is presented to him. According to an OMB statement, one reason the President should veto the bill is because "it fails to remedy the severe limitation on U.S. population assistance programs placed in the fiscal year 1996 foreign operations bill."

Do not be deceived by the words "population assistance program." It has nothing to do with assisting the population. It has everything to do with unborn babies that the Federal Government wants to finance to be killed.

Now, I suggest, however, that if the President agrees with OMB, then he should not have signed the foreign operations bill if he did not approve of the abortion-related provision in that because it is strange indeed that the President would veto this bill because it does not fix a problem that he, himself, the President, created when he signed the appropriations bill. So that is the inconsistency that we have run into all along.

Mr. President, the distinguished occupant of the Oval Office apparently wants to have his cake and eat it, too. Further, the Office of Management and Budget recommended to the President that he veto the bill because it terminates the Agency for International Development's housing guarantee program. Now, what OMB kept secret, though, was the fact that this program is the international equivalent to the U.S. savings and loan bailout just a few years ago. The General Accounting Office, when recommending the termination of this program reported: "We estimate that the cost to the U.S. Government of future loan default from the existing portfolio of loans is likely to be an additional $600 million."

That is on top of the $400 million already lost, Mr. President. Yet, AID and others in this administration, have been struggling for more than a year to keep this sorry program alive. I suspect that when the American people learn—if the media will dare let them know about it—that Congress has passed and the President has vetoed a bill that would save $1.7 billion and abolish one of those temporary Federal agencies created in 1950—in the 1950's, at least— I think the American people are going to have a definite reaction. By the way, Ronald Reagan used to say, "There is nothing as close to eternal life as a temporary Federal agency." He was right about that. We are trying to do away with one of them. We are not get getting anywhere much. But we will see.

Let me take a moment to recognize the valuable work that has been performed by other of my colleagues on this side of the aisle who served as conferees on this bill— Senator HANK BROWN, Senator COVERDELL, Senator ASHCROFT. Most important, I want to pay my respects to the distinguished Senator from Maine, Ms. SNOWE, who chaired the International Operations Subcommittee and who has worked faithfully side by side with me and others to move this bill forward as best we could in the face of a total blockade by the other side. Senator SNOWE is most knowledgeable about the intricacies of the State Department and the international operations budget.

Well, Mr. President, here we are. We are now at the point, as the saying goes, where "the rubber meets the road." A vote against this conference report is a reaffirmation of the status quo which has contributed so much to the $5 trillion Federal debt that has been run up by the Congress of the United States. Do not blame any President, Democrat or Republican. The damage was done right here and in the House of Representatives. This is where that $5 trillion debt was run up because we could have stopped it.

Those of us over the period of the last 23 years and 3 months, as far as I am concerned, who tried to hold down the spending were described by the liberal media as being tight-fisted and ultraconservative. But I think the young people, when they realize what the Congress of the United States has done in dumping this $5 trillion debt on the American people, are going to have a small revolution of their own. I hope it will start in November among those who are 18 or older.

By the way, Mr. President, back in February 1992, I realized that nobody was paying much attention to the Federal debt which at that time stood at about, as I recall, $3.5 trillion. I think it was February 22 or 23 that I decided to begin making a daily report to the Senate on the Federal debt as of the close of business the previous day. On Mondays the report, of course, was for the close of business the previous Friday.

One day I went into the Cloakroom where Senators were awaiting a rollcall vote that had been scheduled by unanimous consent. I got to thinking about how big $1 trillion is. I went in, and I said, "Fellows, how many million are there in a trillion?" I had all sorts of guesses. These are the folks, myself included, who have been here when this debt has been run up. Only one of them, as I recall, had the vaguest notion of how many million there are in a trillion. Finally one of them got out a piece of paper and scribbled it down. He said, "There are a million million in a trillion." What do you know about that? Now we owe 5 million million dollars—"we" being the coming generation, in the main.

I think that is a criminal act on the part of the Congress of the United States—to run up that debt for these young people to pay.

In any case, a vote in favor of this pending conference report will be a vote to cut Federal spending by $1.7 billion for the American taxpayers while shutting down at least one anachronistic, wasteful, bloated, antiquated agency.

I reserve the remainder of my time and yield the floor.

Mr. DOLE. Mr. President, since last year we have been working hard to reform the foreign policy bureaucracy—to save the taxpayers nearly $2 billion and to get our foreign policy machinery working smoothly. This bill takes a big leap forward in that direction.

And, this bill does even more. It supports numerous U.S. foreign policy

goals—from Europe to Asia—at a time when our interests are being challenged around the globe.

In addition to State Department reorganization, this bill has many other important provisions including:

The Humanitarian Aid Corridors Act, which prohibits U.S. aid to other governments does not block U.S. assistance to needy populations;

Full funding of the administration's request for assistance to Israel;

Funding for the International Fund for Ireland and provisions to encourage recipients to use business practices consistent with the so-called MacBride Principles;

A mandate for the establishment of Radio Free Asia and the beginning of broadcasts into China and other Communist countries in Asia;

Prior notice of Security Council votes on U.N. peacekeeping activities and a limitation of the U.S. assessment percentage for U.N. peacekeeping to 25 percent;

Authorization for the Bosnia and Herzegovina and self-defense fund to provide $100 million to arm and train Bosnian Federation Forces.

The list goes on and on. The Point is that no matter how hard the administration tries to muddy the waters with its long list of objections—no matter how much rhetoric administration officials spew forth—it is clear that the Clinton administration is more interested in protecting the foreign policy bureaucracy and promoting the status quo, than protecting and promoting American interests.

We've heard the administration's objections, but let's look at the facts. This bill is silent on abortion. With respect to Vietnam, the Congress is only requiring that the President certify that his own stated criteria have been met before relations with Vietnam are upgraded. This legislation supports U.S. foreign policy interests and only limits bureaucratic redundancy and inefficiency. This bill allows our limited foreign aid dollars to go further.

Mr. President, to threaten to veto this bill is irresponsible. To actually veto this bill is inexcusable.

Mr. HELMS. Mr. President, I ask unanimous consent that the time in the quorum call be deducted proportionately from both sides controlling the time.

Mr. SPECTER addressed the Chair.

The PRESIDING OFFICER. The Senator from Pennsylvania.

Mr. SPECTER. Mr. President, I ask unanimous consent that I may proceed for up to 5 minutes as if in morning business.

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

Mr. HELMS. To be charged to each side. Is that correct?

The PRESIDING OFFICER. That is correct.

Mr. SPECTER. I thank the Chair. I thank my distinguished colleague from North Carolina.

TEEN PREGNANCY PREVENTION WEEK

Mr. SPECTER. Mr. President, I have sought recognition to comment about the establishment of Teen Pregnancy Prevention Week in the Commonwealth of Pennsylvania from March 18 to March 24, and about a meeting of a number of people at Central High School in Philadelphia on Friday, March 15, at 3 p.m. where a group of educators, ministers, students, and I spoke briefly about this subject.

There is enormous controversy on the subject of pro-choice, pro-life, but there is a consensus that there ought to be the maximum effort made toward prevention of teen pregnancy and that, to the extent possible, information should be distributed and there ought to be positive peer pressure on teens on the subject of abstinence.

The birth rate among teenagers remains at a surprisingly and alarmingly high level compared to those of nearly all other developed countries. In Pennsylvania, the pregnancy rate is 58.3 per 1,000 females aged 15 to 25.

A proclamation was adopted which I ask unanimous consent to be printed at the conclusion of these remarks on Teen Pregnancy Prevention Week.

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

(See exhibit 1.)

Mr. SPECTER. Mr. President, this is in line with efforts which are now being made by the Appropriations Subcommittee which I chair, Labor, Health, Human Services and Education, to allocate more funding for Title XX on abstinence. This is a funding issue which I have been active in at the specific request of our colleague, Senator Jeremiah Denton, who was a major spokesman for this issue prior to his departure from the Senate back in 1987.

Mr. President, it is my intention to introduce legislation to increase funding and authorization on the abstinence issue and, also, legislation to promote adoption with tax breaks. My staff and I are currently in the process of securing cosponsors for that legislation, which I anticipate introducing sometime in the latter portion of April.

Mr. President, at this point, I ask unanimous consent that the full text of the proclamation be printed in the RECORD together with the list of the speakers who spoke at the Teen Pregnancy Prevention Week press conference back on March 15, 1996, together with a copy of the "Dear Colleague" letter which I am circulating with the request that any of my colleagues who wish to support this legislation let me know so they may be added as cosponsors.

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

PHILADELPHIA FAMILY POLICY COUNCIL,
Philadelphia, PA, March 14, 1996.

TEEN PREGNANCY PREVENTION WEEK PRESS CONFERENCE SPEAKERS LIST

1. William Devlin, Director, Philadelphia Family Policy Council.
2. Reverend Ray Barnard, pastor, Impacting Your World Christian Center.
3. Dr. Della Blair, Founder and Director, Blair Christian Academy.
4. Dr. Keith Herzog, prediatrician, affiliated with Holy Redeemer Hospital and Medical Center and St. Christopher's Hospital for Children.
5. Reverend Herb Lusk, pastor, Greater Exodus Baptist Church.
6. Tim Julien, Senior at Central High School.
7. Monica Sneed, Junior at Girls' High.
8. Rachel Toliver, Junior at Central High School.
9. Dan Kim, student at Central High School.
10. Senator Arlen Specter; Signing of Proclamation.

U.S. SENATE,
SELECT COMMITTEE ON INTELLIGENCE,
Washington, DC, March 25, 1996.

DEAR COLLEAGUE: I am writing to urge you to cosponsor two bills I intend to introduce shortly: the Adolescent Family Life and Abstinence Education Act of 1996 and the Adoption Promotion Act of 1996.

While there are obviously great differences of opinion on the pro-life/pro-choice issue, there is a consensus that all efforts should be made to prevent unwanted teen pregnancies through abstinence. The first bill does just that.

Where tax breaks for adoption would encourage carrying to term, we should act on that as well. The second bill does just that.

The following describes the essence of the two bills:

Adolescent Family Life and Abstinence Education Act of 1996.—Reauthorizes the Adolescent Family Life (Title XX) program, which funds demonstration projects focusing on abstinence, adolescent sexuality, adoption alternatives, pregnancy and parenting. This program had bipartisan support when originally enacted in 1981 and when it was reauthorized in 1984. Authority for Title XX expired in 1985 and since then, the program has been operating under funding provided in the annual Labor, HHS, and Education Appropriations bill. For FY 1996, the Labor, HHS, and Education Appropriations Subcommittee, which I chair, has provided $7.7 million for the Adolescent Family Life program. Congress should reauthorize Title XX to demonstrate our commitment to abstinence education and the physical and emotional health of adolescents.

The Adoption Promotion Act of 1996.—Provides tax incentives to encourage adoption, a policy which serves as a compassionate response to children whose own parents are unable or unwilling to care for them. This is particularly important in an era when so many teenagers are having babies and are unable to care for them. This proposal is based substantially on the provisions contained in the balanced budget legislation which Congress passed in 1995 but was vetoed by the President.

I hope you will cosponsor one or both of these bills. If you are interested, please contact me or have your staff contact Dan Renberg at 224-4254.

Sincerely,

ARLEN SPECTER.

P.S. A more detailed statement of the bills is enclosed. My office and I would be glad to provide additional information upon request.

EXHIBIT 1

Whereas, In the United States, birth rates among teenagers remain at alarmingly high levels compared to those of nearly all other developed countries and in Pennsylvania, the pregnancy rate is 58.3 per 1,000 females ages 15–19; and

Whereas, the negative effects of early parenthood on the lifelong health, educational status, and financial condition of adolescents are well documented and babies born to teenage mothers are more prone to low birthweight and to have medical and developmental problems, teenage pregnancy is a public health issue of serious concern. Still, it is just one symptom of the greater problem of teenage sexual activity which carries many additional risk; and

Whereas, sexually transmitted diseases (STD's) some of which can be easily cured but others of which can cause permanent damage, infertility, death or harm to an unborn child, continue to affect 3 million teenagers per year, a solution that offers complete protection from these diseases is needed; and,

Whereas, The emotional consequences of early sexual activity can include anxiety, regret, decreased self-esteem, confusion about intimacy and shattered dreams; and

Whereas, "Safe sex" is at best a relative concept since even consistent, correct use of condoms can not guarantee freedom from STD's or pregnancy and offers no protection from the emotional consequences of intimacy without commitment; and

Whereas, studies indicate a decrease in sexual activity among teenagers in recent years, a recent study indicated that 9 out 10 youths want help in saying "no" to sexual pressure, and, abstinence programs designed for pre-teens and teenagers record a clear reduction both in teen pregnancy rates and teen sexual activity at large; and.

Whereas, the people of the state of Pennsylvania are interested in the health and well being of youth, I recognize that young people must be taught the risks of pre-marital sexual activity, the benefits of abstinence prior to marriage, and how to build healthy relationships on a solid foundation. This indicates my belief in the strength and character of the young people of this fine state.

Now, therefore, I Arlen Specter, United States Senator From Pennsylvania, do hereby proclaim the week of March 18 to 24, 1996 to be Teen Pregnancy Prevention Week. I urge all citizens to take part in activities and observances designed to increase understanding of abstinence as the positive solution to the problems of teenage pregnancy and its related issues. This message is not one of mere prevention, but a message of hope. At the local, state, and national levels, I uphold and support the message of abstinence prior to marriage as the healthy alternative for all Pennsylvanians.

In witness thereof, I have hereunto set my hand.

Mr. SPECTER. I thank the Chair. I yield the floor.

Mr. HELMS. Mr. President, on the basis that I mentioned earlier, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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

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

FOREIGN RELATIONS AUTHORIZATION ACT, FISCAL YEARS 1996 and 1997—CONFERENCE REPORT

The Senate continued with the consideration of the conference report.

Mr. KERRY. Mr. President, this conference report that we are now considering on H.R. 1561 is not a traditional nuts-and-bolts authorization bill for the Departments of State, USIA, and ACDA. It is, regrettably, a nonbipartisan and controversial bill in its current form.

This bill seeks to reorganize the foreign affairs agencies of the executive branch by forcing on the President a consolidation of one Agency, USIA, AID, or ACDA, even though the administration has made it very, very clear that is unacceptable to them. So, for that reason alone, this particular bill is subject to veto by the President. He has said that he will, indeed, veto it on that basis. I think it is regrettable we are going to take the time of the Senate to go through the process of sending the President something that he has already said he is going to veto, but that is what we are going to do.

But there are other implications in here. If a President of the United States asserts constitutional authority with respect to particular prerogatives within the formulation of the conduct of American foreign policy, it seems to me we ought to be careful to at least examine, if not respect at face value, those assertions with respect to that constitutional authority. And I think that there are legitimate questions here about whether or not it is appropriate, if the President says that is a prerogative and he does not want to be forced into that position, whether or not we should not respect that and create a different formulation by which we end up with the same result.

We did offer a different formulation by which we would end up with the same result during the course of the conference. That was rejected. Specifically, we offered the same amount of savings that we will achieve under the numbers in this bill—actually, a slightly lower aggregate amount of savings—but we recommended that we only hold out the threat of closure of these agencies if the President refused to return to us a sufficient plan with respect to the reorganization of our foreign policy agencies, and we had the right to determine whether or not we thought that was a sufficient plan. If we did not, we could reject it and start again.

In addition to that, there are a series of policy issues attached to what should, in normal circumstances, be a nuts-and-bolts reauthorization. Those policy decisions, each and every one of them, present their own set of problems. One such policy issue is the very, very significant alteration of our relationship with China, it might be said, literally shaking the foundations of that relationship at a very precarious time in our dealings with both China and Taiwan. I will have more to say about that subsequently, as will other colleagues.

In addition to that, it undermines the President's July 1995 decision with respect to normalization with Vietnam, and puts language into the authorizing process that, in effect, sets back our accountability process on the POW/MIA's.

Furthermore, it fails to meet the administration's budget requests for fiscal year 1997, particularly for the critical account of peacekeeping. The United States is engaged, as we all know, in most critical peacekeeping efforts in the world, most recently in Bosnia. To suggest the Congress is going to be unwilling to meet what we know are the agreed-upon figures and responsibilities for those peacekeeping efforts is simply irresponsible. Moreover, it sends a very, very dangerous, damaging message to our relationships with our allies.

Yesterday, I had the privilege of having a meeting with our Ambassador to the United Nations, Ambassador Albright, whom I think most would agree has been really doing an outstanding job on our behalf in New York at the United Nations. She relates that, literally in every debate, in every single effort, now, to try to bring our allies along on some particular effort, she meets with not just resistance, but a level of cynicism and scorn with respect to the United States' arrearages and the United States' slowness in paying with respect to peacekeeping.

Even in Bosnia, we are $200 million shy of a $200 million commitment. And the on-the-ground effort which the European representative, Carl Bildt, is trying to implement on our behalf and the European's behalf, is significantly restrained by virtue of the perception that we are not serious, we are not there, we are not going to really leverage this and try to guarantee that the on-the-ground civilian component can be as successful as the on-the-ground military component has been to date.

In addition to that, the United States-assessed contributions to the United Nations and its related agencies, as well as ACDA and the International Exchange Programs, are all significantly underfunded for the 1997 year.

I know, as my colleagues know, there is no easier whipping boy in the United States today than foreign policy and the United Nations. If you want to get applause at a local meeting at home, if you want to get people to kind of vent some of their anger at the waste of Washington, all you have to do is say to them, "By God, I think the money ought to be going here to X, Y, or Z

town instead of to these foreign efforts." And most people will automatically cheer and say you are absolutely correct.

When you ask most Americans how much money they think is going into our foreign policy effort, it is really amazing how far off most Americans are. I go to town meeting after town meeting; when the issue comes up, I say, "How much do you think we are paying for foreign assistance, foreign aid? Do you think it is 20 percent of the budget?" And a number of hands go up. "Do you think it is 15 percent of the budget?" Quite a few hands go up. "Do you think it is 10, 9, 8 percent of the budget?" A lot of hands go up, the vast majority. "Is it 5 percent of the budget?" And you get the remainder of the hands with the exception of a few.

Then, when you finally get down and say, "Is it 1 percent or less of the budget," I usually have one or two hands go up. That is what it is. That is what it is. It is 1 percent or less. It is less than 1 percent of the budget of the United States that we commit to all of our interests in terms of peacekeeping, AID, efforts to leverage peace in the Middle East. And most of the money, as we know, is contained within, almost, two items, Egypt and Israel, but significant portions are spread around with respect to some of the development programs and other efforts to curb drugs, narcotics, money laundering, immigration—a whole lot of things that we try to do in that field, including, I might add, one of the most important of all today: our economic enterprises.

We are shortchanging ourselves in places like Hong Kong, Singapore, the Far East, with respect to our Foreign Commercial Service, where we are losing countless job opportunities for Americans, countless manufacturing opportunities in this country, because we do not have the people on the ground sufficient to marry those opportunities with the opportunities in this country. That is extraordinarily shortsighted, because we could pay their salaries many times over in a matter of months, and I think that has been proven many times over.

So, Mr. President, the current level of funding is a very significant issue to the administration, and the administration has appropriately, in my judgment, suggested that those numbers are sufficiently low that that is a reason to veto this bill.

In addition to that, there still is no satisfactory solution to the question of family planning, and it is ultimately a bill that, in my judgment, is deficient.

I think many of my colleagues know that Senator HELMS and I have been grappling in good faith with the central and perhaps most controversial issue in this bill, and that was the reorganization of the foreign affairs agencies.

At the start of the year, I was excited about the proposition, and I still remain excited about the proposition, that we could consolidate, we might even merge, we need to reduce the size. I applaud the Senator from North Carolina in his efforts to try to press that. It is very legitimate. There does need to be a savings. There can be some savings, but I think there is an equally legitimate question about whether or not, at first instance, we should make an executive department decision regarding reorganization.

I think if we were to create the framework, if we were to hold a very heavy sword over the head of the administration, suggesting that if they do not do it sufficiently, they will pay a price, I think that would have been a very appropriate approach and it is one which we offered. In the absence of the administration being willing to accept a forced agency numbered closure, it is very difficult, obviously, to pass a bill.

I appreciate the fact—and I want the chairman to know it—I appreciate the fact that this conference report does contain a compromise on reorganization, and I think that did reflect a willingness of the House Republican conferees to move away from the House-passed bill's requirement that all three agencies be abolished. I want to respect the fact that they did move and say it on the record, and it would have been my hope that we might have been able to come to a final agreement on this.

But regrettably, the compromise does not meet the veto proof test, because it denies the President that executive department right of how to reorganize and, therefore, it is not just the fact of reorganization that is being asserted here, it is the principle of Presidential prerogative which, as we know, is not unimportant in the context of foreign policy.

Moreover, there is a very serious question, which I am confident the Senator from Arizona [Mr. MCCAIN], who is on the floor, will share with me, that it is really inappropriate for this conference effort to prohibit the President from following through on an Executive determination and an Executive right with respect to diplomatic relations with another country. Having determined, as a matter of that Presidential right, that we will establish diplomatic relations, for the Congress to then not fund the requisites of that diplomatic process; that is, an embassy, is to come in through the back door to, again, deny the President the prerogatives of Presidential authority in the conduct of foreign affairs.

So, again, that is a problem with respect to this particular issue.

Mr. President, let me say further that one of the most damaging components of this conference report, which I know the Senator from Louisiana is going to talk about and I know Senator NUNN of Georgia is going to talk about, is the very provocative and, in my judgment, ill-advised initiatives with respect to Taiwan and China.

I do not want to suggest that Taiwan should not be considered at some point for membership in GATT or the United Nations. It may well be that in the context of further marching down the road of one China and two systems and of bringing a sufficient dialog together between China and Taiwan, it will be possible to work those details out. But it is clearly on its face ill-advised in the context of the current difficulties for the U.S. Congress to step in and make extraordinarily important and provocative statements about that relationship that can only lend further fears to a Beijing that is so significantly caught up in, convoluted by, constrained by the transition process today, the leadership transition process.

Any of us has to understand that there are certain limits as to what the center of China, the Beijing regime can do at a time when there is a leadership transition in the shadows and perhaps sometimes not even so much in the shadows. For us to step in and alter in a unilateral way the Shanghai communique and the Taiwan Relations Act and the 1982 further communique would be to disrupt and, in fact, make more dangerous an already fragile and difficult situation.

There is no question but that the President of the United States on those items alone—just on the question of President Lee Teng-hui's visit to the United States, GATT and U.N. membership, and on the question of the relationship of the Taiwan Relations Act and the 1982 communique—those items alone, each and every one of them individually, let alone in the aggregate, ought to be grounds for a veto.

I think it is important for us to understand that while all of us here share a deep-rooted belief that the words of the communique are critical with respect to peaceful transition in Taiwan and that the words of the communique are critical with respect to our commitment to the Taiwanese not to ever be subjected to an invasion or to takeover by force or to a subversion of the democracy they are increasingly choosing and practicing, it would be equally wrong for us to just move away from the policy track that has guided our movements in that region for so long.

I think it is fair to say that if we were serious about establishing that as a policy of the United States Congress, it would be fair to understand that China would interpret that as an extraordinarily belligerent, provocative move that would elicit nothing but a hard-line response and wind up having exactly the opposite effect of what we are trying to achieve in the long run and make the world a far more dangerous place.

I believe that we can continue to back the principles of the communique and Taiwan Relations Act without resorting to those measures. We will still

sell weapons to Taiwan as they need it for defense, and we will still abide by the guarantees of the two systems and of a peaceful transition. But what a terrible mistake it would be to start to assert a sort of "435-person House and 100-person Secretary of State policy" from the U.S. Congress.

Mr. President, finally, let me just say, turning to the funding levels, I want to speak for a quick moment about not just the peacekeeping money, but the relationship with the United Nations itself and our arrearages.

Ambassador Albright has made it very, very clear, and I think all of us need to really think about this—I encourage colleagues to go to New York and meet with representatives of various countries, find people who they respect in the process as observers and truly inquire independently of an advocate of the administration—whether or not our arrearages are creating a legitimate problem in our ability to achieve the very reforms that we are seeking at the United Nations.

In the context of this conference process, Congressman HAMILTON and I offered a proposal that would have allowed for continued leverage to get reform from the United Nations. We proposed that we not pay the arrearages back in one lump sum so that we lose leverage and control, but rather that we agree to pay them back, that we make it clear that we are going to do that, while simultaneously over a 5-year period achieving a fixed set of reforms within the U.N. itself, as well as achieving from the U.N. commitments with respect to changing the formula for contributions in and of itself.

I believe the contribution formula ought to change. The world has changed since the formula was set up. The gross domestic products of our partners have grown, and, on a relative basis, ours is shrinking compared to theirs. So it is appropriate for us to look to the United Nations and to our allies for fair contribution, for burden sharing and for a more fair distribution of that effort.

But right now, as a consequence of our unilateral decision not to pay, our allies are paying more than 100 percent. I will tell you, our allies, ranging from the British, the Canadians, French and others, are looking at us askance and wondering and increasingly feeling a sense of the inappropriateness of our unilateral actions. I know that our envoys are hearing about this on a regular basis, and it is diminishing our ability, Mr. President, to be able to achieve the very goals we are trying to achieve.

Let me say, finally, that this bill is an improvement over the House-passed bill on a number of different questions. It is my hope that after the President has vetoed this bill, that we might be able to quickly meet and resolve these particular issues. It was my feeling, had we embraced a couple of these concepts in the course of the conference rather than simply shunting them aside, we might still have been able to have the consensus and bipartisanship necessary to pass this.

Mr. President, the conference report on H.R. 1561, which we are now considering, is not just a traditional nuts-and-bolts authorization bill for the Department of State, USIA, and ACDA. It is a controversial bill with far-reaching provisions.

This bill seeks to reorganize the foreign affairs agencies in the executive branch by forcing the President to abolish one agency—USIA, AID or ACDA—even though the administration has made it clear from day one that it will not accept any forced consolidation of agencies. It undermines the President's July 1995 decision to normalize relations with Vietnam and threatens to set back the POW/MIA accounting process that we have worked so hard to put in place. It shakes the foundations of United States relations with China and tilts the balance toward Taiwan at a precarious time in the relations between Taiwan and China. It is a bill which fails to meet the administration's anticipated budget requests for fiscal year 1997, particularly for critical accounts such as peacekeeping, U.S.-assessed contributions to the United Nations and related agencies, ACDA, and international exchange programs. It lacks a satisfactory solution to the family planning issue. In short, it is a bill that I cannot support and that the President has indicated that he will veto.

I think all of my colleagues know that Senator HELMS and I have been grappling with the central, and perhaps most controversial issue in this bill—the reorganization of the foreign affairs agencies—for over a year. As I indicated from the start, I am sympathetic to the idea of consolidation, and I believe that Senator HELMS provided the committee with a thought-provoking plan for reorganizing the foreign affairs agencies. Personally, I can envision ways in which functions of the State Department and one or more of the three other foreign affairs agencies could be merged. In fact, as the chairman knows, I offered an amendment in committee to abolish one agency and consolidate its functions into the State Department. However, this proposal—like the chairman's proposal to abolish all three agencies, AID, USIA, and ACDA—was rejected by the administration.

The fact of the matter is that the administration does not now, and has never, supported the forced consolidation of agencies. That is why I worked with the chairman to forge a compromise in the Senate that would force consolidation through savings rather than through the mandatory abolition of agencies, and at the same time allow the Senate to act on S. 908. It was clear then, as it is clear now, that the Senate-passed version of consolidation was the only version that could possibly gain the support of Democrats in this body and of the administration.

I appreciate the fact that this conference report contains a compromise on reorganization which reflects the willingness of the House Republican conferees to move away from the House-passed bill's requirement that all three agencies be abolished. However, this compromise does not meet the veto-proof test because it denies the President the right to determine how to reorganize the foreign affairs agencies under his control. I believe this is a right that any President, Democrat or Republican, would assert.

Section 1214 of this conference report essentially prohibits the President from establishing an American embassy in Vietnam unless he certifies that Vietnam is fully cooperating on the POW/MIA issue in the four areas set forth by President Clinton. The Senate-passed bill contained nothing on this issue. The House bill contained weaker, sense of the Congress language. Unfortunately, the Republican conferees decided to up the ante by including the language now in section 1214—language which was in the fiscal year 1996 Commerce, State, Justice appropriations conference report that President Clinton vetoed. He indicated his opposition to this provision in that veto statement and he has cited it as one of the provisions that will provoke a veto of this conference report.

On the face of it, section 1214 might look like a harmless provision. But the fact of the matter is, this is a veiled attempt to go backwards—to nullify the decision made by President Clinton last July to normalize our relations with Vietnam.

That decision was the culmination of a process begun several years ago by President Bush, when he laid out a road map for improvement in relations between the United States and Vietnam. Under the road map, which the Clinton administration has embraced, genuine progress on the POW/MIA issue would result in the establishment of full diplomatic relations.

Genuine progress has been made. Through the efforts of people like Gen. John Vessey and the often heroic work by our own joint task force personnel and their Vietnamese counterparts in the field, we have a process in place that is producing that accounting.

Of the 2,154 Americans technically classified as MIA's in all of Southeast Asia, we have only 50 in Vietnam whose fate has yet to be confirmed. That means we have confirmed the fates of 146 of the 196 priority discrepancy cases. We have determined that 567 Americans were lost over water or in other circumstances where survival

was doubtful and where the recovery of remains is very difficult. We have recovered 520 remains from Vietnam, 170 of which have already been positively identified as American. The remainder are pending identification by our scientists at CILHI. We have investigated all unresolved live sighting reports and received over 27,000 materials including photos and other archival materials. It is clear that Vietnam is working diligently to help us resolve outstanding POW/MIA cases.

Last November, the Defense Department's POW/MIA office released its comprehensive review of individual cases of Americans unaccounted for in Southeast Asia. In testimony on the report before the Military Personnel Subcommittee of the House Committee on National Security, Deputy Assistant Secretary of Defense James W. Wold stated the bottom line. He said, "We have no evidence that information is being deliberately withheld." In addition, all of our United States military personnel involved in the POW/MIA accounting process, from the Commander in Chief of United States Forces in the Pacific to the private first class excavating a crash site have confirmed that Vietnam's cooperation has been extraordinarily extensive and represents a genuine effort on the part of the Government and people of Vietnam to resolve this issue once and for all.

The United States under Presidents Bush and Clinton made a commitment to Vietnam that the bilateral relationship would move forward as their cooperation on the POW/MIA issue improved. Vietnam is doing its part. The United States must fulfill its commitment in turn. The language in section 1214 of this bill puts that commitment in question and, in so doing, threatens to undermine the successful accounting process that we have put in place.

Apart from the damaging section on Vietnam, this conference report contains several provisions on China-Taiwan issues which are potentially damaging to our bilateral relations with Beijing. For example, section 1708 expresses the Sense of Congress that Taiwanese President Li should be allowed to visit the United States in 1996. Section 1709 advocates Taiwan's admission into GATT and the WTO. Most damaging of all, section 1601 subordinates the 1982 Joint Communique between the United States and China to the Taiwan Relations Act, in order to enable the United States to provide more weapons to Taiwan. This provision unilaterally repudiates a fundamental and longstanding element in the bilateral relationship between the United States and China. The administration has made it clear that this provision is a veto item.

Taken together, these provisions are a provocation to China. They raise the specter of a United States that is tilting toward Taiwan, encouraging Taiwan's apparent quest for independence, and positioning itself to enhance Taiwan's military capabilities in contravention of the fundamental nature of the United States-China relationship. To adopt these provisions now, when China and Taiwan are reaching out to each other to defuse the tensions between them, would be a mistake.

Turning to funding levels, this bill fails to meet the administration's likely budget request for fiscal year 1997, particularly, as I said earlier, in key accounts such as peacekeeping, assessed U.S. contributions to the U.N. international exchanges, and ACDA. I understand that the Republican conferees wanted to stay within the caps set by the budget resolution for function 150, the international affairs function. All of us, including President Clinton, understand that economies must be achieved if the budget is going to be balanced. However, the glide path in the existing budget resolution for function 150 is too steep—as it is for other functions—and if we stick to this glide path, our ability to promote and protect our national interests and to conduct diplomacy will be greatly jeopardized.

For example, we are not going to be able to use our leverage effectively at the United Nations to secure management reforms and revisions in our assessed contributions if we continue to be the deadbeat debtor. This conference report prevents us from paying not only through inadequate authorization levels but also by withholding high percentages of our peacekeeping contributions and our contributions to the regular budget until the President can certify that various reforms have been achieved. There is no disagreement over the need for reform at the United Nations but there is real disagreement among us over how to achieve it. The money card can only work so long and I think its effectiveness has run out. Few, if any, at the United Nations believe we are going to pay and as long as they do not believe it, we have no leverage to promote reform.

This conference report also includes some foreign aid provisions. Of these, the most problematic—and one cited by the administration as a reason for Presidential veto—is section 1111 which effectively terminates the housing guarantee program in several countries such as those in Eastern Europe and South Africa.

Finally, I should point out that this bill is an improvement over the House-passed bill on the question of family planning because it does not contain the objectionable provisions on Mexico City and prohibitions on funding for UNFPA. However, in an effort to avoid a fight over this issue—on which the House and Senate are so divided—the Republican conferees decided to remain silent on the family planning issue. In so doing they missed the opportunity to release funds for population assistance that have been held up under the fiscal year 1996 foreign operations appropriations bill. The restrictions in that bill cut family planning aid by 35 percent below last year's levels, and prohibit using any of the 1996 funds until July. Ironically, such restrictions could actually serve to increase the number of abortions and maternal deaths in developing countries, since they mean fewer couples will have access to contraceptives, health services and information. Therefore, the administration strongly opposes these restrictions and has cited the failure of this conference report to resolve the family planning issue as another reason for a veto.

Mr. President, this conference report represents a radical departure, not only from the traditional bipartisanship that has marked American foreign policy for so long, but also from the traditional bipartisanship that has enabled the foreign affairs committees of the Senate and the House to fulfill their authorizing responsibilities for the State Department and related foreign affairs agencies. Some will argue this is just politics, but they are wrong. The gulf between us is rooted in policy and the policy in this bill is not in our national interests. That is why I am going to vote against this conference report and why the President is going to veto it.

I reserve the remainder of our time at this point in time, Mr. President.

Mr. HELMS addressed the Chair.

The PRESIDING OFFICER. The Senator from North Carolina.

Mr. HELMS. Mr. President, let me spend just 2 or 3 minutes in respectful response to my friend from Massachusetts. His statement that the Taiwan Relations Act, which is a public law passed by the Congress of the United States, supersedes an Executive order, that is a matter of fact. The United States Congress was clear in its intent to support Taiwan's defense needs when this Taiwan Relations Act was passed.

The 1982 Executive order, referring to the ability of the United States to sell arms to Taiwan, seems to contradict certain terms of the Taiwan Relations Act. Now then, section 1601 does not—does not—repudiate the 1982 Executive order, though I confess that I wish it did. It does, however, clarify that in those instances in which the Taiwan Relations Act and the 1982 Executive order seem to contradict one another, the Taiwan Relations Act is, after all, United States law, therefore, stipulates the policy to which the United States should and must adhere.

Not once—this is the point, Mr. President—not once during the course of the conference between the House and the Senate did a single Member of the House or a single Member of the

Senate raise this provision as a problem. As a matter of fact, I think it is worthy of note that when the staff met preliminarily, the staff of the Senate and the staff of the House, Democrats and Republicans, the Democrats' staff members made it clear that they were not there to participate; they were only to take notes. They refused to take any action or any part in the proceedings. So that is a little bit like the fellow who killed his mother and father and asked for mercy in the court because he was an orphan. They did not participate when we wanted them to, when we were begging them to.

With that said, I remind my colleagues that this provision was adopted by both Houses of Congress. Therefore, it was in both the House and the Senate bills. I also remind my distinguished colleague and friend from Massachusetts that he, himself, voted in support of this exact language during the committee consideration of the State Department authorization bill.

Mr. President, I reserve the remainder of my time.

The PRESIDING OFFICER. The Senator from Arizona.

Mr. McCAIN. Mr. President, for a long time now many critics of the administration's Russia policy have been voicing our deep concern that that policy is structured to serve a variety of interests, few of which could be defined as America's national security interests.

Let me just mention two of the more obvious administration positions which manifest a greater concern for Russia's interests than our own. The administration's persistent reluctance to seize the present opportunity to expand NATO has been maintained out of deference to the political sensibilities of current Russian leaders who wish to take political advantage from Russian nostalgia for empire.

The administration's opposition to lifting the unjust arms embargo imposed on the Government of Bosnia, a position which eventually required the United States to deploy our military forces to that country, was partially a consequence of the administration's fear of offending Russia's fraternal regard for the Serbian aggressors in Bosnia.

Mr. President, over the last 2 days we have learned that the administration's Russia policy is intended to serve the interests of at least one American, the President's, to the extent that the President defines his interests as being reelected to office.

The Washington Times reported yesterday and today that at the terrorism summit earlier this month, President Clinton privately pledged to maintain positive relations with President Yeltsin, as both men seek reelection this year, and President Clinton helpfully identified to President Yeltsin one issue of an extraordinary national security value to the United States that the Russian President could help him with—U.S. sales of chickens to Russia.

Mr. President, in the Washington Post today there is an article entitled: "White House Asks for Probe in Leak of Clinton-Yeltsin Talk Memo." Mr. McCurry, that erudite observer of national security issues says in the article:

> The President feels like he ought to be able to sit down with the President of Russia and have a private conversation.

I agree with Mr. McCurry:

> State Department officials said that the Talbott memorandum was circulated fairly widely . . ..

Incidentally, I would like to say I am proud to have opposed Mr. Talbott's nomination on two occasions.

The article goes on:

> The memo, as quoted in the Times, said President Clinton pledged to work with Yeltsin to maintain positive relations with the United States, as both men seek reelection this year. One way to do this, the memo quoted President Clinton as saying, is for Yeltsin to stop restricting poultry imports.

President Clinton said—and I quote:

> "This is a big issue, especially since 40 percent of U.S. poultry is produced in Arkansas," the memo said.

I ask unanimous consent that the article from the Washington Post and an another article from the Washington Times on the issue be printed in the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

WHITE HOUSE ASKS FOR PROBE IN LEAK OF CLINTON-YELTSIN TALK MEMO

(By John F. Harris)

The White House yesterday asked the Justice Department to investigate the leak of a classified State Department memo detailing a recent conversation between President Clinton and Russian President Boris Yeltsin.

Clinton was "concerned" by a report in yesterday's Washington Times based on a memo written by Deputy Secretary of State Strobe Talbott, according to White House press secretary Michael McCurry. It recounted talks between Clinton and Yeltsin earlier this month when both leaders attended an anti-terrorism summit in Egypt.

National security adviser Anthony Lake instructed an aide to call the Justice Department to encourage the FBI to investigate an apparent "violation of federal law," the spokesman said.

At a news briefing yesterday, McCurry said "the Washington Times appears to be illegally in possession of a classified document," but in a later interview he said that comment had been "inartful." The White House believes the illegality was committed by someone in the government who leaked the information, not by the newspaper in taking the document or publishing it, McCurry explained.

Asked for comment on the investigation yesterday, Times editor-in-chief Wesley Pruden said, "I always wish the FBI well in whatever endeavors they undertake."

McCurry said Clinton and Lake considered the leak to be far more sensitive than the typical anonymous disclosure that is commonplace in Washington journalism. "The president feels like he ought to be able to sit down with the president of Russia and have a private conversation," McCurry said.

State Department officials said that the Talbott memorandum was circulated fairly widely within the administration, and would have been seen by senior officials in other government departments, in addition to the State Department.

The memo, as quoted in the Times, said Clinton pledged to work with Yeltsin to maintain "positive" relations with the United States as both men seek reelection this year. One way to do this, the memo quoted Clinton as saying, is for Yeltsin to stop restricting poultry imports. Clinton said "this is a big issue, especially since 40 percent of U.S. poultry is produced in Arkansas," the memo said.

Lake, according to White House and Justice Department officials, instructed the National Security Council lawyer yesterday to initiate a criminal investigation. Justice officials said yesterday that they had not yet turned the matter over to the FBI but expected to do so soon.

McCurry said administration officials have been concerned about other disclosures published in the Times under reporter Bill Gertz's byline, and hinted that law enforcement officers earlier had been called in to track down his sources.

Lake, he said, wanted the FBI to "add this to any ongoing inquiry that they have going."

Gertz, a national security reporter, in recent months has written other articles based on classified documents concerning arms control and missile defense.

The White House has brought on troubles for itself by encouraging the FBI to launch investigations. When White House travel office staff members were fired in 1993, administration officials called in the FBI to investigate the employees. Congressional critics said that was an attempt by the White House to use the agency for political ends.

CLINTON VOWS HELP FOR YELTSIN CAMPAIGN

(By Bill Gertz)

President Clinton, in a private meeting at the recent anti-terrorism summit, promised Boris Yeltsin he would back the Russian president's re-election bid with "positive" U.S. policies toward Russia.

In exchange, Mr. Clinton asked for Mr. Yeltsin's help in clearing up "negative" issues such as the poultry dispute between the two countries, according to a classified State Department record of the meeting obtained by The Washington Times.

Mr. Clinton told Mr. Yeltsin that "this is a big issue, especially since about 40 percent of U.S. poultry is produced in Arkansas. An effort should be made to keep such things from getting out of hand," the memo said.

White House and State Department spokesmen confirmed the authenticity of the memo but declined to comment on what they acknowledged was an extremely sensitive exchange between the two leaders.

The memorandum on the March 13 talks in Sharm el-Sheikh, Egypt, does not quote the two presidents directly but paraphrases in detail their conversation.

According to the classified memorandum, Mr. Yeltsin said "a leader of international stature such as President Clinton should support Russia and that meant supporting Yeltsin. Thought should be given to how to do that wisely."

The president replied that Secretary of State Warren Christopher and Russian Foreign Minister Yevgeny Primakov "would

talk about that" at a meeting in Moscow. The meeting ended last week.

Mr. Clinton told Mr. Yeltsin "there was not much time" before the Russian elections and "he wanted to make sure that everything the United States did would have a positive impact, and nothing should have a negative impact," the memo said.

"The main thing is that the two sides not do anything that would harm the other," Mr. Clinton said to Mr. Yeltsin. "Things could come up between now and the elections in Russia or the United States which could cause conflicts."

The memorandum, contained in a cable sent Friday by Deputy Secretary of State Strobe Talbott, was marked "confidential" and was intended for the "eyes only" of Thomas Pickering, U.S. ambassador to Russia, and James F. Collins, the State Department's senior diplomat for the former Soviet Union.

The memo said Mr. Clinton suggested that the chicken dispute and others like it could be made part of talks between Vice President Al Gore and Russian Prime Minister Victor Chernomyrdin.

Mr. Gore announced Monday that Russia has lifted the ban on U.S. chicken imports that had been imposed out of concern that the chicken was tainted with bacteria.

The Washington Times reported March 8 that Mr. Clinton intervened personally in the poultry dispute late last month.

The president's directives to his staff to solve the problem right away benefited powerful Arkansas poultry concerns. Among them is the nation's leading producer, Tyson Foods Inc., whose owner, Don Tyson, has long been a major contributor to Mr. Clinton's campaigns.

U.S. poultry exports make up one-third of all U.S. exports to Russia and are expected to total $700 million this year.

Asked about the memo on the Clinton-Yeltsin meeting, White House Press Secretary Michael McCurry said yesterday that it is "inaccurate" to say Mr. Clinton promised to orient U.S. policy toward helping the Russian leader's political fortunes. Rather, he said, the president wanted to make sure that issues in the two countries do not hamper good relations. The poultry issue was raised in that context only, the press secretary said.

Mr. McCurry, who said he was present at the meeting, also said the president was referring to "positive relations" between the two countries and not political campaigns.

Those present at the meeting included Mr. Christopher, CIA Director John Deutch, National Security Adviser Anthony Lake and, besides Mr. Yeltsin, four Russian officials, including Mr. Primakov and Mikhail Barsukov, director of the Federal Security Service.

During the discussion, Mr. Yeltsin outlined his political strategy for winning the June presidential elections and said he still had doubts about running as late as last month.

"But after he saw the Communist platform, he decided to run," the memo said, "The Communists would destroy reform, do away with privatization, nationalize production, confiscate land and homes. They would even execute people. This was in their blood."

Mr. Yeltsin said he will begin his campaign early next month, traveling throughout Russia for two months to "get his message to every apartment, house and person" about his plan to strengthen democracy and reforms.

"The aim of Yeltsin and his supporters would be to convince the candidates one by one to withdraw from the race and to throw their support behind Yeltsin," the memo said.

Russian Communist Party leader Gennady Zyuganov is "the one candidate who would not do this" because he is "a die-hard communist," and Mr. Yeltsin noted that he "would need to do battle with him."

Mr. Yeltsin dismissed former Soviet President Mikhail Gorbachev as "not a serious candidate."

"He had awoken one morning and decided to run and would wake up another morning and decide to withdraw his candidacy," Mr. Yeltsin said of his predecessor. "This would be better for him because he now had some standing and if he participated in the elections, he would lose any reputation he had left."

Mr. McCAIN. Mr. President, give me a break. What kind of foreign policy is that? Does President Clinton know that he is President of the United States now and not Governor of Arkansas? Since when is poultry sales a big issue to be discussed between two Presidents? What happened to NATO expansion, Bosnia, proliferation of weapons of mass destruction, recent allusions in Russia to the restoration of the Soviet Union, and a host of other genuine big issues? But what does this President do? He calls a big issue the fact that 40 percent of U.S. poultry is produced in Arkansas, so it is a big issue between himself and President Yeltsin.

Mr. President, that is unacceptable conduct and shows again that on-the-job training has failed as the domestic policy; President puts his toe in the water on foreign policy.

Mr. President, I do not want to diminish the importance of selling chickens to Russia where sales were restricted until now. Poultry sales are a legitimate industry in the United States and surely deserve some consideration. Neither would I begrudge the President's concern for his own home State of Arkansas, which happens to produce about 40 percent of the poultry in the United States. But I would like to think that when the President of the United States sits down with the President of Russia to discuss big issues with him, areas of real security concern to the United States, there would be something somewhat higher on the agenda than chicken sales. I would also like to think that President Clinton would regard United States national security interests to be the priorities of United States policy with Russia, not anyone's reelection.

I assure the President, the satisfactory resolution of outstanding differences with Russia on the questions I have identified will do a lot more to restore the President's credibility as a statesman, and consequently enhance his reelection prospects, than will his efforts to boost chicken sales abroad.

What does the priority given by the President's Russian policy to narrow parochial interests say about his position on other questions which should concern us in Russia? It may say a great deal. The President encourages the IMF to approve one of the biggest loans in its history to Russia. Was this part of the President's plan for his and Mr. Yeltsin's reelection? Is our muted reaction to Moscow's brutality toward Chechnya a consequence of the bilateral Presidential campaign?

As we all read today, the leaked memo by Deputy Secretary of State Strobe Talbott, which referred to this Presidential discussion and President Clinton's intention to conduct our relations in a way that would have only a positive impact on President Yeltsin's reelection prospects, thereby reaffirming once again the administration's personality based Russian policy, has caused the administration to initiate an FBI investigation to determine the identity of the leaker. That endeavor, I am confident, will prove to be a colossal waste of the FBI's time.

What the classified memo really indicates is not some official's indiscretion, but the administration's abuse of the tool of security classification. Chicken sales and the reelection desires of President Yeltsin and President Clinton are not—I repeat, not—state secrets. Indeed, I believe it is very important for the American people to discover at last what interest the administration's policy to Russia, this most critically strategic of relationships, are intended to serve. Today, we have our answer: It is the same interests which most of the administration's policies are intended to serve—President Clinton's reelection.

Mr. President, let me say again, I strongly condemn the use of important U.S. diplomacy, which should be reserved for our most vital national security interests, to serve anyone's campaign interest, much less the President of the United States.

I yield the floor.

The PRESIDING OFFICER (Mr. KEMPTHORNE). The Senator from Louisiana.

Mr. JOHNSTON. Mr. President, I got to the floor to speak about China, but first a word about chickens.

Mr. President, chickens may be an important industry in Arkansas, and they are, but the reason I think it is entirely legitimate—in fact, entirely important—for this President to speak to President Yeltsin about chickens is because Russia was denying entry into the Russian market of American chickens, perhaps grown in Arkansas, but grown in America by Americans, for the wrong reasons. That is, they were not permitting these chickens to come in because they did not want the competition.

Mr. President, this President, any President, has a great interest in open markets, particularly with a country which we are doing a lot to help and who we are encouraging to have open markets. I applaud this President for

seeking to do away with those barriers to open markets in Russia.

Mr. SARBANES. Will the Senator yield?

Mr. JOHNSTON. I yield for a question, yes.

Mr. SARBANES. In fact, the President's efforts, it would seem to me, are part of a strategy to try to bring Russia into the international economic system as a legitimate player like other countries that are playing by the rules of trade. Would that not be correct?

Mr. JOHNSTON. That is precisely right. One of the problems with Russia now is that they do not have open markets. We are trying to encourage that. It so happens that chickens are a huge business in Russia, and the American chicken is more economically produced, is a better quality, and is preferred by Russians.

Mr. SARBANES. It could have been any product, for that matter, but the basic point is that we are trying to move Russia toward a market economy, something that the former Soviet Union did not do. That was a command economy.

Everyone says Russia ought to become a market economy, and obviously the United States and other countries in the West have a role to play in that. It seems to me this effort of the President was part and parcel of trying to move Russia in the direction of becoming a free market system and of participating in the global economy.

Mr. JOHNSTON. This is not the only item of interest and not the only thing that the President discusses with President Yeltsin, but it certainly is a legitimate one.

I can say if those were Louisiana chickens, I would be calling him up and saying, "Mr. President, don't stand for this. Speak to your friend, President Yeltsin, about it."

Now, Mr. President, this time last week we had a very dangerous world situation where two American carrier battle groups were steaming in the vicinity of the Strait of Taiwan and where the People's Republic of China, the largest country in the world, was engaging in live-fire tests, close to Taiwan. It is not an understatement to say that the world was in real danger of a conflagration at that time, not because anyone desired war but because the close proximity of these forces involving live fire made the possibility of a misstep, of a bump in the night between two ships, of a misspent or misfired rocket or shell, a very great danger.

Today, Mr. President, we all breathe easier as the crisis has passed. Mr. President, the problem remains. The potential for a huge crisis remains.

I would like to speak to what I regard as a very fateful decision. That is, the pending legislation; the pending legislation, Mr. President, would move this country, in my view, from a policy of engagement with the largest country in the world to a policy of containment of the largest country in the world, and containment equals—make no mistake about it—a new cold war. I can assure my colleagues that if I know anything about China, they will not be contained, and you can get ready for a new cold war if this bill should pass and become law.

Now, this bill, Mr. President, in my view, is potentially the most insidious bill that has been passed by either House in my 24 years in the U.S. Senate. I believe it has the significance, if passed and signed into law, of the Tonkin Gulf resolution. I think Senator NUNN has called it a declaration of war. The President has promised to veto it.

Mr. President, make no mistake, it is a very serious step for the U.S. Congress to be considering. I believe the Senate should sober up before this ill-conceived policy takes root.

Now, just what is this bill, and why do I call it so insidious and potentially—potentially—a Gulf of Tonkin resolution? First, it says that the Taiwan Relations Act supersedes the Shanghai communique. Of course, the Taiwan Relations Act deals with the defense of Taiwan; the Shanghai communique deals principally with a one-China policy. What do we mean by one-China policy? One China, two systems, peaceful reunification. The three points of the triangle which have been repeated by everyone: one China, two systems, peaceful reunification.

To say that the Taiwan Relations Act supersedes the Shanghai communique is not simply to say, as my dear friend from North Carolina, Senator HELMS, says, simply to state the obvious—that is, that an act of Congress supersedes an executive agreement. We know that. What it is saying is that, in effect, it nullifies, it subsumes, it cancels out the Shanghai communique and that the United States Congress, in this case, because it is a sense-of-the-Congress provision, that the United States Congress is abandoning the Shanghai communique. That, Mr. President, is very serious.

It also encourages the Taiwanese to move toward independence. We also rename and upgrade the Taipei representative office. In itself, this does not constitute a move toward independence. But taken together, particularly with an invitation to President Li Teng-hui to visit the United States "with all appropriate courtesies," these three elements taken together, Mr. President, are unmistakable. They are abandonment of the one-China policy, a move for independence for Taiwan.

Now, Mr. President, the House, apparently sensing the seriousness of the step they were taking, adds a further element not contained therein that it is our intention to assist in the defense of Taiwan, which, indeed, might be necessary should we enact this ill-conceived piece of legislation—a fateful, fateful decision, Mr. President.

One thing is absolutely clear: The unilateral declaration of independence by Taiwan is unacceptable to the People's Republic of China and will be resisted. Now, up until last year, things were going along swimmingly. The United States, the People's Republic of China, and Taiwan were all reading off the same song book. We were all saying one China, two systems, peaceful reunification and, indeed, we have reinforced, many times over, the Taiwan Relations Act, which was not at all inconsistent with one China, two systems, peaceful reunification. That is what the Taiwanese were saying, what the PRC was saying, and that is what President Nixon said in the Shanghai communique; that is what President Carter said in the joint communique of 1979; that is what President Reagan said in the joint communique of 1982; that is what President Bush said, and that is what President Clinton is saying. All were saying the same thing.

Things were going along very well. There were 1½ million Taiwanese who visited the People's Republic of China. There were tens of billions of dollars of investment by Taiwan in China. Talks were going on between the leaders of the two countries, or two areas. And then what happens? Well, we had what the Congress regarded as a very innocent invitation by Cornell University to have their distinguished alumni, President Li Teng-hui, come back and make a speech. We, in the Congress—or at least almost everyone in the Congress said, "Look, this is not a State visit, there is no significance to this. This is simply a homecoming to the old university, the old school." Well, Mr. President, we may have thought that in the Congress—but, I did not share that view, and I was the only Member of the Senate who voted against that visit—but I can tell you that the world, and certainly the People's Republic of China, and certainly Taiwan, did not regard it as such an innocent visit. On the visit, he brought along government leaders from Taiwan. He promised no press conferences, but said, "I will be available if you stand behind this bush when I am walking on the Ellipse. You can ask your question and I will give you an answer." And that happened.

He was met by Members of Congress. It had all the trappings, Mr. President, of a State visit, and it was clearly regarded by the People's Republic of China as being something more than a homecoming to the old university. And that, in turn, Mr. President, has been accompanied by a whole barrage of acts and initiatives designed to move in the direction of independence.

Why does a province of China—if that is what Taiwan is, as the Chinese claim—need membership in the United

Nations? That upsets the PRC. We put that kind of language, also, in our resolutions, and, Mr. President, it constitutes still another act of this Congress moving toward unilateral independence of Taiwan.

Mr. President, just a few days ago, Deputy Foreign Minister Liu was meeting with us down in S-211, a stone's throw from where we stand. Ten Senators were there. We had an in-depth discussion with Deputy Foreign Minister Liu. He reiterated the peaceful unification theme. He reiterated the indelible, irrevocable friendship between the United States and the People's Republic of China. But he said, "The United States, of all countries, should understand our attitude in the People's Republic of China about Taiwan." He said, "You fought a civil war, the bloodiest war in the history of your country, about the question of unification, and about the question of unilateral declarations of independence. So you, America, ought to understand our feeling, because our feeling was just like President Lincoln's feeling about the American Civil War." He said, "The issue is sovereignty. We regard a declaration of independence by Taiwan as a matter of sovereignty, which we will safeguard." He said—and I took down these notes—"It is an overriding task. There is no other choice." He quoted Deng Xiaoping as saying this was an "explosive issue, as big as the universe; compared to it, all other issues are easy."

Mr. President, you can take solace from that in the repetition of the peaceful reunification. You can take solace from the fact that it is a one China, two systems, peaceful reunification system, which he repeated. You can take solace from the fact that he repeated the friendship of the People's Republic of China with the United States. But it is unmistakable—unmistakable—that a unilateral declaration of independence by Taiwan and moves by the United States Government to encourage that are unacceptable and are going to lead to trouble.

Now, if that is what we are going to do, Mr. President, as a nation, as a State Department, as an administration, as a Congress, I, for one, want this Congress to have its eyes wide open about what the implications are of that fateful move. This is not a series of moves to invite people back to universities for the old alumni to get together and give the old college yell. It is not about that. It is about war and peace, about the stability of Asia, and it is about the future of this country.

Now, Mr. President, one of the most important questions I think you can ask is: What is the defining international event of this era? Is it the war in Bosnia? Is it peace in the Middle East and all that that portends and all of its implications? Is it the demise of the Soviet Union and the rise of Russia and privatization, and all of the problems that are happening in Russia? I do not believe so. Mr. President, Sareed Zakaria, the managing editor of Foreign Affairs, stated in the New York Times of February 18 that, "The defining international event of this era is the rise of China to world power." It is happening so fast, its implications are so vast that it is an event that is being missed. And, certainly, the implications of the event are being missed by the vast proportion of Americans, and I submit, by most Members of this Congress. Indeed, I, myself, really missed the significance of what is happening.

I first went to China with a number of my colleagues in 1976. At that time, China was backward and poor and oppressive. It was depressing. Everybody dressed the same. No food. No travel. No automobiles. No jobs. No nothing. I remember the one particular riveting sight I saw was the cabbages piled on the street—and this was in November—for the winter. There was just a big mound of cabbages to be used by the people to eat. They were piled on the street, and they would come and grab a cabbage when they needed it. And you could go to the markets, which we did, and there was nothing there.

So, Mr. President, as I read about progress and growth in China, as the years passed since that trip in 1976, I intellectually could believe it. But I just did not really realize it until 1992 when I went to a conference where Larry Summers, who at that time was the chief economist of the World Bank, was making a speech. He said that China would be the largest economy in the world shortly after the turn of the century. These words rang in my head like an unbelievable statement—the largest economy in the world, that backward country that I saw, was impossible I thought.

So I made arrangements within a month to go to China. Mr. President, I was blown away. It was astonishing. It is one vast construction site in China. It is already the second or the ninth largest economy in the world depending on how you calculate those things, what figures you use. But it is arguably the second largest economy in the world. There are traffic jams. There is abundant food. There is colorful and even stylish clothing. Forty percent of the people have color televisions. Twelve percent of the people in China had VCR's. You have CNN, you have five-star hotels, and as I mentioned, you have traffic jams.

In 1976, when we landed in Shanghai, they did not even have automobiles. They had to bring the automobiles down from Beijing on railroad cars. Now when you go to China there are traffic jams. On my trip last year, going back to Beijing from where we were should have taken about 2½ hours. It took 7 hours because of the traffic jams.

The growth is so vast. Kwangtung Province, where I arrived, is larger than any country in the European Community, other than reunited Germany. They have had in the previous 10 years a cumulative growth of 440 percent—440 percent in 10 years. It is a growth rate today of three to four times the growth in the United States. We are very proud of our growth rate here. They continue to project a growth rate of 8 to 9 percent.

Mr. President, it is astonishing what is going on. I urge my colleagues, every Member of the Senate, to get over there and see. See for yourself, not just the growth, but make your own opinion about what kind of country this is and what kind of future they have.

In my view, Mr. President, 20 years from now our country will be judged by its success in foreign policy, in its stability, in the prosperity of its citizens, in the job rate, and in the growth rate, all of those things, but also by how successfully we deal with China and these other rapidly growing countries on the Pacific rim.

This is one area where we make or break, in my judgment, the future of this country.

So just what are the implications then of having a policy—of changing from a commitment to engagement to a policy of containment toward this rapidly growing country? I can tell you, this, Mr. President, a policy of containment, I believe, leads to cold war. Here is what I think is possible. A hot war is possible—not probable, but it is possible. The destabilization of Asia is an expected event.

What is Japan going to do when the area becomes destabilized? I can tell you what Japan is going to do. They are either going to insist that the United States come in with our nuclear umbrella in vastly greater numbers, or they are going to want to rearm. It is tit for tat. When Japan begins to rearm, the People's Republic of China is going to want to rearm that much more. What do they do in Indonesia? They will want to rearm. What about Vietnam, which has been a traditional enemy of the People's Republic of China? They are going to rearm. Pretty soon you have a real donnybrook of a cold war.

Mischief in Korea? Look at the People's Republic of China. They have played a very salutary and peacemaking role with the United States in trying to moderate North Korean policy. Believe me. Everybody knows that. As a member of the Intelligence Committee, I can tell you that everybody knows that. You can read it in the paper. But if they are suddenly our adversary, what is their role going to be with respect to Korea? Arms proliferation? Oh, I know, it has been prominently printed that they have violated

the MTCR, the Missile Treaty Control Regime, by shipping M-11 rockets to Pakistan and that they are shipping magnets which can be used for uranium enrichment also to Pakistan.

Mr. President, there is a lot of evidence printed in the paper about these things. I must tell you that, while I clearly do not countenance what they have done or what they have alleged to have done, these are hardly the kind of violations that rise to the level of what is possible. These enrichment magnets that they talk about can be used for uranium enrichment, no doubt. But they do not find themselves on the schedule of things that were prohibited. That is their argument at least; it is for uranium enrichment and not for making bombs. On the MTCR violations, they are not alleged to have shipped anything lately. None of that has appeared in the newspapers.

The administration, faced with the information, did not see fit to put sanctions for that reason. But whatever their present conduct is with respect to proliferation, it is nothing, compared to what they could possibly do. Do not forget what their capabilities would be on proliferation. They have the capacity to vastly increase their military spending. They are being criticized for increasing it way too much right now. But it is less than 12 percent of what we spend.

Mr. President, they have the capacity. If we want to provoke them, if we want to challenge China's pride and national feeling, believe me, they can increase way beyond 11.8 percent of what the United States spends.

What kind of damage would this do to the U.S. economy? Well, you can count on inflation because I guess we, along with all of this new cold war, revoke MFN. And all of these products which we import from them, we pay more for those. How much tax would we pay for this new cold war, for this new military buildup that would come? How many lost jobs in America? Most important, Mr. President, could we be successful? If we set out to contain China, could we be successful? I can tell you this, Mr. President. We successfully contained the Soviet Union, but it took us trillions of dollars, it took us 40 years, and it took the unified support of all of the countries of Western Europe all working together, all joining together in NATO.

Who is coming to the defense of the United States saying, "Yes, United States, let us contain China." Who is doing that? Name for me one country that is doing that outside of Taiwan. Do the Germans? No. Look, Helmut Kohl has been to the PRC—over there at least twice seeking commercial contracts. They have invited Li Peng to come to Germany. The British? Oh, no. They may disagree a little bit about Hong Kong, but, Mr. President, the British are not trying to contain the People's Republic of China. The French? No. The French are selling nuclear reactors to China and beefing up in contracts all the time.

Nobody would support a policy of containment. It is a cold war that we would have to sustain ourselves. So, if we are going to try to contain and have a new cold war with the People's Republic of China, we are going to have to do it alone, and it is going to be a very, very expensive endeavor.

We are not going to pass this kind of legislation on the cheap. It is going to be very expensive—not just in the dollars we put into defense, not just in the jobs lost in America, but what it does to the economy of this country.

To abandon one China, to abandon a policy of containment, to make China our adversary would constitute perhaps the greatest diplomatic failure in United States history.

The fault of all of this is that we are presented with two choices. They say it is either appeasement or it is containment. It is either you are weak or you are strong. You have no other choice in between.

Those are the wrong choices. We are told that if we are weak, you encourage and you reward misconduct. If you do not stand up and tell them exactly what to do on human rights, then you are countenancing all these violations. And there are violations of human rights, to be sure. And the same thing is true of trade and Taiwan and proliferation; you have to stand up and be strong, they say. And if you are strong, we can change it all. We have absolute power, so Americans think, or some Americans think, to change China. All we have to do is tell them what to do and they will do it.

As Orville Schell said in the New Yorker—Orville Schell is a great author. You remember he wrote that book about nuclear winter, so he certainly knows about the dangers of international conflicts. But just last week he said in effect: Mao taught his comrades in arms to respect real power.

The idea that, if you are strong, stand up and it will happen. Or Charles Krauthammer said, "We ought to revoke MFN. Send the fleet into the Taiwan Strait," said Krauthammer, and "After all," he says, "if you wait for war, you invite war."

I am not sure what he meant by that. I took it to mean that you ought to go ahead and risk war right now and let us have it sooner rather than later.

Mr. President, this kind of talk—be tough, challenge them, tell them exactly what to do—in my view are not the choices facing this country. Appeasement or containment are not the proper choices.

The faults of China are very well-known. I really believe that the press, to some degree, has done a job of demonizing China. Part of that is China's fault because reporters go to China and they are treated badly. They treat reporters in China like a lot of politicians in America would like to treat reporters if they thought they could get away with it. But we know better and so we smile all the while. How do you think George Bush would have treated reporters if he thought he could have gotten away with it, or Bill Clinton, how do you think he feels about some of these reporters who write about Whitewater? But the Chinese treat them that way and they get terrible press.

Look, China is not a democracy. They do not have a Bill of Rights. They have all kinds of human rights violations. Ask Wei Jen Sheng about that. No question about that. Trade abuses? Yes. Intellectual property abuses? Yes. Live fire was a provocative thing in the Strait of Taiwan. Proliferation, MTCR, all of these things are faults of China which have been publicly and widely chronicled all over the United States, so we know they have plenty of faults.

Mr. President, if they have faults, they are not nearly as bad as their harshest critics would indicate. This is not a hostile regime. This is not a regime that is threatening its neighbors. It is not threatening to invade Taiwan. It is certainly not threatening any of their other neighbors. They never have, Mr. President. They have committed themselves over and over again to what they called nonhegemony in the region. They are proceeding toward Westernization at an astonishing pace. Privatization.

It may not be a democracy, Mr. President, but it is certainly not communism. Their market is about half-and-half—half free open market and about half State controlled, and the proportion that is free is growing all the time. I remind my colleagues that this country does not have a 100-percent free market. There are vast areas such as the post office, such as the Government which are not free in the United States. But theirs is about 50-50. The products produced are free.

The difference between China in 1976 when I was first there and now is mind-boggling. There is travel now. Just to give you one example is the unit system they used to have in 1976. A block captain would give out the job, the ration stamps, and the housing of every person. They were tethered to and controlled by their block and their block captain. They could not travel. They would not have had the money to travel. There was no job to be had elsewhere.

Indeed, in 1989, Tiananmen Square was more of a revolt against the assignment of jobs, I believe, than it was about democratization. Today, the block system does not exist in vast areas of China. There are hundreds of millions of Chinese who travel and have traveled and take jobs on their

own without permission of the block captain.

You want to know what real freedom is, Mr. President, or what real oppression is. It is the inability to travel and get a job and work where you wish. But now there is this freedom to get jobs and jobs in Western-controlled companies where they are absorbing Western culture, Western ways, and Western freedom.

We hear that there are widespread death penalties in China. According to the New York Times, in the first 6 months of 1995 there were 1,865 death penalties meted out in China. That is not disproportionate to the amount of death penalties meted out in this country for those whose conduct merits the death penalty. I happen to be a supporter of the death penalty properly acquired. You may still disagree with 1,865 death penalties meted out in China in the first 6 months, but this is hardly Nazi Germany during their worst times.

The National People's Congress, Mr. President, is acquiring more and more power all the time. Indeed, there are some China watchers who say that Choa Zhenwei, who is the head of the National People's Congress, is a competitor with Jiang Zemin for power. I do not give that as my own view, but it is clear that the National People's Congress is getting additional power and is making a step, a real step in the direction of some kind of democracy. In fact, they fairly recently enacted measures which provide that you cannot be held for more than 30 days without charges being filed, a presumption of innocence.

That sounds fundamental, and it is, but they did not have it in China and they now have it and the National People's Congress gave it to us. You now have lawsuits in China about the environment, about zoning, consumer lawsuits. These did not exist a few years ago. They did not exist, indeed, at the time of Tiananmen Square in 1989.

Now, all of these things which I am telling you may not help Wei Jen Sheng, who is probably the most prominent of the dissidents at this time. But it is progress. And the point is, this is not a rogue regime. It may not be a saintly regime. It is neither. Just as the economy is not a Communist economy, it is not a total free market either. It is about 50–50. And you have to engage China as an emerging country, as a changing country.

What I believe this country needs is to determine what kind of China we want and devise a policy that has some possibility of getting us there. What do we want from China? Most important, we want a responsible member of the international community. We want a country that respects the rule of law—certainly in trade—and in human rights and in commerce and in every way that we can urge them to do so, a responsible member of the international community. We want them, I believe, to be a prosperous China. With 1.2 billion citizens and all that power, a country which is declining, which is not prosperous, is a dangerous country for all of Asia and all the world. Most of all, we want a friendly China.

It is clear, to get there, that China does not respond to a list of demands. I wish that it were true. I wish that we could give them our list and tack it on the church door and expect that these things would be done, but they have shown time and time again that public pressure and hectoring of the Chinese is counterproductive.

I would say the degree of success, of what we are able to extract from the Chinese in terms of our demands, is inversely proportionate to the amount of publicity that we give to those set of demands. Why is it that they are so inordinately sensitive, unreasonably sensitive to the demands of the United States? Very simple. They have one of the most searing histories of humiliation, certainly of a great power, that exists on the face of the Earth. In the last 150 years, they have been dominated at least four times by foreign powers. The opium wars in the 19th century—do you know, Mr. President, in the opium wars, the British invaded and subjugated China because they were trying to restrict their market of opium? Can you imagine anything less reasonable, less civilized, more to be criticized than that? That is what the British did.

The Japanese did not just attack China. You had the rape of Nanking.

When the British controlled Shanghai, as the great commercial center—and they had these clubs; they would not even admit Chinese in the clubs in their own city of Shanghai.

Mr. President, it is a series of humiliations, historically, that have been seared into the consciousness of the Chinese. The 1949 revolution was as much about nationalism as it was about communism, and I can tell you there are strong strands of nationalism that bind the Chinese, all 1.2 billion of them, in the strongest kind of way.

Add to the sensitivity that comes from that historical humiliation the fact that this country is a country in transition. Add to that the explosive growth. In that same article in the New York Times by Sareed Zakaria, the managing editor of foreign affairs, he says, "Nowhere in history has a country grown as fast as China without political and social upheaval."

So here you have a China that is in a power transition, with human growth almost double digits, and you have this sensitivity. So it requires, on our part, the most enormous amount of sophistication and sensitivity that we are capable of giving.

So, what, then, should we do? Mr. President, we ought to get a clear and consistent China policy and articulate it. I wish the President of the United States would make a statement of where we stand. Yes, he has stated that we continue to adhere to the Shanghai communique, but he needs to make that clear. We need to understand that Taiwan is central to this issue of engagement of the largest country in the world in population and soon perhaps to be the largest economy of the world. And what does that mean? It means we need to reassure the People's Republic of China that we will not be a party to unilateral declarations of independence, that the Shanghai communique, that the Nixon doctrine, that the Reagan communique, that the Carter communique are still our policy and are not subsumed and superseded by, but are consistent with, the Taiwan Relations Act.

At the same time, we should continue to reassure Taiwan that we will stand behind them when it comes to any threat of invasion; that unification needs to be peaceful. But that is what we have said all along. That is what China has said all along: One country, two systems, peaceful reunification. Now, what is wrong with that? And why can we not articulate that clearly?

We need to treat their leaders with respect and dignity. As I say, they are enormously sensitive and we frequently fail to recognize that this country, the Middle Kingdom, as it has been historically called, has not, in fact, been treated with the proper respect and dignity.

I do not believe that most Americans know what is going on in China in terms of the huge—not just huge growth, but huge strides forward that they are making. We need to recognize the limitations that there are on human rights. We just cannot give a list of demands, as much as we want to do so. We have to recognize those limitations. That does not mean we do not continue in the strongest way possible, that can be effective, to stand up for human rights and dignity all over the world, but it means that we do so in a way that is likely to be effective.

Mr. President, if we do those things, then it will allow us to be more firm on the missile treaty control regime. It will allow us to be more firm on trade. The problem is, when you have two carrier battle groups steaming in the Strait of Taiwan, then to invoke sanctions on trade looks like a further step toward containment and cold war and makes it inappropriate to take the kind of steps on trade or MTCR that you ought to do.

So that, in effect, by dealing with Taiwan in a traditional way that we should, that is to reassure all parties, one China, two systems, peaceful reunification—to reassure all parties that our policy allows us, then, to be more firm in areas that are likely to make it effective.

We have surely made our point. The Chinese, I submit, have made their point, that is, they are not going to stand for a unilateral declaration of independence. We have made our point with not one but two carrier groups—not one but two carrier battle groups. We have made that point strongly. We have stood up for Taiwan, our friend.

Now it is time for us to be more patient, to lower our voices, to have a greater engagement with the People's Republic of China, to have high level discussions and, most of all, to kill this very ill-considered piece of legislation.

This piece of legislation, at this sensitive time, could do more than anything I know to put us at odds and put us in a position of containment and cold war with the largest nation on Earth.

I yield the floor.

Mr. DOLE addressed the Chair.

The PRESIDING OFFICER. The Senate majority leader is recognized.

UNANIMOUS CONSENT AGREEMENT—H.R. 3136

Mr. DOLE. Mr. President, I think we have an agreement on the debt limit which will be coming from the House momentarily.

I ask unanimous consent that when the Senate receives from the House H.R. 3136, the debt limit bill, the bill be read a third time and passed and the motion to reconsider be laid upon the table, all without any intervening action or debate.

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

Mr. DOLE. I further ask unanimous consent that the following Senators be recognized for up to 10 minutes each with respect to the debt limit any time during the remainder of today's session: Senator GRAHAM of Florida and Senator PRYOR.

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

INCREASING THE PUBLIC DEBT LIMIT

Mr. ROTH. Mr. President, today the Senate considers H.R. 3136, a bill to increase the public debt limit to $5.5 trillion. The bill would also increase the earnings limit for all Social Security recipients as well as provide regulatory relief for small businesses. The regulatory relief package mirrors S. 942, which passed the Senate earlier this month by a vote of 100 to 0. As of last night, some details of that package were still being finalized. Senator BOND, chairman of the Small Business Committee, will explain that portion of this bill. I will focus my remarks on the Senior Citizens' Right to Work Act of 1996. However, before I do that, let me spend a few moments on the need for the debt-limit increase.

Earlier this year, we passed two bills, H.R. 2924 and H.R. 3021, to provide for temporary relief from the current debt limit. These two bills created new legal borrowing authority not subject to the debt limit for a short period of time. Today we will act on the long-term extension. According to the Congressional Budget Office, this increase should be sufficient through the end of fiscal year 1997.

Over the past decade, many have argued against raising the debt limit, however, let me remind my colleagues that last fall we passed a budget that would have achieved balance in 7 years. That legislation would have gone a long way to reduce the amount of debt limit increases which are always so painful to enact. Unfortunately, as we all know, President Clinton decided to veto the Balanced Budget Act of 1995.

If we fail to concur in the action of the House, or if President Clinton were to veto this bill, we would find ourselves in a fiscal and financial crisis. The Government could not borrow and bills would only be paid out of current receipts, leading to defaults on interest payments and payments to contractors as well as an inability to make all required benefit payments. These defaults would also lead to higher interest rates.

Congress has raised the debt limit 33 times between 1980 and 1995. Many of these increases were short-term temporary extensions. It is important to remember that the increase of $600 billion included in this bill is the third largest increase. The largest increase was in the 1990 budget deal and the second largest was in the 1993 Clinton tax-increase bill.

I hope that the Senate expeditiously enacts this critically important piece of legislation to preserve the full faith and credit of the U.S. Government.

Now let me turn to title I of this bill. The Senior Citizens' Right to Work Act is a big step toward providing greater economic opportunity and security for America's senior citizens.

Under current law, millions of men and women between the ages of 65 and 69 are discouraged from working because they face a loss of their Social Security benefits. If a senior citizen earns more than a certain amount—the so-called earnings limit—he or she loses $1 in Social Security benefits for every $3 earned. The current earnings limit is a very low amount—only $11,520.

Mr. President, this earnings limit is unfair to seniors and is a barrier to a prosperous economic future of all Americans.

For today's seniors, the earnings limit can add up to a whopping tax bite. According to both the Congressional Research Service and the Joint Committee on Taxation, seniors who have wages above the earnings limit can face marginal tax rates over 90 percent, when one factors in Federal and State taxes.

Mr. President, that is not right.

But as unfair as the earnings test is today, it will be an even bigger problem in the future, a future that is rapidly approaching.

We all know the statistics concerning the aging of America. In the same way, we realize more and more that much of our future economic growth will depend on the ability of older Americans to remain working.

Mr. President, why do we even have this earnings limit? Back in 1935, when the Social Security system was designed, it was widely believed that the economy could support only a limited number of workers. Perhaps this belief was understandable 60 years ago—when we were in the middle of the Great Depression. But today, few, if any, economists hold such a belief. In fact, most believe quite the opposite.

Mr. President, I also believe this bill will improve public confidence in the Social Security system.

Social Security is a contract with the American people. Everyone working today knows the taxes the Federal Government takes from them each payday will be returned by the Social Security program when they retire. For parents working to support a family, this sizable tax can be—and often is—overwhelming.

But what too many seniors find out, Mr. President, is that the Government can exact a high price when they reach 65. If they continue to work, seniors are allowed to earn very little before the Government starts taking back benefits. As I noted earlier, for every dollar a senior earns over the earnings limit—currently only $11,530—he or she loses 33 cents in benefits.

Mr. President, the bill now before the Senate would raise the earnings limit for seniors aged 65 to 69 to $12,500 this year, and to $30,000 by 2002. This legislation is entirely paid for with real savings, not gimmicks.

But we are not just spending money. This bill also provides $1.8 billion of deficit reduction over 7 years.

Even better, according to the Social Security Administration, title I of this bill actually improves the long-range health of the Social Security trust fund.

Mr. President, I ask unanimous consent that a memorandum from the Office of the Actuary of the Social Security Administration that makes this point be printed in the RECORD immediately following my remarks.

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

(See exhibit 1.)

Mr. ROTH. Mr. President, we all know the Social Security trust fund has a long-range solvency problem. Beginning in 2013, payroll taxes will no longer be enough to cover benefits, and by 2031 the trust fund surplus will be depleted.

Although this bill is in no way a complete solution to that problem, every little bit helps.

Lastly, let me note that title I contains two other provisions important to the health of the Social Security system.

First, the bill provides funding for continuing disability reviews. These reviews are supposed to be done periodically to determine if individuals receiving disability benefits under Social Security or SSI continue to be disabled. Historically, this important program integrity activity has not been well funded, and the Social Security Administration has a backlog of over 1 million reviews waiting to be done. Social Security itself admits that billions of dollars have been lost from not doing these reviews, and even more money will be lost in the future.

This bill will help fix that urgent problem.

Incidentally, the continuing disability review provision is supported by the Administration, and a very similar proposal is continued in the President's 1997 budget.

Second, title I of this bill contains a provision to protect the Social Security and Medicare trust funds from underinvestment or disinvestment—which has been endorsed by the Treasury Department.

Title I of this bill was reported out of the Finance Committee unanimously and a similar measure passed the House by the overwhelmingly bipartisan vote of 411 to 4.

I am grateful to Senators DOLE and MCCAIN, both champions of raising the earnings limit, for their tireless efforts on this issue. I am proud to join them in this effort.

Raising the earnings limit is also strongly supported by AARP.

Mr. President, I ask unanimous consent that a letter from AARP be printed in the RECORD immediately following my remarks.

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

(See exhibit 2.)

Mr. ROTH. Mr. President, in closing on the earnings limit, let me quote two distinguished experts from the Urban Institute, Eugene Steuerle and Jon Bakija. These experts have stated, "The simple fact is that the earnings test is a tattered remnant of a bygone era."

Mr. President, let us act now, and send the message to America's seniors that we value their experience and skills.

EXHIBIT 1

MARCH 22, 1996.

From: Stephen C. Goss, Deputy Chief Actuary.

Subject: Estimated, long-range OASDI financial effects of the Senior Citizens' Right to Work Act of 1966—Information.

To: Harry C. Ballantyne, Chief Actuary.

Enacting the "Senior Citizens' Right to Work Act of 1996" (Title II of H.R. 3136) would increase (improve) the long-range OASDI actuarial balance by a total amount estimated at 0.03 percent of taxable payroll. The long-range solvency of the OASDI program would thus be improved by reducing the long-range deficit from 2.17 percent of taxable payroll to 2.14 percent of taxable payroll. These estimates are based on the intermediate (alternative II) assumptions of the 1995 Trustees Report. The balance of this memorandum describes the long-range financial effects of the individual provisions of the title.

Sections 204 and 205 of this act would each increase (improve) the long-range OASDI actuarial balance by an estimated 0.01 percent of taxable payroll. Section 204 would require one-half support from a stepparent at time of filing for a stepchild to receive benefits on the stepparent's account, and terminate benefits to stepchildren upon the divorce of the stepparent and the natural parent. Section 205 would prohibit eligibility to DI (and SSI) disability benefits based on drug addiction or alcohol abuse, respectively. Section 202, which would raise the earnings test exempt amount for beneficiaries at or above the normal retirement age to $30,000 by 2002, would result in negligible (estimated at less than 0.005 percent of taxable payroll) changes in the long-range OASDI actuarial balance. Sections 206 (pilot study on information for OASDI beneficiaries), 207 (protection of the trust funds), and 208 (professional staff for the Social Security Advisory Board) would also result in negligible effects on the long-range actuarial balance.

Section 203 authorizes the appropriation of specific amounts to be made available for fiscal years 1996 through 2002 for continuing disability reviews. This provision will have the effect of increasing the number of continuing disability reviews through 2002, with the result that total costs of the DI program will be lower for the long-range period and that the solvency of the OASDI program will be improved throughout the long-range period. Additional savings will occur if continuing disability reviews continue at the same level beyond 2002 as is provided for in this provision through the year 2002. The effect of this provision, assuming the appropriation of the specified amounts through 2002, is estimated to be an additional increase (improvement) in the long-range actuarial balance estimated at 0.01 percent of taxable payroll.

STEPHEN C. GOSS.

EXHIBIT 2

AARP,
Washington, DC, March 27, 1996.

Hon. WILLIAM V. ROTH, Jr.,
Chairman, Committee on Finance, U.S. Senate, Dirksen Senate Office Building, Washington, DC.

DEAR CHAIRMAN ROTH: The American Association of Retired Persons supports the Senior Citizens Right to Work Act—the proposed increase in the Social Security earnings limit—on the pending debt limit bill. We should be encouraging, not penalizing, those who continue to work and contribute to the economy.

AARP has long supported an increase in the earnings limit. The current level of $11,520 penalizes beneficiaries age 65 through 69 who desire to continue in the workforce. Your proposal, which would increase the limit to $30,000 over a 7-year period, is a fiscally responsible way of enabling many moderate and middle-income beneficiaries to improve their economic situation. AARP commends you and your committee for your leadership in the effort to finally address this long-overdue reform.

AARP believes that the earnings limit increase should be financed in an appropriate manner in order to maintain the integrity of the Social Security trust funds. While tradeoffs within the program are necessary, such financing is the responsible course. Towards this end, the Association notes that the Social Security actuaries have projected that your proposal would result in an improvement in the long range actuarial balance of the Social Security trust funds.

The proposed increase in the earnings limit would also send a strong signal to working beneficiaries that their skills, expertise and enthusiasm are welcome in the workplace. The public policy of this nation should be to encourage older workers to remain in the workforce. Your proposal would further that goal.

The Association remains committed to increasing the earnings limit, and we are pleased that Congress and the Administration have agreed to raise the earnings limit in the 104th Congress. Again, we thank you for your leadership.

Sincerely,

HORACE B. DEETS,
Executive Director.

The PRESIDING OFFICER. The Senator from New York is recognized.

Mr. MOYNIHAN. Mr. President, I express the appreciation and relief of all Members of this body and Americans everywhere that we shall, in very short order, under this agreement extend the debt ceiling to $5.5 trillion. That will take us through this fiscal year and past the next election to about September 30, 1997. This particular drop-dead date is out of our way. We can have a good national debate on other issues.

I make the point, Mr. President, that while, again, we have to extend the debt ceiling, for the first time since the 1960's, the United States has a primary surplus in its budget, which is to say that the revenues from taxes and other activities exceed the costs of the operations of the Federal Government.

Debt service makes for a continuing deficit, but it is coming down. The total deficit this fiscal year will be approximately 2 percent of gross domestic product. It was 5.7 percent just a few years ago. This is a good development. It is a bipartisan one. The vote was bipartisan in the House. It is responsible behavior. I thank all concerned.

Finally, Mr. President, I particularly want to thank my colleague, the chairman of the Committee on Finance.

Mr. President, my friend and distinguished associate, Senator JEFF BINGAMAN, has some very laudable concerns to raise the earnings limit for the blind so that in future years it will increase in parallel with the increase for retirees under Social Security, a provision included in this bill.

In that regard, I would like to take this opportunity to thank Senator MCCAIN for his thoughtfulness in pressing a matter of concern to him. The earnings limitation is an obsolete provision from the 1930's. We are gradually going to get rid of it now. Senator

MCCAIN deserves great credit for that, and I would like to so express my appreciation.

With that, I yield the floor, and I thank the managers of this legislation for allowing us to interrupt. Otherwise, it was default by midnight—well, midnight tomorrow. Even so, we have averted that, and we can go on to the proper business of the Senate. I thank the Chair.

Mr. COVERDELL addressed the Chair.

The PRESIDING OFFICER. The Senator from Georgia is recognized.

Mr. COVERDELL. Mr. President, I certainly thank our colleague from New York for his cordial management of this very important issue that had to be resolved.

Mr. BINGAMAN. Mr. President, I had hoped to offer an amendment to the debt limit bill that would have rectified an unjust situation in the legislation concerning the Social Security earnings limit increase for retirees. My amendment would have reestablished the linkage between earnings limit increases for retirees and the blind, a linkage that has existed since 1977. Unfortunately the bill we are considering ends that linkage which I believe is unfair and not supported by adequate policy considerations. However, Mr. President, I understand that passage of this amendment would have potentially damaged completion of the debt limit bill, a bill that has too long been delayed by extremist politics, so therefore I do not feel that now is an appropriate time to pursue my amendment.

However, Mr. President, it is my understanding that the ranking member of the Senate Finance Committee, Mr. MOYNIHAN, has given me his commitment to support my efforts in the Finance Committee and on the floor of the Senate, if necessary, to support an amendment that reestablishes some linkage between the blind and retirees on the next bill reported out of the Finance Committee that amends the Social Security Act. Am I correct in that understanding?

Mr. MOYNIHAN. The Senator from New Mexico is correct.

Mr. BINGAMAN. I also understand that my friend and colleague, Senator MOYNIHAN, will work with me to develop appropriate offsets that will insure that this amendment will not violate the provisions of the Budget Act when the amendment comes before the Senate during this Congress. Am I correct in that understanding?

Mr. MOYNIHAN. Yes, the Senator from New Mexico is correct.

Mr. BINGAMAN. I thank the Senator.

Mr. KYL. Mr. President, I rise in opposition to this bill to increase the public debt limit.

Twice last year, Congress passed legislation that properly coupled a debt limit increase with the steps necessary to balance the budget and thus preclude the need for additional debt limit increases in the future. Twice, the President vetoed the bills.

Let us be clear. If there is any possibility that the Federal Government will default on its obligations, it is a result of the President's insatiable appetite to spend the taxpayers' money.

President Clinton opposed the Balanced Budget Amendment last year. He vetoed the Balanced Budget Act—the first balanced budget to have passed the Congress in 26 years. He vetoed appropriations bills that comply with the strict budget limits for the current fiscal year.

It is the President's spending plan that, more than anything else, threatens to bankrupt the Nation and condemn future generations to a forever declining standard of living.

Mr. President, there is nothing in this bill that will ensure progress toward a balanced budget. The only reason the debt limit increase is going to pass is that it has been coupled with an increase in the Social Security earnings limitation and regulatory reform for small businesses.

Senior citizens and small businesses should not be held hostage to a debt limit increase. We should not have to vote to lead the Nation down the road to bankruptcy in order to ensure that seniors can keep more of their hard-earned income or to relieve small businesses of the regulatory burden that is hindering them.

My constituents know where I stand on the earnings limitation. I have cosponsored legislation in the past to repeal it. I voted four times last year on proposals relating to the repeal or raising of the earnings test, most recently on November 2, 1995.

No American should be discouraged from working, yet that is what the earnings limitation is specifically designed to do. The policy violates the very principles of self-reliance and personal responsibility on which America was founded. It is wrong. Not only does the earnings limit deny seniors the opportunity to work and supplement their retirement incomes, it denies American businesses a lifetime of expertise that many seniors bring to their work. The earnings limitation ought to be repealed.

The regulatory relief provisions of this bill passed the Senate just last week by a vote of 100 to 0. The vote was unanimous. It was unanimous for a reason: small businesses are being overwhelmed by federal rules and regulations.

Obviously, the regulatory relief measure could stand on its own merit. The only reason to include it here is that it will help win votes for the passage of the debt limit increase.

Mr. President, senior citizens, and small businessmen and women deserve better than to be made scapegoats for another debt limit increase. The earnings limit and regulatory reform provisions should be stripped from this bill and passed on their own merit. We should not, however, agree to any further increase in the debt limit until we first put the budget on a path to balance, and obviate the need for future debt limit increases.

Mr. McCAIN. Mr. President, once again we are debating whether or not to raise the Social Security earnings limit. The debt limit increase bill before the Senate contains what is basically the text of S. 1470, the Senior Citizens Right to Work Act.

I have discussed this issue many times on the Senate floor and I do not want to force my colleagues to listen to the same arguments that I have made here for the last 8 years. Therefore, I will be brief.

Passage of this bill will change a depression-era law that is designed to keep seniors out of the workplace. It is long overdue that we take this action.

Mr. President, this bill would raise the Social Security earnings limit from today's level of $11,280 per year to $30,000 per year over a 7-year period. Currently, if a senior citizen earns over the $11,280 earnings limit, the senior loses 1 of every $3 he or she earns. By raising the limit to $30,000, seniors who need to work would be allowed to do so without facing this onerous penalty.

Let me emphasize, this bill does not repeal the earnings limit. Although I would like to see the limit repealed in its entirety, this bill does not do that. It merely raises the limit to $30,000. And, Mr. President, I don't think anyone here in the Senate believes that $30,000 per year is much money.

Rich seniors—those who live of lucrative investments, stock benefit, trust accounts—are not effected by the earnings limit. Their income is safe and sound. The earnings limit only effects seniors who are forced to survive from earned income. Therefore, this bill has no effect on well-off seniors.

On the other hand, a working senior—one who works at McDonalds, or Disney or anywhere just to make ends meet—will benefit greatly by passage of this bill. And the 1.4 million seniors who are burdened by this onerous earnings test will be able to use the money they save due to its change to make their lives a little better.

Again, Mr. President, I don't want to belabor my colleagues with a long dissertation on this matter. They have all heard the arguments again and again. And I believe, if one is to believe the lofty statements that sometimes appear in the RECORD, that virtually every Member of this Senate supports taking action on this matter.

But year after year there have been one reason or another for Members to defeat this bill. There is always some excuse. Well, Mr. President, the time for excuses is over.

The bill before the Senate is not perfect. Many have concerns over technical aspects of it. But, Mr. President, now is the time to pass this measure. If any Members object to a pay for in this bill, then let them suggest an alternative. The sponsors of this bill are open to suggestions. But let me make the record completely clear, any Member who comes to the floor and argues on some technical parliamentary issue is working to defeat this bill.

Unlike the last time this bill was brought before the Senate, we pay for this bill without touching discretionary spending.

This bill is paid for. It is paid for 10 years. It is paid for out of mandatory spending. And specifically, it is paid for out of Social Security.

This bill is paid for by the following changes I will outline:

This bill pays for the increase in the earnings limit through two major changes in present law.

First, the bill ends entitlement to SSDI and SSI disability benefits if drug addiction or alcoholism are the contributing factors material to the determination of disability. Those individuals with drug addiction or alcoholism who have another severe disabling condition will still be able to qualify for benefits based on that disability. So the only individuals who will lose benefits are those whose sole disabling condition is drug addiction or alcoholism.

In fiscal years 1997 and 1998, $50 million of the savings from this change will be added to the Substance Abuse Prevention and Treatment Block Grant, providing additional funds for treatment services. This approach recognizes that while drug addicts and alcoholics need treatment, they are not in fact helped by cash benefits which can be used to pay for their addiction or drinking.

I would like to emphasize that those individuals with a drug addiction or alcoholism condition who have another severe disabling condition will still be able to qualify for benefits based on that disability. In these cases, the bill requires that benefits be paid to a representative payee if the Commissioner of Social Security finds that this would serve the interest of the individual. In addition, the bill requires that individuals whose benefits are paid to a representative payee be referred to the appropriate State agency for substance abuse treatment services. This approach recognizes that such individuals not only need substance abuse treatment but often need the assistance of others to ensure that their cash benefits are not used to sustain their addiction. Over a 5-year period, this change will save approximately $3.5 billion.

Second, the bill makes several changes in the entitlement of stepchildren to Social Security benefits. For a stepchild to receive benefits on the stepparent's account, the bill requires that a stepparent provide at least 50 percent of the stepchild's support, and for stepchildren to receive survivor's benefits, the bill requires that the stepparent provided at least 50 percent of the child's support immediately prior to death. In addition, a stepchild's Social Security benefits are terminated following the divorce of natural parent and the stepparent. These changes will ensure that benefits are only paid to stepchildren who are truly dependent on the stepparent for their support, and only as long as the natural parent and stepparent are married. Over a 5-year period, these changes will save approximately $870 million.

Taken together, these two changes will not only offset the cost of raising the earnings test limit, but will also improve the long term solvency of the Social Security system. In addition, the bill permits adjustments to the discretionary spending caps, so that spending for Continuing Disability Reviews [CDR's] can be increased. If these cap adjustments are fully used and the additional reviews are conducted, an additional savings of approximately $3.5 billion could result. Although these savings are not needed to pay for the increase in the earnings test limit, they would also increase the long term solvency of the Social Security System.

Mr. President, current law applies such an onerous and unfair tax to working seniors that they are effectively forced to stop working. This is unconscionable and it must be changed. Basically, passage of this bill will allow seniors who do not have enough in savings or pensions to work to make ends meet.

It does not help rich seniors who have stocks and bonds. Money derived from those sources is currently exempt from the earnings limit. This limit only affects earned income—money earned by seniors who go to work everyday for an hourly wage.

Mr. President, this bill would raise the Social Security earnings limit from today's level of $11,280 per year to $30,000 per year over a 7 year period.

I strongly believe this reform will result in a change in the behavior of our Nation's seniors. When we raise the earnings limit, seniors will work more, and thus pay more in taxes. I hope that all my colleagues understand this point. This bill will benefit working seniors—those most in need of our help.

Unfortunately, under a static scoring model—one used by the Congressional Budget Office—this amendment would be scored at costing just over $7 billion dollars.

And once again, I want to repeat, this bill is fully paid for without touching discretionary spending.

Mr. President, the Social Security earnings test was created during the depression era when senior citizens were being discouraged from working. This may have been appropriate then when 50 percent of Americans were out of work, but it is certainly not appropriate today. It is not appropriate today when seniors are struggling to get ahead and survive on limited incomes. Many of these seniors are working to survive and make it day to day.

Most people are amazed to find that older Americans are actually penalized by the Social Security earnings test for their productivity. For every $3 earned by a retiree over the $11,280 limit, they lose $1 in Social Security benefits. Due to this cap on earnings, our senior citizens, many of whom are existing on low incomes, are effectively burdened with a 33.3 percent tax on their earned income. Combined with Federal, State, and other Social Security taxes, it will amount to a shocking 55- to 65-percent tax bite, and sometimes even more—Federal tax—15 percent, FICA—7.65 percent, earnings test penalty—33.3 percent, State and local tax—5 percent. Obviously, this earnings cap is punitive, and serves as a tremendous disincentive to work. No one who is struggling along at $11,000 a year should have to face an effective marginal tax rate which exceeds 55 percent.

This is an issue of fairness. Why are we forcing people not to work? Why are we punishing people for trying to "make it." No American should be discouraged from working. Unfortunately, as a result of the earnings test, Americans over the age of 65 are being punished for attempting to be productive. The earnings test doesn't take into account an individual's desire or ability to contribute to society. It arbitrarily mandates that a person retire at age 65 or suffer the consequences.

Perhaps most importantly, the earnings cap is a serious threat to the welfare of low-income senior citizens. Once the earnings cap has been reached, a person with a job providing just $5 an hour would find that the after tax value of that wage drops to less than $3. A person with no private pension or liquid investments—which, by the way, are not counted as "earnings"—from his or her working years may need to work in order to meet the most basic expenses, such as shelter, food and health-care costs.

There is also a myth that repeal of the earnings test would only benefit the rich. Nothing could be further from the truth. The highest effective marginal rates are imposed on the middle income elderly who must work to supplement their income. Plus these middle income seniors are precisely the group that was hit hardest by the 85-percent tax increase included in President Clinton's Budget Reconciliation Act of 1993. This tax increase hits hardest those seniors who were frugal during their working lives in order to save toward their retirement since the tax

affects both their Social Security and their savings. The 85 percent increase has hit a group of seniors who are far from rich with a triple whammy and is a further disincentive to these seniors who could further contribute to our economic growth by working.

We have a massive Federal deficit. Studies have found that repealing the earnings test could net $140 million in extra Federal revenue. Furthermore, the earnings test is costing us $15 billion a year in reduced production. Taxes on that lost production would go a long way toward reducing the budget deficit. Nor, as it continues to become tougher to compete globally, can America afford to pursue any policy that adversely affects production or effectively prevents our citizens from working.

Mr. President, let me also note that changes to the earnings test will in no way jeopardize the solvency of the Social Security trust funds. Let me clarify for the record that the Social Security system will in no way be at risk if we alter the status quo in regards to the earnings test. To claim it would is a red herring and is unfortunately nothing more than a cruel scare tactic.

Let me also point out that one very disturbing consequence of the President's tax increase on Social Security is that it continues to punish those seniors who do work—what little they can due to the earnings test—in order to make ends meet. They are hit with both the tax on their benefits and the Social Security earnings test penalty. This is completely unfair.

It is certainly true that our Nation's seniors—as a group —are better off today that they were when Social Security was created in 1935. It is also true that many other groups in our society are suffering from declining standards of living. Deficit reduction and economic growth are of paramount concern for this Nation. But increasing the taxation of Social Security benefits is neither an appropriate nor effective way to achieve these goals.

Finally, it is simply outrageous to continue two separate policies that both keep people out of the work force who are experienced and want to work. We have been warned to expect a labor shortage. Why should we discourage our senior citizens from meeting that challenge? As the U.S. Chamber of Commerce, which strongly supports this legislation, has pointed out, "retraining older workers already is a priority in labor intensive industries, and will become even more critical as we approach the year 2000."

A number of our Nation's prominent senior organizations are lining up in favor of repealing both of these measures. Among these groups are the National Committee to Preserve Social Security and Medicare and the Seniors Coalition.

Mr. President, before I finish, I want to discuss the issue of delinking the blind. Let me clarify for the record that I support what my colleague from New Mexico, Mr. BINGAMAN had wanted to accomplish. The Social Security earnings limit effects more than just the elderly, it also effects the earnings of blind individuals who receive Government benefits. Unfortunately, the provisions of S. 1470 which were added to the debt ceiling bill breaks the link between the blind and the earnings limit.

Now we must act on the debt ceiling, which we must soon pass in order to ensure that the Government is not forced to close. There is not time to amend this bill and call a conference committee. We must send the debt ceiling to the White House as soon as possible. I was not pleased that the rule in the House did not allow for this issue to be fully addressed. But the House has acted and we are now limited by such action. This leaves us with few options.

I would hope, Mr. President, that perhaps the chairman of the Finance Committee, the Senator from New Mexico, and myself could agree on some date certain for the Finance Committee to address this issue. We could give our assurances to the blind community that the Finance Committee would act and that if they did not, then Mr. BINGAMAN and I would offer this amendment to another bill.

I would hope that we could take that path.

I know it is not the perfect solution. But I am doubtful that we will be able to solve this problem today.

Further, the Senator from New Mexico's amendment would not have fully relinked the blind to the earnings limit. The provisions of the Senior Citizens Freedom to Work Act raises the earnings limit from approximately $11,000 to $30,000 over a 7 year period. The Bingaman amendment would only raise the earnings limit for the blind from $11,000 to $14,000. Although this amendment offers the blind some relief, it does not offer full linkage.

I would hope that we could fully relink the blind to the earnings limit at the appropriate time.

I want all my friends in the blind community to know that I will work with them to see to it that this issue is properly addressed. I know that all of my colleagues are keenly aware of the problems associated with employment for the blind. But as I noted, we must pass this debt ceiling bill now. We cannot wait. We cannot risk closing the Government.

And I again, give every assurance I can to the blind community that we will address this issue and we will do it very soon.

Mr. President, in closing, America cannot afford to continue to pursue two separate policies that adversely effect production and are unfairly burdensome to one particular segment of society. Our Nation would be better served if we eliminate the burdensome earnings test and the grossly unfair tax increase and provide freedom, opportunity and fairness for our Nation's senior citizens.

For 8 long years I have fought to relax the Social Security earnings test. When the President signs this bill tonight or tomorrow, the battle will have been won and America's seniors have a right to rejoice.

Mr. COHEN. Mr. President, today, we are considering legislation which will extend the current $4.9 trillion debt ceiling to $5.5 trillion. I am pleased that the administration and the leadership on both sides were able to come together to take permanent action on this issue. However, I want to focus my comments on another important change included in this bill: Senator MCCAIN's proposal to raise the Social Security earnings limit.

This has been a priority for many years because of the earning limit's detrimental impact on retirees with low and moderate incomes who have to work out of necessity to maintain a decent standard of living. I hope that raising the limit will help these senior citizens who are just barely getting by with a Social Security check and whatever other income they can scrape together.

It is also clear that more and more retirees will need to work in the future. Retirement forecasters report that baby boomers did not get an early start on saving for retirement, so even more senior citizens will find it necessary to supplement their retirement savings and benefits with work to maintain a decent standard of living in the future.

To minimize the impact on the financial health of the trust fund that will occur when the limit is raised, we have had to accept tradeoffs. We will eliminate drug addiction and alcoholism as a basis for disability under the Supplemental Security Income Program and the Disability Insurance Program. This change is estimated to save about $5.5 billion in spending.

The operation of these two programs has a direct effect on the stability of Social Security. The public's positive perception of Social Security as our most successful Federal program is being threatened—not only because of the risk of insolvency—but also because of fraud and program inefficiencies in the Federal disability programs.

I want to remind my colleagues that we are already shifting payroll taxes away from the retirement side of Social Security to shore up the disability insurance trust fund. This reallocation has represented a shift of more than $38 billion in the last 2 years. By 2004, more than $190 billion will be transferred to the Disability Insurance Program. We must continue to guard against the abuse of these Federal benefits, particularly when we are taking

funds out of retirement and putting funds into a program that is deeply troubled.

A blatant example of how our Federal disability programs have gone haywire came to light more than 2 years ago in an investigation of SSI and SSDI benefits being paid to drug addicts and alcoholics. The investigation was conducted by my staff on the Special Committee on Aging with the General Accounting Office.

We found that the word on the street is that SSI benefits are an easy source of cash for drugs and alcohol. The message of the disability programs had been: "If you are an addict or an alcoholic, the money will keep flowing as long as you stay addicted. If you get off the addiction, the money stops."

Rather than encouraging rehabilitation and treatment, the disability programs' cash payments have perpetuated and enabled drug addiction and dependency.

At a hearing of the Senate Special Committee on Aging I chaired, we heard from Bob Cote, the director of a homeless shelter in Denver. Mr Cote told the committee in riveting testimony that he personally knew 46 drug addicts who had died from drug overdoses from the drugs they bought with SSI checks. Mr. Cote went on to testify that a liquor store down the street from his shelter was the representative payee for over $200,000 in SSI checks, and a bar just two doors down from his shelter was the representative payee for $160,000 in SSI checks.

Taxpayers were outraged to learn that situations like these have been going on for years with almost no oversight by the Social Security Administration on how these tax dollars and trust fund moneys have been used.

Congress took steps to place better protections on the disability payments made to addicts and alcoholics. We mandated that all persons receiving disability benefits due to alcohol or drug abuse must receive treatment, imposed a 3-year cutoff for benefits for addicts and alcoholics, and toughened the representative payee rules in order to get cash out of the hands of addicts.

These reforms are now in effect and early examination suggests that this carrot and stick approach has worked to stem abuses in the disability program. The referral and monitoring system which was overhauled in 1994 more than pays for itself and will save the Federal Government more than $25 million in 1996.

The legislation before us today allows the Commissioner of the Social Security Administration to continue to refer drug addicts and alcoholics to treatment. Eliminating drug addiction and alcoholism as a disability will result in only 25 percent of recipients diagnosed as drug addicts or alcoholics actually leaving the program. A substantial portion will stay on the rolls, continuing to receive checks without receiving treatment. It is very important that the treatment money be made available to the States to rehabilitate substance abusers.

The legislation continues to require the use of responsible representative payees who will ensure that the Federal checks are being used for living expenses—not drugs and not alcohol.

The legislation also takes the necessary step to allocate funding to conduct continuing disability reviews [CDR's]. Until now, our hands have been tied because of the appropriations caps on discretionary spending. I commend Senator MCCAIN's acknowledgment that it is short-sighted to ignore the need to provide more resources to SSA to comply with the mandate to perform CDR's. In the SSDI program, the agency is experiencing a backlog rate of more than 1.4 million cases. With that type of backlog, getting on disability means a lifetime of benefits, even for persons who could return to work. A recent HHS Inspector General report concluded that $1.4 billion could be saved if we could perform CDR's just on those backlogged cases.

Finally, we need to turn our attention to the current return to work policies in these two programs. Last year, the Senate Aging Committee began to review the record of SSA to promote rehabilitation for people with disabilities. Appallingly, only about 1 in every 1,000 persons on the disability rolls gets off the program through the SSA's rehabilitation efforts. The Federal disability programs have failed to keep pace with a more accessible workplace being created through the Americans With Disabilities Act and advances in medical technology.

More must be done to ensure that people with disabilities who can and want to return to the work force are given some assistance. There are a significant number of disabled recipients who want to work. Unfortunately, the program now discourages recipients from even trying to work, because they fail to take into consideration how recipients can be retrained and rehabilitated to eventually leave the rolls. I believe that we must pursue a policy which will put a greater emphasis on rehabilitation and return to work. At the same time we are acknowledging the benefits of allowing senior citizens to retain more of their earnings—a work incentive—we need to be open to the same ideas for people with disabilities.

Mr. SIMPSON. Mr. President, because we recently shouldered the important matter of extending the debt limit, I feel obliged to address the provision in that bill that increases the earnings limit for Social Security beneficiaries aged 65–69. As my colleagues know, this is a change that I have expressed serious concern about in the past. Now that enactment of this provision has come to pass, I want to state my views about the general issue of the earnings limit.

First, let me pay tribute to a fine chap, my esteemed colleague from the great State of Arizona, Senator JOHN MCCAIN for his dogged determination and tireless efforts to effect this change in the law. I know that my past intervention on this issue has not always been truly welcome to my colleague—but I trust that my intentions, which were always constructive, were apparent.

It has never been my intention to permanently forestall all changes to the earnings limit. I trust that the provision attached to the debt limit extension provides the best available means of achieving the objectives of my friend from Arizona and all others who are interested in raising the earnings limit for seniors.

Clearly, I appreciate the fundamental principle behind the earnings limit legislation. Americans are living longer, are productive for more years, and our retirement systems need to recognize these facts. As chairman of the Senate Finance Subcommittee on Social Security and Family Policy, I have a demonstrated interest and responsibility to see that we adapt wisely and properly to these changes. One of my charges is to monitor any changes in Social Security policy and to ensure that those changes are not detrimental to the long-range solvency of the Social Security system. I have expressed my misgivings about previous funding mechanisms to "pay for" this legislation, and I am pleased to note that the offsets now come in a more straightforward manner from Social Security spending.

Ultimately, Congress must come to grips with the fact that American society is aging. For the benefit of today's workers, we must act to address these issues very soon, or the cost to our children and grandchildren will be catastrophically high. We must make changes to ensure the solvency of future retirement programs—we should increase the retirement age while at the same time offering inducements for Americans to work longer without suffering penalties that discourage continued participation in our work force.

We can't have it both ways—handing out plums that allow workers to stay in the work force in a productive way, while at the same time avoiding the hard choices that must follow—meaning raising of the retirement age. I hope that this first step will lead Congress to confront the next necessary decision. Increases in the Social Security eligibility age must be enacted soon, and the change will have to be phased in over a long period—perhaps 20 years—in order to be fair and effective. Such a plan will allow today's workers to plan for these changes.

This legislation to increase the earnings limit is offset in large part by terminating the disability benefits for drug addicts and alcoholics. Many have considered the payment of benefits to these groups to be an abuse of the Social Security system. This measure passed by the Senate makes a clear choice that we will subsidize the continued working activity of senior citizens instead of subsidizing these addictions of alcohol and drug use. Clearly, the Senate is appropriately going on record as to what activity we wish to encourage and what we want to discourage.

Another change that will offset the cost of this legislation is the increase in reviews of those people who are currently receiving disability benefits. Such payments were never intended to be a lifetime allowance to substitute for employment or self-employment. For years, the Social Security Administration has been unable to complete these required reviews—the result of which is that people are receiving disability payments long after their disability has either ceased or improved to the point where a return to work is possible. Not only will these reviews result in savings for the trust funds, but they will place able Americans who can return to work back in the workplace.

I congratulate Senator MCCAIN for finding the offsets that enable us to pay for the increased earnings limits for seniors. I am very pleased—you can hardly know how much—to be able to speak to this issue without having thrown a monkey wrench into the works and frustrating my colleague from Arizona. I am most hopeful that this measure will be merely a prelude to Congress coming to grips with the much larger issue of the aging of America and the future of our retirement programs. The steps that we must take in the future will never—in any way—be as popular as this measure, but we must have the political fortitude to make those decisions as well. That is our job, that is our duty.

Mr. DASCHLE. Mr. President, it is important that my colleagues recognize two very important aspects of the legislation we are considering today.

First, this legislation increases spending on Social Security and offsets that spending, in part, by using savings that had been identified as necessary to bring about a balanced budget. The language was changed at the last minute so that a point of order against using non-Social Security savings to pay for Social Security spending could be avoided. But I do think my colleagues should be aware that this legislation uses savings that had been identified for reducing the deficit.

Second, the savings in this legislation exceeds the level that is needed to pay for the spending increase. According to the Congressional Budget Office, this legislation achieves $3.5 billion in on-budget savings, and $1.8 billion in net savings over 7 years.

The impact of these provisions on the deficit would actually be higher than the CBO numbers indicate. This is because the bill would allow the discretionary spending caps to be increased in order to conduct more continuing disability reviews. These reviews are conducted to verify that beneficiaries are still entitled to disability benefits. Because of budgetary pressures, and competing priorities, the Social Security Administration has not been able to conduct as many CDRs as they would like. CBO estimates that, if fully utilized, this provision could result in net savings of $800 million dollars by the year 2002.

Finally, the savings are understated because CBO does not take into consideration the fact that raising the earnings limit means that beneficiaries who work will receive higher Social Security benefits. Under current law, if their income is high enough, they will be obligated to pay higher taxes. Actuaries at the Social Security administration estimate the impact to be $726 million over the 7-year budget window.

In sum, Mr. President, the net impact of the legislation we are adopting today is, in effect, to make a down payment on deficit reduction of more than $3 billion over 7 years.

SENIOR CITIZENS' RIGHT TO WORK ACT

Mr. GRAHAM. Mr. President, in this Congress, we have talked a lot about reforming welfare, about empowering people to help themselves, about removing disincentives to work for able-bodied citizens. Well, Mr. President, here is our chance.

Here are citizens who are not looking for hand-outs, who are not looking for favors, who are not even looking for help. These people are not looking for anything but the right to contribute—as working, tax-paying citizens—to their country. Are we going to continue to say, no, you cannot work. No, you cannot contribute. No, you cannot be considered a valuable part of our Nation's workforce?

Mr. President, I submit to you that our senior citizens can be a valuable part of our workforce. They have the experience, the maturity, and the desire to contribute to the workforce. And many of them are able to work and contribute significantly.

Mr. President, the Social Security earnings test may be our Nation's biggest disincentive to allowing those who want to work, who have asked to work, to continue to contribute meaningfully. Isn't it ironic that we have been talking about removing disincentives to work for those who are on welfare, yet preventing our Nation's seniors from contributing in any meaningful way?

These seniors are not on welfare; rather, they have spent a lifetime contributing to the Social Security Program—they have earned their benefits. We should not use the reduction of these benefits to prevent our seniors from working.

For every $3 that seniors aged 65 to 69 earn over $11,520 this year, the Federal Government takes away $1 in Social Security benefits. According to the Social Security Administration, about 930,000 seniors in this age group are affected by the earnings cap. But let me bring this policy issue away from the statistics.

Each month, I take a different job to stay in touch with the people I represent. In 1991, I took a job bagging groceries at the Winn-Dixie supermarket in Pace, FL, which is near Pensacola. I worked with a man by the name of Jim Young, who is a father of three and grandfather of two. And Jim needs to work. Like many Americans, Jim is looking ahead to the legal age of retirement with full benefits, but without a big retirement savings account. Listen to Jim Young explain this issue: "I don't-have retirement savings, and there are a lot of other people who don't either."

Jim Young would like to work past the age of 65. He needs to work past the age of 65. And by current law, if Jim makes $18,000 when he turns 65—just $18,000, he will lose $1200 of his Social Security benefits. To people like Jim Young, to most older Americans, that's a lot of money. Why should the Government put up a barrier to block Jim Young from working, from supporting his family?

Some opponents of this legislation may make the argument that reform isn't needed because older Americans are well-off and therefore, don't need to work. To those people, I say: Talk to Jim Young, who now works in the produce department at Winn-Dixie. Talk to Winn-Dixie and find out whether employers want to hire the talents of older Americans like Jim Young.

True, when the Social Security earnings test was designed, it may have made sense to discourage older Americans from working, under the rationale that keeping seniors out of the job market would free up jobs for younger people who needed work.

But times have changed. The declining birth rate after the post-World War II baby boomer generation means that fewer teens are in the job market. Many employers are looking for seniors to fill jobs. And people like Jim Young are ready to work. They need to work. And to these people, we should say, "Go ahead. Support your family. Help yourself to improve your quality of life. We won't stand in your way."

Social Security was not designed to be the sole support of our senior citizens, but now, many seniors—like Jim Young—have little savings to supplement their benefits. And we have been saying to those seniors who can work,

to those senior who want to work, that we want to penalize them for their efforts? This policy is unfair to our seniors. And even worse, it doesn't make sense.

Without the earnings cap, more seniors would likely choose to continue working. Additional revenue would be generated through Social Security and income taxes paid on their wages. This would substantially offset the increase in benefit payments.

In addition, we have been struggling to find ways to improve the long-term solvency of the Old Age, Survivors, and Disability Insurance Program. The Social Security Administration estimates that the offsets in this legislation would pay for the increase in the earnings limit. But the offsets would also improve the long-term solvency of the OASDI program by about 0.03 percent. That's not a lot, but it's a step in the right direction.

So you see, Mr. President, we cannot afford to discourage our older population from working. We need their experience. We need their skills. And we need to allow them to provide for their families.

When I go home to Florida and I see Jim Young and all of the other Jim Youngs who are working to support themselves and their loved ones, I want to say, we are proud of your efforts. We salute your efforts. And we thank you for your valuable contributions to this great Nation of ours.

So as we continue to talk about welfare reform and look for ways to help able-bodied people get back to work, I say: Let us take this issue out of the welfare arena and apply it to those who are not on welfare, to those who simply want to receive the benefits they have earned while continuing to be a part of the workforce. Let us look to our mothers, our fathers, our grandparents. Let us look to Jim Young.

Mr. President, approving this legislation to allow our seniors to work is good policy. It is fiscally sound. And it is the right thing to do.

Mr. NICKLES. Mr. President, clearly, the American people believe that Washington has too much control over their everyday lives. They attribute much of this to a Federal bureaucracy that has grown out of control over the last several decades. Today, the Senate will take a major step toward holding regulatory agencies accountable for the rulemakings they issue. In an effort to return common sense to Federal regulations, we are sending to the President legislation which will provide a formal Congressional review process of regulations issued by Federal agencies.

The Congressional Review Act before us is similar to S. 219, the Regulatory Transition Act that passed the Senate 100–0 a year ago this week. I fully concur with changes made by the House to the Senate bill and believe this represents a workable consensus agreement.

It is estimated that the direct cost to the public and private sectors complying with Federal regulations was $668 billion in 1995. This translates into a cost of $6,000 annually for the average American household. This means higher prices for the cars we drive, the houses we live in, and the food we consume. It also means diminished wages, increased taxes, and reduced government services.

The Congressional Review Act provides for a 60-day review period following the issuance of any Federal agency final rule during which the Congress may enact a joint resolution of disapproval, under a fast-track procedure in the Senate. If the joint resolution passes both Houses, it must be presented to the President for his action.

As in the Senate-passed version, the Congressional Review Act provides for a formal congressional review procedure following the issuance of any final rule by a Federal agency, during which the Congress has an opportunity to review the rule and, if it chooses, enact a joint resolution of disapproval. An expedited review procedure is provided in the Senate for 60 session days beginning on the later of the date Congress receives the agency's report on the rule, or the date the final rule is published in the Federal Register.

Upon issuing a final rule, a Federal agency must send to Congress and GAO a report containing a copy of the rule and also send to GAO or if requested, to Congress, the complete cost-benefit analysis, if any, prepared for the rule and the agency's analyses required by the Regulatory Flexibility and Unfunded Mandates Acts.

For major final rules, GAO shall provide within 15 days to the appropriate committee an assessment of the agency's compliance with the regulatory flexibility, unfunded mandates, and cost-benefit analyses performed by the agency.

Any Senator or Representative may introduce a resolution of disapproval of an agency final rule. The joint resolution of disapproval, which declares that the rule has no force or effect, will be referred to the committees of jurisdiction.

As provided in the Senate version the agreement contains the look-back provision provided to permit congressional review of major final rules issued between March 1, 1996, and the date of enactment.

With regard to concerns raised about unnecessary legal challenges to rules, this act, as in the Senate-passed version, provides that "no determination, finding, action, or omission under this title shall be subject to judicial review."

The agreement does not provide for expedited procedures in the House, but terminates the use of the Senate procedures on the 60th session day, instead of the 45-calendar-day review that was provided in the Senate version.

The Senate expedited procedures can be used to consider a resolution of disapproval that may be introduced with respect to most Federal agency final rules. All final rules that are published less than 60 session days before a session of Congress adjourns sine die, or that are published during sine die adjournment, shall be eligible for review and for fast-track disapproval procedures in the Senate for 60 session days beginning on the 15th session day following the date the new session of Congress convenes.

If the Senate committees of jurisdiction have not reported the resolution of disapproval within 20 calendar days from the date Congress receives the agency's report on the rule, or on the date the final rule is published in the Federal Register, whichever is later, a petition signed by 30 Senators may discharge the committee from further consideration and place the resolution of disapproval directly on the calendar.

Under the Senate procedures, the motion to proceed to the joint resolution is privileged and is not debatable. Once the Senate has moved to proceed to the resolution of disapproval, debate on the resolution is limited to 10 hours, equally divided, with no motions—other than a motion to further limit debate—or amendments in order. If the resolution passes one body, it is eligible for immediate consideration on the floor of the other body.

As provided in the Senate version, the Congressional Review Act declares that no court or agency shall infer any intent of the Congress from any action or inaction of the Congress with regard to a rule unless the Congress enacts a joint resolution of disapproval regarding that rule. As all of my colleagues are well aware, the Congress at any time can review and change, or decide not to change, rules or their underlying statutes. Accordingly, it is my belief that the courts should not treat the mere introduction of a joint resolution of disapproval as grounds for granting a stay to any greater or lesser extent than the courts now take cognizance of any other bills that are introduced.

Major final rules, which the Congressional Review Act defines as final rules that meet the criteria for "major rules" set forth in the Reagan Administration's Executive Order 12291, may not take effect until at least 60 calendar days after the rule is published. However, major final rules addressing imminent threats to health and safety, or other emergencies, criminal law enforcement, matters of national security, or issued pursuant to any statute implementing an international trade agreement may be exempted by Executive Order from the 60-day minimum delay in the effective date. The decision by the President to exempt any

major final rule from the delay is not subject to judicial review.

Major final rules would not go into effect after the 60-day period if the joint resolution of disapproval has passed both Houses within that time. If the joint resolution of disapproval is vetoed, the effective date of the final rule will continue to be postponed until 30 session days have passed after the veto, or the date on which either House fails to override the veto, whichever is earlier.

To address statutory or judicial deadlines that apply to disapproved rules, these deadlines are extended for one year after the date of enactment of the joint resolution.

Currently, Congress must approve tax increases, and thanks to the Unfunded Mandates Act passed last year must also focus its attention on any major unfunded mandate. But Congress has virtually no formal role, other than oversight, over the promulgation of a Federal regulation, even if its impact on the economy is measured in billions of dollars. There may have been a time in our Nation's history where congressional review wasn't important. But agencies are now very large, with broad authorities and individual agendas. This new act will help Congress carry out its responsibility to the American people to ensure that Federal regulatory agencies are carrying out congressional intent.

Finally, I wish to extend my sincere appreciation to Senator HARRY REID who has worked tirelessly on this issue since its inception.

MIA'S IN NORTH KOREA—SECTION 1607—UNITED STATES-NORTH KOREA AGREED FRAMEWORK

Mr. MURKOWSKI. Mr. President, as we prepare to vote on the conference report on H.R. 1561, the Foreign Relations Revitalization Act of 1995, I would like to direct my colleagues' attention to one provision of the act that relates to what, I believe, is an often-overlooked issue. That issue is the fate of more than 8,100 American servicemen from the Korean war.

We have always demanded the fullest possible accounting in Vietnam for those listed as missing in action, and the question that I think must be asked is, why not North Korea as well?

Of the 8,100 servicemen not accounted for after the Korean war, at least 5,433 of these were lost north of the 38th parallel. In Vietnam, by contrast, the number of unresolved cases is 2,168, and Vietnam has cooperated in 39 joint field activities.

The United States Government recently announced plans to contribute $2 million through United Nations agencies to relieve starvation in North Korea. The donation was consistent with other instances where the United States seeks to relieve human suffering, despite disagreements with the government of the receiving country.

What is inconsistent with United States policy is our failure to ensure that the Democratic People's Republic of Korea addresses the humanitarian issue of greatest concern to the American people—the resolution of the fate of servicemen missing in action since the end of the Korean war.

I think the families of the servicemen see that same inconsistency. I would refer my colleagues to a March 26, 1996, front page story in the Washington Post, "The Other MIAs, Americans Seek Relatives Lost in Korea." In that story, the President of the Korean/Cold War Family Association of the Missing was quoted as saying: "North Korea wants humanitarian assistance, yet they won't give it themselves. Our families are starving to know what happened to their loved ones. We want an accounting for these men. They deserve an accounting. It's grossly dishonorable to walk away from them." I could not say it better.

I remind my colleagues that relations between the United States and Vietnam did not even begin to thaw until the Government of Vietnam agreed to joint field operations with the United States military to search for missing servicemen. The pace and scope of normalization was commensurate with Vietnam's cooperation on the MIA issue and other humanitarian concerns. In every discussion between United States Government officials and their Vietnamese counterparts, the MIA issue war paramount. The Vietnamese received very clear signals that progress in normalizing relations with the United States would come only after progress was made on the MIA issue.

In contrast to our Vietnam policy, United States policy toward North Korea lacks this focus. The recent announcement regarding food aid did not mention our interest in the MIA issue. The agreed framework between the United States and the DPRK does not talk about cooperation on MIA's—even though the framework commits the United States to give the DPRK free oil and supply two highly advanced light-water reactors; a total package that exceeds $5 billion—$4 billion for the reactors and $500 million for the oil, not counting potential future aid for the grid system to distribute the power that the reactors will produce. The agreed framework also envisions the United States lifting trade restrictions and normalizing relations—regardless of any movement on the MIA issue.

The most obvious difference between Vietnam and North Korea is North Korea's nuclear program. The United States has an overriding national security interest in stopping the North Korea nuclear program. Nevertheless, I do not believe we should have ignored the MIA issue. That is why I have introduced legislation (S. 1293) that would prevent establishing full diplomatic relations or lifting the trade embargo until the DPRK has agreed to joint field operations.

The conference report before us is consistent with S. 1293. Section 1607 states the sense of the Congress that:

> the President should not take further steps toward upgrading diplomatic relations with North Korea beyond opening liaison offices or relaxing trade and investment barriers imposed against North Korea without . . . obtaining positive and productive cooperation from North Korea on the recovery of remains of Americans missing in action from the Korean war without consenting to exorbitant demands by North Korea for financial compensation.

I urge the Clinton administration to pursue the policy that is laid out in section 1607.

I recently had the opportunity to sit down with our dedicated armed services personnel in Hawaii who are responsible for negotiating with the North Koreans on the MIA issue. It was clear from that briefing that joint field operations would have a high probability of considerable success because, unlike Vietnam, the United States has concrete evidence of the sites of mass U.N. burial grounds and prisoner-of-war camp locations. But United States personnel have no access in North Korea to these sites. The only thing preventing our personnel from going in and making these identifications is the North Koreans.

The North Koreans have been unilaterally turning over some remains. Unfortunately, the North Koreans, without training in the proper handling of remains, have turned over excavated remains that have not been properly handled, making identification vastly more difficult, if not impossible. Of the 208 sets of remains turned over since 1990, only 5 sets have been identified.

Despite United States aid flowing to North Korea, the Koreans have repeatedly attempted to link progress on the remains issue to separate compensation—amounts of money seemingly far in excess of reimbursement costs for recovery, storage, and transportation of remains. The U.S. Government must stand by its policy not to buy remains—this would degrade the honor of those who died in combat. Instead, the United States has offered to reimburse North Korea for reasonable expenses, as we do in Southeast Asia. Talks to try to move the MIA remains repatriation issue forward at this moment appear stalled.

While the United States has been careful not to link the nuclear issues with other policy concerns in North Korea, it is not unreasonable for the United States to consider North Korea's behavior on other issues, such as the MIA issue, when considering whether to provide humanitarian aid to the closed nation. For the families of the 5,433 soldiers and airmen still missing more than 40 years after the end of the conflict there is no more humane action that North Korea could

take than to let America have sufficient access to try to resolve as many of these cases as possible.

We have demanded fullest accountability from the Government of Vietnam on the MIA issue. We should demand the same of the Government of North Korea.

CONGRESSIONAL REVIEW AND SMALL BUSINESS REGULATORY FAIRNESS BILL

Mr. LEVIN. Mr. President, it has been 17 years that I have fought for and supported a mechanism for congressional review of agency rules before they take effect. Believe it or not I ran for the Senate in 1978 on the need for legislative veto. That's what we called the right of Congress to review important regulations and stop the ones that don't make sense before they take effect. After the Chadha case, we changed the name from legislative veto to legislative review since the Supreme Court ruled that legislative vetoes—involving only one or two houses of Congress without the President—were unconstitutional. This bill uses a joint resolution of disapproval which is a constitutional mechanism and which was the cornerstone of a bill I introduced with Senator David Boren from Oklahoma back in the early 1980's.

My proposal was adopted with respect to the Federal Trade Commission and the Consumer Product Safety Commission. It was passed by the Senate, with respect to all Federal agencies, on the omnibus regulatory reform bill, S. 1080, in the 96th Congress. But it didn't become law then, and despite repeated efforts over the year, it hadn't become law until this time.

As a longtime member of the Governmental Affairs Committee, I have worked on various regulatory reform proposals, but none has been as significant to me as legislative veto or legislative review. That's because it, alone, puts important regulatory decisions in the hands of the politically accountable, only directly elected branch of the Government, and that is the Congress. And that's where I think these important public policy decisions belong.

The provision we are adopting today, which is similar to the proposal we passed on S. 219 last year, is not exactly what I would have chosen to support, but it's close enough. I think it would have been wiser to have the legislative review apply only to major rules and not every rule issued by Federal agencies. We want to concentrate our energies—at least in the beginning—on the rules that have the greatest impact and not be overwhelmed with requests to review hundreds of rules at the same time. It's been estimated that over 4,000 rules are issued in any 1 year. That amount could simply overtake our ability to be effective with respect to any one rule. That is why I think it would be preferable to have this legislation apply to only major rules—that is, rules that have an economic impact of over $100 million of costs in any 1 year.

I am also concerned about the requirement that each agency physically send to each house of Congress and to the GAO a copy of the final rule, a description of the rule, and notice of the effective date. That is a large and unnecessary paperwork burden that must be met before any rule can take effect. That means for even a small, routine rule, the agency will have to send us the rule and required description. Almost all rules are already published in the Federal Register and we can read that as readily as the public can. I think this will prove to be an unnecessary requirement that needlessly generates paper, and takes precious staff time at both the agencies and in the office of the Secretary of the Senate and the Clerk of the House.

I am also concerned about the change the House made with respect to counting days as calendar days. The bill we have before us would allow a major rule to take effect within 60 calendar days, but would allow the expedited procedure for congressional review to occur within 60 legislative or session days. That's a very big difference in time. At the end of a session of Congress, that could mean we would have the opportunity to disapprove a rule possibly 6 months after it took effect. I think that opens the rulemaking process to unintended and unnecessary mischief. The rule would be in effect, the regulated community would be expected to comply with the rule, and then Congress could come along, using expedited procedures, and repeal the rule. That will create a great deal of uncertainty for businesses and governments alike.

Moreover, Mr. President, the fact that Congress retains the legal right, using expedited procedures, to overturn a rule should not be used by a court to stay the effective date of a rule or to allow a regulated person to delay compliance. That would violate the intent of this legislation. We are very clear in this legislation that major rules take effect within 60 calendar days and nonmajor rules take effect in after the rule is sent to Congress and in accordance with the agency's normal procedures. There is no basis in this legislation for delaying the effective date or the requirements for compliance with a rule other than what I just described. So a court would not have any basis for delaying compliance based on the longer period for expedited procedures.

The expedited procedures are Congress' internal mechanism for prompt consideration of a joint resolution to disapprove a rule. We could disapprove rules now, by using a joint resolution of disapproval. But being aware of that possibility does not permit a court to waive compliance or delay the effective date of a rule and it shouldn't just because we've added expedited procedures.

I expect we will monitor the implementation of these requirements carefully and make the necessary changes as we identify real-life problems. That will certainly be my intention.

These procedural problems aside, though, Mr. President, I am pleased with this legislation. No longer will be able to tell our constituents who complain about regulations that do not make sense, "talk to the agency," or "your only recourse is the courts." Now we are in a position to do something ourselves. If an agency is proposing a rule that just does not make sense from a cost perspective it will be easier for us to stop it. If a rule doesn't make sense based on practical implementation, we can stop it. If a rule goes too far afield from the intent of Congress in passing the statute in the first place, we can stop it. That's a new day, and one a long time in coming.

How much time these new responsibilities will take and how often the resolution of disapproval will be exercised, no one can predict. We may be surprised in either direction. But as we work with this process and learn from this process, we can make the necessary adjustments in the law. The important thing is that we get this review authority in place and I am very pleased that we are going to be able to do that in this legislation.

I'd like to comment on title III of this bill as well. As a member of both the Small Business Committee and the Governmental Affairs Committee, I am particularly familiar with and interested in the small business regulatory fairness provisions. I support adding judicial review to the Regulatory Flexibility Act and, like legislative review it's been a long time in coming. It will be the stick that forces the regulatory agencies to pay attention to their responsibilities with respect to small governments and small businesses

I have previously commented on my concerns about the provision establishing the SBA Enforcement Ombudsman. While I can support this provision, I do not think it goes far enough in using the traditional role of ombudsman to resolve enforcement disputes, and I will be pursuing legislation in the vein in the Governmental Affairs Committee. I am relieved, however, that we have made it clear that while a responsibility of the ombudsman is to evaluate and rate agencies based on their responsiveness to small business in the area of enforcement, it is not the responsibility of the ombudsman to rate individual personnel of those agencies. This is an important issue because, while we certainly want to promote and ensure fair treatment of small business with respect to regulatory enforcement, we do not want to weaken or intimidate our enforcement personnel so they fail to do the job we require

of them. Senator BOND made those assurances in a colloquy we had when this bill initially passed the Senate.

I also want to note that the Small Business Regulatory Fairness Board created by this legislation is subject to the requirements of the Federal Advisory Committee Act. This ensures that the business conducted by this panel is open to the public and that any potential conflicts of interest are known. Obviously, since the bill limits membership, the requirements of FACA for balanced membership would not apply. But to the extent the requirements of FACA can apply, they are expected to apply, and that is why this provision is acceptable.

The provision granting the small business advocacy review panel the opportunity to see a proposed rule before it is published in the Federal Register is a novel step. While the panel is comprised of Federal employees, the panel is directed to obtain comments and input from small entities. The purpose of this comment and review is to assess whether the agency lived up to its responsibilities under the Regulatory Flexibility Act. It is my understanding that the panel is not permitted or expected to share a copy of the draft proposed rule with the small entities with whom it confers, but rather to field comments and concerns about the nature of the rulemaking and its possible effects on small entities. This is an important limitation because to allow otherwise would be to give a unique advantage to one group that is not permitted to other persons affected by the proposed rule.

Mr. President, because this bill is attached to the debt ceiling bill, some of these provisions will take effect immediately. There will be start-up problems with some of these provisions, in particular the congressional review process, because there is no preparation time. We should recognize the reality of these problems and work diligently to mitigate them.

FOREIGN RELATIONS AUTHORIZATION ACT, FISCAL YEARS 1996 AND 1997—CONFERENCE REPORT

The Senate continued with the consideration of the conference report.

Mr. COVERDELL. Mr. President, I yield myself as much time as I may need. I see several Senators who are waiting to give remarks. I alert them that I will not be long. I simply must make a remark or two about the statements that have been addressed before the Senate by my colleague from Louisiana.

He, obviously, is very much a student of the issues of China and Taiwan and the United States. He speaks with great sincerity and knowledge. I think he raises a significant dilemma. While we all acknowledge the scope of new China, the People's Republic of China, its size, its military prowess, its emerging economy, it almost reminds you of the Gold Rush, the oil booms, but given that, bigness in size and power alone cannot be the stanchions upon which we, or the rest of the world, establish our relationship with the People's Republic of China.

Yes, those are critical ingredients. They cannot stand apart from everything else. The 20 million people who live in the Republic of China Taiwan also have long claim to one-China policy, but it does not accept dictatorship or oppression or many others of the grievous policies of the People's Republic of China.

From the time Chiang Kai-shek retreated to that island in 1949, that was a conquest, in a sense, of Taiwan. The native Taiwanese, who outnumbered those who retreated, have long harbored the independent or nationalistic movement. I think a reality of contemporary review of this situation has to acknowledge that that movement is likely to grow, and a reality of this democratic election that just occurred was that President Li was faced, as we are, with contemporary issues in our own country, with the nationalistic spirit that is emerging there.

The one-China policy cannot, with the flick of a light, turn that way, even though it is much larger, much more powerful. It just cannot obviate this nationalistic movement, and I do not think we can ignore it.

I do not believe that the People's Republic of China—and I heard Dr. Kissinger when he appeared before the Foreign Relations Committee. He basically slapped the wrist of the United States and Taiwan and the People's Republic of China.

But for the People's Republic of China to come to the point where, because of their size and because of their prowess, they are going dictate to the United States who can visit here—I mean, what is a visit is not an abrogation of the one-China policy. Their leaders visit here, too. I think that does need to be confronted, or addressed; maybe that is a better word.

So, I think the Senator is right that it is not just appeasement and not just confrontation. But that projects appeasement as well as confrontation. In the tone of the remarks, I felt it was somewhat of an apology for our endeavoring to struggle with the People's Republic of China and we should accept their edicts because of their size and their power. I personally would reject that. I do not think that is what the Senator meant, but in the tone of it, the excusing of the sale of powerful weapons, human rights violations—that is still a rogue government. It is still a dictatorship.

While I think it is a delicate issue for us to struggle with, I do not accept appeasement because of their size nor because of their economy. I do not mean to dwell on that long, but I did want to comment.

Mr. JOHNSTON. If the Senator would yield, I was not suggesting—and I tried to make it clear—I was not countenancing any violations of the missile treaty control regime, which, by the way, I do not. If they violate it—my own opinion is they did. That violation was, what, 3, 4 years ago. I forget exactly when. They have the capacity to continue to violate it further, but are not at this time.

I do not excuse that. But I say that really what we ought to do is reassure Taiwan, as we have, that the law of the land is the Taiwan Relations Act, that we will not countenance any invasion of Taiwan, but that our policy ought to encourage peaceful reunification, one China, peaceful reunification, two regimes, which six Presidents have signed on to, and we should not change that—that is what I am saying—and reassure both parties.

Mr. COVERDELL. But if I might, six Presidents have reaffirmed that. That is a long time. As the Senator has said, the burgeoning economy of China has gotten to a place that even the Senator had missed, and the Senator has revisited and seen it. That is a massive change during this course of time. The point I am trying to make is, there are equally important changes that are occurring in Taiwan.

Mr. JOHNSTON. Exactly.

Mr. COVERDELL. Among them, that cannot be undone, is there a growing movement that it is a democracy. That is a democracy. The People's Republic of China is not. They are miles apart in that. There is a growing and emerging spirit within this island that they should be free and they should never be intimidated into the kind of government that the People's Republic of China still is, and they have empirical evidence of the way that government would operate by watching even the situation in Hong Kong today, which is a very disruptive situation, as you know, and very controversial.

So they have reason to be deeply concerned about their own freedom which they now own. That is a change in the flow of events among them.

Mr. JOHNSTON. Is the Senator saying that we should encourage a unilateral declaration?

Mr. COVERDELL. No, I am not. That phenomenon is as real and different as some of the changes the Senator pointed to that have occurred in the People's Republic of China. It cannot be ignored.

Mr. JOHNSTON. Would my friend find at fault this formulation, that the United States should make it clear to both sides that reunification, if it occurs, is a bilateral decision of the two countries, to be taken peacefully, and that the United States step aside, step out of the arena, having reassured both sides—Taiwan that we do not countenance any invasion, and the PRC,

that we are not encouraging a unilateral declaration of independence—and let those two parties make their decision?

Mr. COVERDELL. I think one of the things that the Senator said in his initial remarks, that would be my answer to that—and it goes back to the point I just made about massive changes occurring in the People's Republic of China and in Taiwan—would be that when you call upon the President to maybe articulate, as much of what all of us say are captured by views and attitudes that perhaps were obsolete.

So I do not know that I would specifically accept or embrace the point the Senator made just now, but I would acknowledge that there are major changes occurring in the geography of the area and it does require all of our attention. I admire the effort that the Senator has given to the subject, but I just wanted to remind us that there are two sets of phenomena and changes that are occurring. I do not believe President Li had any option but to acknowledge the winds of change and attitudes on his own island.

Mr. President, I was going to make some remarks about the drug policy, but I am going to defer that. I see the manager of the bill has returned to the floor. I know the Senator from California——

Mr. THOMAS. Would the Senator yield for a question?

Mr. COVERDELL. I certainly would.

Mr. THOMAS. With regard to the discussion that we are having, I wonder if the gentleman would agree that what we are talking about here basically is the bill before us, and some of the discussion has been about several of the components of that bill which I find do not place us on the side of being opposed to the one-China policy, and they do not place us on the side of being particularly supportive of one or the other of these parties, but rather indicate that we expect to stick with the agreements that are made on both sides.

Mr. COVERDELL. I would agree.

Mr. THOMAS. I was a little surprised that the suggestion was that all of the problems were because President Li came here. There are some problems on the other side, agreements that have not been lived up to. I wonder if the gentleman would agree that that is what this bill is about, is to have agreements with both of these sides and to expect that they be lived up to?

Mr. COVERDELL. I do agree. I appreciate the remarks by the Senator from Wyoming. I mentioned, in the colloquy between myself and the Senator from Louisiana, that, indeed, I do not find the visit by President Li as a reprehensible act. It seemed to me to be a rather normal exchange. I concede the sensitivities, but I do not believe the People's Republic of China should be carrying their concerns and sensitivities to the point that they are telling us who we might have visit the United States.

Mr. JOHNSTON. Will the Senator yield?

Mr. COVERDELL. I will.

Mr. JOHNSTON. When the statute says we should invite President Li, they should come with all appropriate courtesies, that is just not a casual visit, as if by a foreign tourist. "All appropriate courtesies" means, in effect, we ought to invite a head of state and have this, in effect, as a state visit. Is that not what the plain language means?

Mr. COVERDELL. I think you expand the interpretation of the language. That may be interpreted in the eye of the beholder, but it would certainly be viewed by President Li one way and the People's Republic of China another. But we extended appropriate courtesies to the leaders of the People's Republic of China that visited our country.

Mr. JOHNSTON. I know. But when it says we should seek a visit with "all appropriate courtesies," what does "all appropriate courtesies" mean?

Mr. COVERDELL. As I just said, it could be interpreted in many ways. But I would remind the Senator that that is nothing more than a sense of the Congress, and not law.

Mr. President, I yield the floor.

The PRESIDING OFFICER. Who yields time?

Mr. HELMS addressed the Chair.

The PRESIDING OFFICER. The Senator from North Carolina is recognized.

Mr. HELMS. I yield—how much time does the Senator want?

Mr. THOMAS. Ten minutes.

Mr. HELMS. I yield 5 minutes to the distinguished Senator. But before he begins, Mr. President, I have a little housekeeping task to do for the leader.

WAIVING CERTAIN ENROLLMENT REQUIREMENTS

Mr. HELMS. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of House Joint Resolution 168 received from the House.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

A joint resolution (H.J. Res. 168) waiving certain enrollment requirements with respect to two bills of the One Hundred Fourth Congress.

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

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

Mr. HELMS. Mr. President, I ask unanimous consent that the joint resolution be considered, read a third time, and passed, and the motion to reconsider be laid upon the table.

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

The joint resolution (H.J. Res. 168) was passed.

Mr. HELMS. I thank the Chair, and I thank the Senator.

FOREIGN RELATIONS AUTHORIZATION ACT, FISCAL YEARS 1996 AND 1997—CONFERENCE REPORT

The Senate continued with consideration of the conference report.

The PRESIDING OFFICER. The Senator from Wyoming is recognized for up to 5 minutes.

Mr. THOMAS. Mr. President, I rise in support of the conference report on H.R. 1561, the State Department Reorganization Act, and of the distinguished chairman of the Foreign Relations Committee.

I do not need to reiterate for my colleagues the tortuous route that this bill has followed to make it to the floor today; I believe we are all aware of it. Let me just note why I feel this bill is important.

This legislation was the first authorization measure to reach the floor of the Senate within budget targets, fulfilling the mandate the American people gave us last November. This bill is a promise kept: money is saved, redundant bureaucracies eliminated, and the ability of our Nation to conduct foreign policy enhanced.

We will hear all sorts of arguments against this legislation. Let me just address a few that fall within the jurisdiction of my Subcommittee on East Asia. Several of my Democrat colleagues circulated a "Dear Colleague" letter last week on the China-specific provisions of the conference report. In it, they expressed concern that "[s]everal provisions in this report are unnecessarily provocative to China and precipitate continuing destabilization of U.S.-Sino relations."

Let me say here that I am a great supporter of improving relations with the People's Republic of China; I am supportive of the one-China policy. But I have examined the sections with which they were concerned, and find them essentially to be strawman arguments, without impact on our adherence to the one-China policy. Let me go through them one by one.

First, they are concerned with section 1601, which declares that the provision of the Taiwan Relations Act (22 U.S.C. §§3301 et seq.) supersede provisions of the United States-China joint communique of August 17, 1992.

Frankly, as the chairman of the Subcommittee on East Asia and Pacific Affairs, I don't share their opposition to this particular provision. The Taiwan Relations Act, which governs our relationship with Taiwan, is a statute and as such is the law of the land. The only thing which could supersede it would be a treaty. The communique, however, is not a treaty; it was never presented

to the Senate for its advice and consent. Rather, it is simply an official announcement of the intentions of the respective parties. Consequently, it is not binding on either party, and has no force of law in the United States.

Section 1601 is therefore simply a restatement of legal fact. As such, I am at a loss to understand why it would be objectionable to the Chinese, objectionable to my colleagues, or a source of encouragement to pro-independence elements on Taiwan.

Second, they fault section 1708 which supports the admission of the President of Taiwan with all appropriate courtesies. Mr. President, while I myself am not a fan of this section, I would note first that the section does not mandate the admission of President Li. Second, I would note that just this week President Lee said we would not seek to make such a visit.

Third, they fault section 1606 which would according to them, and I quote, "impose unnecessary new reporting requirements on the State Department to provide detailed information and political judgments on the implementation of the Sino-British Joint Declaration on Hong Kong".

I find this the least compelling of their concerns. We regularly require the State Department to make these reports all the time; the Department probably prepares such a report on almost every country in the world save some of the smaller ones.

We have a real interest in assuring that the People's Republic of China lives up to their agreements, and such a report would be extremely important that they do so in relation to their promise to protect democracy there after 1997. An annual report would be especially helpful to this body in following developments there.

Their next complaint is that section 1603 would change the name of Taiwan's office here from Taiwan Economic and Cultural Representative Office to Taiwan Representative Office. I fail to see how this simple name change can cause so much consternation.

Finally, Mr. President, they oppose section 1303, regarding Tibet. I would note, however, that this section simply authorizes the President to appoint a special envoy; it does not require him to do so. If he finds the idea so objectionable, then he does not have to make the appointment.

Mr. JOHNSTON. Will the Senator yield?

Mr. THOMAS. I yield.

Mr. JOHNSTON. Mr. President, what I meant is sort of a precipitating event that caused this tit-for-tat thing, and the Chinese are clearly greatly to be criticized for all of those things that my colleague said, but I really meant the precipitating events. You can point to that as the events that started it all, and that has led from that point on.

Mr. THOMAS. I appreciate the comments. I do not think there is any question that we should understand how important that is to the People's Republic of China. It probably means more to them than it does to us and we need to recognize that.

So my colleagues can see that these five sections, taken independently, are of little if any import. Some of my colleagues have said that, while that may be the case, taken together they are alarming. Well, Mr. President, if separately these sections equal zero, then they still equal zero when added together.

I take exception to the argument of the Senator from Louisiana that United States-China relations were going along fine until we decided to admit President Li to the United States, and that these sections will simply make matters worse. Frankly, that's a statement I would expect to hear from the Chinese Ambassador here. What about their nuclear transfers to Pakistan? What about their failure to live to the intellectual property rights agreement? What about their pretensions in the Spratly Islands? What about human rights violations? What about their back-sliding regarding Hong Kong?

Mr. President, the present state of affairs is hardly the sole fault of the United States. And these give sections are hardly going to cause a precipitous downturn in those relations. As the Chinese say, it takes two hands to clap.

So again Mr. President, I rise in support of this proposal. I think it is one of the things that the voters said to us in 1994. They said we need to make some changes in the way the Federal Government operates; that the Government is too big, it spends too much, and that we should find better ways to deliver services, that we should find more efficient ways to use tax dollars.

This bill is the way to do that. Mr. President, every other sector of our Government is facing difficult cuts and reorganization; the foreign policy sector should have to bear the same burden as any other. This is not about isolationism, though many Democrats would have the public believe otherwise in a hope to obscure the issue, not about usurping the role of the executive branch, nor is it about a vendetta aimed at a particular set of bureaucrats.

I cannot commend Chairman HELMS enough on his hard work and persistence on this legislation; I urge my colleagues to support it.

DEBT LIMIT INCREASE

The PRESIDING OFFICER. The Chair announces that H.R. 3136 has just been received from the House, and under the previous order the bill is considered read a third time and passed and the motion to reconsider is laid upon the table.

So the bill (H.R. 3136) was considered read the third time and passed.

FOREIGN RELATIONS AUTHORIZATION ACT, FISCAL YEARS 1996 AND 1997—CONFERENCE REPORT

The Senate continued with consideration of the conference report.

Mrs. FEINSTEIN. Mr. President, I believe I have an hour reserved and I yield myself such time as I may consume.

Mr. President, I rise as a member of the Foreign Relations Committee to express my strong opposition to the conference report to accompany H.R. 1561, the State Department authorization bill.

This bill has been the cause of much turmoil, as we all know. It began with the markup of a bill that the Democrats on the Foreign Relations Committee had no part in drafting, and that many felt contained an excessively far-reaching plan to eliminate three foreign affairs agencies: The Agency for International Development, the Arms Control and Disarmament Agency, and the U.S. Information Agency.

When that bill reached the floor, Republicans were unable to invoke cloture on it. Meanwhile, the Senate was prevented from taking action to confirm 18 ambassadors, several hundred Foreign Service officer promotions, and to consider two critical arms control treaties—START II and the Chemical Weapons Convention.

Finally, last December, after several arduous weeks of negotiating, the distinguished chairman of the Foreign Relations Committee, Senator HELMS, and the distinguished Senator from Massachusetts, Senator KERRY, reached a compromise version of the consolidation plan that allowed the bill to be voted out to conference.

This, in turn, resulted in the Senate immediately confirming the ambassadorial nominations that had been on hold, and taking action soon thereafter to ratify the START II treaty. In addition, hearings are now underway that will lead to a vote by the full Senate on ratification of the Chemical Weapons Convention by April 30. For that I am grateful.

I was among those who voted for S. 908 last December, in part because I felt the compromise consolidation plan reached by Senators HELMS and KERRY was a reasonable plan. However, my major motivation was to get it to conference so that we could take action on the ambassadors and treaties that were before the Senate.

Unfortunately, the bill that has come back from conference has many, many problems. First of all, the consolidation plan that came back from conference has moved considerably from the fairly reasonable compromise reached by Senator HELMS and Senator

KERRY. The conference report version requires the elimination of three agencies: USAID, ACDA, and USIA, two of which the President can later choose to preserve. This provision differs sharply from the preconference version which gave the President full discretion over whether or not to eliminate an agency. The new report also requires $1.7 billion in savings over 4 years, rather than over 5 years, as was in the Senate-passed bill.

Now, philosophically, Mr. President, it is my very strong belief that a President, any President, must and should be able to organize or reorganize the foreign affairs agencies of the United States as he or she sees fit.

I basically believe that foreign policy should be bipartisan, that we should work out our difficulties and speak as one Nation, as represented by our President. But I believe the President must be in charge of foreign policy. I came to that belief, Mr. President, ironically when I was a mayor. I was visited by the Chancellor of Germany, Helmut Schmidt. I saw, when I visited with him at the Fairmont Hotel, that he was chain smoking and was very upset. I said, "What is wrong?" He said to me an interesting thing. He said, "You know, you Americans have no idea what you do when you reinvent the wheel of foreign policy every 4 years. You have no idea what it does to your allies." He went home and, 2 weeks later, he resigned.

I thought that was very interesting, and I never forgot what he said. So I began to watch American foreign policy a little differently. I saw where it is very difficult for many countries to really understand with what voice this Nation really speaks. I understand the separation of powers. I understand the balance of powers. And yet, we must, as a nation, speak to other nations with one voice and with clearly defined policies. I am finding that becomes more and more difficult.

So, consolidation is not the issue. Many of us support consolidation, but we can only support it if it is done in such a way that we provide our President, whether he be Republican or Democrat, with flexibility in the organization of the foreign affairs agencies. Unlike the compromise version that passed the Senate, this conference report returns to a coercive approach that forces the President to eliminate at least one agency over his objections. I simply cannot support a consolidation plan structured in this manner.

Second, this conference report does nothing to address the unprecedented restrictions that were placed on U.S. international population and family planning assistance in the fiscal year 1996 foreign operations bill.

After months of stalemate on that bill, a conference report was sent to the President, which has the effect of cutting U.S. international population and family planning programs by some 85 percent. These restrictions will have a seriously negative effect on women and families around the world. Family planning assistance, which helps women plan and space their pregnancies, has proven to be a major factor in curbing poverty and starvation and overpopulation, and providing the opportunity for a decent way of life in many parts of the world that are badly overcrowded with children starving by the thousands because of lack of food.

Ironically, the restrictions in the foreign operations bill are advocated by those who oppose abortion and argue for a so-called pro-family agenda. But U.S. law already forbids the use of any U.S. foreign assistance for the provision of abortions.

As the distinguished chairman of the Appropriations Committee, who is a proud opponent of abortion, has pointed out time and time again, depriving millions of poor women of access to voluntary family planning services will only result in more unwanted pregnancies and more abortions. This bill fails to address these misguided restrictions.

Third, this bill prohibits any funds from being used to open, expand, or operate diplomatic or consular posts in Vietnam, unless the President certifies that the Vietnamese Government is fully cooperating with the U.S. in a number of areas related to the search for POW's and MIA's—a worthy statement. The problem is that these areas are effectively uncertifiable. In addition, failure to expand our new relationship with Vietnam could actually jeopardize the significant progress that has been made on the POW/MIA issue.

Furthermore, this provision unduly restricts the President's ability to conduct foreign relations according to his understanding of U.S. national interests. And by this I mean that it places conditions on whether or not the President can open an embassy.

Finally, at the time of the vote on S. 908, I made it very clear that there was an entire category of provisions in the bill, wholly separate from the consolidation aspect, that I found deeply troubling. These provisions related in various ways to the United States' relationship with the People's Republic of China, the largest country on Earth, and the most dynamically growing country in the world today.

At that time, I expressed the hope that these provisions would be ameliorated or removed in conference. In fact, I said that the resolution of these matters would be critical to my consideration of whether or not to support the conference report.

Unfortunately, virtually every one of these provisions remains in the bill. Some are in a slightly modified form, but they remain objectionable. There are even some new provisions on China in this conference report that were not in the original bill. Let me first list the provisions in this bill relating to China and then explain why they will result in my voting against this conference report.

Section 1601 declares that the provisions of the Taiwan Relations Act supersede provisions of the United States-China joint communique of August 17, 1982.

Section 1603 allows the Taipei Economic and Cultural Representative Office, TECRO, to change its name to the Taipei Representative Office.

Section 1606 imposes unnecessary new reporting requirements on the Department of State to provide detailed information and political judgments on the implementation of the Sino-British Joint Declaration on Hong Kong.

New in the bill, section 1702 imposes excessive reporting requirements on the President with respect to human rights in China, beyond those already required in the annual Human Rights Report, which I have just read. It is a detailed report, and I believe very strongly that it was inaccurately reported in the press. Section 1702 expresses the sense of Congress that the President should impose human rights-related preconditions on a possible future visit to China.

Section 1708 supports the admission of the President of Taiwan to the United States for a visit in 1996 "with all appropriate courtesies".

A new section, section 1709, supports the United States pushing for Taiwan's admission to the World Trade Organization [WTO], without respect to the status of China's application to join the WTO.

Section 1303 authorizes the President to appoint a special envoy for Tibet, and such a person would have to carry the rank of Ambassador.

Another new section in the bill, section 1701, provides that the President should condemn a prison system in China and, in essence, demand that China dismantle the prisons. What nation has ever told us to dismantle a prison? Would we listen to that, and would we be affected by it if they did that? I think not.

The simple fact of these eight provisions, and others, suggests something about this bill: It is excessively preoccupied with China. No other country receives half the attention China receives in this bill.

But far more serious than the preoccupation with China is the very serious damage that these provisions could do to our increasingly important and, I must say, increasingly strained relationship with China. I happen to believe strongly in the importance of the proper development of a relationship with the People's Republic of China, which is the most overlooked and most significant bilateral relationship in the world today.

I also happen to believe that there are those in China and in this country

who would like to see it became an adversarial relationship. Yes. Would they like to see a return to the dangerous, pivotal, bipolar superpower arrangements that existed all during the cold war? That is what is understood by their actions. Nations then line up. They are either in one camp or the other. It is good for weapons sales. I do not want to see that happen. This relationship is too important to peace and stability in Asia. And, yes, it is too important to the prevention of major misunderstanding which could lead to a potential and devastating third world war.

As my colleagues know, the past few weeks have seen tensions in the triangular United States-China-Taiwan relationship reach new heights. As Taiwan's first fully democratic presidential election approached, China felt compelled to vent its displeasure over what it has perceived as a pro-independence policy in Taiwan by conducting missile tests and live-ammunition military exercises in the Taiwan Strait. These tests and exercises by China were unnecessary, dangerous, and provocative. And I have said as much directly to the highest-level Chinese officials.

The administration responded prudently by expressing its deep concern, by sending the U.S.S. *Nimitz* carrier group to join the U.S.S. *Independence* carrier group in the region to monitor events there, and by making it clear to the Chinese that any attack on Taiwan would have very grave consequences. This is in anyone's book strong and definitive action.

Under these tense circumstances Congress, I believe, must be very careful right now, post-Taiwanese election, not to take any action that would make a potentially difficult situation worse. There is a real window of opportunity. There is a calling for the first democratically elected President of Taiwan to take some steps to clarify Taiwanese policy, to indicate the willingness to reinstitute the across-the-strait dialog, and to clarify once and for all—perhaps jointly with China—a One-China policy.

I believe, as far as the United States is concerned, that we do not need legislation to further inflame the situation. The point has been made. The election has been held. The Taiwanese President has been reelected. Now we need to play the pivotal role of encouraging the parties to get together and discuss a peaceful resolution of their difficulties.

Without firm United States adherence to the principle of one China we would be unable to conduct any kind of normal relations with Beijing. This is an undeniable fact of life, no matter what anybody in this body says.

If there is not a One-China policy, we drive the People's Republic of China into the adversarial Soviet Union-type of response and a cold war. I do not believe this is desirable United States policy. And that is the impact. That is the practical, as I would say, "on the streets" impact of this bill.

I do not believe that the United States is going to retreat on a One-China policy. But to amend the Taiwan Relations Act to explicitly supersede the 1982 joint communique is to give substance and credibility to China's fears. That is what they suspect we are up to. Why would we take that provocative step at this time? For what reason other than to enable ourselves to become incendiary? From the Chinese prospective, it would be tantamount to a declaration that we were about to send a new round of arms sales to Taiwan, that we no longer subscribe to the One-China policy, and that we are meddling deeply in their internal affairs.

Not only would passing this provision be foolhardy; it is also unnecessary. The Taiwan Relations Act is the law of the land. And, like any law, it carries greater weight than any diplomatic agreement, other than a treaty.

But to amend the act to explicitly state that it supersedes the 1982 joint communique would be seen by China as an outright repudiation of a critical and stabilizing element of our longstanding policy toward China subscribed to by six United States Presidents.

I want to commend the administration for listing this provision prominently among the principal reasons the President will veto this bill when it lands on his desk.

Elsewhere in this conference report Congress expresses its support for a visit to the United States by the President of Taiwan in 1996 "with all appropriate courtesies". I must ask my colleagues: How short are our memories? For over 10 months our relationship with China has been in crisis. Here is a country—Taiwan—that says it is in opposition to independence, that says as late as March 5 in a written directive by the Taiwanese premier, that "We are in opposition to independence." Why then would we ask a leader who is not representing an independent country to make an official visit? It does not make sense.

Li Teng-hui's visit to Cornell was the event that sparked the incendiary nature of the last few months. And remember, that visit was billed as a private one; an unofficial one. One can only assume by using the phrase "with all appropriate courtesies" the authors of this provision mean to imply some kind of an official visit despite America's commitment—we made a commitment—to maintain only economic, cultural, and unofficial relations with Taiwan. That is our commitment. If our relationship with China has suffered that much over an unofficial visit, one can scarcely imagine the damage it would suffer in the wake of an official one.

I think we face a similar problem with the proposed name change of the Taipei Economic and Cultural Representative Office. It was only a year ago that the Taiwanese reached an agreement with the administration to change the office's name from the Coordinating Committee for North American Affairs to its current title. Now some are advocating a change to the Taipei Representative Office. I have asked the Taiwanese if they asked for this change. They said no, they did not. Then why are we doing it? Only to tweak China? Is this really necessary? Is this how we want to make foreign policy, a tweak here and a tweak there? "We know your Achilles' heel, China, and now we are going to press on it a little bit." Oh, my goodness.

The current title of the office accurately reflects the unofficial nature of our relationship with Taiwan based primarily on economic and cultural relations. There is no need to create a new title that is not desired, that implies some kind of broader recognition, other than to tweak China.

The people of Taiwan are to be congratulated for the democratic elections they have recently held. They can be justifiably proud. But the crux of our difficulties with China is China's concern that we are in some way egging Taiwan on toward a declaration of independence.

That should not be the message we send.

These provisions give credible substance to China's fear. They suggest we are not satisfied with Taiwan's status and will undertake unilateral actions to nudge it in the direction of independence.

As I said, that is not our role. Our role as a friend of China and a friend of Taiwan is to encourage the peaceful resolution of the Taiwan issue by negotiation and mutual decision. The United States has no right to take actions that could lead to either a nonpeaceful outcome or a nonnegotiated outcome. Unilateral actions by any party in this matter are not acceptable.

There are other provisions which will be irritants of our relationship with China at best and counterproductive to our own goals at worst. For example, I am aware that the backers of the provision authorizing a special envoy for Tibet have only the best of intentions—to see life improved for the Tibetan people. However, I can assure my colleagues that the appointment of a special envoy for Tibet with the rank of Ambassador would be seen by the Chinese, once again, as an attempt to advocate for independence of an area they consider within their territorial boundaries. Even if this person never set foot in Lhasa—and we know that with the rank of Ambassador the Chinese would never let him set foot in Lhasa—we know the Chinese will view

such a special envoy as interfering in their internal affairs.

Now, I am as committed as any Member of this body to improving the lives of the Tibetan people. My husband and I both regard his Holiness, the Dalai Lama, as a personal friend. I first met him in Dharmsala in 1978 and have spent many hours with him and his representatives discussing ways to help Tibet and Tibetans. In January, in Hong Kong, I met with his older brother, Gyalo Thondup, who has been his representative in many negotiations with the Chinese, and had an extensive discussion.

In 1991, I carried a letter from his Holiness, the Dalai Lama, to President Jiang Zemin asking for negotiations between the two sides. As mayor of San Francisco in 1979, I was the first public official to invite the Dalai Lama to visit a city in the United States—San Francisco, an official visit to my city. And since then I have been trying to find ways to bring the two sides together and to encourage China to understand that it is to China's great advantage to see that the culture and religion of the Tibetan people are protected and that human rights for the Tibetan people are improved.

I recite this background merely to make the point that I am well acquainted with the issue of Tibet and have spent many years working on it. In my view, the appointment of a special envoy by the United States would be counterproductive. It would result in the Chinese being unwilling to talk with us or anyone else about ameliorating conditions for the Tibetan people.

What we need to do instead, through intense, continuing, low-key diplomacy, is to convince the Chinese that it is to their advantage to engage in talks with the Dalai Lama in which all issues other than Tibetan independence would be on the table. This I believe is an achievable goal but only if we avoid somehow injecting ourselves in the issue in such a way that the Chinese see us as advocates for Tibetan independence. You cannot have a special envoy with the rank of Ambassador and not create the impression that what we are trying to do is see Tibet as independent. Therefore, the Chinese will fight any improvements all the way. That is why I think this is not well thought out.

There has already been at least one missed opportunity to advance the cause of Tibet. After the last Panchen Lama died, the Chinese authorities invited the Dalai Lama to come to Beijing for a memorial service, but he declined the invitation. I believe that was a mistake because it would have given a new generation of Chinese leadership an opportunity to get to know the Dalai Lama as the fine person he truly is, as a caring, loving person, and a devout Buddhist.

By all means, we should continue to explore ways to achieve cultural and religious autonomy for Tibet and hopefully one day the return of the Dalai Lama and Tibetans in exile to their native soil. And in the words of an ancient Chinese proverb, "When water flows, there will be a channel." I am hopeful that the water of negotiations will flow before too long.

In my discussions with Chinese leaders over the last year, they have repeatedly raised their concern that the United States is pursuing a policy of containment with respect to China, perhaps in the guise of something else. I do not believe we have such a policy, and I have said so. However, when I look at a bill like this one, full of provisions that deal almost patronizingly with an independent nation, China, I must say it seems that some, for whatever reason, do genuinely want to pursue a policy of containment. One certainly could not blame a Chinese observer for drawing that conclusion.

I think we have discussed at length in the past why a containment policy is unworkable and unwise. China is a nation of 1.2 billion people. It is a nuclear power. It is a permanent member of the U.N. Security Council and one of the fastest growing and most dynamic economies in the world. China is not going to be contained. What we need to do is set a long-term strategic and conceptual, goal-oriented relationship with certain priorities in our policies, areas where we can work together, and a methodology for areas where there is a difference of opinion to be able to sit down over the long term at the table and make progress on those issues that divide us. I believe this is possible. We have enormous national interests in developing a peaceful and cooperative relationship with China, and we cannot do so by setting them apart, by making them the adversary that they do not want to be and that we do not want them to become.

I hope my colleagues will reconsider the wisdom of legislating in this area so excessively in the future.

Mr. President, for all of the problems contained in this bill, I urge my colleagues to oppose the conference report. If the bill is passed, I wish to commend the President for pledging to veto this legislation, and I look forward to congratulating him when he does.

I thank the Chair. I reserve the remainder of my time

Mr. SIMON addressed the Chair.

The PRESIDING OFFICER (Mr. ABRAHAM). Who yields time?

Mr. HELMS. Mr. President, I am assuming that Senator KERRY will yield. Would the Chair recognize that assumption?

The PRESIDING OFFICER. The Senator from Illinois is recognized on the time of the Senator from Massachusetts.

Mr. HELMS. Very well.

Mr. SIMON. I thank the Chair, and I will try not to impose on the time of Senator KERRY. I am going to vote against this, though I differ somewhat with my colleague from California, as I will explain very shortly.

I think the bill as a whole does harm to what we are trying to do in the area of foreign relations, and I say this with great respect for my friend from North Carolina, who chairs the Foreign Relations Committee, and who is my neighbor in the Dirksen Building and a friend.

We cut back on foreign aid. I know there is popularity to that. But when at town meetings people say, "Why don't we cut back on foreign aid and help the people in our country?"—as the Presiding Officer knows, I have been voting to help people in our country. Then I ask them, "What percentage of our budget do you think goes for foreign aid?" They usually guess 10 percent, 15 percent, 25 percent. And I say, "Less than 1 percent."

They are startled. We spend less, as a percentage of our budget, on foreign aid than any of the Western European countries and Japan. If you put all the Western European countries and Japan together, we spend less than any of them. It does not make sense.

We are authorizing $6.5 billion for fiscal year 1996–97. That is a $500 million cut, while at the same time, this year, we have given the Pentagon $7 billion more than they requested. U.S. security would be helped immensely if we were to give the Pentagon what they requested and use a portion of this for foreign aid.

For example, the housing guarantee programs in South Africa and Eastern Europe are totally eliminated. I know a little bit about South Africa. I do not know that much about Eastern Europe, but I think the situations are somewhat similar. In South Africa, it is vitally important for that country to show the people of that country that they are going to make some progress. Nelson Mandela is immensely popular today, both in the white and black community in South Africa. Public opinion polls are almost identical for whites and blacks there. But the reality is, he has to show that he can deliver for people who have been oppressed, and the housing program is an inexpensive way for the United States to help. Mr. President, 28 million poor people have been helped by our housing program in Eastern Europe and South Africa—and we want to eliminate that.

Regarding limitations on U.S. assistance on population, if you do not have population assistance, let me tell you, the abortion rates go up and other problems arise. It is very interesting. If you look at Japan, for example, where they have programs to tell people about contraception and other things, you have a very low abortion rate. You

also have less than 1 percent of children born out of wedlock. If you have assistance on planned parenthood and that sort of thing, we reduce the abortion rates.

We also reduce the problem—it depends on whose estimates you believe, but the world population is going to grow. It will roughly double in the next 45 to 60 years. The most conservative estimates are 45 years; the more optimistic are 60 years. We ought to be helping out.

The United Nations—and here I applaud my colleague who is the Presiding Officer for being very responsible in this area—the United Nations, we now owe them $1.4 billion. The budget for the United Nations, for New York, Geneva, and the six commissions, not counting peacekeeping, is $1.2 billion for a year. In other words, we owe more than a year's expenses for running the United Nations. Running the United Nations takes $500 million less than running the New York City police department. The No. 1 deadbeat in the world is the United States.

Do not kid yourself that we are not hurting ourselves. Here is today's newspaper, an Associated Press story, "World Bank Arrears Disqualify United States. American contractors can't bid on $2.1 billion in projects." Why? Because the World Bank has a rule, if you get too far back in what you owe, that country cannot bid on projects. So, contractors in Illinois and Arkansas and North Carolina and Vermont are hurt by our being a deadbeat here. I hope we will do better.

Then I would like to comment on the China situation a little bit. Real candidly, if I were to write the language in this resolution, I would write it differently. But I have to say, I do not think we should quake every time China growls. I share with the chairman of the Foreign Relations Committee a feeling that we should let Taiwan know that a freely elected government is regarded as a friend of the United States.

Perhaps inviting President Li officially here right now may not be the right thing while China's leadership is going through this turmoil, but to turn a cold shoulder constantly to Taiwan, when they have a free press, multiparty system, free elections—they are the seventh biggest trading partner of the United States, they are second only to Japan in the foreign reserves they have—to pretend there are not two countries there is just a mistake.

I heard my colleague from California, Senator FEINSTEIN, for whom I have high regard, I heard her talking about the Shanghai communique and, while we have said as a nation we recognize one China, frankly I think that was a mistake. We cannot reverse that overnight. But that was done at a time when we were worried about the Soviet Union and we were trying to keep China and the Soviet Union apart. But the reality is, we ought to treat China and Taiwan as we did West Germany and East Germany. Both East Germany and West Germany did not like it that we recognized the other side, but that did not prevent the two of them from eventually coming together again. But we said the reality is there are two governments and that is the reality today.

I think we have to be sensitive to the Chinese situation. I do not think, to use Senator FEINSTEIN's language, we should just be tweaking China whenever we can. I think we ought to be firm, solid, and let them know that military aggression is not going to be tolerated. We have not been as firm as we should be.

Senator FEINSTEIN is right when she says our policy has been one of zigzagging. Without going to the Presidential level, I frankly think we ought to have cabinet members from both sides appearing in each other's country. When I was in Taiwan, I do not know, 3 years ago or so, the Foreign Minister had a luncheon honoring me, but our representative in Taiwan—we do not even have the courage to call him an ambassador—our representative in Taiwan could not come because the luncheon was in a government building. He is not allowed to go into a government building.

That is just ridiculous. We have to recognize reality. When we face a choice of cuddling up to democracies or dictatorships, the United States of America should not have a difficult time. We ought to be siding with democracies rather than dictatorships.

I think we ought to say to China, "We want you to be our friend." But we also ought to say, just as firmly, "We are for democracies." And I hope gradually we will recognize that there are, in fact, two governments over there. To pretend anything else invites possible trouble.

Let me just add this. I heard Tibet mentioned. That is history now, not good history, but I am afraid that is done. But if we do not say very clearly "you cannot invade Taiwan or send missiles there," dictatorships are never satisfied with just one piece of property.

The reality is, if China takes Tibet, it will not be too long and they are going to go up and take Mongolia. Look at some of those Chinese maps. They already have Mongolia as part of China, and who knows where it goes next. We should learn the lessons from history, and we should side with democracies while we maintain reasonable relations with dictatorships.

Mr. President, I yield the floor.

Mr. HELMS addressed the Chair.

The PRESIDING OFFICER (Mr. JEFFORDS). The Senator from North Carolina is recognized.

Mr. HELMS. Mr. President, what we are doing is alternating this side and that side. I suggest it is appropriate now for the Chair to recognize the distinguished Senator from Maine.

The PRESIDING OFFICER. The Senator from Maine is recognized.

Mr. HELMS. I thank the Chair.

Ms. SNOWE. Mr. President, I want to thank the chairman, and I want to thank you, Mr. President.

I rise in strong support of the conference report to accompany H.R. 1561, the Foreign Relations Authorization Act for fiscal years 1996 and 1997. As chair of the Foreign Relations Subcommittee on International Operations, we have jurisdiction over these issues contained in this legislation, and I am very pleased with the report that the conference committee issued with respect to this important bill.

I commend the chairman of the Foreign Relations Committee, Chairman HELMS. I know this has been a long and difficult road to bring this authorization bill to this point. Regrettably, we did not have enough assistance from the administration or the State Department to work out the differences that developed between the committee and this administration and the State Department. But regardless, I think the bill that has come before the Senate and has come before the House is a bill that certainly should be accepted by both sides.

Frankly, as one who has been involved in this process as the ranking member of the similar subcommittee in the House for almost 10 years, I am somewhat surprised at the way in which the State Department or the President has refused to negotiate the differences on some of the issues that have been at the forefront of this authorization bill for more than 1 year.

I have never been in a situation in being responsible for this authorization bill in which the President has never submitted an authorization request. We have not yet to date ever received a State Department authorization bill for the issues before us referring to the State Department authorization and the other related agencies, such as international broadcasting activities, international exchanges, as well as international organizations and our contributions to the United Nations as well.

We have never yet in this entire process received a bill from the administration with respect to any one of these issues. And, as I said, this is the first time in all of the years in which I have had the responsibility of addressing the State Department authorization bill that a President has failed to submit a legislative authorization bill.

But be that as it may, we worked it through the process, as Chairman HELMS indicated. It was a difficult process, to say the least. But here in the Senate in December, the bill passed

by a margin of 82 to 16. It received tremendous bipartisan support. So I would expect that this conference report should receive the same bipartisan support. If anything, this conference report is even stronger than the bill that passed the Senate back in December.

But I think it is important to review what occurred over this last year to have reached this point and to demonstrate that the conference report that is before this body reconciled the differences, in fact, came a long way to accommodate the differences that the minority had in the committee or here on the floor or that the President had or that the State Department had, but every time we reconciled those differences, they moved the goal posts. They were unwilling to resolve and to reconcile the issues that are before us today.

But I think it is important to review exactly how much we have accommodated the administration's concern, as well as the minority.

First of all, when you are looking at the consolidation issue, it is important to remember that back in January of 1995, Secretary Christopher himself acknowledged that consolidation was possible. He, in fact, proposed to the administration that the consolidation of three agencies into the State Department was a realistic approach.

The Vice President recommended that we could achieve savings in the State Department and related agencies of approximately $5 billion over 4 years. So that is the point at which we started this whole proposition.

So the Senate Foreign Relations Committee, with Chairman HELMS, recommended that we consolidate three agencies with a savings of $3 billion.

We started working through the differences. The minority members of the committee said, "No, we don't want to support consolidating any agencies." But they did, in fact, agree to consolidating one agency with a savings of $2 billion over 4 years. The majority in the committee said we will consolidate three agencies with $3 billion over 4 years.

So here we are at this point with a conference committee report, and what do we have? We have a conference committee report that says we have to reconcile the differences between the Senate and the House. And so the Senate position going into conference was no agency consolidation but a mandate requiring $1.7 billion over the next 4 years.

The House, on the other hand, had a position of consolidating three agencies over the next 5 years, with no specified savings. So what did we do? We came out of the conference committee with one agency, a savings of $1.7 billion. That is very close to the position that was supported by the Senate back in December with a vote of 82 to 16.

I guess it is hard to understand why anybody would suggest that this is an unrealistic or unachievable consolidation proposal. We have come from the Vice President's proposal of $5 billion down to $1.7 billion, and even the minority on the committee supported $2 billion worth of savings, and in the conference report we have $1.7 billion in savings, so even less than what even they supported. They supported one consolidation, one agency to be consolidated in the State Department. That is what came out of the conference committee. We got one agency requirement for consolidation or merging into the State Department. So we have come a long way to reconcile those differences.

It is really hard to understand why there has been so much resistance to this effort and to make some accommodation to bridge the differences. We have certainly gone a long ways to reconciling those differences, not only within this body, but with the House as well.

Then we had the issue of the international family planning proposals. Well, again, the House bill contains some very restrictive language with respect to UNFPA and Mexico City policy provisions that, in fact, those are the same provisions that endangered the foreign operations appropriations bill last year. But we were able to remove those onerous provisions from the conference report. We removed all of them. But yet at the same time, again, we had objections from the other side, because they said, "Well, that's not enough. It is not enough that you took those provisions out. You should also have language in this conference report that overturns the restrictions and the reductions in international family planning programs in the appropriations bill."

That is an interesting recommendation considering the fact that the minority did not want to have any development assistance proposals in the State Department bill, and that is why almost all of the foreign aid language was removed, rightfully so, because the Senate never had that opportunity to consider that legislation. So it was removed. We took out all the international family planning restrictions and all the development assistance legislation. But yet at the same time, they are saying, "It is not enough because we think we should overturn the appropriations language."

Well, that process is occurring right now, hopefully, in the conference committee on the omnibus appropriations bill. But certainly the conference report is not the vehicle to do it, since we have taken out all the other foreign aid components.

I should say that the language that is in the current continuing resolution with respect to the international family planning programs are the very same programs in the very same continuing resolution that the President signed into law and was supported by Members of this body.

The appropriate vehicle for resolving the appropriation differences on international family planning funding is in the conference committee on the omnibus appropriations. That is where that debate should occur, not here in this conference report.

Our goal was to remove the restrictive language on international family planning and Mexico City provisions that would have set us back in those areas. We did that. That was a major accomplishment. There are important issues in this legislation that ought to be supported by all Members of this body.

This legislation contains several important policy initiatives, such as the McBride Principles. This would codify the McBride Principles and place them in permanent law.

The McBride Principles would establish a standard of nondiscrimination for any project or enterprise in Northern Ireland funded through our contributions to the International Fund for Ireland. This is a very important principle to uphold. I think this would be the first time that will provide an opportunity for all Members of this Senate to vote on the McBride Principles and to support codifying them into Federal law.

Another important policy initiative that this bill would place into permanent law is the Humanitarian Aid Corridor Act. This provision, first enacted on a 1-year basis in the foreign operations appropriations bill, would require that recipients of American aid not block the delivery of any humanitarian aid to any neighboring country. While drafted generically, it is intended to send a strong signal to Turkey, which in the past has frequently attempted to block the delivery of desperately needed humanitarian assistance to the people of Armenia.

A third major legislative initiative in this conference report is the Terrorist Exclusion Act, which I first introduced in the last Congress. This would restore the President's authority to exclude the entry into the United States of any individual who is a member of a violent terrorist organization. This is basically to restore the law prior to 1990.

So, I guess it is hard again, going back to the administration's position, to understand why the President and the State Department have gone on record in opposition to this legislation, because the agency reorganization is essential, even by the Secretary of State's own admission, even by the Vice President's own recommendations to save $5 billion.

I cannot imagine that anybody would suggest that we cannot merge one agency into the State Department,

that we cannot merge the Arms Control and Disarmament Agency. It is a modest agency of 250 people, that in this day and age when we need a new world order, when it comes to our own State Department and related agencies, we have to reorganize. It is important to have a unified, singular voice when it comes to delivering our foreign policy. That was the basic intent of this agency consolidation. But we have met resistance at every step of the way by the administration, even though at some point in time the administration or Members on the other side have indicated that they support such consolidation.

Let us talk about the funding levels. The authorization level in this conference report represents probably a high point in funding levels for these agencies. In fact, it is in conformance with the budget resolution. The reductions in funding are modest, no more than $500 million under the 1995 funding level.

The President has argued for cuts in domestic programs, but—this is the one area in which he is recommending an increase. In fact, the President recommended a $1 billion increase in the foreign aid accounts. I think it is interesting that the President would recommend cuts in so many domestic discretionary programs in order to achieve a balanced budget, but insist on continued growth in foreign spending. But that is exactly the case, because in the statement that was issued by the administration, they objected to the funding levels that were incorporated in this conference report.

There has been opposition by some because of the provision that addresses the International Housing Guarantee Program. This program is routinely criticized as one of AID's most ineffective and wasteful programs. In fact, GAO has conducted a study of this program which subsidized housing for citizens of other countries. The GAO found that this program is well on its way to wasting $1 billion in U.S. taxpayers' money—$1 billion.

I cannot believe that the administration again is objecting to this provision to remove this program when it has already been demonstrated to lose for the taxpayers more than $1 billion. The overall program represents a 40-percent loss to the American taxpayers with respect to the inefficiency and the ineffectiveness of this program. Yet, again, the administration states as one of its objections the fact that it cuts this International Housing Guarantee Program.

We come to the issue of Vietnam. The bill simply requires the President to certify that Vietnam is fully cooperating on the POW/MIA accounting prior to establishing even closer relations with Vietnam. Now, how can anyone find this objectionable? The President has already taken every opportunity to state his belief that Vietnam is fully cooperating.

I may disagree with the President on that assertion, but be that as it may, if the President certifies that they are fully cooperating—that is his own prerogative and initiative as described in this provision—then he can move forward to establish even broader diplomatic relations. So I cannot understand why the President would object to this language.

Mr. President, it has been a long process with respect to this conference report. As I said earlier, again, I think it is important to remind Members of this body that we had no guidance, no counsel, from this administration. The fact is, in the process during the conference committee and prior to the meeting of the conference committee, members of the State Department, representing the administration and the Department, refused to offer language or to cooperate in the process throughout the month-long effort.

I think we could have reached a consensus at some point. It is hard to believe they could not support this conference report, because I cannot imagine being more accommodating on all of the issues that were of concern to them originally in terms of how many agencies would be required to be merged into the State Department, or how much savings we would realize as a result.

I mean, we basically went from three to one agency, and we went from $3 billion to $1.7 billion worth of savings as a result of agency consolidation and reorganization. From my estimation, I think that is a pretty reasonable compromise. I want to further remind this body again the Vice President said that we could achieve $5 billion worth of savings, the Secretary of State said and recommended to the administration that we ought to be able to consolidate three agencies into the State Department. But we are only talking about one here now. We are only talking about saving $1.7 billion.

We have had no legislative recommendations from this administration with respect to this State Department authorization. Again, as I said earlier, for more than a decade that I have been working on this very issue, I have never had an administration not submit a legislative proposal with respect to authorization for the State Department and related agencies.

The President, of course, can veto this legislation and has indicated he will. I hope that he will not because I do believe this conference report does strike a compromise between the House and the Senate. It accommodates the concerns and the views of the administration. I think it is unfortunate if the President moves forward with a veto because he will have failed to seize an opportunity to move forward in this consolidation process and to reorganize our foreign policy structure.

It will be the President who vetoes that consolidation, and it will be the President who vetoes the savings in this bill. It will be the President who vetoes the McBride Principles and the codification of the Humanitarian Aid Corridor Act. It will be the President who denies himself the authority he needs to prevent members of terrorist organizations from entering the United States and endangering the lives of American people. That is the bottom line here with respect to this conference report.

I hope that Members will give this very serious consideration and adopt this conference report because it is, I think, a step toward the kind of goals we want to accomplish for our foreign policy structure, not only for the short term but for the long term.

Mr. President, I yield the floor.

Mr. BUMPERS. Mr. President, I ask unanimous consent to proceed for 2 minutes on the time of the Senator from Massachusetts, to be followed by Senator PRYOR, who has some time coming.

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

Mr. BUMPERS. Mr. President, I was sitting in my office earlier this afternoon and the senior Senator from Arizona came to the floor and chastised President Clinton for apparently discussing on the telephone with President Yeltsin the poultry embargo that the Russians had imposed against all American poultry. The Senator suggested that he hoped that the President had much greater things to discuss with the President of Russia.

Now, Mr. President, I do not know what they talked about, but I personally applaud President Clinton for bringing up that very difficult issue. The Russians import $2.1 billion worth of all products in the United States every year, a little over $2 billion, and one-third of that, over $700 million of that, is poultry. Not just my State—it is North Carolina, Mississippi, Alabama, Texas.

Now, the Senator from Arizona acted as though there were something small or childish about the President talking to President Yeltsin about that embargo, which has now been solved. The President did exactly what I would expect him to do.

I know that the Senator from Arizona is not speaking for Senator DOLE. Would he say the same thing if they embargoed rice or wheat? Would we have heard that same speech if President Clinton had called President Yeltsin about a wheat embargo? I do not think so. I know that if Senator DOLE ever became President and we had that kind of an embargo, in my opinion, he would not hesitate to pick up the phone and call the President of Russia about it.

I am just amazed. Here is a big trade issue, and trade is about all we talk about here anymore and about the so-called 301 retaliatory measures. I suspect, frankly, that President Clinton's intervention on that helped resolve it, and the people of my State are working today, the people in North Carolina, Alabama, and Texas are working today because the President called the President of Russia and said, "This is a funny issue. Why don't you let up?" I think that is what solved the problem.

I applaud President Clinton for his intervention. I deplore people trying to treat that in such a cavalier, simplistic manner.

Mr. PRYOR. Mr. President, I ask unanimous consent the Senator from Alaska be recognized for 8 minutes, and after the Senator from Alaska finishes, I be recognized for a 10-minute period. I ask that the time that I use be charged to Senator KERRY of Massachusetts.

The PRESIDING OFFICER. And the time of the Senator from Alaska?

Mr. MURKOWSKI. I believe Senator HELMS indicated a willingness to yield time.

Mr. HELMS. The Senator from Alaska, as far as I am concerned, can speak as long as he likes, but he has stipulated 8 minutes.

Mr. MURKOWSKI. I concur with the floor manager. Senator PRYOR was kind enough to allow me to go out of turn.

The PRESIDING OFFICER. Eight minutes is charged to Senator HELMS. The time of the Senator from Arkansas is charged to Senator KERRY.

Mr. SARBANES. Is it possible to continue the sequence of speakers, or does the chairman not wish to do that?

Mr. PRYOR. If I may respond, what we are doing is continuing the sequencing, because Senator BUMPERS, after finishing his presentation, we have asked that Senator MURKOWSKI on the other side be recognized, and then I would be recognized. I guess I would be recognized after Senator MURKOWSKI.

Mr. HELMS. In the natural course of things, Senator SARBANES would be recognized if time is yielded to him. I am sure that he can get that by unanimous consent, to be charged to Senator KERRY.

Mr. SARBANES. After Senator PRYOR?

Mr. HELMS. No, no, go back and forth. The Senator from Alaska is going to speak only 8 minutes.

Mr. MURKOWSKI. Mr. President, as we prepare to vote on the conference report on H.R. 1561, the Foreign Relations Revitalization Act of 1995, I rise to express my specific concerns that the statement of administration policy indicates that the President appears to be going to veto this bill based at least in part on section 1601, which reaffirms the primacy of the Taiwan Relations Act.

Mr. President, the opponents of the provision claim we are nullifying the joint communique. I totally disagree with this interpretation. Let me refer to the definition of the specific word "supersede" as used in section 1601. The Oxford dictionary say "supersede" means override. I was an original author of this language so I know a little about its legislative intent, and that is that the Taiwan Relations Act overrides the provisions of the communique only if the two are in conflict.

Now, section 3 of the Taiwan Relations Act commits the United States to sell Taiwan whatever defense articles it needs for self-defense and that the executive branch and the Congress will jointly determine what those needs might be.

In 1982, President Reagan pledged in a joint communique with China to decrease arm sales to Taiwan. That was the so-called bucket.

The Taiwan Relations Act was ratified by Congress and is the law of the land. Make no mistake about it. The 1982 communique is an executive agreement never ratified by the Congress.

Now, all that the provision in the conference report says is that the law of the land—the law of the land, Mr. President—the Taiwan Relations Act, will supersede the provisions of the joint communique if the two are in conflict. They have to be in conflict, Mr. President. That is the difference. This is simply a matter of legal precedence.

Mr. President, I ask unanimous consent that the reference from the Oxford dictionary be printed in the RECORD.

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

Supersede: To desist from, discontinue (a procedure, an attempt, etc.); not to proceed with -1750. †b. intr. To desist, forbear, refrain -1850. †2. To refrain from (discourse, disquisition); to omit to mention, refrain from mentioning -1689. †3. To put a stop to (legal proceedings, etc.); to stop, stay -1838. b. Law. To discharge by a writ of supersedeas 1817. †4. To render superfluous or unnecessary -1797. 5. To make of no effect; to render void, nugatory, or useless; to annul; to override. Now rare or Obs. 1654. 6. pass. To be set aside as useless or obsolete; (to be replaced by something regarded as superior 1642.) 7. To take the place of (something set aside or abandoned); to succeed to the place occupied by; to serve, be adopted or accepted instead of 1660. 8. To supply the place of (a person deprived of or removed from an office or position) by another; also, to promote another over the head of; pass. to be removed from office to make way for another 1710. b. To supply the place of (a thing) 1861. 9. Of a person: To take the place of (some one removed from an office, or †promoted); to succeed and supplant (a person) in a position of any kind 1777.

5. The Norman invader superseded Anglo-Saxon institutions 1863. 6. When this work must be superseded by a more perfect history 1838. 7 Oxen were superseding horses in farmwork 1866. 9. Captain Maling takes his passage to s. Captain Nisbet in the Bonne Citoyenne Nelson.

Mr. MURKOWSKI. For example, if the threat to Taiwan is increasing, defensive arm sales should go up. They should not be arbitrarily limited by the bucket. Prior administrations have followed this principle in practice, such as selling F-16's to Taiwan, even though they were outside the dollar limits of the bucket.

It was a matter of convenience. We wanted to do it, so we found a way to do it. I do not see why the administration is objecting to this provision, because it is consistent with current practice. I would also remind my colleagues that the identical language passed out of the Foreign Relations Committee in 1994 on a 20-0 vote when I was a member of that committee.

Mr. President, I again find it incredible that the administration would issue this veto threat over a provision that was intended merely to restate reality: The law of the land takes precedence over a statement of policy. I do not think you could find one constitutional scholar who would disagree with that proposition.

Secretary of State Christopher, in correspondence with me in 1994, acknowledged that it was the administration's position, as it was of previous administrations, that the Taiwan Relations Act as a public law takes legal precedence over the 1982 joint United States-China communique, an Executive communication that was never, as I said, ratified by Congress. Mr. President, I have that letter from Secretary of State Christopher. When the letter was given to me, I told the Secretary, at his request, that I would not release the letter. But I think that the State Department should look up that letter and find out what the Secretary said because I think what he said then is as applicable today, March 28, 1996, as it was April 22, 1994. So I suggest that the State Department do a little backtracking.

It is important to remember that the 1982 communique was based on the premise that the future of Taiwan would be settled solely—this is important—by peaceful means and was signed at a time when decreased tensions between China and Taiwan meant that Taiwan's self-defensive needs were not increasing.

The Senate voted 97-0 last week to reaffirm the commitments made in the Taiwan Relations Act. One of the commitments is that the President, in consultation with the Congress, will review whether the capabilities and intentions of the People's Republic of China have increased the threat to Taiwan. If so, defensive arms sales to Taiwan, obviously, should be adjusted upward accordingly, if indeed that is the case.

Well, we have seen, in recent weeks, the heightened tensions. I do not have to go into the significance of what the M-9 missile message was. It was that

China can indeed launch a missile from the mainland, and it can indeed go to Taiwan. Indeed it has a payload of about 1,200 pounds, and it drops its locomotion in entry, and, as a consequence, it is very difficult to pick up. I am not sure that the technology is available to counter that missile threat.

As we look at some of the other missile threats to the United States, including to my State of Alaska and to Hawaii, we find we are in the range of some of those, which the rest of the United States is not in the range of. I do not think Hawaii and Alaska are expendable, although some of my colleagues may differ from time to time.

Since 1994, China has mounted a series of military exercises near Taiwan. In September and October 1994, the People's Liberation Army conducted combined air, land, and sea exercises on Chou Shan Island, about 60 miles south of Quemoy. At that time, Assistant Secretary of State Winston Lord described these exercises as "the most expansive * * * that China has conducted in 40 or 50 years." In June and July of last year, the PLA conducted more exercises, including firing four medium range M-9 missiles—the first time China had used missiles to threaten an opponent. Right before the Legislative Yuan elections in November, China conducted large-scale combined-arms, amphibious and airborne assault exercises designed to simulate an invasion of Taiwan.

Then, on the eve of the first direct democratic presidential election in Taiwan, China began a series of three more tests. First, China fired four more M-9 missiles into closures within 25 to 35 miles of the two principal northern and southern ports of Taiwan. China followed the missile tests with live ammunition war games in a 2,390-square-mile area in the southern Taiwan Strait, followed by another live ammunition exercise between the Taiwan islands of Matsu and Wuchu.

China may not yet have the capability to invade and conquer the Republic of China on Taiwan, but it does have the capability to do significant harm by mining ports, undertaking a limited blockade with its 5 nuclear-powered and 45 conventional-powered attack submarines, and conducting a terror campaign with missiles capable of carrying nuclear or chemical warheads. Taiwan lacks a reliable missile defense and has only two modern conventional submarines.

I do not consider myself an expert on defense matters, but it appears that Taiwan needs additional deterrence capability, especially with regard to missile defenses. I commend the Clinton administration for sending our carriers into the area of the Taiwan Strait recently to monitor China's war exercises. This exercise should put the Defense Department in a very good position to evaluate the threat to Taiwan from China in determining the level of future arms sales.

Mr. President, I only hope that the diplomats in the State Department do not ignore the military reality in making decisions about future arms sales to Taiwan because of a fear of China's reaction. But, unfortunately, that is what I believe is the driving force behind the veto threat. The administration states that section 1601 "would be seen as a repudiation of a critical and stabilizing element of longstanding U.S. policy toward China, increasing risks at a time of heightened tensions."

Mr. President, the most critical element in U.S. policy toward China is the peaceful resolution of Taiwan's future. If China, by force, repudiates that element, then the basis of the United States' one-China policy is simply stripped away.

We should recognize that that provision in the Foreign Relations Authorization Act does not repudiate U.S. policy, it reaffirms it. I call on the administration to drop this veto threat and implement the law as required.

Mr. President, I am grateful to my good friend from Arkansas, who has accommodated me and my schedule. I thank the floor manager.

Mr. PRYOR addressed the Chair.

The PRESIDING OFFICER. The Senator from Arkansas.

THE DEBT CEILING LEGISLATION

Mr. PRYOR. I thank the Chair. Mr. President, I am going to revert back to a measure that we just passed in the Senate, I think, less than an hour ago, which is the debt ceiling legislation.

On that legislation, the distinguished Senator from Arizona, Senator MCCAIN, had included an amendment he had long fought for, and I support that amendment very strongly, Mr. President. That was an amendment relative to the social security earnings test. It was on that particular amendment that I had told the leadership in times past that should that amendment come to the floor, I was going to attempt to amend that particular provision with a measure that would basically clear up, once and forever more, a mistake we made in the GATT Treaty legislation that we passed last year in the U.S. Senate.

In other words, Mr. President, I was going to use that as a vehicle to amend this provision, which allows one particular drug company—Glaxo, for example—to absolutely continue taking advantage of not only the taxpayer, but also the consumer, the aging American, taking this particular drug called Zantac, and prohibiting, precluding generic competition from coming into the marketplace.

Mr. President, on December 13, 1995, I received a letter from my friend and colleague, the distinguished chairman of the Judiciary Committee. In the letter it says, "Please be assured that I intend to honor my commitment. I will begin a hearing on pharmaceutical patent issues February 27, 1996, and I plan to hold a markup by the end of March."

Well, Mr. President, our friend and colleague, the distinguished chairman of the Judiciary Committee, Senator HATCH, did in fact hold a hearing on February 27, 1996. However, the markup on this particular matter, the Glaxo issue, has not been scheduled. It has not been scheduled for any time in March. To the best of my knowledge, it has not been scheduled for April, May, and who knows—I just hope it will be scheduled someday.

But what is at issue is this fact: Every day we refuse in the Senate and in the House of Representatives, the other body, to correct this mistake that we made through this system, in not clearing up the issue of the patent extension for this particular drug company, and about six other drug companies, every day that we refuse, every day that we delay, Mr. President, we are fattening their pocketbooks to the extent of $5 million a day. That is $5 million each day that is being paid for by the consumer, the taxpayer, the Veterans Administration, the HMO's, right on down the line—any consumers that buy Zantac. We have been told that a generic that is ready to go into the marketplace immediately could absolutely walk into that marketplace today, begin competition with Zantac at one-half of the price of this prescription drug. But, Mr. President, we have refused to do it. We have had a vote in December, and we failed by two votes to get enough votes in this body to close this loophole and to state that we are no longer going to continue this very major windfall for one or two or three drug companies.

We made a mistake. We extended all patents from 17 to 20 years in GATT, and we said that a generic company could market their product on the 17-year expiration date, if they already made a substantial investment and were willing to pay a royalty.

We think that is a fair balance of interest. The other thing we did in GATT was that we said we are going to allow every human, every company, every product to have the same extension of their patent rights. However, we set out a perfectly illegitimate reason to give to a few drug companies a unique opportunity to not be included in the GATT legislation. So, therefore, we excluded a few pharmaceutical manufacturers, and we said to them that you are going to have an extra 3 years on your patent. You are not going to have any competition whatsoever in this particular drug marketing and in the sales of the particular drug.

During the February hearing held by Senator HATCH, the chairman of the

Judiciary Committee, we had the evidence, we had the testimony of our U.S. Trade Ambassador, Ambassador Kantor, we had the Patent Office, and we had everyone representing this administration that we could think of say that this was never intended to be a part of the GATT Treaty. The negotiators never intended to carve out a special reason, or a special status, for a very few—if I might say, a handful—of drug manufacturers.

Mr. President, during that testimony that day in late February of 1996, during all of the discussions that we have held on the floor of the U.S. Senate, during the committee meetings that have been addressing this issue, including the Finance Committee, there is not one scintilla of evidence—not one—that one individual has ever maintained that this was a deliberate act by the negotiators, that this was a deliberate act by the Congress of the United States to carve out this special exemption for a handful of drug manufacturers.

We have competition-ready to come to the marketplace. We have cheaper prices ready to be able to come into the marketplace to provide quality drugs at competitive prices—more than competitive prices. For us to believe that we can continue this great windfall, I think is very wrong indeed.

I urge the chairman of the Judiciary Committee to proceed forthwith with a markup for this particular issue. He knows what the issues are.

Mr. President, I further state that at the proper time on the proper legislative vehicle, I will offer to the Senate once again the opportunity to correct the record, once again the opportunity to set things right, because every day that we delay is another $5 million in profits to the pharmaceutical companies that make Zantac and these other drugs. We are delaying now about another 15 to 20 days at least because we are leaving on a 2-week recess tomorrow. That is another $75 million to $80 million for these drug companies in extra profits for them at this time.

We had a vote in December, and we have seen since that time and since that vote another $450 million of profits being given to them in a windfall nature.

I think the American people certainly are calling on us to be responsible to set the record straight and to admit that we made a mistake.

I am going to give the Senate—and hopefully the other body—an opportunity to correct that mistake in the very near future. I will be offering that on the first legislative vehicle that I see the opportunity to attach it to after we return from our Easter break.

Mr. President, I yield the floor.

Mr. HATCH. Mr. President, I was dismayed to hear the comments our colleague, Senator PRYOR, just made with reference to the Judiciary Committee's deliberations on the GATT/pharmaceutical patent issue.

My colleague was correct in stating that I wrote him a letter in December indicating the committee would hold a hearing and a markup on this issue.

In fact, we held a hearing on February 27 on the specific issue he raised, and 1 week later, March 5, held another hearing on the more general issue of pharmaceutical patent life at which the GATT issue was also commented upon by a number of individuals.

Perhaps my colleague was not aware, that, on Tuesday, I notified the committee that this would be a possible agenda item for markup this week. However, it was not possible to forecast the arduous, time-consuming immigration markup, which extended much longer than any of us had anticipated. In addition, Senator KENNEDY, the ranking member of the Labor Committee and a top member of Judiciary, expressed concerns about how the Judiciary Committee's agenda was conflicting with the FDA reform markup this week in Labor. Accordingly, at the outset of the Judiciary Committee's deliberations on the immigration bill this morning, I made the following statement:

> Finally, let me say a few words the Committee's consideration of how certain GATT transition rules should apply to the generic drug industry—this is the so-called GATT patent issue.
>
> This was the subject of a lengthy floor debate on December 7th and a Committee hearing on February 27th.
>
> As I have stated on a number of occasions, my preference is to achieve some sort of compromise on the issue. But this is a very complex issue that involves the confluence of three interrelated statutes: the GATT implementing law, the Federal Food, Drug, and Cosmetic Act, and the patent code.
>
> I am aware that there are discussions taking place in an attempt to fashion a compromise proposal. I have directed my staff to continue to facilitate these discussions.
>
> Frankly, the Immigration Bill has taken longer that any of us would have liked or could have planned for. It became apparent earlier this week that we would not have time to complete a GATT mark-up before Friday.
>
> We still have many amendments to dispose of on the Immigration Bill. I also know that Chairman Kassebaum's Labor Committee is in the middle of the FDA reform mark-up and that Senator Kennedy wanted to closely coordinate our schedules today. Other members have scheduling conflicts as well.
>
> For these reasons, I am announcing my intent to schedule mark-up on the GATT issue when we return from recess. I would like to consider a compromise that most of us can support. I don't think the PRYOR bill meets that test. I hope we will continue working toward an agreement over the recess.

I wish to make amply clear for the record that Senator PRYOR's staff had informed me that he did not anticipate, nor wish for, a markup on this issue in Judiciary, but rather he wished to pursue a dialogue on the floor. Thus, I was heartened to hear his remarks just now in which he stated he wanted the Judiciary Committee to mark up a bill.

Before closing, I would like to address one specific comment Senator PRYOR made. Those who advocate change in the law argue that the Congress clearly intended to achieve the results of the Pryor/Chafee/Brown amendment when we originally passed the Uruguay Round Agreements Act (URAA). They continue to argue to this day that it was merely a "technical oversight" which led to this "unfair" outcome.

I find it strange that not one person has come forward, that there has been not one shred of evidence, not one memo, nor paragraph of a memo, nor even a sentence in any document supporting Senator PRYOR's contention.

In fact, the Court of Appeals for the Federal circuit, a completely disinterested party, could find no definitive evidence on this issue at all. In the November, 1995 Royce decision, the Federal circuit stated:

> The parties have not pointed to, and we have not discovered, any legislative history on the intent of Congress, at the time of passage of the URAA, regarding the interplay between the URAA and the HATCH-Waxman Act."

I do not wish to rehash the arguments related to the GATT at this time. It is an extraordinarily complex issue, and is not as simple as it might appear to some. It is no secret to this body that I am not supportive of the Pryor amendment as drafted in December.

What I do want to emphasize is that a fair resolution of this issue remains my priority and, as I said at the markup this morning, I am hopeful we can fashion a compromise that is acceptable to the majority of Senators. I hope that my colleagues Senators PRYOR, BROWN and CHAFEE, will be willing to work with us in that regard and I look forward to their suggestions for areas in which a resolution can be crafted.

FOREIGN RELATIONS AUTHORIZATION ACT, FISCAL YEARS 1996 AND 1997—CONFERENCE REPORT

The Senate continued with the consideration of the conference report.

Mr. MCCAIN. Mr. President, I was one of the first Members of the Senate to support Senator HELMS' efforts to consolidate U.S. foreign policy agencies. This bill does not go as far as I or many of my colleagues on the Foreign Relations Committee had hoped it would in this respect. I, and I know the chairman, had envisioned a consolidation which would require the dismantlement of three agencies—USAID, USIA, and ACDA. But just getting the bill into and out of the conference committee was a major accomplishment and I commend the chairman for it.

I support the bill and I will vote for it. A savings of $1.7 billion over 4 years and the merging into the State Department of at least one foreign policy

agency is a proposition simply too good to pass up.

However, I do want to register my steadfast opposition to one particular provision in the bill. The conference report conditions funding for any expansion in United States diplomatic relations with Vietnam on Presidential certifications in a number of areas related to missing United States servicemen. The Senate wisely refrained from including similar language in its bill, and despite its several efforts to address the issue in previous legislation, the House included only sense-of-the-Congress language.

Given that neither House decided to legislate in this area, I was quite dismayed to find out that somehow during the proceedings of the conference committee, the conferees actually decided to make the House language tougher. One reasonably expects—and common sense would indicate—that a compromise develops midway between two positions. But in this case, compromise involved not only caving to the House position, but giving House conferees something for their trouble.

This is the third time that I have come to the floor to register my opposition to the same language in different conference reports. I know that conferees often have a difficult time dealing with this issue. On one side of the debate are those who seek to block the President's decision to normalize relations with Vietnam at every opportunity. They are extraordinarily focused and unrelenting. In contrast, those on the other side of the debate either have an understandable predominate interest in reaching a real compromise, or truly see no harm in forcing the President's hand.

As was the case with the CJS conference report, the balance of sentiments on this issue in this conference has contributed to the certainty of a Presidential veto. I know that the President would have likely vetoed the bill anyway. He has fought the idea of State Department reorganization since Secretary Christopher first proposed it. However, I think we have complicated the case for consolidation with this provision on Vietnam. In short, we have given the President one more reason to veto the bill. And unlike some of his reasons, to my mind, this one is legitimate.

When the bill returns to the Senate for a possible veto override, I hope the conference will revisit the issue of United States-Vietnam relations and approve language which reflects the will of at least one House of Congress. Consistent with his constitutional powers, the President last year made a decision to normalize relations with Vietnam. As I have pointed out to my colleagues a number of times, this is a fact. The President should not be constrained in his efforts to carry out his decision. If we cannot respect President Clinton's decision on its merits, we ought to at least respect the power his office entitles him to exercise.

Mr. DODD. Mr. President, I oppose H.R. 1561. I do so for many reasons.

I believe that this bill is not only myopic, but it is dangerous. H.R. 1561 calls upon the President to eliminate one of three foreign policy agencies and includes authorization levels that would force the United States to withdraw from some international organizations. It overlooks the successful efforts the administration has already undertaken to reduce its expenditures. Mr. President, the United States is unquestionably the strongest Nation in the world. These foreign affairs agencies are essential to U.S. leadership. H.R. 1561 undermines our strength and leadership in the world.

In addition to objection to the general direction the bill takes us, there are also specific provisions that are seriously flawed. Specifically, look at how this bill treats relations with Vietnam. Section 1214 makes funding for a U.S. Embassy in Vietnam dependent upon a Presidential certification that Vietnam is fully cooperating on the POW/MIA issue. Most certainly we all want to resolve any outstanding POW/MIA cases. However, this provision isn't likely to facilitate that end. This provision, if enacted, could threaten the progress that has already been made on the POW/MIA issue. Moreover, it could restrict the President's ability to pursue our national interests in Vietnam and put United States firms at a competitive disadvantage.

Second, it in terms of U.S. participation in the United Nations, this bill provides inadequate funding levels for fiscal years 1996 and 1997. The United States is already $1.2 billion in arrears to the United Nations. Besides being irresponsible, this outstanding obligation thwarts our influence in the United Nations and impedes our diplomatic efforts to reform the institution. Even Namibia, one of the poorest countries in the world with a GDP 86 times less than the United States, has paid up. That, Mr. President, is shameful.

Third, H.R. 1561 fails to resolve the limitations on U.S. population assistance programs placed in the fiscal year 1996 foreign operations appropriations legislation. Such restriction will have a serious, detrimental impact on women and families in the developing world. These restrictions will cause an estimated 7 million couples in developing countries to be without access to safe, voluntary family planning services. And what will the result be? Millions of unwanted pregnancies and abortions. Mr. President, I am sure that none of my colleagues want to see this happen.

Mr. President, I conclude my statement by reiterating that H.R. 1561 is shortsighted, dangerous, and that I vigorously oppose it. I encourage my colleagues to join me in voting against the conference report.

Mrs. KASSEBAUM. Mr. President, today, we have before us significant legislation which, if it becomes law, will restructure the principal institutions used to conduct America's foreign policy. The process leading to this point may have been less bipartisan and less open than some of us would have desired. But I want to commend the chairman of the Foreign Relations Committee, Senator HELMS, for his determination in shepherding this difficult bill through the legislative process.

The heart of this bill is its reorganization of our Nation's foreign policy bureaucracy. While I still have reservations about the continued deep cuts in our foreign affairs spending—an account that already has sustained deep cuts since the late 1980s—that is not the issue here. Congress made the decision to continue cutting our foreign affairs spending when we passed the budget resolution last year. The purpose of this authorizing legislation is to try to shape those cuts in a manner that will best protect our ability to carry out the Nation's foreign policy.

I believe this conference report's approach to streamlining and consolidation—an approach dramatically different from the original versions introduced a year ago in both Houses—is reasonable. In essence, this legislation would require the abolition of one of our four principal foreign policy agencies and would require a savings of $1.8 billion over 4 years. It wisely vests in the President, however, the maximum possible flexibility to determine the details of reorganization.

Because the reorganization provisions are, in my judgment, reasonable, I intend to vote for this legislation. However, I very much regret that the legislation also contains many foreign policy provisions which have been less scrutinized and which, in my view, would have been better omitted. Let me outline my specific concerns with the legislation:

First, the bill contains a number of provisions that may further irritate our relations with China. Most important among these is the provision asserting that the Taiwan Relations Act takes precedence over the 1982 Sino-United States joint communique. The triangular relationship between Washington, Beijing and Taipei is a delicate diplomatic balance in each of its legs, and in this legislation Congress is needlessly seeking to strengthen one leg—the leg between Washington and Taipei—without regard for the effect on the other two.

Second, the bill unwisely reopens the difficult debate about our relations with Vietnam. In 1994, after weighing the arguments on both sides, Congress concluded that normalizing relations with Vietnam best serves America's

national interests in that region. I do not believe we should roll back that decision today.

Third, the bill creates a new category of political asylum for persons fleeing coercive population practices. I have opposed this provision from its inception because I believe it may open a floodgate of false claims for immigrants from certain countries not otherwise able to enter the United States.

Fourth, the conference report restores several provisions that require withholding of U.S. contributions to the United Nations—provisions that were struck from the Senate bill at my request. I believe that we have reached the limits of this nickel-and-dime approach to reforming the United Nations and that these narrow withholding requirements have become counterproductive. What is needed, in my view, is a broader approach to reform. Unfortunately, a provision that I added to the Senate bill to require the administration to submit to Congress an overall proposal for reforming the United Nations consistent with several specific objectives has been dropped from the conference report.

Fifth, this legislation has cherry picked the foreign aid authorization bill, incorporating a small handful of its most politically popular provisions into the broader State Department Authorization bill. This approach ensures that no other foreign aid authorization will be enacted this year. I worry we are creating a situation in which no foreign aid program other than the few in this bill will be authorized and, as a result, funding for any others may be blocked.

Sixth, this authorization legislation does not deal with the difficult population issue of international family planning, despite the compromise reached in the Foreign Operations Appropriations debate stipulating that the matter would be handled in this bill.

Seventh, the legislation ends the United States housing guarantee program, with an exception for our program in South Africa. I tend to believe this is an important program that should not be banned by statute.

Mr. President, this is a long list of objections. To weigh them against the strengths of the bill's reorganization provisions was no easy task. I concluded, however, that the bill on balance is worthwhile—largely because its reorganization provisions will bring an order to the inevitable downsizing of these agencies that otherwise might not exist. I also want to support the Chairman of the Foreign Relations Committee. However, I understand the President has reached a different conclusion and intends to veto this legislation. If that occurs, I cannot give assurances that I would vote to override his veto.

Mr. NICKLES. Mr. President, I want to compliment my friend from North Carolina for moving forward a proposal to reduce the size of government that was opposed by the Administration and those on the other side of the aisle. I think through his persistence we have a bill that may not go as far as most of us in the Senate would like to see, but at least it is a step in the right direction.

I do think, however, that the debate on this bill helps to magnify the fundamental differences between those on this side of the aisle and those on the other side of the aisle.

When this bill was originally proposed it would have eliminated three government agencies, The Agency for International Development [AID], The Arms Control and Disarmament Agency [ACDA] and The United States Information Agency [USIA] and folded these functions back into the State Department. By doing this, the American taxpayer would have saved $3.66 billion during the next four years.

Now we have a bill that calls for the elimination of these three agencies, but the bill allows the President to issue a waiver for the elimination of two of these three agencies. The result is that the American taxpayer will only realize about half of the $3.66 billion in savings as originally proposed.

I want to remind my colleagues how we got from the original version of the bill to the Conference Report. This is especially enlightening because when the bill was originally proposed, it was hailed as the Helms-Christopher plan because the bill mirrored a plan outlined by Secretary of State Warren Christopher to eliminate these agencies.

This is what the January 12, 1995 edition of the Washington Times had to say about this bill:

> If imitation is the sincerest form of flattery, then Secretary of State Warren Christopher and Deputy Secretary of State Strobe Talbott ought to be basking in the glow of admiration beaming upon them from Capitol Hill. Jesse Helms and Rep. Benjamin Gilman, chairmen of the Senate and House Foreign Affairs Committees, recently unveiled their plan for the re-invention of the U.S. State Department and—Ta-da—it bore more than a passing resemblance to the plan produced by Messrs. Christopher and Talbott.

However, when Vice-President GORE and his re-inventing government staff got a hold of Secretary Christoper's plan it was fundamentally altered. Instead of adopting it, the Vice-President decided to streamline these agencies. And since then, according to the August 5, 1995 edition of Congressional Quarterly, "the administration * * * has mounted a furious effort to kill the Helms bill."

Once again, I want to compliment my friend from North Carolina for continuing to move this plan as originally proposed forward in the face of opposition. He moved the bill through his committee, but when the bill got to the floor of the Senate, the Democrats here carried the administration's torch and frustrated efforts to eliminate these agencies.

Twice the Senate tried to cut-off debate, and twice, along party lines, the Senate was prevented from moving forward on the bill.

I wish to remind my friends on the other side of the aisle and the American people, that the bill does not eliminate the functions of The Agency for International Development [AID], The Arms Control and Disarmament Agency [ACDA] and The United States Information Agency [USIA]. Some have argued that the bill in its original form would have eliminated important government functions. I ask how? The bill transfers the functions of these agencies to the State Department and eliminates the bureaucracy created by these independent agencies.

I wish to point out again for my colleagues in the Senate, that the first bill of the 104th Congress that would have eliminated three government agencies faced vigorous opposition by the Democrats in its original form. And the watered down version, which we are about to pass which would eliminate only one government agency, faces a certain veto by the President. This despite the fact that in his state of the union address the President said "the era of the big government is over."

I don't think the American people could get a more clear picture of who is doing what about the size of government.

Mr. COHEN. Mr. President, much of the debate today has addressed issues that are important but peripheral to the focus of this bill, which is the size and organization of the State Department and associated foreign policy agencies.

Going back to the Nixon administration, numerous reviews have been conducted by the Foreign Relations Committee, its House counterpart, and many executive branch-appointed groups to determine how best to streamline the array of foreign policy agencies that exist. My staff at the Oversight of Government Management has studied this issue, as well. A common theme of these reviews has been that more efficiencies can be achieved, and this probably should include the merging of some existing agencies. The conference report now before the Senate directs, in essence, the elimination of at least one of three agencies—the Agency for International Development [AID], the Arms Control and Disarmament Agency [ACDA], or the U.S. Information Agency [USIA]—with primary focus on AID and ACDA.

The 1989 House Foreign Affairs Committee report coauthored by Congressmen HAMILTON and GILMAN called for AID's elimination. A 1992 report by a bipartisan group appointed by AID, itself, called for AID's merger into the State Department.

A decade ago, I cochaired with Harold Brown a study group at the Johns Hopkins School of Advanced International Studies. We commissioned a paper on why ACDA should not be merged into the State Department. Quite frankly, despite the best efforts of the author who was an advocate of ACDA, the resulting paper produced only weak arguments for keeping ACDA as an independent agency.

Three years ago, Lynn Davis, a protege of Secretary Brown, was appointed by the Clinton administration to be Under Secretary of State. One of her first initiatives was to push to merge ACDA into the State Department, but her effort failed in the face of congressional opposition.

Last year, Secretary Christopher, himself, proposed merging these three agencies into the State Department, but his proposal was not accepted.

So the concept of merging ACDA, at least, into the State Department is hardly radical. And few would argue that, in after the "reinvention" initiatives undertaken by the current administrator, more must be done to reduce the size and improve the effectiveness of AID.

This bill makes clear the desire of Congress to see genuine streamlining, talked about for so many years, finally and effectively implemented.

At the same time, legitimate questions have been raised as to whether the specific mechanism in the conference report is the best way to go about it. Throughout the Reagan and Bush administrations, Republicans criticized congressional micromanagement of the President's foreign policy. Some will ask why now, in 1996, we seem to be shifting direction and trying to impose restrictions on the President. Even more than in the case of the reorganization provisions of the conference report, this is true for many of the conference report's policy provisions.

In this regard, I would highlight sections dealing with the Housing Investment Guarantee Program, Vietnamese migrants, and China. Besides being unrelated to the core function of this bill, many such provisions contain unwise policy prescriptions.

We should encourage, for example, aid programs that leverage private international investment, not terminate such programs as the conference report would do. We should encourage enhanced dialogue between United States and Chinese officials, rather than discourage it as the conference report would do.

Despite these deficiencies, however, the bill does make progress on the decades-old project of streamlining the various foreign policy agencies, and so I intend to vote for it.

If the President does veto the conference report, I hope that we can act promptly to rework it into a bill that can be enacted by deleting or modifying these objectionable provisions.

Mr. HELMS. Mr. President, I suggest the absence of a quorum with the time to be charged proportionately.

The PRESIDING OFFICER (Mr. BENNETT). Without objection, it is so ordered. The time will be charged proportionately, and the clerk will call the roll.

The bill clerk proceeded to call the roll.

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

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

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from North Carolina, managing the bill, was seeking recognition.

The Senator from North Carolina.

Mr. HELMS. Let us be fair about this thing. This is two Democratic Senators. The Senator from Maryland has been waiting around to speak, and I want to be sure that he is agreeable to being preceded.

Mr. BINGAMAN. Mr. President, I yield the floor.

Mr. HELMS. Mr. President, in the case of the Senator from Maryland, will the Chair deem that he has been yielded time by Senator KERRY?

The PRESIDING OFFICER. That is the Chair's understanding. The Senator from Maryland.

Mr. HELMS. Very well.

Mr. SARBANES. Mr. President, I yield myself 10 minutes. How much time is still available to Senator KERRY?

The PRESIDING OFFICER. He has 67 minutes and 45 seconds.

Mr. SARBANES. I yield myself 10 minutes of Senator KERRY's time. I am authorized to do that.

The PRESIDING OFFICER. The Senator from Maryland is recognized.

Mr. SARBANES. I thank the Chair, and I thank the distinguished chairman of the committee.

Mr. President, I rise in opposition to the conference report. I regret that should be the case, because I really do think we should make a very strong effort here to develop a bipartisan approach toward our foreign policy. But this bill takes us in so many of the wrong directions that I simply cannot support it.

First of all, we must understand that we are in a new period with respect to foreign policy. Now that the cold war is over, in my judgment the United States needs to bolster its diplomatic, economic, and political capacities to influence events around the world. We need to anticipate and prevent conflicts through mediation and negotiation. We need to promote sustainable development and support human rights in order to avoid conflicts, which would then lead to even larger economic and human costs. We need to protect our citizens—indeed, all of the world's citizens—from disease, environmental degradation, exhaustion of natural resources, the proliferation of weapons of mass destruction, terrorism, and trafficking in narcotics.

These are all issues that transcend national borders. They are sapping the vitality and strength of societies all across the world. And as the focus shifts to economic matters, we need to expand markets for U.S. goods and services and to create a level international playing field for American workers.

Frankly, I think that these things often can be accomplished more safely, more effectively, and at lesser cost through carefully designed foreign assistance programs and skillful diplomatic engagement than by retreat back to our shores, to a new form of isolationism, or by resorting routinely to unilateral military intervention. The reliance on military force is, of course, our ultimate protection. But many of the problems we are now dealing with are amenable to resolution or subject to influence well short of that. This is a major change from the cold war.

This legislation undertakes, in effect, to impose on the executive branch a reorganization of the foreign policy functions of the Government. I am very frank to tell you that I think if the political situation were reversed and there were a Democratic Congress trying to impose this upon a Republican President, my colleagues on the other side of the aisle would be protesting very loudly that this was an inappropriate intrusion into the functions of the Chief Executive, an improper effort to limit the executive's ability to determine the organization of the foreign policy agencies.

Unfortunately, there is not a shared approach on this bill. It was reported out of the committee on a straight party-line vote. It confronted a similar situation on the floor until some concessions were made. Unfortunately, when we got to conference, most of those concessions were abandoned. So the bill now before us is markedly different than the bill that passed the Senate.

I did not support the bill that passed the Senate, and since it has worsened in conference, by definition I would not support the conference report. But for those who did support the Senate bill, I want to underscore the fact that the bill now before us is markedly different from what moved out of the Senate. Moreover, in my judgment, in virtually every instance it is different in the wrong direction. In other words, there is even less reason to support this legislation, and more reason to oppose it.

There are many troubling provisions in this legislation. Let me just touch on some of them. I am not going to try

to cover them all. I know the hour is late, and others wish to speak.

I have talked about the reorganization proposal that provides for mandatory elimination of at least one of the foreign policy agencies. I happen to think that these agencies are doing a good job, particularly under the restructuring efforts that are taking place internally, and in that regard I particularly cite for commendation the efforts at AID. Under the able leadership of the Administrator, Brian Atwood, that agency has been streamlined and energized in order to do its job more effectively.

Secondly, this authorization bill would have the effect of providing caps on appropriations—in other words, of setting ceilings on spending—which are far below the levels necessary to conduct foreign policy and to sustain our interests overseas. I think we are going to face important challenges in the coming years. I do not think we ought to hamstring the ability of the Executive to deal with them. I simply offer to my colleagues on the other side the proposition that they have one of their own now seeking to be the Chief Executive, and they ought to stop and think twice whether they would want him hobbled and hamstrung, as I believe this legislation would do.

This legislation imposes very severe cuts in terms of U.S. participation at the United Nations. I know for many people, the United Nations is not the most popular agency, but let me simply submit to you, if we did not have the U.N., we would have to invent it. In many instances, the United Nations helps us to achieve important U.S. foreign policy objectives. Often when a situation breaks out around the world, the first reaction everyone has is, "Well, the United Nations ought to do something about it," and, in many instances, the U.N. has done something about it very successfully.

We are now the largest deadbeat at the U.N. in terms of meeting our dues and assessments. I think for a Nation which constantly asserts that it is the world's leader, this is a sorry state of affairs. Unfortunately, the conference report before us would only exacerbate this situation.

Furthermore, this legislation makes such drastic changes with respect to AID that I doubt very much that that agency would be able to continue to function in any meaningful manner.

In that regard, I ask unanimous consent that a letter from 20 religious and faith-based organizations be printed in the RECORD at the conclusion of my remarks.

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

(See exhibit 1.)

Mr. SARBANES. Mr. President, this is a letter from 20 religious and faith-based organizations urging opposition to H.R. 1561.

Let me quote from that letter urging this opposition to the conference report:

> . . . The bill would eviscerate further the U.S. commitment to self-help development for poor people in the developing world.
>
> We are particularly troubled by the bill's proposal to abolish the Agency for International Development.

They then go on to say that this would be a misordering of U.S. priorities; that support for poverty eradication and self-help development should be a primary objective of U.S. foreign aid and that it should be administered by an independent agency.

They then discuss other matters in the legislation about which they are very concerned. I think this is a very thoughtful letter, and I hope my colleagues will examine it very closely.

Mr. President, the administration has indicated that they will veto this legislation, as I think they should. I have not discussed some of the particular regional matters. A number of my colleagues have discussed the Taiwan Relations Act and the impact that this has on the United States relationship with Taiwan and on our relationship with the People's Republic of China. I do not think the provisions that are in this legislation have been carefully thought through, and if they were adopted we could run a high risk of destabilizing the situation and contributing to heightened tensions in the region.

Others, I know, have talked also about the family planning implications of this legislation and the fact that it misses an opportunity to correct appropriations restrictions that are having a deleterious impact on women and families in the developing world. This is voluntary family planning services that we are talking about. It is not the abortion issue. I am talking about programs that are designed to make family planning information and services safe and accessible, programs that have had a positive impact around the world. In fact, U.S. foreign assistance does not provide funding for abortion. What we are talking about here are international family planning programs which have been in place for many, many years and traditionally are strongly supported on both sides of the aisle.

So, in summary, Mr. President, I think this legislation falls well short of what we should be enacting into law. I very much regret that the end product is, in my view, essentially a partisan affair. We ought not to be formulating our foreign policy that way, but that is what has happened here.

I would also like to commend Senator KERRY of Massachusetts, who has made a yeoman's effort to reach out in an inclusive way and to try to shape reasonable legislation. I very much regret that that was not achieved, and I urge my colleagues to vote against the conference report.

Mr. President, I yield the floor.

EXHIBIT 1

20 RELIGIOUS AND FAITH-BASED ORGANIZATIONS URGE OPPOSITION TO H.R. 1561, THE FOREIGN RELATIONS REVITALIZATION ACT OF 1995

DEAR SENATOR: We strongly urge your opposition to the conference report on H.R. 1561, the Foreign Relations Revitalization Act of 1995, when it is considered by the full Senate. The bill would eviscerate further the U.S. commitment to self-help development for poor people in the developing world.

We are particularly troubled by the bill's proposal to abolish the Agency for International Development. The harm posed by such a proposal is not undone by the provision allowing a presidential waiver of the requirement to abolish two foreign policy agencies. While we support the reform of AID, we do not believe that transferring its functions to the State Department would accomplish such reform. To the contrary, we believe strongly that U.S. assistance for development should be administered by an agency separate from the State Department so that the long-term needs for sustainable development are not sacrificed for short-term political objectives. Assistance in support of political objectives already accounts for the majority of U.S. foreign aid. This, in our view, represents a serious misordering of the priorities that should govern U.S. foreign assistance. We believe that support for poverty eradication and self-help development should be the primary objective of U.S. foreign aid and that it should be administered by an independent agency.

We are also concerned about the funding levels for a number of programs as authorized in the legislation. We believe that funding for U.S. contributions to international organizations, including the general budget of the United Nations, is inadequate. We also believe that funding for U.N. peacekeeping activities for FY 97 is insufficient. We believe that it is imperative that funding be approved that, at a minimum, will not increase the arrearages in U.S. contributions to the U.N., including peacekeeping activities. Continued U.S. disregard for treaty obligations related to assessed contributions will further undermine U.S. leadership in the world.

We oppose the militarization of the international narcotics control program and are especially concerned that funding would nearly double in FY 97 to $213 million. The program has proven largely ineffective in reducing the volume of illicit drugs entering the U.S. At the same time it has strengthened foreign militaries that have engaged in serious and systematic human rights violations.

The bill contains a number of constructive refugee and migration policy provisions that deserve support. We regret that these provisions may not be enacted because of objectionable provisions throughout the rest of the bill.

We are encouraged by the Administration's statement that the President will veto the bill if it is presented to him in its current form. We hope that there will be sufficient opposition in the Senate to defeat the measure, making such a veto unnecessary. We urge you to oppose the bill.

Sincerely,

David Bechmann, President, Bread for the World; Mark Brown, Associate Director for Advocacy, Lutheran Office for Governmental Affairs, Evangelical Lutheran Church in America; Imani

Countess, Executive Director, Washington Office on Africa; Michael Dodd, Director, Columban Fathers Justice and Peace Office; Bill Dyer, Justice and Peace Officer, Missionaries of Africa; Richelle Friedman, Lobbyist, NETWORK, A national Catholic Social Justice Lobby; Jaydee R. Hanson, Assistant General Secretary, Ministry of God's Creation, General Board of Church and Society, United Methodist Church; Maureen Healy, Africa Liaison, Society of St. Ursula; Rev. Dan C. Hoffman, Area Executive, Global Ministries of the United Church of Christ/Disciples of Christ; Rev. Elenora Giddings Ivory, Director, Presbyterian Church (U.S.A.), Washington Office; Kathryn J. Johnson, Interim Director, Asia Pacific Center for Justice and Peace; Jay Lintner, Director, Office for Church in Society;/United Church of Christ; Erich D. Mathias, Program Associate, Global Ministries of the United Church of Christ/Disciples of Christ; James Matlack, Director, Washington Office, American Friends Service Committee; Timothy A. McElwee, Director, Washington Office, Church of the Brethen; Terence W. Miller, Director, Maryknoll Justice and Peace Office; Richard S. Scobie, Executive Director, Unitarian Service Committee, Lawrence Turnipseed, Executive Director, Church World Service; George Vickers, Executive Director, Washington Office on Latin America; Kathryn Wolford, President, Lutheran World Relief.

Mr. BINGAMAN addressed the Chair.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. BINGAMAN. Mr. President, I yield myself up to 6 minutes off the time Senator KERRY has reserved.

Mr. President, I also oppose the Foreign Relations Revitalization Act of 1995. In my view, it is wrongheaded legislation and, if enacted, it will undermine our national interests. The legislation, in fact, does undermine the President's constitutional mandate to conduct the foreign affairs of the Nation. By passing a bill such as this, we would be trying to run America's foreign policy out of this Chamber rather than allowing the Executive to conduct the Nation's foreign policy.

Among my concerns about this act is the forced consolidation of agencies. By passing the act, we would tell the President that he is required to eliminate at least one foreign affairs agency, either the Arms Control and Disarmament Agency, the U.S. Information Agency, or the Agency for International Development. When the goal becomes putting the Government out of business and wrecking departments and agencies in some haphazard approach without carefully considering the consequences that a particular agency's termination might have, then something has gone very wrong.

Furthermore, the authorization levels that are provided in the bill will force other organizations to retreat further from engagement in world affairs.

America needs to pursue its interests vigorously in international affairs and to assure that the interests of American citizens are promoted. Withdrawing from the world will only help to make our citizens victims of emerging problems to which we will be ill-equipped to respond if this bill becomes law.

The legislation sets authorization ceilings in fiscal years 1996 and 1997 that are far below the levels necessary to conduct the President's foreign policy and to properly maintain U.S. interests abroad in such areas as overseas posts, foreign affairs agencies, arms control and nonproliferation activities, international organizations and peacekeeping, public diplomacy and sustainable development.

In this bill, the Congress is recklessly venturing into an already stressful set of complex problems between the People's Republic of China and Taiwan. By amending the Taiwan Relations Act to state that the act supersedes the provisions of the 1982 joint communique between the United States and China, as the bill instructs, we are certain to pour oil on a smoldering flame. Many commentators and scholars argue that this would be seen as a repudiation of a critical and stabilizing element of the longstanding United States policy toward China.

This bill also expresses the sense of Congress that the President of Taiwan should be admitted to the United States for a visit this year with all appropriate courtesies. We have already gone down that road once. It seems clear to me that it is foolish, if not dangerous, for us to do so once again.

My list of concerns continues in that that bill prohibits any funds from being used to open, expand or operate a diplomatic or consular post in Vietnam unless a number of compliance items are met by Vietnam.

I am not going to debate whether those compliance guidelines are important. I believe that they are probably valid things to pursue, but not as a condition to establishing an embassy or getting it operating. This is cold war legislation that does not appear to recognize that the cold war is over and that the world has moved on. It is not appropriate for this Chamber to micromanage the President's foreign affairs initiatives in this manner.

On other fronts, the Foreign Relations Revitalization Act compels the United States to downgrade its participation in the United Nations, significantly restricts our country's ability to coordinate peacekeeping efforts and intelligence activities, when global stability issues are at stake. Our role in the United Nations is something that certainly deserves national discussion and debate, but this bill presupposes the answer to that discussion.

Mr. President, this act should be rejected. It clearly does not further the best interests of the American public. I urge my colleagues to vote against its passage.

Mr. President, I yield the floor.

Mr. NUNN addressed the Chair.

The PRESIDING OFFICER. The Senator from Georgia.

Mr. NUNN. Mr. President, how much time do I have?

The PRESIDING OFFICER. The Senator has 117 minutes.

Mr. NUNN. I will not need all that time. But could I inquire of the Chair what happened to my 3 minutes?

The PRESIDING OFFICER. There were three quorum calls, equally divided. Each one took 1 minute.

Mr. NUNN. I thank the Chair. I can assure my colleagues I will not need all of my time.

Mr. President, I rise in strong opposition to the conference report on H.R. 1561, the Foreign Relations Authorization Act for fiscal years 1996 and 1997. Although I have a number of problems with the conference report, Senator BINGAMAN from New Mexico and others have identified a number of problems that I will identify myself with. I would like to focus my remarks on the provisions relating to China.

Mr. President, I am relieved that tensions in the Taiwan Strait appear to be easing in the aftermath of Democratic elections in Taipei. We are already very proud of what occurred in Taipei and proud of the people in Taiwan for carrying out their democratic elections under great pressure from the mainland.

I am pleased that the Governments of the People's Republic of China and Taiwan are now making conciliatory statements. I hope a high level of dialogue between these two Governments can take place in the near future.

Mr. President, it would be truly ironic if China and Taiwan begin moving down the road to improving their relations while we take actions in the U.S. Congress that will further the deterioration in the relations between the United States and China. I would find that very ironic. But I am afraid that that is what this act will do.

Before I discuss the specific provisions of this conference report, I would note that the Senate passed a concurrent resolution last Thursday expressing the Sense of Congress regarding missile tests and military exercises by China. As I noted in my floor speech on that concurrent resolution, which had bipartisan support and passed by a vote of 97 to 0, it was "well-reasoned and responsible and * * * designed to make a constructive contribution to the situation."

The concurrent resolution reviewed the history of the three joint communiques under three different Presidents, noted the adherence to a one-China policy by the administrations of Presidents Nixon, Ford, Carter, Reagan, Bush, and Clinton, and "deplored" China's missile tests and military exercises as "potentially serious threats to the peace, security, and stability of Taiwan, and not in the spirit

of the three United States-China Joint Communiques."

The concurrent resolution went on to cite provisions of the Taiwan Relations Act and ended by stating that—

The Government of Taiwan should remain committed to the peaceful resolution of its future relations with the People's Republic of China by mutual decision.

Mr. President, the concurrent resolution the Senate passed last week was responsible and was designed to make a constructive contribution to the situation. Unfortunately, the China provisions of the conference report are, in my view, not responsible and not constructive.

I will just go into detail on a couple of the most troublesome provisions. Section 1601 of the Foreign Relations Authorization Act now pending would amend the Taiwan Relations Act to provide that the Act supersedes the provisions of the 1982 Joint Communique issued under President Reagan.

Mr. President, if it is a matter of law, and it is, that the Taiwan Relations Act supersedes the communique, then that already happened without any declaration of the Senate. Less than a week after the Senate, without one dissenting vote, specifically pointed to the three United States-China Joint Communiques, this act, if it becomes law, could be interpreted as nullifying the validity of one of those joint communiques.

Just to go into details of the 1982 Reagan Joint Communique, it stated in part that—

The Chinese Government reiterates that the question of Taiwan is China's internal affair. The message to compatriots in Taiwan, issued by China on January 1, 1979, promulgated a fundamental policy of striving for peaceful reunification of the motherland. The Nine-Point Proposal put forward by China on September 30, 1981, represented a further major effort under this fundamental policy to strive for a peaceful resolution to the Taiwan question.

Then section 5:

The United States Government attaches great importance to its relations with China, and reiterates that it has no intention of infringing on Chinese sovereignty and territorial integrity, or interfering in China's internal affairs, or pursuing a policy of "two Chinas" or "one China, one Taiwan."

Then section 6:

Having in mind the foregoing statements of both sides, the United States Government states that it does not seek to carry out a long-term policy of arms sales to Taiwan, that its arm sales to Taiwan will not exceed either in qualitative or quantitative terms, the level of those supplied in recent years since the establishment of diplomatic relations between the United States and China, and that it intends to reduce gradually the sales and arms to Taiwan, leading over a period of time to a final resolution. In so stating, the United States acknowledges China's consistent position regarding the thorough settlement of this issue.

Mr. President, I believe it is instructive and very important for the Senate, because this is an important vote—I do not know whether people are listening. I do not know whether people have studied this act. I do not know whether people understand the far-reaching implications of this, but this is one of the most important votes we will make this year.

I believe it is instructive, particularly for colleagues on the Republican side of the aisle, to note that President Reagan issued a statement in conjunction with the 1982 Joint Communique, which was prepared by the Reagan administration.

In that statement President Reagan stated that—I am quoting—

Regarding future U.S. arms sales to Taiwan, our policy, set forth clearly in the communique, is fully consistent with the Taiwan Relations Act.

Mr. President, if President Reagan was right in that carefully crafted statement—this was not a speech off the cuff or a remark he made on television or anything of that nature. This was a very carefully crafted statement by President Reagan in 1982, that went along with the communique with China.

Again, I want to point out the most important sentence that he said in that statement that relates to this act tonight. He states:

Regarding future U.S. arms sales to Taiwan, our policy, set forth clearly in the communique, is fully consistent with the Taiwan Relations Act.

Mr. President, the pending legislation strongly implies that President Reagan was wrong in this carefully crafted statement in 1982. If the Taiwan Relations Act is inconsistent with the 1982 Joint Communique, President Reagan was wrong, and this act would be viewed as creating a new interpretation of United States-China policy.

Make no mistake about it: If President Reagan was right in his statement, then there is absolutely no need for this act to refer to any kind of superseding of the joint communique—if he was correct. If he was wrong, all these years under both President Reagan, President Bush and under President Clinton, then we have had a communique which the State Department, our policy, our three Presidents, have felt was consistent with the Taiwan Relations Act and which we have been following regarding arm sales and so forth, that, in effect, is now being implicitly overruled.

Do we really want to implicitly take a step tonight that could be viewed and certainly will be viewed by China and by others in the world as creating a new interpretation of United States-China policy by law? Are we prepared to do that? That is what this legislation does. If that is what the Senate wants to do tonight, people can go right ahead and vote for it. It will pass, and the President will have to decide what to do.

I do not believe the Senate of the United States is focused on this, and I do not believe my colleagues thoroughly understand the very profound implications of this, in effect, declaration, or implied declaration, that the Taiwan Relations Act is inconsistent with President Reagan's joint communique with China of 1992.

To continue quoting President Reagan in the statement he made after the joint communique, not part of the joint communique: "Arms sales will continue in accordance with the Act and with the full expectation that the approach of the Chinese Government to the resolution of the Taiwan issue will continue to be peaceful."

Do we want to implicitly overrule that sentence? Do we want to implicitly overrule the first sentence that I have already read twice, but will read again, "Regarding future United States arms sales to Taiwan, our policy, set forth clear in the communique, is fully consistent with the Taiwan Relations Act"? Which of those sentences do we want to implicitly state has been superseded by the Taiwan Relations Act?

"Arms sales will continue in accordance with the Act and with the full expectation that the approach of the Chinese Government to the resolution of the Taiwan issue will continue to be peaceful." Is that statement wrong? Is the first statement wrong? That seems to be what we are saying.

"We attach great significance," again, President Reagan's statement, "We attach great significance to the Chinese statement in the communique regarding China's 'fundamental' policy; and it is clear from our statements that our future actions will be conducted with this peaceful policy fully in mind."

Continuing from President Reagan, "The position of the United States Government has always been clear and consistent in this regard. The Taiwan question is a matter for the Chinese people, on both sides of the Taiwan Strait to resolve. We will not interfere in this matter or prejudice the free choice of, or put pressure on, the people of Taiwan in this matter. At the same time, we have an abiding interest and concern that any resolution be peaceful. I shall never waiver from this fundamental position."

Mr. President, this legislation, in effect, says that President Reagan did not know what he was doing when he made that statement, that the Taiwan Relations Act itself superseded the joint communique, because it was inconsistent with it. There is no reason for it to supersede the joint communique unless there is an inconsistency. If there is no inconsistency, there is no reason to say it supersedes it, because the consistent joint communique would not be overruled by a consistent United States law, which the Taiwan Relations Act is—it is law. There is no doubt about that.

President Reagan made it clear in his Presidential statement that the reduction in arms sales to Taiwan is based upon the premise, as expressed in the joint communique, that the Taiwan question will be settled peacefully.

Mr. President, China believes that Taiwan has acted in ways that are inconsistent with the one-China policy. No question but that is what China believes and is the basis of a lot of their action. Taiwan contends it does not seek independence. President Li has said that. President Li has also restated his desire for peaceful reunification with the mainland.

China, in my view, has greatly overreacted to its perceptions by conducting missile launches and military exercises which I believe are inconsistent with the other fundamental principle of settling the Taiwan question peacefully. I happen to believe that what China has done in recent weeks is counterproductive to its own purpose, which is, as stated, eventual peaceful reunification.

The Taiwan Relations Act of 1979 was enacted at the time of the establishment of diplomatic relations between the United States and China, a diplomatic act which established the principle of one China. The Taiwan Relations Act was needed to create a foundation for dealing with Taiwan in the aftermath of the end of diplomatic relations with the Republic of China. It did not, nor did it need to, refer to the one-China principle, because it focused instead on ensuring that the Taiwan question was settled peacefully by ensuring that Taiwan had the means to defend itself.

Enactment of section 1601 of this act pending before us now, which is the pending conference report, could be interpreted—and I say would be interpreted by many—to say that the Taiwan Relations Act is inconsistent and even supersedes the principle of one China. I do not believe that is what the authors intended to do here. Perhaps they can clarify that.

I am fearful that a number of people in the world, including China itself, could very well interpret this legislation as superseding the principle of one China. This is a complex, complicated area where words really do matter. I think we should be very careful this evening.

Mr. President, I believe China's provocative military actions have been dangerous and counterproductive to China's interest and certainly to the interest of stability in that area of the world. I believe that China has greatly overreacted on the subject of Taiwan. The enactment of this conference report will make the situation worse because it would undercut one of the two main principles of our relationship with China and could give the Chinese—probably would give the Chinese—the impression that the United States was no longer willing to live up to its commitments as set out in the three joint communiques by President Nixon, President Carter, and President Reagan, and followed by the other Presidents, including President Bush and President Clinton.

Mr. President, I believe this legislation, if it passed and became law, would be a very, very serious mistake, one of the most profound mistakes this Congress has made and probably any Congress has made in recent years. I think it would take our troubled relations with China and turn them into a real downward spiral of additional trouble.

Mr. President, I also would like to call the Senate's attention to section 1702 of the act, the Declaration of Congress Regarding U.S. Government Human Rights Policy Toward China. Within this section, it is expressed in the sense of the Congress that "The President should decline the invitation to visit China until and unless there is a dramatic overall progress on human rights in China and Tibet and communicate to the Government of China that such a visit cannot take place without such progress."

Mr. President, this is exactly what we have done in this country under two Presidents, President Bush and President Clinton, for the last 7 years. It does not appear to be working very well. This is basically a freezing, if we took the sense of the Congress seriously—if the President did—a freezing of the status quo.

Mr. President, while I believe it is counterproductive to our own goals to make human rights in China the centerpiece and the be-all and end-all of United States-Chinese relations, I do not think we further our goals when we do that, including our human rights goals. The United States has a strong interest in seeing respect for human rights improve in China and, indeed, all over the world. The enactment of this provision or any provision similar to it would run counter to the very actions the United States must take in order to address and help constructively resolve the differences between the United States and China, including, but not limited to, progress on human rights.

Mr. President, I think a lot of people forget that the United States has 38,000 troops in Korea. We have the most isolated regime in the world, North Korea, that is not only on a quest—or has been up until the last year—to become a nuclear power, but also has, according to reports, increasing problems with starvation, including predictions by most organizations that the problems are going to get worse in the next 3 or 4 months.

Mr. President, one of the things that people do not recognize is that China has been very, very constructive in terms of the United States' position on the Korean Peninsula, both in terms of encouraging North Korea to behave in the nuclear area and also encouraging the parties there to resolve their differences with dialogue and without a war.

This is a dangerous situation in Korea. We have 38,000 troops there. In our relationship with China, we appear to forget altogether about the connection between China and the situation in Korea.

I do not see how we can do that and keep our minds on our duty to our own military forces that are stationed there. But it seems to be completely ignored in all of our debates about China. I would say, on the one side, people on the left seem to believe that, in China, 10 dissidents is on the same level, at least, with the whole United States question on the Korean Peninsula. People on the right seem to believe that we can take positions that basically unravel, or at least implicitly unravel, communiques entered into by Presidents Reagan, Carter, and Nixon, and we can do that with impunity, and we can forget any relationship between what we do vis-a-vis China in terms of keeping our agreements, and what they may do regarding helping us resolve the Korean situation peacefully.

There are a lot of other mutual interests we have with China, but they get lost in this atmosphere. Perhaps they will continue to get lost until we have the kind of high-level dialogue between the President of the United States and the President of China, and between our Secretary of State and their Foreign Minister, that can begin to talk about mutual interests and resolve the differences, which are differences of considerable importance, within the framework of working as partners with mutual interests. That is not possible in the current atmosphere.

But what this bill says is that we should place human rights in China and in Tibet above anything else. The Korean Peninsula, the nuclear quest for arms in Korea, the 38,000 American troops that are in Korea, the stability of Northeast Asia, and even Taiwan-China relations. We are saying—if you take this seriously—that the President should not have any kind of visit to China until they act, in American terms, acceptably on human rights both in China and Tibet.

Mr. President, on human rights, I think the United States is unique. But we will really be unique if we take this resolution seriously, because we would be the only country in the world that takes that position. Not a single ally—not one—has taken the position that their head of State should not visit China. That is what we are saying here—that the President should not visit China.

Mr. President, maybe we do not take these sense-of-the-Congress resolutions seriously. They are not law, and would

not be binding the President. If we do not take them seriously and they are not important, how do we expect anybody else to take them seriously? Unfortunately, when we put resolutions like this in the bill, the only people that take them seriously are the people they affect adversely. And they react adversely. So I do not know what we are really trying to say here. But I know it is counterproductive. It would postpone, if not preclude, efforts to establish a much-needed strategic dialogue between the United States and China. Clearly, the dialog with China is more important than ever at this time— unless we really want to go into a period of years of cold war and dangers of something far worse than cold war, in that part of the world.

For the strategic dialogue between the United States and China to be successful in working to resolve our differences, participation is required on the highest levels of leadership. That means the President of the United States has an active role to play, whether it be President Clinton or President DOLE in 1997. How soon this resolution would apply to "President" DOLE, saying to him, "You should not have any Presidential visit or dialog with China until they meet our terms on human rights"—I really have a hard time believing that we are serious about saying this.

So whichever President is elected in 1996, that is what this resolution is saying. This is indefinite. This resolution says we do not think you should ever visit China until you have resolved the human rights questions in China and Tibet to our satisfaction.

Mr. President, we have not treated any other country in the world this way. We do not treat Russia that way right now. We expect the President of the United States to meet with President Yeltsin, but most of us deplore what is happening in Chechnya, the continued killing of a tremendous number of innocent people there. We do not say to the President, "Do not visit Russia."

Mr. President, people forget that we are very proud of what Taiwan has done. Taiwan had an election under very serious pressure. We are proud of their economic progress. All of us have very close friends in Taiwan. These are some of the most productive, energetic people in the world. And this country is always going to have a very friendly relationship with the people in Taiwan.

We were very patient with Taiwan. They were not a democracy, in our sense of the word, for years and years. We are celebrating democracy now. For 35 years, we supported Taiwan when they were not a democracy. We have had the same thing with the South Koreans. We celebrate what is happening in South Korea now, with the democratic election of a President. We went for years and years and years, where we spent literally billions of dollars helping defend South Korea when they did not meet our definition of human rights. It is only in recent years that they have. And now we single out China and say, "We do not want our President talking to you, or visiting you, or having any dialogue with you, until you meet our definition of human rights."

I really do not believe the Senate of the United States wants to say this tonight. That is what we will say if we pass this resolution.

Mr. President, 7 years have passed since an American President, or Vice President, has journeyed to Beijing, or the President, or premier, of China has been in Washington. This provision would say to the President: "please do not change this situation. This is a great policy. It is really working." Well, is it working? Does anybody think that helped our relations? I think this is a fundamental error that would be damaging to United States-China relations and United States foreign policy.

This conference report's provisions attempt to deal with differences with China by prohibiting initiatives and efforts that would help resolve the very differences that we are frustrated about.

Quoting from a speech I gave on China about 3 weeks ago:

> Not only must our expectations be realistic, but we cannot wait to engage extensively with China until it has become more like us. . . . We must engage with China and its current leaders now. . . . China's transition and its potential impels America, insofar as possible, to be actors on the scene.

Mr. President, China is determined to preserve the areas it considers part of China, including Taiwan, Hong Kong, Macao, and Tibet. Passage of this legislation will inevitably cause China to harden its position. We should not make miscalculations regarding this.

From the Chinese perspective, Tibet, like Taiwan, is considered to be an issue of sovereignty to be resolved internally by China and Tibet. In the Foreign Relations Authorization Act pending before us, it is expressed as the sense of Congress that "Tibet * * * is an occupied country under the established principles of international law." That is what we are saying in this bill.

Mr. President, as a matter of fact, longstanding United States policy is that Tibet is part of China. That is not a new policy by the Clinton administration. We have had that policy through a number of administrations. This is also shared by every member of the United Nations. Even the Dalai Lama does not go as far as this conference report. What are we doing? What are we doing? Do we know?

Mr. President, I view with concern section 1303 of the act, which advocates establishing a special envoy for Tibet. That is what we are voting on. This provision would have the United States establish a level of official relations with Tibet—if you take it seriously—that undermines our longstanding, established Tibetan policy. More important, this provision would weaken our ability to influence Chinese policies in Tibet and would greatly weaken our influence to protect the people in Tibet from abuses, which we all know have occurred.

My specific concerns are as follows: The proposed duties of the special envoy would duplicate and, I believe, greatly undercut responsibilities already being discharged by the United States State Department—that is, promoting dialog between the Dalai Lama and the Chinese Government concerning the religious and cultural integrity of Tibet and discussing the human rights problems in Tibet with Chinese Government officials.

The President has already appointed, the Senate has confirmed, and the Chinese Government has accepted an envoy to all of China—and that is the United States Ambassador, resident in Beijing—our former colleague, Ambassador Sasser.

The Chinese Government, in my view, would refuse to accept a special envoy for Tibet, and would in all likelihood make regular travel to Tibet impossible for United States diplomats.

Is that what we want? Do we want to imply that Tibet is separate from China, and do we want to have a separate United States envoy, and probably in all likelihood result in virtually cutting off access of the United States to Tibet? Is that what we want? Because that is what we are voting on.

Mr. President, this provision in my view would be counterproductive to its intended purpose. I am sure the purpose of the provision is to help the people of Tibet. My view is that it would be totally counterproductive to that end. The United States can maintain and promote good relations between the Dalai Lama and his representatives. We can promote the need for substantive negotiations to take place between the Dalai Lama, or his representatives, and senior members of the Government of China. We can coordinate United States Government policies, programs, and projects concerning Tibet, and we can carry out any other actions the President deems necessary with regard to Tibet without the need to establish a special envoy in the process.

The United States cannot solve the question of Tibet on the floor of this Congress. Only the people in Tibet and the people all over China, including Tibet, can resolve their differences. A special envoy could neither contribute to this dialogue nor foster a solution, but is likely to be totally counterproductive.

I will close by making just one additional observation on another provision, without getting into detail. Some

of my other colleagues have already spoken on this. Section 1708 of the pending authorization bill states that "the President of Taiwan should be admitted to the United States for a visit in 1996 with all appropriate courtesies." Mr. President, this provision, to say the least, is unwise at this point in time—unless we want to deploy our aircraft carriers, several of them, to the region, and spend a great deal of the next several years in the Taiwan Strait.

PRIVILEGE OF THE FLOOR

Mr. NUNN. Mr. President, I ask unanimous consent that Maurice Hutchinson, legislative fellow of my staff, be admitted privileges of the floor during the consideration of the bill.

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

Mr. NUNN. Mr. President, I reserve the remainder of my time.

Mr. PELL addressed the Chair.

The PRESIDING OFFICER. The Senator from Rhode Island is recognized.

Mr. NUNN. Does anyone else have time at this point?

The PRESIDING OFFICER. The Senator from Massachusetts has 52 minutes, and the Senator from North Carolina has 37 minutes.

Mr. NUNN. I yield to the former chairman of the Foreign Relations Committee and ranking Democrat, Mr. PELL, whatever time he desires.

Mr. PELL. Mr. President, I thank my colleague.

Mr. President, I regret that I am unable to support this conference report on H.R. 1561, the Foreign Relations Authorization Act, fiscal years 1996 and 1997. I recognize that House and Senate Republican conferees have attempted to find a middle-ground between the respective bills passed by each House and that this conference report is an improvement over the House-passed bill. Although there are some provisions in the bill that I support, I believe the bill is fundamentally flawed in four areas—reorganization of the foreign affairs agencies, funding for the Arms Control and Disarmament Agency and for our contributions to the United Nation, and American policy toward China.

This bill requires the President to abolish one of the foreign affairs agencies—AID, USIA, or CDA. There is no doubt that this is an improvement over the original language in the House bill, which mandated the abolishment of all three of these agencies. However, this conference report falls far short of the Senate bill, which sought to force consolidation through savings rather than the mandatory abolition of agencies. The Senate bill preserved the President's constitutional right to determine how to organize those agencies which carry out the foreign policy directives of the President of the United States. The conference report takes that away. I cannot support a bill which crosses this line and abolishes an important foreign affairs agency simply for the sake of abolishment. On an issue such as this I feel it is important for the Congress to acknowledge the prerogative of the President to organize the foreign affairs agencies in a manner which best serves the nation's interests and the President's foreign policy priorities.

As a strong supporter of ACDA and its mission, I am deeply disturbed by the inadequate funding levels for ACDA in this bill. The fiscal year 1996 authorization of $35.7 million represents a 28 percent reduction from the fiscal year 1995 level. The fiscal year 1997 authorization of $28 million is not only a 44 percent reduction from the fiscal year 1995 level, but cuts ACDA so deeply that it can no longer carry out its core missions, such as being our watchdog on proliferation, verifying arms control agreements, and monitoring compliance with new agreements. This is a foolish and costly approach at a time when our needs in the area of arms control are increasing, not decreasing.

The conference report also fails to authorize the necessary funds for the United States to pay assessed contributions to the United Nations and its related agencies. I agree that we need to do all that we can to force the United Nations to adopt serious management and financial reforms but failing to meet our treaty obligations is not the way to achieve this goal. It simply diminishes our influence and encourages other nations to take the same, ill-advised approach.

Finally, section 1601 of the conference report amends the Taiwan Relations Act [TRA] of 1979, to say that the provisions of the Act relating to arms sales to Taiwan supersede any provision of the joint communique, signed between the United States and China in 1982, limiting such arm sales. I believe this provision was added out of genuine concern for the people of Taiwan, a concern I share. But I also believe that this is the wrong approach to Taiwan's security problem and the wrong time to take it.

Our relationship with the People's Republic of China is at one of its lowest points in history, certainly the lowest point since the Tiananmen massacre. We have major disputes with the Chinese on a number of serious issues, ranging from trade to human rights to proliferation of weapons of mass destruction. While we will not back away from any of these issues, it is important that both governments act prudently and not unnecessarily damage the relationship further. But this bill does the opposite, by undercutting the basis for United States-Chinese relations. Section 1601 constitutes a unilateral revision of one of the cornerstones of the bilateral relationship. Adopting a measure like this would certainly cause a backlash from Beijing, by playing into the hands of hard liners in the Chinese leadership and aiding them in their attempt to promote an anti-Western, anti-United States agenda.

I also think this approach is likely to fail in its fundamental purpose of advancing Taiwan's security. For almost 3 weeks, we saw tensions rise in the Taiwan Strait as China tested M-9 missiles and held massive military exercises in an attempt to intimidate a Taipei it fears is heading toward a declaration of independence, aided by foreign powers. Just this week, after Taiwan's historic presidential election on Saturday, we are seeing some initial positive signs that both governments are reaching out to each other in order to move back toward a more stable relationship. A reversal of U.S. arms sales policy at this time would certainly hamper those efforts. It is very much in Taiwan's security interest that all three capitals work to defuse tensions, not inflame them. Section 1601 would further damage already strained relations with Beijing and likely endanger, rather than strengthen Taiwan. It is the wrong policy at the wrong time.

Mr. President, for these reasons, I intend to vote against this conference report. The President has indicated that he will veto this bill over the issues I have discussed as well as some others, and I ask unanimous consent that the administration's statement to that effect be printed in the RECORD.

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

STATEMENT OF ADMINISTRATION POLICY H.R. 1561—FOREIGN RELATIONS REVITALIZATION ACT OF 1995

If the conference report on H.R. 1561 is presented to the President in its current form, the President will veto the bill. While steps have been taken to improve the bill, it still contains numerous provisions which do not serve U.S. foreign policy or U.S. national interests.

The principal reasons for the veto are:

Forced Consolidated of Agencies. The legislation interferes with the President's prerogatives to organize the foreign affairs agencies in a manner that best serves the Nation's interests and the Administration's foreign policy priorities. This bill mandates the abolition of at least one foreign affairs agency, and includes authorization levels that would force other organizations to retreat further from engagement in world affairs. The Administration has already implemented significant reinvention of and reductions in international programs and is working towards further streamlining and reorganization. H.R. 1561 fails to provide, however, the necessary flexibility for the Administration to manage the agencies that implement foreign policy, which is essential to United States leadership.

Authorization of Appropriations. The authorization levels included in the bill for FYs 1996 and 1997, which constitute ceilings on appropriations, are below the levels necessary to conduct the President's foreign policy and to maintain U.S. interests overseas in such areas as operating overseas

posts of foreign affairs agencies, arms control and nonproliferation, international organizations and peacekeeping, public diplomacy, and sustainable development. In addition, these levels would cause reduction-in-force (RIFs) of highly skilled personnel at several foreign affairs agencies.

Taiwan Relations Act. Section 1601 amends the Taiwan Relations Act to state that the Act supersedes the provisions of the 1982 Joint Communique between the United States and China. This would be seen as a repudiation of a critical and stabilizing element of long-standing U.S. policy towards China, increasing risks at a time of heightened tensions.

Relations with Vietnam. Section 1214, concerning the use of funds to further normalize relations with Vietnam, unduly restricts the President's ability to pursue national interests in Vietnam, and in particular could threaten the progress that has been made on POW/MIA issues and put U.S. firms at a competitive disadvantage. Legislation which restricts the opening of missions also raises constitutional concerns.

U.S. Participation in International Organizations. Provisions related to U.S. participation in the United Nations, which provide inadequate funding levels for FYs 1996 and 1997, and unworkable notification requirements would undermine U.S. diplomatic efforts to reform the U.N. and to reduce the assessed U.S. share of the U.N. budget. Furthermore, the provisions could interfere with ongoing Executive-Legislative Branch discussions aimed at achieving a consensus on UN funding and reform issues.

Housing Guaranty Program. Section 1111 would terminate several worthwhile country program, such as those in Eastern Europe and would eliminate any future programs, including those for South Africa. Additionally, this provision could inadvertently cause the cut-off of development assistance to many of the poorest countries of the world, as well as the cut-off of Economic Support Fund (ESF) anti-crime and narcotics-related assistance.

Family Planning. The conference report fails to remedy the severe limitations on U.S. population assistance programs placed in the FY 1996 foreign operations appropriations legislation. These restrictions will have a major, deleterious impact on women and families in the development world. It is estimated that nearly 7 million couples in developing countries, will have no access to safe, voluntary family planning services. The result will be millions of unwanted pregnancies and abortions.

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

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. HELMS. 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. HELMS. Mr. President, I am going to suggest the absence of a quorum, but I want to ask unanimous consent that all quorum calls henceforth be charged proportionately.

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

Mr. HELMS. I thank the Chair.

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. HELMS. 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. HELMS. Mr. President, this has been cleared on both sides. I ask unanimous consent that the vote on the conference report occur at 9 p.m. tonight, with the time between now and the vote to be divided as follows: Senator BIDEN, for up to 20 minutes, and all remaining time under the control of Senator DOLE, the majority leader, or his designee.

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

Mr. HELMS. I thank the Chair. 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. BIDEN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

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

THE RUSSIAN POULTRY MARKET

Mr. BIDEN. Mr. President, I have two comments I would like to make. I first would like to respond very briefly to a speech earlier in the day made by one of my colleagues before I discuss the foreign relations authorization bill pending before the Senate. I would like to address briefly the earlier comments of my good friend, the distinguished Senator from Arizona, regarding the President's involvement in resolving our trade impasse with Russia. The distinguished Senator suggests that it was inappropriate for the President to impress upon Mr. Yeltsin that the poultry industry is important to Mr. Clinton's home State, as well as to many other parts of America; I must say forthrightly, the single most important industry in my State.

Since Russia announced over a month ago that it was banning the import of all American poultry, I have been in daily contact with the White House, our Trade Ambassador Mickey Kantor, and our Agriculture Secretary Dan Glickman, to keep this $500 million market open to American poultry growers.

Fortunately, the hard work of the administration has paid off. Just this week the Russians announced that they are backing down. This would not, in my view, have been possible without the direct involvement of the President, the Vice President, Ambassador Kantor and Secretary Glickman.

Since 1982, Sussex County, one of our counties in Delaware, has remained the No. 1 broiler-producing county in the United States of America. The Delmarva peninsula is home to 21,000 poultry workers, and produces more than 600 million birds per year. It is a major supplier of the Russian poultry market.

Last year, for example, one major Delaware producer exported 1,300 tons of frozen poultry to Russia. Another exported $10 million worth of poultry products.

Those of us who understand this industry know that it is under increasing competitive pressure as grain prices soar and the price of other meats fall. But, they know how to prosper in a competitive environment. That is why we can ship higher quality poultry to Moscow and Saint Petersburg and still beat their prices. In turn, it is the responsibility of this and, I believe, every administration to maintain the open international markets that they need, not only for American poultry but for all American products. Keep in mind that Russia's market was closed as recently as 1991. Now, Russia purchases $500 million worth of poultry every year, and the market has been growing. This is just one of the many products they purchase.

This has been a real success story for American exports. Of American exports, the agricultural community is the only real success story in American exports of continuing, year-in-and-year-out consequence.

I, for one, think it is perfectly appropriate, as a matter of fact absolutely necessary, for the President of the United States, in this case President Clinton, to let President Yeltsin know just how important these exports are. I cannot think of any better way for a President to drive the point home than to make this issue personal.

I wanted very much for the President to successfully resolve this problem of the poultry industry. As any negotiator on the floor of this Senate understands, the one way in which, on a close call, we all appeal to our colleagues ultimately is we say: This is personal to me. This is personal to me.

Mr. Yeltsin is a politician. Every world leader is a politician. Politicians in international relations react no differently than politicians on the Senate floor.

I think it was perfectly appropriate and necessary for the President to use everything in his arsenal to convince the Russians not to violate international trade agreements with regard to poultry or anything else.

Mr. President, I believe that the people who disagree with the President acknowledge he is a master communicator. You can bet Yeltsin got the message.

So let us keep the big picture in mind and not get hung up on questions of style. The results, which are keeping 500 million dollars' worth of export markets open, speak for themselves. I

think this is an important achievement on President Clinton's part and an important international trade issue. Had he failed, it would have set the precedent for significant trade consequences for the United States, and not just in poultry. I think most Americans, regardless of political party, feel the President did the right thing. I know I think he did the right thing.

AGAINST BACKDOOR ISOLATIONISM

Mr. BIDEN. Mr. President, I would now like to register my strong opposition to the question we are about to vote on, the conference report on H.R. 1561, the Foreign Relations Authorization Act.

In spite of some modifications, this report still, in my view, suffers from the fatal flaws that afflicted the Senate bill which we voted upon in December and I voted against.

This conference report would abolish three agencies that continue to serve the interests of the American people: The Arms Control and Disarmament Agency, the U.S. Information Agency, and the U.S. Agency for International Development.

While unwisely folding these agencies into the Department of State, it would severely cut funding for diplomatic activities, thereby further undermining our ability to carry out a coherent foreign policy.

The report also includes a sadly inadequate sum for foreign assistance, contains language that would be extremely damaging to POW/MIA identification in Vietnam, unwisely tampers with the 1982 joint communique with China, and generally attempts to give the impression that it is an internationalist piece of legislation.

Mr. President, the intent and impact of this legislation is not internationalist at all. No, the report is, in fact, yet another attempt at backdoor isolationism, in my view.

The legislation has its genesis in a deeply flawed ideological belief that no matter what the objective facts are, less Government tomorrow is better than whatever level of Government we have today. Following this simplistic logic, we have three independent agencies today so let us have two, or one, or even none tomorrow.

Never mind that all three agencies—ACDA, USIA, and AID—have all made significant strides in restructuring their activities and saving large sums of money and large sums of taxpayer dollars on their own accord.

Never mind that the missions of all three of these agencies are even more important today than they were during the cold war.

Less is more, so hack away. If this act were anything more than a numbers game, it would not blithely give the President a waiver authority to save up to any two agencies of his choice. It is like picking draft choices. I will trade you one and you pick any two you want.

It has nothing to do with anything other than the notion that less is better. For, if it were otherwise, we would say, "Mr. President, you must deal specifically with this agency or that agency." This, however, is like giving up future draft choices.

The legislation appears at first glance to have been crafted in blissful ignorance, both of what has been going on in our foreign policy apparatus for years and what it takes to conduct American foreign policy around the globe today.

How else could one explain ignoring ACDA's increasingly critical watchdog role in nuclear nonproliferation. It does not matter that the cold war is over. We now face the danger of nuclear weapons in the hands of several new countries, including rogue States like Iran and Libya.

Moreover, terrorist groups threaten to get ahold of nuclear material for the purpose of blackmailing entire cities and potentially nations. Now, more than ever, we need the proven expertise and independent judgment of ACDA.

Can we really believe that the drafters of this legislation are unaware of USIA's technologically sophisticated efforts to bring America's message to the world? Do they also not know that American public affairs officers are often our embassies' most proactive diplomats? Can they not see that merging them into a large bureaucracy would inevitably smother their creativity?

Mr. President, is it credible to believe that the innovative public-private enterprise funds that USAID has pioneered in Central and Eastern Europe have escaped the notice of the sponsors of this legislation? Do they really not comprehend that development aid is a cost-effective way to head off crises around the world?

No, I think the answer to all these questions is clear: Less is more, so let us slash, let us slash.

It is bad enough that absorbing these agencies would rob them of their independence that has served this Nation so well for decades. But, Mr. President, this legislation adds insult to injury by denying the State Department the necessary funding to adequately carry out the new functions it will now inherit, along with its current duties as the principal vehicle for the carrying out of U.S. foreign policy.

The sponsors of this legislation would have us believe that a profligate and bloated bureaucracy needs to be cut down to size. In my view, nothing can be further from the truth.

The international affairs budget is now 45 percent lower than it was in 1984.

Altogether, it represents only 1.3 percent of Federal spending.

Over the past 3 years alone, the State Department's budget has been cut in real terms by 15 percent, at the same time the Department's responsibilities have been increased with the birth of many new countries out of the wreckage of the Soviet Union.

We see what is happening in Bosnia. We know what is happening in all the former Soviet republics, and it makes sense for us not to have a presence there? It makes sense for us not to be involved? It makes sense for us to close embassies? It makes sense for us not to open consulates?

I cannot believe that is what is motivating this legislation. It is simply this notion that we should cut and slash.

Forced to respond to these fiscal stringencies, the State Department has taken some very painful measures:

It has cut its total work force by 1,700 persons.

It has downsized the Senior Foreign Service by almost one-fifth, and, in my opinion, this measure is a thoughtless waste of a national resource.

It had to cancel, for example, the 1995 and 1996 Foreign Service examinations—in effect, a tragic waste of a future national resource, namely, the best and the brightest college and university graduates who will be unable to join our diplomatic corps and serve this Nation.

It has cut its administrative expenses by nearly $100 million. Anyone visiting an American embassy abroad has seen our highly trained professionals doubling- and even tripling-up in cramped office space, even as they routinely work 12 hours a day or more.

Yet, Mr. President, some politicians see fit to use the Foreign Service and other agencies as whipping boys in an attempt to fuel this mindless anti-Government feeling that afflicts some of our fellow citizens.

I regret to say that last summer, one of our colleagues and a good friend of mine castigated American diplomats for allegedly working in "marble palaces" and "renting long coats and high hats" only a few weeks after Bob Frasure, Joe Kruzel, and Nelson Drew were killed on the Mt. Igman Road above Sarajevo—working not in a marble palace, but in an armored personnel carrier, and wearing fatigues, not long coats and high hats.

Finally, the State Department has been forced to close a string of diplomatic posts, thereby severely hampering our ability to carry out political, economic and cultural diplomacy in an increasingly competitive world.

I come from a State where there are a number of multinational corporations. They have historically—not solely, but in part—had access and information provided to them through economic and commercial officers at our consulates and our embassies. Why are we closing them? In the name of economy, in the name of the long-term future of American economic growth? What is the reason?

From all this, any objective observer, in my view, can see that the foreign policy apparatus of the United States has already been pared down to the bone.

What does this legislation do? After mandating that the State Department assume the functions of ACDA, USIA and AID, it calls for further budget cuts of $1.7 billion over the next 4 years.

I think this is a shell game which ends with nothing left under any one of the shells.

In effect, this legislation will also cripple our ability to head off crises around the world through diplomacy that this President and future Presidents of the United States will be faced with the stark choice of either doing nothing or sending in the military.

Let me make a truly radical suggestion, Mr. President. This year we gave the Pentagon $7 billion more than it asked for. I have consistently supported keeping the U.S. military the strongest military in the world, and I continue to do so.

But why not give the Pentagon only $5 billion more than it asked for and transfer the remaining $2 billion to the international affairs budget, keep the three agencies functioning, and enable this country to get back into the big leagues of international diplomacy?

Unfortunately, with our backdoor isolationists in control of this Congress, this perfectly sensible suggestion, I believe, is totally impossible.

No, Mr. President, this conference report is a triumph of ideologically driven romanticism. It speaks to an earlier, simpler age.

Unfortunately, though, we are approaching the turn of the 21st century. The world is ever more complex, not simple, and closing our eyes will not make the complexity go away.

This bogus administrative reform, combined with purposefully punitive budget cuts, is no more than backdoor isolationism, in my view.

This conference report ought to be titled "The Smoot-Hawley Foreign Policy Act of 1996."

It is a blueprint for the affairs of an inward looking, minor nation, not the world's only remaining superpower.

As you might guess, I will cast my vote against this backdoor isolationism, and I urge my colleagues on both sides of the aisle to do the same.

This is not a time to turn inward. This is a time to look outward. This is a time to claim our mantle, to engage in diplomacy, and to help shape a world that will make it safer and economically more viable for Americans to live in.

I thank my colleagues for their indulgence and yield the floor.

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

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. HELMS. Mr. President, I ask unanimous consent that further proceedings under the quorum call be dispensed with.

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

Mr. HELMS. Mr. President, the majority leader has suggested that in order to enable Senators to get home a few minutes earlier, that we start the rollcall vote immediately, but to run it on for there to be plenty of time for Senators to arrive. So I make that unanimous consent request.

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

Mr. HELMS. Mr. President, I ask for the yeas and nays. I thought they had already been ordered.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question occurs on agreeing to the conference report to accompany H.R. 1561. The yeas and nays have been ordered. The clerk will call the roll.

The bill clerk called the roll.

Mr. LOTT. I announce that the Senator from Florida [Mr. MACK] is necessarily absent.

Mr. FORD. I announce that the Senator from West Virginia [Mr. ROCKEFELLER], the Senator from Arkansas [Mr. PRYOR], and the Senator from Nebraska [Mr. EXON] are necessarily absent.

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

The result was announced—yeas 52, nays 44, as follows:

[Rollcall Vote No. 59 Leg.]

YEAS—52

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

NAYS—44

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

NOT VOTING—4

Exon	Pryor
Mack	Rockefeller

The conference report was agreed to.

Mr. DOLE. Mr. President, I move to reconsider the vote by which the conference report was agreed to, and I move to lay that motion on the table.

The motion to lay on the table was agreed to.

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

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

MORNING BUSINESS

Mr. GRASSLEY. Mr. President, on behalf of the majority leader, Senator DOLE, I ask unanimous consent that there now be a period for the transaction of morning business with Senators permitted to speak for up to 5 minutes each.

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

COMMUNICATIONS DECENCY ACT

Mr. EXON. Mr. President, I would like to make reference to this, and will ask for this to be printed in the RECORD. I notice with great interest a full-page ad in the New York Times of March 26, 1996, and the startling information here in dark type is "Does Sex Turn You off?" Then it goes on to say—this is published by Penthouse—entitled "The Facts of Life."

It says:

It is a touchy subject. But an important one. Especially if you're a marketer who wants to reach men. If you've never experienced the satisfaction of advertising in Penthouse, there are some facts you should know. Facts that help explain why Penthouse is a savvy business decision, and why it performs as well as it does. For starters, Penthouse's efficiency far surpasses Playboy, GQ, Sports Illustrated and Esquire. We also reach a higher concentration of 25 to 49 year old men. And at newsstands, where a full purchase price helps gauge a magazine's true value to readers, Penthouse's sales are routinely on top.

What's more, study after study has found that the more involved readers are with a magazine's editorial, the more they're involved with its advertising. And no magazine's readers are more involved than Penthouse's. The appeal and leadership of Penthouse extends beyond print, however. On site on the Internet —http://www.penthousemag.com—attracts over 80,000 people daily—(not hits, people.) This not only makes Penthouse one of the Internet's most popular sites, it enables us to guarantee advertisers an audience of 2.4 million people every month. This proposition is

encouraging more and more marketers to take advantage of both Penthouse Magazine and Penthouse Internet. If you're an advertiser who wants the special stimulation Penthouse offers, contact Ms. Audrey Arnold, Publisher, at 212-702-6000.

And it says down here:

Penthouse, The Facts Of life.

Mr. President, when Congress considered the Communications Decency Act, commonly called the CDA, as part of the telecommunications bill, opponents of the Communications Decency Act raised all kinds of concerns that passage of the Communications Decency Act would restrict free speech of adults and end the commercial viability of the Internet.

Let me repeat that last part again: And end the commercial viability of the Internet.

The Washington Post in this regard printed an editorial that the Exon Communications Decency Act would interfere with the matter of making money on the Internet.

I have only cited the article that appeared in a full-page ad in the New York Times and intend to make these remarks tonight to thank the Penthouse magazine for printing that full-page ad, which is their right—pretty expensive but it is their right, and obviously they are a pretty good free enterprise, money-making concern. But I think it points out more than anything else how all of the opponents to the Communications Decency Act are way off base.

The recent full-page ad in the New York Times both refutes and makes meaningless the claims of the elimination of free speech of adults and the end of commercial viability on the Internet. Penthouse Magazine, which until enactment of the Communications Decency Act, offered free adult fare to Internet users of any age, was one of the first purveyors of sexual material to take steps to comply with the new law. That law is clearly working and has already been instituted to create a great success story.

Before our law was introduced and before it was passed, there was thunderous silence, thunderous silence, Mr. President, from both the industry and those loud voices that are now hammering away at the Communications Decency Act.

Published reports have indicated that Penthouse and Hustler Internet sites, referencing great numbers in the wording from the ad that I just read, and maybe some others now require, after passage of the act, a card to access these offerings.

Like it or not, Mr. President, this is the type of electronic pornography that is legal and constitutionally protected for adults. If their actions are as reported of requiring a credit card before you can access this particular part of the Internet that is widely, widely used according to Penthouse, if they have indeed instituted the procedure of having a credit card, then Penthouse and Hustler and their like appear to be in compliance with the new law, and I applaud them for that.

Adult material remains available then to adults but children are not provided pornography. This is precisely what the Communications Decency Act was designed to do, and it is working. The fully anticipated court challenge that is now underway apparently is not aware of this fact or it would be a defense on its face to some of the constitutional challenges that are being made.

The fear that keeping pornography away from children on the Internet would destroy this great medium and all of those charges that have been made are erroneous, they are unfounded, and it is nonsense.

During the year the Communications Decency Act was fully debated, Internet use doubled, and Internet growth has continued since the passage of the bill. Already, AT&T, MCI, and several local telephone companies have announced plans to offer easy Internet access and the Internet is coming to help other media as well and will come as I understand it to cable and satellite television.

Penthouse boasts, as I have just read, that it attracts over 80,000 people daily to its Internet site and an audience of 2.4 million each month. The ad's enthusiasm for the Internet is in keeping with the Communications Decency Act. We know that great system called the Internet that provides information and help to a lot of people is not only important but I simply say that the scare tactics that continue to be used by the Communications Decency Act's opponents are not well founded. It is not censorship, the word opponents of the Communications Decency Act throw around at will, to responsibly protect our children from pornography and, I might add, pedophiles.

The Communications Decency Act was fully debated, extensively negotiated and carefully designed to strike the right balance between the protection of children and the growth of this exciting and promising new technology. Revisionists like to paint a picture of Congress rushing to judgment on computer technology especially as it affects the spread of pornography. In my nearly 18 years in the Senate, I have won passage of many pieces of legislation dealing with the most important issues of the day including bills affecting national security, law enforcement, transportation, safety and deficit reduction. No bill that I have worked on has had as much attention, discussion or debate as the Communications Decency Act. For one full year, the Nation has talked about the Communications Decency Act. And that is good.

The hands-off crowd, though, have argued that protection of children was exclusively and totally the responsibility of the parent. For families to safely enjoy the benefits of the Internet, the family had to be there turning on the computer or turning it off, making sure that whatever the child brought up on the screen was acceptable to them.

The Communications Decency Act does not lessen—and I emphasize again, Mr. President, does not lessen—the need for parents to be vigilant, ever vigilant. But, by putting the law on the side of the families and the children, the Communications Decency Act recognized, as our First Lady might say, "It Takes A Village."

I am also pleased that the President of the United States and the U.S. Department of Justice fully support the Communications Decency Act. I am delighted that the computer industry has been working to develop blocking software and parental control software as well. Before the Communications Decency act was introduced, these products did not exist. But all the blocking software in the world should not absolve an adult from the responsibility for allowing the abuse or the corruption of a child. The Communications Decency Act holds those who attempt to harm children responsible for their acts.

To all of those who are worried, the Communications Decency Act is law, and the Internet, in the meantime, is doing just fine. They should be applauding the article and ad that I read, published by Penthouse.

Adults still have access to their legal vices. But most important, children are steadily gaining protection when they travel on the information superhighway.

Mr. President, I ask unanimous consent that a letter from the President's counsel to me be printed in the RECORD, and I yield the floor.

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

THE WHITE HOUSE,
Washington, February 28, 1996.

Senator JIM EXON,
U.S. Senate,
Washington, DC.

DEAR SENATOR EXON: Thank you for your recent letter to the President concerning the Telecommunications Reform Act of 1996. The President has asked me to respond on his behalf.

On February 8, 1996, the President was pleased to be able to sign the historic Telecommunications Reform Act into law. I know that the President was equally pleased that you were able to participate in the event.

Your letter also referred to Title V of the Telecommunications Reform Act, otherwise known as the Communications Decency Act. As you know, the President is committed to defending efforts to protect children from harmful material whether it is targeted at them via the computer or other media. Accordingly, the President firmly supports the Communications Decency Act.

As you accurately predicted, various challenges to the Communications Decency Act

have been filed. The Department of Justice is vigorously defending the Act against these challenges as a proper and narrowly tailored exercise of Congress' power to regulate the exposure of children to computer pornography.

Again, thank you for your letter and for your expression of support for our endeavors to defend the Communications Decency Act.

Sincerely,

JACK QUINN,
Counsel to the President.

A SALUTE TO KANSAS

Mr. DOLE. Mr. President, Kansas Senator Richard L. Bond delivered a moving tribute to the State of Kansas on the occasion of the 135th anniversary of statehood. During our annual celebration in Topeka, WI, Governor Tommy G. Thompson served as the keynote speaker for the evening of celebration and appreciation.

In his narrative, Senator Bond captured the heart and strengths of our State, and I ask unanimous consent that his remarks be printed in the RECORD.

There being no objection, the remarks were ordered to be printed in the RECORD, as follows:

A SALUTE TO KANSAS

Governor Graves, Governor Thompson, Senator Kassebaum, Chairman Miller, Distinguished Guests and fellow Kansans, it is my pleasure to offer a salute to Kansas on the occasion of her 135th birthday of statehood. Having turned sixty years of age in the past year I am pleased whenever I'm invited to a birthday party for something older than I am.

This past summer a book titled "Vacation Places Rated" was published which listed Kansas dead last as a desirable vacation spot. The vacationers surveyed apparently felt Kansas had little to offer. Such sentiments are not new. In 1867 Henry Stanley wrote, "Tourists through Kansas would call this place dull enough . . . For a passing traveler in search of pleasure, it certainly possesses few attractions."

If one is in search of a sandy sea-side shore or a snow-capped mountain peak Kansas is not the place to look.

For those of us who call Kansas home we know what may be lost on the casual visitor.

The beauty of Kansas resides in the subtle grace of its geography, the strength of its people's character and the spirit of hope that shapes its future.

America may not turn to Kansas when its looking for a tropical resort but America looks to Kansas for so much more . . .

Today, when Americans want the finest grain in the world they call on Kansas.

Today, when Americans want the finest steak in the world they call on Kansas.

Today, when Americans want oil and natural gas to heat their homes and cook their food they call on Kansas.

Today, when Americans want the finest aircraft in the world they call on Kansas.

And yes, Governor Thompson, we even make some pretty good cheese.

And today, when America needs leadership it calls on Kansas—

Congresswoman Jan Meyers, the first Republican woman to chair a standing committee in the U.S. House.

Congressman Pat Roberts, reshaping farm policy as Chairman of the House Agriculture Committee.

Senator Nancy Kassebaum, the first woman elected to the U.S. Senate in her own right, working to reform welfare, education and job training as Chair of the Senate's Labor and Human Resources committee.

And, Senator Bob Dole who has served as Senate Majority Leader longer than any other person.

We are blessed with an abundance of Republican leaders that reflect the virtues of Kansas—persistence, hard work, common sense and hope. Congressmen Brownback and Tiahrt continue this tradition.

But this Kansas tradition of leadership is nothing new.

Sixty years ago in the depths of the dust bowl and depression Governor Alf Landon worked to balance our state budget and serve as our party's standard bearer in the Presidential election. His dignity and sense of compassion were not victims to the fiscal austerity of the time.

More than fifty years ago when America faced the challenge of World War, Gen. Eisenhower lead our forces to victory in Europe and secured the peace. The boyhood lessons learned in Abilene served him well in that endeavor and during the eight years he served our nation as President. The 34th President whose boyhood home was in the 34th state.

Today, when the need for leadership on the national level has never been greater, Americans again call on Kansas. The man from Russell tested by war and tested in the public arena stands ready to lead our country into the next millennium. His greatest strengths are the gifts of Kansas. A character shaped by faith and family, a determination to confront challenges and an ingenuity to overcome them. When America calls on Kansas we always offer our best. President Bob Dole will be no exception.

Kansas has historically been willing to make tough choices. The choice to reject slavery caused our state to be born in the midst of a bloody struggle. A struggle for which Kansas paid a high price—Kansas suffered the highest mortality rate in the nation during the Civil War. But our birth in troubled times only made Kansans appreciate the price of freedom even more.

From the prairie, Kansans built a way of life—not focused on the value of possessions but on the importance of family, neighbors, faith and community. Obstacles were merely opportunities for innovation and the creative spirit of Kansans always rose to meet the challenge. We have always sought the stars through difficulties.

Floods, grasshoppers, dust storms, drought, tornadoes—all have caused the Kansas spirit to bend but it has never broken.

Tonight, on the occasion of 135 years of statehood Kansas remains a great place to call home. But regardless of our contributions much remains to be done. As President Eisenhower said, "Accomplishment will prove to be a journey, not a destination." Kansas is a young state—one with its best years ahead—full of possibilities. We must work to accomplish the full potential of these possibilities—creating an even better Kansas for future generations.

Some may seek to exploit divisions within our party but I believe many more will seek to focus on that which unites us. Since the Republican Party in Kansas was organized in 1859 in Osawatomie it has known its share of controversy but it has also provided our state with leaders united by a belief that government isn't the solution to every problem and that a limited government that encourages individual opportunity and freedom best serves the citizens of Kansas. With candor, respect and trust we as Republicans can continue to provide such leadership for Kansas. The contrasts that define our differences can be a source of strength not division. We have a great leader in our governor, Bill Graves. His vision for Kansas is worthy of our continued mutual investment.

One hundred years ago a young editor, having recently purchased, The Emporia Gazette, published an editorial entitled, "What's the Matter with Kansas?" With it's publication William Allen White garnered his first national attention. A century later upon revisiting that question we know that there is nothing the matter with Kansas that the people of Kansas can't fix—working together.

It is true that some may look at Kansas and see only what Zebulon Montgomery Pike first described as "The Great American Desert." But those of us that call Kansas home know better. We know that Kansas is a fount of commerce, prosperity, and hope—a place occupied by those who know the importance of faith and family and who believe in a future of unlimited potential. A land of open vista and friendly people. Regardless of where we roam Kansans are sure of one thing—there's no place like home. For all the blessings of Kansas we give thanks.

Happy Birthday Kansas and Many Happy Returns.

TROY SYSTEMS, INC.

Mr. WARNER. Mr. President, I am pleased today to have the opportunity to recognize a company, TROY Systems, Inc., located in the great city of Alexandria, VA. TROY Systems is a shining example of the vitality of the American Dream, having grown from a small disadvantaged section 8(a) company into a national and award winning federal contractor. I would like to especially congratulate their CEO and President, K. David Boyer, for TROY's incredible success. While TROY may soon be graduating from the 8(a) program, I am confident of their continued success.

In 1984, in a small apartment in Alexandria, David Boyer and Felicity Belford started on an entrepreneurial journey. Their plan was to build a company providing information systems and technology support to the Federal Government. Starting with just two employees, TROY Systems has grown to a work force of over 350 employees and revenues in 1995 of almost $25 million.

In 1995, TROY was named by TechNews, Inc. and Deloitte and Touche to their National Technology "Fast 500" list of the fastest growing technology-intensive companies in the United States. The company shared this honor with such heavyweight and well-known corporations such as Microsoft, Dell Computer, and Novel. TROY Systems has received other such awards such as being named to Inc. magazine's list of the 500 fastest growing companies, receiving Ernst & Young's Entrepreneur of the Year award, and being selected by the Virginia Chamber of Commerce as one of

the "Fantastic 50" fastest growing small private companies in the commonwealth.

I would like to submit for the record an article which appeared in the November edition of InSight magazine describing TROY Systems' impressive growth and achievements, as well as their involvement in the important Department of Defense Defense Messaging System project.

TROY Systems is a fine example that the American Dream is alive and well and I am proud to salute them for their hard work and accomplishments.

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

DMS SPOTLIGHT—TROY SYSTEMS, INC.

One member of the DMS contract team is a small business, minority-owned firm with a strong background in government information systems support. TROY Systems, Inc., of Alexandria, Virginia, will be providing training courses to help DMS users get up to speed with products procured through the contract.

TROY became involved with Loral through the Mentor/Protege program sponsored by the Department of Defense. The program encourages large prime contractors to seek out small businesses that can benefit from such an alliance. During the course of the relationship, both companies have learned from the other, and contracts have been pursued with either party acting as the prime. According to K. David Boyer, Jr., President & CEO of TROY, "The major benefit of our relationship with Loral has been the mutual re-engineering of corporate processes, as a result of our learning experience as we work together." Boyer started the business working from a home office in October of 1984. Since its inception, TROY has grown from two people to a staff approaching three hundred people, and has been listed in the INC 500.

TROY has operated under the Small Business Set Aside 8(a) Program and is currently looking forward to graduation in 1996. To position itself as a strong information technology company into the next decade, TROY has built an impressive list of federal and corporate clients. Winning large government contracts over a diverse customer base has led to significant expansion of TROY's capabilities. Since 1990, TROY has developed and conducted worldwide user training for the U.S. Army health care community, the Navy Recruiting Command, and the Veteran's Benefits Administration. TROY currently performs on contracts with three Department of the Navy agencies (NAVSEA, NAVAIR, and NAVSUP), the Air Force, and numerous civilian agencies including GSA, GAO, and the RTC. In addition, TROY serves as IV & V (Independent Verification & Validation) analyst for the Resolution Trust Corporation's massive software systems, which were built by IBM and tested by Troy Systems, Inc.

What seems to set TROY apart from other SDBs (Small, Disadvantaged Businesses) is the consistency between its walk and its talk. Boyer states, "I built this company with the philosophy that 8(a) and other such programs were not necessary for us to succeed. We are a leader in our area of technology expertise. That is why we have won so many contracts."

Loral's award of DMS provides yet another opportunity for TROY to utilize its expertise. Once curricula are completed, approved, and made available, DMS users will be able to choose from the following courses offered through the DMS contract: Basic User; Operating Systems Administrator; Directory System Administrator; Message Handling System Administrator; and Management Workstation System Administrator.

Harry H. Hagenbrock is the senior manager at TROY, responsible for the DMS program. Hagenbrock comments, "Due to the tremendous number of users (projected to be 2,000,000) that will ultimately be on line with DMS, TROY will be building its staff and resources to present the courses in the field, or "train the trainer," for those commands who wish to provide DMS training internally.

TROY Systems, Inc., is ramping up its capabilities, and working closely with Loral Corporation to bring its DMS training and support resources to a state of readiness. CEO Boyer, a former Air Force Officer, is looking forward to the DMS challenge. Boyer concludes, "Our many commercial and military contracts have prepared us to train DMS users. We are looking forward to help make DMS happen."

RECOGNITION OF EDWARD L. KING

Mr. NUNN. Mr. President, I rise today to recognize the contributions to the Senate and to the Nation that have been made by Edward L. King who is leaving the staff of the Senate for the private sector.

Ed King retired from the U.S. Army as a lieutenant colonel in 1969 after a distinguished military career, including combat infantry duty in Korea and assignments in important staff positions with an emphasis on NATO and inter-American matters.

After his military service, Ed turned his hand to writing and authored "The Death Of the Army: A Pre-Mortem" which was selected by the New York Times Review of Books as one of the 12 best current events books of the year for 1972.

In 1971, Ed came to the Hill for the first time, serving as a staff consultant to the Congressional Joint Economic Committee and later that same year as special consultant for NATO affairs to Senator Mike Mansfield. Ed returned to the Hill in 1975 and served as Administrative Assistant to Senator William Hathaway until 1979. Ed subsequently served as special assistant to Senator Paul Tsongas in 1984, during which time he acted as an intermediary to the La Palma—El Salvador—peace talks. From 1985 to 1987, Ed served as a consultant on Central America to Senator ROBERT BYRD. Finally, Ed served on the Senate Democratic Policy Committee from 1987 to the present time. Over the last 10 years, Ed has worked as a senior foreign policy advisor for Majority Leaders ROBERT BYRD and George Mitchell and for Minority Leader THOMAS DASCHLE.

I first came to know Ed King while he was working on the Democratic Policy Committee. I also came to respect and admire Ed as he went from legislative crisis to crisis with the same calm but determined and effective demeanor that I am sure served him and his troops so well as a combat infantry officer. Whether the issue was pop-up legislation dealing with the Persian Gulf, Somalia, Haiti, or Bosnia or setting up a routine meeting for Senators with a visiting foreign official Ed was always on top of the situation, always in full control of the facts, and ready with a solution to bridge ostensibly irreconcilable positions. And despite the stress and the raised voices on the part of some, Ed never lost his good nature and sense of humor.

But what I remember most of all were the numerous occasions on which a long stint of negotiations ended with the parties agreed on the general framework of a solution and leaving it to Ed to come up with the specific text that embodied that general solution. And you knew that the specific text would be ready the first thing the next morning and that it would have been agreed to on all sides at the staff level and vetted with and acceptable to the administration.

Mr. President, the Senate is losing one of its finest staff members. The Nation is losing a fine public servant whose contributions will, for the most part, remain unknown. I, for one, want the record to reflect that this Senator appreciates the service that Ed King has rendered to the Senate and the Nation. I know that he will be successful in the private sector and that he will continue to make a contribution in whatever he does in the future.

THE BAD DEBT BOXSCORE

Mr. HELMS. Mr. President, at the close of business yesterday, March 27, 1996, the Federal debt stood at $5,069,500,044,702.95.

On a per capita basis, every man, woman and child in America owes $19,165.10 as his or her share of that debt.

It is no wonder that babies come into this world crying.

A TRIBUTE TO GERTRUDE MALLARD PRITCHER

Mr. HOLLINGS. Mr. President, I would like to take this opportunity to wish a very happy birthday to Gertrude Mallard Pritcher of St. George, SC. Mrs. Pritcher will turn 100 years old on April 13.

The 11th of 12 children, Gertrude Pritcher was born in Colleton County in 1896 to John Behlin and Annie Eliza Liston Hucks. In the history of her life, one can trace the history of the South Carolina Lowcountry. She grew up in Smoaks, where she taught school in a one-room schoolhouse, and Sunday school at a Methodist Church. Throughout the 1930s,'40s and '50s, she lived in Beaufort County where she was active in home demonstration clubs,

specializing in gardening, cooking and sewing. A member of Daughters of the American Revolution, Mrs. Pritcher has three daughters and one son by her first husband, William Daniel Mallard of Summerville. They were married for almost 50 years, until his death in 1965. Mrs. Pritcher married Asbury Pritcher of Beaufort County in 1972 who has also passed away.

Like a true Southerner, she has a love of and flair for storytelling. With her knowledge of the counties of South Carolina, and with all the family and friends she has, you can bet she has some good ones to tell. She enjoyed a healthy and active life for 85 years, until a stroke in 1981. The condition curtailed her activity somewhat, but she continues to live comfortably in St. George where her children and grandchildren enjoy her company, and her tales. Let's all hope that we can have as rich a life.

THE FLAG AMENDMENT

Mr. HATCH. Mr. President, the February, 1996 issue of the American Legion Magazine contains a column entitled, "We Will Continue To Stand By Our Flag," by Daniel A. Ludwig, national commander of the American Legion. As my colleagues know, the American Legion, other veterans and civics groups, the Citizens Flag Alliance, and countless individuals undertook an effort to pass a constitutional amendment authorizing protection of the American flag. There was nothing in it for any of the participants in that great effort. This effort fell just short in the Senate. But, I note that in 1989 an amendment received 51 votes; in 1990, 58 votes; and in 1995, 63 votes. In the other body, the effort went from falling short in 1989 to an overwhelming win in 1995.

I said in December that the effort to enact a constitutional amendment authorizing protection of the American flag will be back. And so it will, as the column by Commander Ludwig makes clear. I ask unanimous consent that the column be printed in the RECORD.

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

[From the American Legion Magazine, Feb. 1996]

WE WILL CONTINUE TO STAND BY OUR FLAG

(By Daniel A. Ludwig)

By the time you read this, the postmortems on the Senate vote on the flag amendment will largely have subsided. The media may finally have stopped smirking their smirks of (supposed) intellectual superiority. The constitutional scholars who were thrust into an unaccustomed limelight will have gone back to their universities to continue the debate in quieter fashion. The public-interest groups who took sides against us—and, we always believed, against the public interest—will have turned their attention to other cherished aspects of traditional American life that need to be "modernized," which is to say, cheapened or twisted or gutted altogether.

Observers have suggested that we, too, should give up the fight. Enough is enough, they say. "You gave it your best, now it's time to pack it in." Those people don't understand what the past six years, since the 1989 Supreme Court decision, have really been about.

From the beginning of our efforts, debate centered on the issue of free speech and whether the proposed amendment infringes on it. But whether flag desecration is free speech, or an abuse of free speech, as Orrin Hatch suggests (and we agree), there is a larger point here that explains why we can't—shouldn't—just fold up our tents and go quietly.

Our adversaries have long argued that opposition to the amendment is not the same as opposition to the flag itself, that it's possible to love the flag and yet vote against protecting it. Perhaps in the best of all possible worlds we could accept such muddled thinking.

Sadly, we do not live in the best of all possible worlds.

In the best of all possible worlds it would not be necessary to install metal detectors in public schools, or have drunk-driving checkpoints on our highways, or give mandatory drug tests to prospective airline employees. Indeed, in the best of all possible worlds, the Pope would not have to make his rounds in a bulletproof vehicle. In all of these cases, we have willingly made certain sacrifices in freedom because we recognize that there are larger interests at stake. In the case of the metal detectors, for example, the safety of our children, and our teachers, and the establishment of a stable climate for instruction to take place, is paramount.

If the flag amendment is about anything, it's about holding the line on respect, on the values that you and I asked our lives to preserve. We live in a society that respects little and honors still less. Most, if not all, of today's ills can be traced to a breakdown in respect—for laws, for traditions, for people, for the things held sacred by the great bulk of us.

Just as the godless are succeeding at removing God from everyday life, growing numbers of people have come to feel they're not answerable to anything larger than themselves. The message seems to be that nothing takes priority over the needs and desires and "rights" of the individual. Nothing is forbidden. Everything is permissible, from the shockingly vulgar music that urges kids to go out and shoot cops, to "art" that depicts Christ plunging into a vat of urine—to the desecration of a cherished symbol like the U.S. Flag.

Are these really the freedoms our forefathers envisioned when they drafted the Bill of Rights? Thomas Jefferson himself did not regard liberty as a no-strings proposition. His concept of democracy presupposed a nation of honorable citizens. Remove the honorable motives from a free society and what you have left is not democracy, but anarchy. What you have left, eventually, is Lord of the Flies.

Amid all this, the flag stands for something. If respect for the flag were institutionalized, and children were brought up to understand the unique collection of principles it represents, there would be inevitable benefits to society, benefits that would help turn the tide of today's chaos and disrespect. For no one who takes such principles to heart—no one who sees the flag as an untouchable symbol of democracy, of decency—could possibly do the things that some people do, these days, in the name of freedom.

The flag stands for something miraculous that took life upon these shores more than two centuries ago and, if we only let it, will live on for centuries more. It stands for a glorious idea that has survived every challenge, that has persevered in the face of external forces who promised to "bury" us and internal forces which promised to tear us apart. Let us never forget this.

And let us not forget that 63 out of 99 senators voted with us, or that we won over 375 legislators in total. Our efforts were no more wasted than were the efforts to take remote outposts in the Pacific a half-century ago. Those efforts, too, failed at first, but eventually we prevailed.

We undertook a noble fight in trying to save our flag, and the fact that we have suffered a temporary setback does not diminish the nobility of what we fought for. This is not over by a long shot. They will hear from us again.

Mr. BYRD. Mr. President, on the Op Ed page of today's edition of the New York Times there is a column I want to call to my colleagues' attention entitled "Line-Item Lunacy" by David Samuels. Even though the current debate on this matter is over for now, I encourage my fellow Senators to take the time to read this thoughtful opinion. Mr. President, to that end, I ask unanimous consent that the column be printed in the RECORD.

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

[From the New York Times, Mar. 28, 1996]

LINE-ITEM LUNACY

(By David Samuels)

It's a scene from a paranoid thriller by Oliver Stone: A mercurial billionaire, elected President with 35 percent of the vote, holds America hostage to his minority agenda by vetoing item after item in the Federal budget, in open breach of the separation of powers doctrine enshrined in the Constitution. Impossible? Not anymore.

With the announcement by Republican leaders that they plan to pass the line-item veto this spring, the specter of a Napoleonic Presidency has moved from the far reaches of poli-sci fiction, where it belongs, to the brink of political possibility.

At the moment, of course, a Presidential dictatorship is far from the minds of the G.O.P. leadership and White House Democrats, who hope that the line-item veto would encourage the President to eliminate pork-barrel giveaways and corporate tax breaks. But to see the measure as a simple procedural reform is to ignore the forces that have reconfigured the political landscape since it was first proposed.

Back in the 1980's, President Ronald Reagan ritually invoked the line-item veto while shifting blame onto a Democratic Congress for ballooning deficits. Part Republican chestnut, part good-government gimmick, the line-item veto became part of the Contract With America in 1994, and this month rose to the top of the political agenda.

What the calculations of Democrats and Republicans leave out, however, is that the unsettled politics of the 1990's bear little relation to the political order of the Reagan years.

In poll after poll, a majority of voters express a raging disaffection with both major parties. With Ross Perot poised to run in November, we could again elect our President with a minority of the popular vote (in 1992, Mr. Clinton won with 43 percent). The line-item veto would hand over unchecked power to a minority President with minority support in Congress, while opponents would have to muster two-thirds support to override the President's veto.

By opening every line in the Federal budget to partisan attack, the likely result would be a chaotic legislature more susceptible than ever to obstructionists who could demand a Presidential veto of Federal arts funding or sex education programs or aid to Israel as the price of their political support.

And conservatives eager to cut Government waste would do well to reflect on what a liberal minority might do to their legislative hopes during a second Clinton term in office.

Nor would the line-item veto likely result in more responsible executive behavior. The zigs and zags of Bill Clinton's first term in office give us a clear picture of the post-partisan Presidency, in which the executive freelances across the airwaves in pursuit of poll numbers regardless of the political coherence of his message or the decaying ties of party. With the adoption of the line-item veto, the temptation for Presidents to strike out on their own would surely grow.

The specter of a President on horseback armed with coercive powers might seem far away to those who dismissed Ross Perot as a freak candidate in the last election. Yet no law states that power-hungry billionaires must be possessed of Mr. Perot's peculiar blend of personal qualities and doomed to fail. Armed with the line-item veto, a future Ross Perot—or Steve Forbes—would be equipped with the means to reward and punish members of the House and Senate by vetoing individual budget items. This would enable an independent President to build a coalition in Congress through a program of threats and horse-trading that would make our present sorely flawed system seem like a model of Ciceronian rectitude.

President Clinton has promised to sign the line-item veto when it reaches his desk. Between now and then, the historic breach of our constitutional separation of powers that the measure proposes should be subject to a vigorous public debate. At the very least, we might reflect on how we intend to govern ourselves at a time when the certainties of two-party politics are dissolving before our eyes.

Mr. BYRD. Mr. President, Mr. Samuels eloquently points out just one of the many concerns this country could very well face with the adoption of this legislation. He focuses on what might happen should our two-party system dissolve and allow for a rogue individual to be elected president by a minority of the American people. In this scenario, the possibility of a tyrannical oppressor freely and recklessly wielding power has to be considered. While at the present time the likelihood of such an event seems farfetched, it is just this type of concern that we elected members of the people's branch must consider.

Indeed, if there is one bright spot on this day after Senate passage of S. 4, it is that in eight years the Congress will revisit this issue. It is my hope that at that time, wisdom will prevail.

EDMUND S. MUSKIE

Mr. DODD. Mr. President, I wanted to take a few moments today to speak about the death of former Senator Edmund Muskie.

I first met Ed Muskie during his visits to my family's house in Connecticut more than 30 years ago as he traveled back to Maine from Washington.

And like my father before me—I was honored to serve with him in Congress. I came to greatly admire and respect his leadership, his conviction, his knowledge and his great devotion to public service.

Edmund Muskie was a truly dedicated member of this body for 22 years. He served both the people of Maine and all the American people as a committed and able legislator.

And when his party and his President called on him he answered. He twice ran for national office as a Democrat: Once for Vice-President in 1968 and once for the Democratic nomination for President in 1972. And he finished his career as Secretary of State, under President Carter in 1980.

Throughout his more than two decades of public service Ed Muskie was ahead of his time in his efforts to keep our environment clean and America's fiscal house in order.

He earned the apt nickname "Mr. Clean" for his pioneering work on the Clean Air Act and Clean Water Act, both of which he shepherded through the Senate. Generations from now, when Americans are enjoying our safe and healthy air and water, they should thank Edmund Muskie for having the foresight and vision to place a clean environment on top of the political agenda.

And even before the era of exploding federal deficits in the 1980's, Edmund Muskie strived to bring fiscal discipline to Congress, as chairman of the Senate Budget Committee.

Yesterday, former President Jimmy Carter said he had "never known any American leader who was more highly qualified to be President of the United States." And it is to the American people's misfortune that a man of such principle never had the opportunity to reach the Oval Office.

As a fellow Democrat and Northeasterner I remain committed to the policies that Edmund Muskie so energetically championed as a U.S. Senator.

My thoughts and prayers go out to his wife Jane, his children, his friends and the people of Maine.

THE CONSTITUTIONALITY OF THE LINE ITEM VETO CONFERENCE REPORT

Mr. HEFLIN. Mr. President, I rise today to explain my opposition to this so-called line-item veto conference report, which passed on March 27. I have been a strong supporter of a line item veto and feel that such legislation would provide the President with an effective weapon to fight wasteful spending. I have voted for several line item veto bills that I felt were constitutional. However, I did not support this legislation, as it violates the plain reading of the Constitution.

In Article I, section 7, the Constitution sets out fundamental procedures for the enactment of a law. It states that every bill should be passed by both houses and then presented to the President to either sign or veto. If the bill is vetoed each house may override such a veto by two-thirds vote. The bill then becomes law once it is signed or a veto is overridden by each house of Congress.

This conference report allows the President, after a bill has become a law, to go back and review that law and to pick and choose what portions of the law he desires to repeal, and to do so in an unconstitutional manner. This flies in the face of the fundamental principal of "separation of powers" and the "checks and balances" of our government. Article I, section 1, of the Constitution states that "[a]ll legislation Powers herein granted shall be vested in a Congress of the United States.

The Supreme Court in INS versus Chadha discussed the importance of the "separation of powers" provisions in Article I, section 1. The court stated that

> [t]hese provisions of Art. I are integral parts of the constitutional design for the separation of powers. We have recently noted that "[t]he principle of separation of powers was not simply an abstract generalization in the minds of the Framers: it was woven into the document that they drafted in Philadelphia in the summer of 1787."

The Court further expressed that,

> [i]t emerges clearly that the prescription for legislative action in Art. I, sections 1, 7, represents the Framers' decisions that the legislative power of the Federal Government be exercised in accord with a single, finely wrought and exhaustively considered, procedure.

This conference report would allow the President, in effect, to repeal an existing law; thereby violating the provisions of Article I. The Court in Chadha held that "[a]mendment and repeal of statutes, no less than enactment, must conform with Art. I." The Court went further by stating that

> [t]he bicameral requirement, the Presentment Clauses, the President's veto, and Congress' power to override a veto were intended to erect enduring checks on each Branch and to protect the people from the improvident exercise of power by mandating certain prescribed steps. To preserve those checks, and maintain the separation of powers, the carefully defined limits on the power of each Branch must not be eroded.

This highlights the importance of maintaining the legislative procedures set out by the Constitution and the separate powers the Constitution has bestowed upon the three branches of our government.

Mr. President, this bill chips away at the constitutionally prescribed "checks and balances" set forth by our Founding Fathers. I believe that a line-item veto can be a useful weapon against wasteful spending if drafted so as to protect the fundamental procedures set out by our Constitution; however, this bill as presented cannot sustain constitutional muster.

HELEN KELLY—A FAITHFUL PUBLIC SERVANT

Mr. BYRD. Mr. President, I have been a member of this body for nearly thirty-eight years. During this time, I have come to treasure the traditions of this institution and the unique place it holds in our system of government. Through the Senate I have worked with men and women who possess some of our country's finest and ablest minds, and with them, I have witnessed and been part of history.

While this history will attest to the importance of my fellow Members of the Senate, often what goes unnoticed is the behind-the-scenes work of our staffs. I feel confident in saying that there is not a Member of this body who could represent his or her constituents in this day and age without the diligent, hard work of Senate staffers. And it is to pay tribute to one of these dedicated staffers that I speak on the Senate floor today.

Twenty years ago, on March 8, 1976, Helen B. Kelly came to work in my office as a receptionist. She came with Hill experience, having previously worked for Congressman Broyhill from Virginia. This knowledge, combined with her natural interest and compassion for people, was quickly noted, and Helen was promoted to the position of caseworker.

In my office, as in other Congressional offices, there is no greater matter of importance than constituent services. As we all know, sifting through the federal bureaucracy can be a daunting and often exasperating experience. Well, Helen has mastered the art of cutting through Washington's red tape. Whether it be working out a visa problem for a constituent's family member or giving guidance to a military academy nominee, Helen has shown the dedication and perseverance to get the job done.

I want to say thanks and congratulations to Helen Kelly on behalf of my fellow West Virginians and the Senate. This is a demanding but rewarding profession. Were it not for people like Helen who breathe life and vitality into it, I believe the Senate would not be the premier legislative body that we treasure today.

JAPAN-UNITED STATES EXCHANGES

Mr. LUGAR. Mr. President, I rise today to discuss an important issue in our relationship with Japan. It has come to my attention that for every American student studying in Japan, 20 Japanese study in the United States. This puts the United States at a comparative disadvantage in dealing with issues of economic competitiveness and strategic cooperation that confront and will continue to confront our bilateral ties for many years.

Japan possesses the second-most powerful economy in the world. Its resources and expertise affect the health and vitality of international trade and finance. United States-Japan cooperation and understanding will be required if issues pertaining to the global economy, development, health, peacekeeping, weapons proliferation, the environment, and others are to be addressed constructively. At the same time, Japan's economic prowess poses significant challenges to and opportunities for improving the economic well-being of the United States. We simply must learn how to gain the trust and cooperation of the Japanese people, its entrepreneurs, and policy makers. We need to do better and be better informed about Japan if we hope to correct the nagging imbalance in trade. Historically, we have been ill-prepared for this task. We must be better prepared in the future.

One part of the solution to this problem lies in the education of young Americans in the language, culture, and society of Japan. It is the young Americans of today who will take the lead in dealing with their Japanese peers in a language and style the latter will respect and appreciate. Back channel politics has worked well through the years, but it is insufficient for the future. We now want to make certain there is a very large network of United States students studying in Japan that will make a difference in building the kind of bridges that are required if our relationship with Japan is to be more productive now and in the future.

Finally, Mr. President, I would like to mention that a coalition of public and private organizations is mounting a new program known as the Bridging Project to address this need to educate more Americans in and about Japan. In a time of fiscal stringency and belt tightening, public funds for this and other initiatives are gong to become even more scarce. The private sector must get more involved. Private-public partnerships and other creative solutions involving the private sector will be required if we are going to keep pace with our Japanese competitors. We should encourage this coalition to do everything it can to ensure that the United States remains competitive with Japan in the future.

HABEAS CORPUS REFORM

Mr. HATCH. Mr. President, just short of a year ago, this country was rocked by an attack on the Alfred Murrah Federal building in Oklahoma City, OK. In the wake of that horrible tragedy, this body took up antiterrorism legislation. I fought for the inclusion of meaningful habeas corpus reform legislation in the Senate bill over the initial hesitation of President Clinton. The House bill contains identical language. We will shortly be delivering a conference report to the President for his signature. At long last, after well over a decade of effort, we are about to curb these endless, frivolous appeals of death sentences.

I might add that this is one of the most important criminal law changes in this country's history, and it is about time we get it on track.

To be sure, there are many other important antiterrorism measures which will be included in the final terrorism bill including increased penalties, antiterrorism aid to foreign nations, plastic explosives tagging requirements, and important law enforcement enhancements. But let us make no mistake about it—habeas corpus reform is the most important provision in the terrorism bill. In fact, it is the heart and soul of this bill. It is the only thing in the Senate antiterrorism bill that directly affected the Oklahoma bombing. If the perpetrators of that heinous act are convicted, they will be unable to use frivolous habeas petitions to prevent the imposition of their justly deserved punishment. The survivors and the victims' families of the Oklahoma tragedy recognized the need for habeas reform and called for it to be put in the bill.

The Clinton Administration, which initially opposed meaningful habeas corpus reform, came to its senses and the President himself said he supported our habeas reform proposal. The antiterrorism bill, with the Hatch-Specter habeas proposal passed this body in an overwhelming vote.

Most of those familiar with capital litigation know that support for true habeas reform—support for an end to frivolous death penalty appeals—is the most authentic evidence of an elected official's support for the death penalty. It is against this backdrop that I was surprised to learn recently that on the eve of House debate on the antiterrorism bill—a bill that includes this important habeas reform proposal—the White House had sent emissaries to key Members of the House to lobby for weakening changes to the habeas reform package. Former White House Counsel Abner Mikva, accompanied by White House staff, met with key Members of the House and proposed that the bill be amended to essentially restore the de novo standard of review in habeas petitions. This would have gutted habeas corpus reform by allowing Federal judges to reopen issues that had been lawfully and correctly resolved years earlier. I had

thought we had a President who was committed to meaningful habeas reform.

When I first learned of this effort, I was surprised. After all, President Clinton promised that justice in the Oklahoma bombing case would be swift. Indeed, he recognized that an end to frivolous death penalty appeals was critical when he said,

[Habeas corpus reform] ought to be done in the context of this terrorism legislation so that it would apply to any prosecutions brought against anyone indicted in Oklahoma.

[Larry King Live, June 5, 1995].

But then I began to consider all of the steps this President has taken to undermine the death penalty. For example, President Clinton vetoed legislation late last year which contained language identical to the terrorism bill's habeas corpus proposal. Veto message to H.R. 2586, the temporary debt limit increase, Nov. 13, 1995. Prior to that, in 1994, the Clinton Justice Department lobbied the Democrat controlled House for passage of the so-called Racial Justice Act. This provision, in the guise of protecting against race-based discrimination, would have imposed a quota on the imposition of the death penalty. It would have effectively abolished the death penalty.

When the Senate refused to accept this death penalty abolition proposal, President Clinton decided to issue a directive implementing a so-called Racial Justice Act-type review of all Department of Justice decisions involving the Federal death penalty. [Wall Street Journal, July 21, 1994]. On March 29, 1995, Attorney General Reno issued the directive. Ironically, the Clinton Administration did not see fit to provide the victims' families in death penalty eligible cases with any right to petition the Department on the issue of whether the death penalty should be sought. [A.G. Reno directive on title 9 of the U.S. Attorneys' Manual, March 29, 1995].

To further gauge President Clinton's position on the death penalty and the streamlining of habeas corpus reform, one should consider whether his Department of Justice has supported State efforts to impose capital sentences. According to testimony provided to the Senate Judiciary Committee, the Clinton Justice Department considers the fact that a case involves the death penalty as a factor against filing amicus briefs in support of the State. [Testimony of Paul Cassell, Associate Professor of law, University of Utah, November 14, 1995]. The Bush Administration filed briefs in support of the State in 44.4 percent of the cases on appeal where a defendant's death sentence was being challenged. Briefs were filed in 42.9 percent of these cases and in 1991 and in 37.5 percent of the cases in 1992. In 1994, the Clinton Justice Department failed to file a single brief in support of States trying to carry out capital sentences. Many of these cases presented opportunities to protect the Federal death penalty but the Clinton administration sat on its hands.

On March 14, President Clinton said that, in his opinion, the terrorism bill's habeas corpus provision is not as good as it could be, and that there are some problems in the way that it's done but that he may go along with the version contained in the terrorism bill. [U.P.I. March 14, 1996].

Ironically, President Clinton's support for the terrorism bill seems to be dwindling as the likelihood for passage of habeas corpus reform seems to be increasing. Some Democrats appear to be preparing to scuttle the bill by arguing that it may not go far enough. Indeed, one of my colleagues on the other side of the aisle has gone so far as to call the House terrorism bill useless. We now hear that there is talk within the White House of a possible veto threat unless the terrorism bill is changed.

What I find interesting is that most of the provisions the President and his brethren are flexing their muscles over were not in the administration's original terrorism bill. For example, the President has been critical of the House's bipartisan votes to drop a ban on so-called cop killer bullets and a provision allowing law enforcement to conduct roving wiretaps. On February 10, 1995, Senator BIDEN introduced the administration's original terrorism bill, S. 390. Neither of these provisions were contained in S. 390. Indeed, the House-passed terrorism bill is more comprehensive than the President's original bill.

So I ask my colleagues: Why is a bill which is substantially similar to—in fact broader than—the original Clinton-Biden bill of 1995 useless in 1996? Could the fact that the final terrorism bill will contain tough, true habeas corpus reform be what's really at issue here?

President Clinton's newfound tough on crime rhetoric must be balanced against his administration's record of hostility toward true habeas corpus reform. In a few weeks, the Congress will deliver to President Clinton a tough terrorism bill which will contain our habeas corpus reform provision—a provision to end frivolous death penalty appeals. This reform measure has already been vetoed once and President Clinton has tried to weaken it. If he chooses to veto the terrorism bill, that will be a decision he and the families of murder victims across this country will have to live with. But let's not kid ourselves about why he may do so. To borrow a phrase—keep your eye on the ball. The ball here is habeas corpus reform.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Thomas, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

REPORT OF THE NATIONAL ENDOWMENT FOR THE ARTS FOR FISCAL YEAR 1994—MESSAGE FROM THE PRESIDENT—PM 137

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 Labor and Human Resources.

To the Congress of the United States:

It is my special pleasure to transmit herewith the Annual Report of the National Endowment for the Arts for the fiscal year 1994.

Over the course of its history, the National Endowment for the Arts has awarded grants for arts projects that reach into every community in the Nation. The agency's mission is public service through the arts, and it fulfills this mandate through support of artistic excellence, our cultural heritage and traditions, individual creativity, education, and public and private partnerships for the arts. Perhaps most importantly, the Arts Endowment encourages arts organizations to reach out to the American people, to bring in new audiences for the performing, literary, and visual arts.

The results over the past 30 years can be measured by the increased presence of the arts in the lives of our fellow citizens. More children have contact with working artists in the classroom, at children's museums and festivals, and in the curricula. More older Americans now have access to museums, concert halls, and other venues. The arts reach into the smallest and most isolated communities, and in our inner cities, arts programs are often a haven for the most disadvantaged, a place where our youth can rediscover the power of imagination, creativity, and hope.

We can measure this progress as well in our re-designed communities, in the buildings and sculpture that grace our cities and towns, and in the vitality of the local economy whenever the arts arrive. The National Endowment for the Arts works the way a Government agency should work—in partnership with the private sector, in cooperation with State and local government, and in service to all Americans. We enjoy a

rich and diverse culture in the United States, open to every citizen, and supported by the Federal Government for our common good and benefit.

WILLIAM J. CLINTON.

THE WHITE HOUSE, *March 28, 1996.*

MESSAGES FROM THE HOUSE

At 10:26 a.m., a message from the House of Representatives, delivered by Ms. Goetz, one of its reading clerks, announced that the House agree to the amendments of the Senate to the bill (H.R. 1833) to amend title, United States State Code, to ban partial-birth abortions.

The message also announced that pursuant to the provisions of section 1 of Public Law 102–246, the Speaker appoints Mrs. Marguerite S. Roll of Paradise Valley, AZ, as a member from private life, to the Library of Congress Trust Fund Board on the part of the House to a 3-year term.

The message further announced that pursuant to the provisions of 22 U.S.C. 276d, the Speaker appoints Mr. Houghton of New York, chairman, on the part of the House to the United States Delegation of the Canada-United States Interparliamentary Group.

The message also announced that the House agrees to the following concurrent resolution, in which it requests the concurrence of the Senate:

H. Con. Res. 102. Concurrent resolution concerning the emancipation of the Iranian Baha'i community.

ENROLLED BILL SIGNED

At 12:07 p.m., a message from the House of Representatives, delivered by Mr. Hays, one of its reading clerks, announced that the Speaker has signed the following enrolled bill:

H.R. 2969. An act to eliminate the Board of Tea Experts by repealing the Tea Importation Act of 1897.

At 2:49 p.m., a message from the House of Representatives, delivered by Ms. Goetz, one of its reading clerks, announced that the House agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the House of Representatives to the bill (S. 4) to grant the power to the President to reduce budget authority.

At 5:35 p.m., a message from the House of Representatives, delivered by Mr. Hays, one of its reading clerks, announced that the House has passed the following bill, in which it requests the concurrence of the Senate:

H.R. 3136. An act to provide for enactment of the Senior Citizens' Right to Work Act of 1996, the Line Item Veto Act, and the Small Business Growth and Fairness Act of 1996, and to provide for a permanent increase in the public debt limit.

At 6:55 p.m., a message from the House of Representatives, delivered by Mr. Hays, one of its reading clerks, announced that the Speaker has signed the following enrolled bill and joint resolution:

S. 4. An act to give the President line item veto authority with respect to appropriations, new direct spending and limited tax benefits.

H.J. Res. 168. Joint resolution waiving certain enrollment requirements with respect to two bills of the One Hundred Fourth Congress.

The enrolled bill and joint resolution were signed subsequently by the President pro tempore [Mr. THURMOND].

MEASURE PLACED ON THE CALENDAR

The following concurrent resolution was placed on the calendar:

H. Con. Res. 102. Concurrent resolution concerning the emancipation of the Iranian Baha'i community.

ENROLLED JOINT RESOLUTION PRESENTED

The Secretary of the Senate reported that on March 22, 1996 he had presented to the President of the United States, the following enrolled joint resolution:

S.J. Res. 38. A joint resolution granting the consent of Congress to the Vermont-New Hampshire Interstate Public Water Supply Compact.

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC–2199. A communication from the Secretary of Labor, transmitting, pursuant to law, a report entitled "Core Data Elements and Common Definitions for Employment and Training Programs"; to the Committee on Labor and Human Resources.

EC–2200. A communication from the Secretary of Transportation, transmitting, pursuant to law, a report relative to the Hellenikon International Airport, Athens, Greece; to the Committee on Commerce, Science, and Transportation.

EC–2201. A communication from the Deputy Administrator of the General Services Administration, transmitting, pursuant to law, the report of a building project survey; to the Committee on Environment and Public Works.

EC–2202. A communication from the Chairman of the National Endowment for the Humanities, transmitting, pursuant to law, the report under the Federal Managers' Financial Integrity Act; to the Committee on Governmental Affairs.

EC–2203. A communication from the Administrator of the U.S. Small Business Administration, transmitting, pursuant to law, the report under the Federal Managers' Financial Integrity Act for fiscal year 1995; to the Committee on Governmental Affairs.

EC–2204. A communication from the Chairman of the U.S. Nuclear Regulatory Commission, transmitting, pursuant to law, the report under the Government in the Sunshine Act for calendar year 1995; to the Committee on Governmental Affairs.

PETITIONS AND MEMORIALS

The following petitions and memorials were laid before the Senate and were referred or ordered to lie on the table as indicated:

POM–537. A resolution adopted by the Council of the City of Willowick, Lake County, Ohio relative to the Internet; to the Committee on Commerce, Science, and Transportation.

POM–538. A resolution adopted by the Legislature of the Virgin Islands; ordered to lie on the table.

"RESOLUTION No. 1551

"Whereas, the global spread of HIV infection and AIDS necessitates a worldwide effort to increase communication, education and preventive action to stop the spread of HIV and AIDS; and

"Whereas, the World Health Organization has designated December 1st of each year as World AIDS Day, a day to expand and strengthen the worldwide effort to stop the spread of HIV and AIDS; and

"Whereas, the World Health Organization now estimates that 18.5 million people have been infected with HIV and that more than 1.5 million of them have developed AIDS; and

"Whereas, the American Association for World Health is encouraging a better understanding of the challenge of HIV and AIDS nationally as it recognizes that the number of people diagnosed with HIV and AIDS in the United States continues to increase; and

"Whereas, an estimated 1 in 250 Americans are currently HIV positive and over 441,528 AIDS cases have been reported (as of December 31, 1994); and

"Whereas, of these 441,528 people, 85% were men and 13% were women; and

"Whereas, the remaining 2% were children less than 13 years old; and

"Whereas, through 1994, a total of 870,270 AIDS related deaths have been reported to the Center for Disease Control (CDC); and

"Whereas, the United States has the highest reported rate of AIDS in the industrialized world; and

"Whereas, World AIDS Day provides an opportunity to focus on HIV infection and AIDS, to show care for people with HIV infection and AIDS, and to learn about HIV and AIDS; and

"Whereas, World AIDS Day focuses on "Shared Rights and Shared Responsibilities; and

"Whereas, the Legislature of the Virgin Islands urges Virgin Islanders to protect everyone's right to HIV and AIDS prevention and care; and

"Whereas, the Legislature of the Virgin Islands recognizes that everyone shares the same human rights regardless of their HIV status; and

"Whereas, the Legislature of the Virgin Islands emphasizes the shared responsibilities of individuals, families, and governments and the international community to promote prevention; and

"Whereas, December 1, 1995, has been declared as "World AIDS Day"; and

"Whereas, all Virgin Islanders are urged to take part in activities and observances designed to increase the awareness and understanding of HIV and AIDS as a global challenge by wearing a red ribbon; and

"Whereas, the wearing of a red ribbon unifies the many voices seeking a meaningful response to the AIDS epidemic and shows a commitment to the fight against this disease; and

"Whereas, the red ribbon symbolizes the hope that one day soon the AIDS epidemic

will end, that the sick will be healed, and that the stress upon our society will be relieved; and

"Whereas, the red ribbon also serves as a constant reminder of the many people in these Virgin Islands, as well as the world over, suffering as a result of this disease, and of the many people working to find a cure; and

"Whereas, the red ribbon demonstrates compassion for people with AIDS and their caretakers, and shows support for education and research leading to effective treatments, vaccines, and a cure; Now, therefore, be it

"*Resolved by the Legislature of the Virgin Islands:*

"SECTION 1. The Legislature of the Virgin Islands, on behalf of the people of the Virgin Islands, officially recognizes World AIDS Day and joins the global effort to prevent the further spread of HIV and AIDS.

"SECTION 2. Copies of this resolution shall be forwarded to the President of the United States, each member of the United States Congress, and the President of the American Association for World Health.

POM-539. A resolution adopted by the Western Legislative Conference relative to congratulatory message; ordered to lie on the table.

POM-540. A resolution adopted by the Western Legislative Conference relative to export finance assistance; ordered to lie on the table.

POM-541. A resolution adopted by the Western Legislative Conference relative to appreciation; ordered to lie on the table.

POM-542. A resolution adopted by the Western Legislative Conference relative to appreciation; ordered to lie on the table.

POM-543. A resolution adopted by the Western Legislative Conference relative to Federal Medicaid proposals; ordered to lie on the table.

POM-544. A resolution adopted by the Western Legislative Conference relative to long-term care insurance partnerships; ordered to lie on the table.

POM-545. A resolution adopted by the Western Legislative Conference relative to the designation of wilderness areas; ordered to lie on the table.

POM-546. A resolution adopted by the Western Legislative Conference relative to Federal rangeland reforms; ordered to lie on the table.

POM-547. A resolution adopted by the Western Legislative Conference relative to nuclear materials management; ordered to lie on the table.

POM-548. A resolution adopted by the Western Legislative Conference relative to wetlands management; ordered to lie on the table.

POM-549. A resolution adopted by the Western Legislative Conference relative to Federal environmental statutes; ordered to lie on the table.

POM-550. A resolution adopted by the Western Legislative Conference relative to regulatory reform principles; ordered to lie on the table.

POM-551. A resolution adopted by the Western Legislative Conference relative to the Clean Water Act; ordered to lie on the table.

POM-552. A resolution adopted by the Western Legislative Conference relative to the cleanup of hazardous and radioactive wastes at Federal facilities; ordered to lie on the table.

POM-553. A resolution adopted by the Western Legislative Conference relative to coordinated ecosystem management and marine biodiversity; ordered to lie on the table.

POM-554. A resolution adopted by the Western Legislative Conference relative to the management of Pacific fishery resources; ordered to lie on the table.

POM-555. A resolution adopted by the Western Legislative Conference relative to the coastal and ocean management; ordered to lie on the table.

POM-556. A resolution adopted by the Western Legislative Conference relative to economic zones; ordered to lie on the table.

POM-557. A resolution adopted by the Western Legislative Conference relative to the Pacific Ocean; ordered to lie on the table.

POM-558. A resolution adopted by the Western Legislative Conference relative to water issues; ordered to lie on the table.

POM-559. A resolution adopted by the Western Legislative Conference relative to public lands; ordered to lie on the table.

POM-560. A resolution adopted by the Western Legislative Conference relative to the Bureau of Land Management; ordered to lie on the table.

POM-561. A resolution adopted by the Western Legislative Conference relative to higher education programs; ordered to lie on the table.

POM-562. A resolution adopted by the Western Legislative Conference relative to educational technology; ordered to lie on the table.

POM-563. A resolution adopted by the Western Legislative Conference relative to school-to-work systems; ordered to lie on the table.

POM-564. A resolution adopted by the Western Legislative Conference relative to WLC meetings; ordered to lie on the table.

POM-565. A resolution adopted by the Western Legislative Conference relative to Federal transportation grants; ordered to lie on the table.

POM-566. A resolution adopted by the Western Legislative Conference relative to trade; ordered to lie on the table.

POM-567. A petition from a citizen of the State of Wisconsin relative to scholarships; to the Committee on Armed Services.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. MURKOWSKI, from the Committee on Energy and Natural Resources, without amendment:

S. 1596. A bill to direct a property conveyance in the State of California (Rept. No. 104-247).

By Mr. CHAFEE, from the Committee on Environment and Public Works, without amendment:

H.R. 255. A bill to designate the Federal Justice Building in Miami, Florida, as the "James Lawrence King Federal Justice Building".

H.R. 869. A bill to designate the Federal building and U.S. Courthouse located at 125 Market Street in Youngstown, Ohio, as the "Thomas D. Lambros Federal Building and U.S. Courthouse".

H.R. 1804. A bill to designate the United States Post Office-Courthouse located at South 6th and Rogers Avenue, Fort Smith, Arkansas, as the "Judge Isaac C. Parker Federal Building".

H.R. 2415. A bill to designate the United States Customs Administrative Building at the Ysleta/Zaragosa Port of Entry located at 797 South Ysleta in El Paso, Texas, as the "Timothy C. McCaghren Customs Administrative Building".

H.R. 2556. A bill to redesignate the Federal building located at 345 Middlefield Road in Menlo Park, California, and known as the Earth Sciences and Library Building, as the "Vincent E. McKelvey Federal Building".

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted:

By Mr. PRESSLER, from the Committee on Commerce:

SAINT LAWRENCE SEAWAY DEVELOPMENT CORPORATION

William L. Wilson, of Minnesota, to be a Member of the Advisory Board of the Saint Lawrence Seaway Development Corporation.

COMMUNICATIONS SATELLITE CORPORATION

Barry M. Goldwater, Sr. of Arizona, to be a Member of the Board of Directors of the Communications Satellite Corporation until the date of the annual meeting of the Corporation in 1998. (Reappointment)

COMMUNICATIONS SATELLITE CORPORATION

Peter S. Knight, of the District of Columbia, to be a Member of the Board of Directors of the Communications Satellite Corporation until the date of the annual meeting of the Corporation in 1999. (Reappointment)

COAST GUARD

The following regular officers of the U.S. Coast Guard for promotion to the grade of rear admiral:

John E. Shkor	Douglas H. Teeson
Paul E. Busnick	Edward J. Barrett
John D. Spade	

The following regular officers of the U.S. Coast Guard for promotion to the grade of rear admiral (lower half):

Joseph J. McClelland, Jr.	Paul J. Pluta
John L. Parker	Thad W. Allen

COAST GUARD

Vice Admiral James M. Loy, U.S. Coast Guard, to be Chief of Staff, U.S. Coast Guard, with the grade of vice admiral while so serving.

Vice Admiral Richard D. Herr, U.S. Coast Guard, to be vice commandant, U.S. Coast Guard, with the grade of admiral while so serving.

Vice Admiral Kent H. Williams, U.S. Coast Guard, to be commander, Atlantic Area, U.S. Coast Guard, with the grade of vice admiral while so serving.

Rear Admiral Roger T. Rufe, Jr., U.S. Coast Guard, to be commander, Pacific Area, U.S. Coast Guard, with the grade of vice admiral while so serving.

The following-officer of the U.S. Coast Guard Reserve for promotion to the grade of rear admiral:

Richard W. Schneider

The following officer of the U.S. Coast Guard Reserve for promotion to the grade of rear admiral (lower half):

Jan T. Riker

(The above nominations were reported with the recommendation that they be confirmed, subject to the nominees' commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

Mr. PRESSLER. Mr. President, for the Committee on Commerce, Science, and Transportation, I also report favorably six nomination lists in the Coast Guard, which were printed in full in the CONGRESSIONAL RECORD on November 28, 1995, January 22, 1996, February 9, 1996, February 20, 1996, March 5, 1996, and March 11, 1996, 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 November 28, 1995, January 22, 1996, February 9, 1996, February 20, 1996, March 5, 1996, and March 11, 1996, at the end of the Senate proceedings.)

The following officers of the United States Coast Guard Reserve for promotion to the grade indicated:

To be captain

George J. Santa Cruz
Gregory E. Shapley

To be commander

James E. Litsinger
Dale M. Rausch
Maury A. Weeks
Donald E. Bunn

To be lieutenant commander

Pinkey J. Clark
Kevin M. Pratt

The following individual for appointment as a permanent regular commissioned officer in the United States Coast Guard in the grade of lieutenant:

Sherry A. Comar

Pursuant to the provisions of 14 USC 729, the following-named commanders of the Coast Guard Reserve to be permanent commissioned officers in the Coast Guard Reserve in the grade of captain:

Steven D. Poole
Thomas J. Falvey
John P. Miceli
Gerald P. Fleming
Catherine A. Bennett
Roderick L. Powell
Richard T. Walde
Frank A. Freisheim
Brian J. McDonnell
Ivan R. Krissel
Richard E. Tinsman
Kevin J. MacNaughton

The following Regular officers of the United States Coast Guard for promotion to the grade of lieutenant commander in the Coast Guard:

Michael S. Fijalka
Joseph P. Sargent, Jr.
Gerald E. Anderson
Kristopher G. Furtney
George E. Butler
Gary A. Schenk
Margaret S. Bosin
Guy R. Theriault
Richard A. Sparacino
Mark S. Hemann
Gregory A. Cruthis
Ralph Haes
Charles D. Dahill
Steven R. Godfrey
Wesley E. Driver
Edward B. Swift
Walter B. Wrzesniewski
Francis J. Elfring
Philip F. Dolin
Michael A. Walz
Nicholas F. Russo
Bryan R. Emond
Dale M. Jones, Jr.
Christopher P. Scraba
Stephen C. Rothchild
Byron H. Romine
Michael W. Shomin
Meredith L. Austin
Gary D. Lakin
Stephen S. Scardefield
Joseph D. Phillips
Carlyle A. Blomme
Kelly S. Strong
Thomas J. Hughes
Wayne D. Cawthorn
Joseph C. McGuiness
Frank H. Kingett
Daniel J. Christovich
Robin E. Kane
Robert B. Watts
Keith J. Turro
Lori A. Mathieu
Davis L. Kong
Edward J. Gibbons
Manuel R. Raras III
Edwardo Gagarin
Mathew E. Miller
David M. Singer
Douglas H. Olson
Lincoln H. Benedict
Scott A. Fleming
Brian F. Poskaitis
Kevin P. Crawley
Terry L. Hoover
Duane F. Rumpca
Daniel S. Rotermund
Adolph L. Keyes
Ronald L. Roddam
John T. Fox
Mark R. Dix
James R. Manning
Nancy R. Goodridge
Gregory C. Busch
James J. Fisher
Robert T. Vicente
Timothy A. Cook
Brian C. Emrich
Catherine A. Haines
Todd K. Watanabe
Brendan C. Frost
Michael R. Hicks
Jacob R. Ellefson
James L. Knight
Laura L. Schmitt
James F. Martin
Christine C. Pippenger
Elizabeth A. Lasicki
Steven C. Truhlar
Gary M. Thomas
Jay Jewess
Christopher Yakabe
David A. Vaughn
Geoffrey A. Trivers
Steven V. Carleton
Robert S. Burchell
Robert E. Brogan
Terance E. Keenan
Laurie J. Mosier
Mark S. Ogle
Wayne P. Brown
Steven A. Weiden
Joseph J. Turosky III
Eric J. Forde
Thomas A. Saint, Jr.
Charles A. Schue III
Frederick A. Salisbury
Michael C. Ryan
Wesley S. Trull
Guy A. McArdle
Roger V. Bohnert
George J. Bowen II
John A. Meehan
William J. Ziegler
Douglas W. Stephan
Douglas R. McCrimmon, Jr.
David P. Dangelo
Douglas W. Simpson
Brian L. Dunn
Kenneth J. Reynolds
Douglas I. Hatfield
Brenton S. Michaels
Joseph A. Lukinich, Jr.
Rondal B. Litterell
David C. Hoard
Carl B. Hansen
Gregory S. Omernik
Ernest M. Gaskins
Brian A. Sanborn
Howard R. White
Alberto L. Perez-Vergara
William F. Imle
Linn M. Carper
Jerry R. Honeycutt, Jr.
Joseph B. Kolb
Frederick E. Bartlett
Andrew W. Connor
Gerald A. Green
Carolyn M. Deleo
Robert B. Burris
Christopher L. Roberge
Jon G. Beyer
Patrick Little
John D. Sharon
Michael B. Christian
Michael F. McAllister
Tommey H. Meyers
Matthew Von Ruden
Karl J. Gabrielsen
James S. Plugge
Daniel T. Pippenger
Werner A. Winz
Thomas E. Hickey
Christopher J. Tomney
Mark T. Lunday
James R. Lee
John N. Healey
Kurt A. Van Horn
Mark Dietrich
Hung M. Nguyen
John R. Caplis
Steven T. Baynes
Todd S. Turner
Timothy P. Leary
Brandt G. Rousseaux
James M. Heinz
Mark P. Peterson
Byron E. Thompson
Michael A. Mohn
Gregory J. Sundgaard
Richard K. Hunt
Paul S. Szwed
Mark A. True
Mark A. Cawthorn
Kathryn L. Oakley
Barry A. Compagnoni
Robert J. Klapproth
Craig L. Eller
Mark E. Dolan
Frederick G. Myer
Charles A. Turner
Christopher D. Brewton
Dale A. Bouffiou
Chris A. Nettles
Lia E. Debettencourt
John G. Hornbuckle
Mark J. Metoyer
Richard E. Petherbridge
Craig A. Lindsey
Kimberly J. Nettles

The following Regular and Reserve Officers of the United States Coast Guard to be permanent commissioned officers in the grades indicated:

To be lieutenant

Gerald E. Anderson
Charles D. Dahill
Nancy R. Goodridge
Douglas I. Hatfield
James J. Jones
Mark A. Willis
Stephen E. Schroeder
Timothy J. Gilbride
James J. Mikos
Paul A. Gummel
Edward J. Vandusen
David M. Flaherty
John L. Beamon
Hewitt A. Smith III
Marcus X. Lopez
Sean D. Salter
James Q. Stevens III
Charles H. Simpson, Jr.
Daniel J. Molthen
Rogers W. Henderson
Scott H. Olson
Brian W. Roche
Robert T. Hendrickson, Jr.
Paul E. Gerecke
David W. Mooney
Gerald M. Charlton, Jr.
Kurt A. Lutzow
Gerald A. Williams
Jose A. Saliceti
Timothy A. Mayer
Todd C. Hall
Michael L. Gatlin
Christine R. Gustafson
James Borders, Jr.
Kevin R. Sheer
Thomas S. MacDonald
James W. Bartlett
Peter J. Clemens
James A. Stewart
Carla J. Grantham
Kevin A. Jones
Susan R. Klein
Jeffrey K. Pashai
Wesley K. Pangle
Karen L. Brown
Neil H. Shoemaker
Brian P. Washburn
Kristin K. Barlow
Lara N. Burleson
Christel A. Dahl
Mark A. Emmons
Jose M. Zunica
Andres V. Delgado
Garth B. Hirata
David E. Hoten
George R. Lee
Robert L. Smith
Robert C. Gaudet
Mark J. Morin
Jeffrey A. Baillargeon
Barbara N. Benson
Michelle R. Webber
Darnell C. Baldinelli
Michael H. Day

To be lieutenant (junior grade)

Jeffrey R. McCullars
Paul E. Dittman
Daniel H. Mades
Christopher B. O'Brien
Peter V. Nourse
David R. Simeur II
Dean J. Dardis
Patrick S. McElligatt
Nancy L. Peavy
Edward A. Westfall
William A. Birch
Randall G. Wagner
Douglas R. Campbell
Karl D. Dornburg
Joyce E. Aivalotis
Melvin Wallace
Andre L. McGee
Charles G. Alcock
Thomas J. Salveggio
Tony M. Cortes
Steven E. Vigus
Matthew X. Glavas
Lisa A. Ragone
Ronald K. Grant
Eric L. Tyson
Gregory N. Delong
David A. Bullock
Timothy J. Cotchay
Bob I. Feigenblatt
Stephen A. McCarthy
Ramon E. Ortizvalez
Thomas W. Harker
Kyle A. Adams
Daniel R. Norton
Bruce D. Cheney, Sr.
Christopher K. Bish
Kevin L. Rebrook
Mark P. Doran
Kathleen M. McNulty
Brendan C. Bennick
William E. Runnels
Michael R. Charbonneau
Bradley J. Ripkey
Michael Sakaio
Christina M. Bjergo
James E. Elliott
Brett A. Taft
Joseph F. Rock, Jr.
Joseph M. Fierro
Charles A. Caruolo
Karl I. Meyer
Michael A. Baroody
Robert I. Coller
Robert R. Harper, Jr.
Joseph Ponseti, Jr.
William R. Timmons
Peter A. Yelle
Claudia C. Gelzer
Daniel D. Unruh
Mark Marchione
Matthew D. Woodward
John A. Denard
John B. Milton
John A. Cromwell
Scott A. Hinton
Orin E. Rush, Jr.
Mitchell A. Morrison
Christopher B. Hill
Alan L. Blume
Jeffery W. Thomas
Larry L. Littrell
Christopher M. Holmes
Thomas N. Thomson
Bryan P. Rorke
David H. Anderson
Edward W. Price, Jr.
Thomas J. Robinson II
Richard M. Klein
Jerry J. Briggs
William G. Lutman
Gregory L. Carter
Roger A. Smith
James V. Mahney, Jr.
Kevin N. Knutson
Donna G. Urban

Raymond C. Milne III
Joel B. Roberts
Dale Dean
David J. Wierenga
Mark J. Bruyere
Thomas J. Goldberg
Michael F. Trevett
John G. White
Timothy A. Tobiasz
Christopher S. Nicolson
Dale A. Bluemel
Lawrence A. Kiley
Whitney L. Yelle
James F. Blow
Edward W. Sandlin II
Scott D. Stewart
Ismal Curet
Michael A. Vanvoorhees
Lewis M. Werner
Charles A. Roskam II
James A. Nussbaumer
Kevin Y. Pekarek
Michael T. Lingaitis
Erich M. Telfer
Constantina A. Stevens

The following cadets of the United States Coast Guard Academy for appointment to the grade of ensign:

Stephen Adler
Todd Adrian
Andrew Aguilar
Christopher Allan Ahearn
Kristina Marie Ahmann
Lee Allison
Brian Robert Anderson
Pete Agrao
David Lewis Arritt
Scott Aten
Jonathan Dickinson Baker
Alain Velasco Balmacedo
Clifford Ronald Bambach
Agustus James Bannan
Timothy James Barelli
Che Jeremy Barnes
Jennifer Alice Beaver
Eric Michael Belleque
Scott David Benson
John Berry
Robert Humber Bickerstaff
Jeff Brian Bippert
Dawn Black
Chad Eric Bland
Jed Robert Boba
George Charles Bobb
Michael Bolz
Fred Van Boone
Russell Eugene Bowman
Sean Terrence Brady
Paul Brooks
Andy Scott Brown
Heath Michael Brown
Jessica Irene Brown
Thomas Russell Brown
Timothy Tyson Brown
William Alan Budovec
Marc Alan Burd
Erva Jennifer Burhans
Travis Lance Burns
Colin Edward Campbell
Rachelle Lyn Cannon
Willie Lee Carmichael
Scott Eric Carroll
Anthony Cella
Adam Abraham Chamie
Casey Louis Chmielewski
Bradley Clare
Kathryn Nadene Clevenger
Eric Mitchell Cooper
Phillip Alexander Cowall
Phillip Allen Crigler
Timothy Patrick Cronin
Christopher Francis Dabbieri
Quincy Lamont Davis
Seth Joo Yong Denning
Jared Colin Dillian
Patrick Dougan
William Albert Dronen
William Earle Duncan
Michael P. Duren
Michael Arthur Edwards
Timothy Aaron Mahr
Zachary Joseph Malinoski
Gary Mason
Gregory Alen Matyas
Austin Joseph McGuire
Eileen Patricia Meehan
Tracy Walsh Mehr
Brian Arthur Meier
Peter Neal Melnick
Sally Messer
Brian Miles
Christopher Michael Milkie
Gabrielle Genevieve Miller
Emily Minbiole
Erica Lea Mohr
Robert Thomas Moorhouse
Joe L. Morgan
Seal Gregory Morrissey
Jesse Clate Morton
Todd William Moyer
Michael Shawn Moyers
Jonathan Edward Musman
Adam Eric Nebrich
Benjamin Louis Nicholson
Craig Mickael O'Brien
John Kenneth O'Connor
James Joseph O'Kane
Thomas Andrew Olenchock
Matthew Orendorff
Drew Francis Orsinger
Brian Palm
Michael John Paradise
Andrew Thomas Pecora
Scott Thomas Peterein
Hillary Genelle Peterson
Ty Jeremy Peterson
Christopher Brian Phelan
Lena Michele Piazza
Richard Charles Pokropski
Michelle Lee Quach
Brian Kevin Riemer
Erick Roane
Keith Michael Ropella
Michael Ray Roschel
Andrew Eric Rosenbaum
Brad Rosello
Herbert Henry Eggert
Michael James Ennis
Philip Allan Ero
Salvatore Jason Fazio
Michele Flaherty
Taina Fonseca
Anthony F. Franzago
Michael Shariff Fredie
Ernie Toledo Gameng
Juan Garcia
Christofer Lyle German
Michael Ryan Gesele
William Raymond Gibbons
Steven Gilbert
Kevin David Glynn
Raja Goel
Peter Ward Gooding
Dennis Michael Gordon
Michael Patrick Guldin
Fernando Gutierrez
Timothy Dale Hammond
Colin Harding
Mark Koffman Harris
Rebecca Pearl Harvey
Chris S. Hayter
Jalyn Gail Heil
Robert Hengst
John Hennigan
Mark Donald Heupel
Eric Edwards Hoernemann
Christy Lynn Hogan
Eli Hoory
Eric Kenneth Horn
Walter Laurence Horne
Robert Anthony Hueller
John Paul Humpage
Mark Alan Jackson
Benjamin Alexandea Janczyk
Merle Johnson
Reese Parker Johnson
Samuel Johnson
Anthony Raymond Jones
Alexander Sarol Joves
Eirik Thomasson Kellogg
Carl Martin Kepper
Robert John Keramidas
Adam Lincoln Kerr
Timothy James Kerze
Fair Charlie Kim
Jooyi Kim
William Anderson King
Heather Kristine Klemme
Chris Kluckhuhn
Sean Adam Komatinsky
Gabrielle Nicole Krajenski
Jason A. Kremer
Paul Emil Lafond
Karl David Lander
James Willis Larson
Ryon L. Little
Scott Stanley Littlefield
Katherine Mary MacDonald
Ryan Alexander Roslonek
Anthony Lee Russell
Michael Ryan
Olav Magnus Saboe
Andrea Lynn Sacchetti
Jerry Wayne Saddler
Matthew J. Salas
Aaron Michael Sanders
Derek Thomas Schade
Daniel Schaeffer
Tabitha A. Schiro
Michael Schoonover
Cynthia Seamands
Edward See
Richard Servantez
John Edward Shkor
Jeremy Charles Smith
Christain Jared Souter
Eric Ryan St. Pierre
Nell Baynham Stamper
Jane Elizabeth Stegmaier
Scott Allan Stoermer
Brian Patrick Storey
Tracy Ann Strock
Daniel Matthew Stulack
Jonathan Theel
Michael David Thomas
Randall Thomas
Paul Edward Tressa
Woodrow E. Turner
Todd David Vance
Mark Aaron Voris
Gretchen Anne Wagner
Michael Anthony Walsh
Daniel Ward
Eric Ward
Donis Wayne Waters
Michelle Renee Watson
Andres Michael Went
William Edward Whitaker
Laurina Mae-Anne Wilcox
Mark Wilcox
Anthony Wade Williams
Douglas Erhardt Williams
Torrence Bement Wilson
Kimberly Zust

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 Mrs. HUTCHISON:

S. 1648. A bill to authorize the Secretary of Transportation to issue a certificate of documentation with appropriate endorsement for employment in the coastwise trade for the vessel *Herco Tyme;* to the Committee on Commerce, Science, and Transportation.

By Mr. KERREY (for himself, Mr. DOLE, Mr. EXON, and Mrs. KASSEBAUM):

S. 1649. A bill to extend contracts between the Bureau of Reclamation and irrigation districts in Kansas and Nebraska, and for other purposes; to the Committee on Energy and Natural Resources.

By Mr. HARKIN (for himself, Mr. KERRY, Mr. SIMON, Mr. LEAHY, Ms. MIKULSKI, and Mr. INOUYE):

S. 1650. A bill to amend the Fair Labor Standards Act of 1938 to prohibit discrimination in the payment of wages on account of sex, race, or national origin, and for other purposes; to the Committee on Labor and Human Resources.

By Mr. WARNER:

S. 1651. A bill to amend title 10, United States Code, to permit covered beneficiaries under the military health care system who are also entitled to medicare to enroll in the Federal Employees Health Benefits program; to the Committee on Armed Services.

By Mr. McCONNELL:

S. 1652. A bill to amend the Juvenile Justice and Delinquency Prevention Act of 1974 to establish a national resource center and clearinghouse to carry out training of State and local law enforcement personnel to more effectively respond to cases involving missing or exploited children, and for other purposes; to the Committee on the Judiciary.

By Mr. CONRAD:

S. 1653. A bill to prohibit imports into the United States of grain and grain products from Canada, and for other purposes; to the Committee on Finance.

By Mrs. BOXER (for herself and Mr. BRADLEY):

S. 1654. A bill to apply equal standards to certain foreign made and domestically produced handguns; 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. DOLE (for himself, Mr. PELL, Mr. D'AMATO, Mr. PRESSLER, Mr. LEVIN, and Mr. FEINGOLD):

S. Con. Res. 50. A concurrent resolution concerning human and political rights and in support of a resolution of the crisis in Kosova; to the Committee on Foreign Relations.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. KERREY (for himself, Mr. DOLE, Mr. EXON, and Mrs. KASSEBAUM):

S. 1649. A bill to extend contracts between the Bureau of Reclamation and irrigation districts in Kansas and Nebraska, and for other purposes; to the Committee on Energy and Natural Resources.

THE IRRIGATION PROJECT CONTRACT EXTENSION ACT OF 1996

• Mr. KERREY. Mr. President, I introduce legislation to extend the water service contracts for irrigation projects in Nebraska and Kansas.

Mr. President, a little over 50 years ago, Congress authorized construction of a set of water management projects as a part of the Flood Control Act of 1944. These projects were designed to provide control, conservation, and use of water resources throughout the Missouri River basin. Known as the Pick-Sloan Missouri Basin Program, the system has provided flood control, power generation and irrigation to over 3.7 million acres, as well as stream pollution abatement, sediment control, water supplies for cities and industry, enhancement of fish and wildlife, and recreation opportunities.

Each of the projects had 40-year water service contracts for irrigation with the Bureau of Reclamation, in the Department of the Interior. These contracts are beginning to expire. In fact, three of those 40-year contracts will expire on December 31 of this year. Though the procedures for contract renewal were not spelled out, it is clear that contract renewal was considered when the original agreements were made. It is also clear that an immediate extension of the service contracts is necessary. Extending these contracts will give the Bureau of Reclamation the necessary time to complete the contract renewal process as well as provide us time to collect input to fully evaluate our options and maximize the benefits of the best option.

The legislation I introduce today is straight-forward and simple: It would extend each of 10 water service contracts upon expiration for a period of 4 years. The terms of each contract would be the same as those originally negotiated.

I am glad to be able to say that this legislation has the full and bipartisan support of each Senator from both of the affected States, Nebraska and Kansas. It has been a real pleasure to work with each of my cosponsors on an issue where we found such clear and easy agreement, both about what needed to be done and how to get there. So, on behalf of myself, the majority leader, BOB DOLE, my friend and fellow Nebraskan JIM EXON, NANCY KASSEBAUM, and the thousands of Nebraskans, Kansans, and visitors who benefit from these projects, I introduce the Irrigation Project Contract Extension Act of 1996.•

By Mr. HARKIN (for himself, Mr. KERRY, Mr. SIMON, Mr. LEAHY, Ms. MIKULSKI, and Mr. INOUYE):

S. 1650. A bill to amend the Fair Labor Standards Act of 1938 to prohibit discrimination in the payment of wages on account of sex, race, or national origin, and for other purposes; to the Committee on Labor and Human Resources.

THE FAIR PAY ACT OF 1996

• Mr. HARKIN. Mr. President, the Equal Pay Act, passed in 1963, made it illegal to discriminate against women when determining pay levels for the same job. Since then, we have made some progress in reducing employment discrimination against women. But we cannot have equality of opportunity in the workplace without equality and fairness in wages and salary. Even though many women have moved up and out of traditionally female jobs, stereotypes and historical discrimination remain firmly imbedded in pay scales.

Current law has not done enough to combat wage discrimination when employers routinely pay lower wages to jobs that are dominated by women. That is why I am introducing the Fair Pay Act of 1996. The Fair Pay Act is designed to pick up where the Equal Pay Act left off by paying women equally for equivalent work.

The heart of the Fair Pay Act will make it illegal to discriminate against employees on the basis of sex, race, and national origin by requiring equal pay for work in jobs that are comparable in skill, effort, responsibility, and working conditions. Women and minorities make up 57 percent of the workforce and their salaries are an essential component of family income. It is a fundamental issue of fairness to provide equal pay for work that is of equal value to an employer.

Wage gaps can result from differences in education, experience, or time in the workforce and the Fair Pay Act does not interfere with that. But, just as there is a glass ceiling in the American workplace, there is also what I call a glass wall—where women are on the exact same level as their male coworkers. They have the same skills, they have the same type of responsibilities, but they are still obstructed from receiving the same pay. It is a hidden barrier, but a barrier all the same. And it is keeping out equality, opportunity, and above all fairness. The Fair Pay Act is about knocking down the glass wall.

To illustrate, consider a study done in the county of Los Angeles that compared the job requirements and salaries of children's social service workers who were mostly women and probation officers who were mostly men. The two jobs required the same skills and education, and the working conditions were similar. However, the social service workers were paid an average of $35,000 a year while the probation officers were paid an average of $55,000 a year—a $20,000 difference in salary.

Over a lifetime, that kind of wage gap adds up. The average woman loses $420,000 over a lifetime due to unequal pay practices. Such gaps in income are life changing: it can mean the difference between welfare and self-sufficiency, owning a home or renting, sending your kids to college or to flip burgers, or having a decent retirement instead of an uncertain old age.

The Fair Pay Act is a commonsense business issue. Women and minorities make up over half of the work force and fair pay is essential to attract and keep good workers.

The Fair Pay Act is an economic issue. Working women, after all, don't get special discounts when they buy milk. They can't get a special rate buying clothes for their kids. Bread and gasoline don't cost less for working women than working men. And women and minorities are certainly taxed at the same rate as men are, yet they don't get any break when April 15 rolls around.

The Fair Pay Act is a family issue. Family budgets are getting squeezed by the day. When women are discriminated against in their pay, they aren't the only ones who lose. When women aren't paid what they're worth, husbands and children get cheated too.

Now, I've heard the critics. Some say there is no discrimination in the workplace. It's just the natural economic forces paying workers their fair share.

Others say that this is a decision that should be left to the private sector alone. If the private sector wants to discriminate, they say, that should be their right. Well, we as a society have said discrimination in any form should not be tolerated and that's what this bill is about.

There is perhaps no other form of discrimination that has as direct an impact on the day-to-day lives of workers as economic discrimination. The Equal Pay Act was designed to end that. And it has helped. But we need to go further to address economic discrimination for equivalent work.

And most importantly, the American people want fair pay legislation. The Fair Pay Act has already been endorsed by a wide variety of groups and organizations. In addition, polling data consistently show that over 70 percent of the American people support a law requiring the same pay for men and women in jobs requiring similar skills and responsibilities. Please join me in supporting the Fair Pay Act of 1996. I welcome your ideas and suggestions.

Mr. President, I ask unanimous consent that additional material be printed in the RECORD.

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

WE SUPPORT THE FAIR PAY ACT

A. Philip Randolph Institute.
Adams National Bank.
AFL–CIO.
AFSCME.
American Association of Retired Persons.
American Association of University Women.
American Civil Liberties Union.
American Federation of Government Employees.
American Library Association.
American Nurses Association.
American Physical Therapy Association.
Americans for Democratic Action.
Bakery, Confectionery, Tobacco Workers International Union.
B'nai B'rith Women.
Business and Professional Women/USA.
Center for the Advancement of Public Policy.
Coal Employment Project.
Coalition of Black Trade Unionists.
Coalition of Labor Union Women.
Dulles Area NOW.
Episcopal Church Center, Women in Mission & Ministry.
Equal Rights Advocates.
Federally Employed Women.
Federation of Organizations for Professional Women (FOPW).
Financial Women International Fund for the Feminist Majority.
General Federation of Women's Clubs.
Industrial Union Department, AFL–CIO.
Institute for Research on Women's Health.
International Brotherhood of Teamsters.
Int'l Union of Electronic, Electrical, Salaried, Machine & Furn. Workers Union.
International Union, United Auto Workers.
Hubbard and Revo-Cohen, Inc.
Kentucky Commission on Women.
League of United Latin American Citizens.
MANA: A National Latina Organization.
National Association for Commissions for Women.
National Association for Girls and Women in Sport.
National Association of Social Workers.
National Association for the Advancement of Colored People.
National Committee on Pay Equity.
National Council of Jewish Women.
National Council of Negro Women.
National Education Association.
National Federation of Federal Employees.
National Organization for Women.
National Treasury Employees Union.
National Urban League.
National Women's Law Center.
Network: A National Catholic Social Justice Lobby.
Office and Professional Employees Int'l Union.
Self Help for Equal Rights.
Service Employees International Union.
The Newspaper Guild.
UNITE! Union of Needletrades, Industrial and Textile Employees.
United Food and Commercial Workers Union.
United Methodist Church.
Utility Workers Union of America.
Wider Opportunities for Women.
Women Employed.
Women in Communications, Inc.
Women on the Job.
Women of the Job Taskforce.
Women Work! The National Network for Women's Employment.
Women's Information Network.
Women's Legal Defense Fund.
Women's Self Employment Project.
YWCA of the USA.•

• Mr. LEAHY. Mr. President, today, more than half our population faces discrimination every day. Hard to believe, but it is true.

Women currently earn, on average, 28 percent less than men. That means for every dollar a man earns, a woman earns only 72 cents. Over a lifetime, the average woman will earn $420,000 less than the average man based solely on her sex. This is unacceptable. We must correct this gross inequity, and we must correct it now.

How is this possible with our Federal laws prohibiting discrimination? It is possible because we in Congress have failed to protect one of the most fundamental human rights—the right to be paid fairly for an honest day's work.

Unfortunately, our laws ignore wage discrimination against women and minorities, which continues to fester like a cancer in workplaces across the country. The Fair Pay Act of 1996 would close this legal loophole by prohibiting discrimination based on wages.

I do not pretend that this act will solve all the problems that women and minorities face in the workplace. It is, however, an essential piece of the puzzle.

Equal pay for equal work is often a subtle problem that is difficult to combat. And it does not stand alone as an issue that women and minorities face in the workplace. It is deeply intertwined with the problem of unequal opportunity. Closing this loophole is not enough if we fail to provide the opportunity for women and minorities, regardless of their merit, to reach higher paying positions.

The Government, by itself, cannot change the attitudes and perceptions of individuals or private businesses in hiring and advancing women and minorities, but it can set an example. Certainly, President Clinton has shown great leadership by appointing an unprecedented number of women to his administration. Earlier this week, the Department of Defense, the Nation's largest employer of women, reached a milestone when President Clinton appointed the first female three-star general, Maj. Gen. Carol Mutter of the U.S. Marine Corps. I share her sentiment when she said she could not wait until there were no more firsts for women. The Government has a long way to go, however, since General Mutter will be the lone woman out of more than 100 three-star officers.

The private sector also has a long way to go to provide equal opportunity. The report released by the Glass Ceiling Commission last year found that 95 percent of the senior managers of Fortune 1000 industrial and Fortune 500 companies are white males. The Glass Ceiling Commission also found that when there are women and minorities in high places, their compensation is lower than white males in similar positions. This wage inequality is the issue we seek to address today.

In the next decade, the changing nature of the workplace—women and minority men will make up 62 percent of the work force by the year 2005—will force businesses to look at the larger pool of qualified Americans to continue to be competitive in the marketplace. As this change occurs, we must demand fair pay for equal work.

For the first time in our country's long history, this bill outlaws discrimination in wages paid to employees in equivalent jobs solely on the basis of a worker's sex, race, or national origin. I say it is about time. I commend Senator HARKIN for introducing the Fair Pay Act, and I am proud to be an original cosponsor of it.

The Fair Pay Act would remedy gender and race wage gaps under a balanced approach that takes advantage of the employment expertise of the Equal Employment Opportunity Commission [EEOC], while providing flexibility to small employers . In addition, it would safeguard legitimate wage differences caused by a seniority or merit pay system. And the legislation directs the EEOC to provide educational materials and technical assistance to help employers design fair pay policies.

It is a basic issue of fairness to provide equal pay for work of equal value. The Fair Pay Act makes it possible for women and minorities to finally achieve this fundamental fairness. I urge my colleagues to support this legislation.•

By Mr. WARNER:

S. 1651. A bill to amend title 10, United States Code, to permit covered beneficiaries under the military health care system who are also entitled to medicare to enroll in the Federal Employees Health Benefits program; to the Committee on Armed Services.

MILITARY RETIREES HEALTH BENEFITS LEGISLATION

Mr. WARNER. Mr. President, today I am pleased to introduce legislation which will return a sense of fairness to the military health care system by providing Medicare-eligible uniformed services retirees the same health care plan that is currently available to every other retired federal employee. This proposed legislation would allow all Medicare-eligible military retirees and family members to participate in the Federal Employee Health Benefits Plan [FEHBP].

Under the current system, military retirees are the only group of Federal employees whose health plan is taken away at age 65, requiring them to rely exclusively on Medicare. This is a broken promise, one made as they took their oath of office. I am sure that my colleagues would agree that this situation is not only inherently unfair, but that it also breaks a long standing health care commitment to our military retirees. It is worth noting that

nearly all of the largest U.S. corporations, such as General Motors, IBM and Exxon, provide their retirees with substantial employer-paid health coverage in addition to Medicare. The commonly held belief that the health care provided for military retirees is second to none is a myth. The truth is that when compared to what is provided by other large employers including the rest of the Federal Government, the health care that is provided to our Medicare-eligible military retirees and their family members has become second to almost all others.

This legislation is a major step toward the application of equitable standards of health care for all Federal Employees and honors our commitments to those veterans who served our Nation faithfully through many years of arduous military service. I invite my colleagues to join me as cosponsors of this bill. I would like to thank Jack Hoggard, Commander, USN(RET) and Mike Matthes, Commander, USN for their efforts in producing this important legislation.

By Mr. McCONNELL:

S. 1652. A bill to amend the Juvenile Justice and Delinquency Prevention Act of 1974 to establish a national resource center and clearinghouse to carry out training of State and local law enforcement personnel to more effectively respond to cases involving missing or exploited children, and for other purposes; to the Committee on the Judiciary.

THE JIMMY RYCE LAW ENFORCEMENT TRAINING CENTER ESTABLISHMENT ACT OF 1996

• Mr. McCONNELL. Mr. President, I am pleased to introduce a bill to establish the Jimmy Ryce Law Enforcement Training Center for the Recovery of Missing and Exploited Children.

Each year tens of thousands of children are reported missing from their homes. The Department of Justice estimates that 3,000 to 4,000 children are taken coercively by nonfamily members. And the National Center for Missing and Exploited Children gets involved with almost 300 cases a year which involve children abducted by strangers intending harm. Many of these children are never seen again.

This is the most critical factor in a missing child investigation. And too, often, local law enforcement officials lack the experience and the resources to conduct a swift and effective investigation which will maximize the chances for a safe recovery.

The Jimmy Ryce Center, which will be established by this bill, will combine the resources of the National Center for Missing and Exploited Children with those the F.B.I.'s National Crime Information Center and Child Abduction and Serial Killer Unit, as well as the Office of Juvenile Justice and Delinquency Prevention. The Jimmy Ryce Center will be a national training center for law enforcement officials from all over the United States and its programs will address: identifying the elements of a missing and exploited child case investigations; applying research regarding missing and exploited child case investigations and analyzing successful and unsuccessful investigative techniques; and educating about the national resources available to assist local efforts in a missing and exploited child case investigation.

The Jimmy Ryce Center will also make it a priority to provide comprehensive nationwide training for law enforcement regarding report taking and NCIC entry of missing child information. And, the training center will expand current training done by the Office of Juvenile Justice and Delinquency Prevention and coordinate programs in all 50 States and the District of Columbia.

I am confident the bill will have the support of the Department of Justice. It already has the support of the Fraternal Order of Police, and I ask unanimous consent that the FOP's letter, as well a copy of the bill, be included in the RECORD.

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

S. 1652

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

SECTION 1. FINDINGS.

The Congress finds that—

(1) an investigation to find a missing child presents unique circumstances for law enforcement agencies, including the need for specialized training and the capability of swift response to maximize the chances for the safe recovery of the child;

(2) local law enforcement officials often lack experience and are unaware of the Federal resources available to assist in the investigation of cases involving a missing child; and

(3) a national training facility should be established to assist State and local law enforcement agencies in—

(A) providing comprehensive training in investigations of cases involving missing or exploited children;

(B) ensuring uniform, consistent, and meaningful use of reporting systems and processes; and

(C) promoting the use of vital national resources.

SEC. 2. AMENDMENT.

Section 404(b)(2)(D) of the Juvenile Justice and Delinquency Prevention Act of 1974 is amended by striking "children; and" and inserting "children, including—

"(i) the establishment of an onsite training center at the national clearinghouse to be known as the Jimmy Ryce Law Enforcement Training Center for the Recovery of Missing Children, designed to—

"(I) assist high-level law enforcement leaders from across the country, selected by State officials, to develop effective protocols and policies for the investigation and prosecution of cases involving a missing or exploited child; and

"(II) introduce those officials to resources available from the clearinghouse and Federal agencies to assist in cases involving a missing or exploited child;

"(ii) nationwide training in report-taking and data entry in cases involving missing or exploited children for information specialists, conducted at State and local law enforcement facilities by employees of the national clearinghouse and the National Crime Information Center of the Federal Bureau of Investigation, designed to ensure that necessary information regarding cases involving missing or exploited children is gathered and entered at the local level in a timely and effective manner; and

"(iii) State-based basic investigation training in cases involving missing or exploited children for State and local police investigators selected by State officials, conducted by employees of the national clearinghouse and the Office of Juvenile Justice and Delinquency Prevention of the Department of Justice, designed to provide practical instruction in the investigation of cases involving missing or exploited children; and".

FRATERNAL ORDER OF POLICE,
NATIONAL LEGISLATIVE PROGRAM,
Washington, DC, March 27, 1996.

Hon. MITCH McCONNELL,
U.S. Senate, Washington, DC.

Hon. PETER DEUTSCH,
U.S. House of Representatives, Washington, DC.

GENTLEMEN: On behalf of the 270,000 members of the Fraternal Order of Police, this is to express our strong support for your legislation to provide funding and facilities to train state and local law enforcement officers in investigative techniques for utilization in missing and exploited children case.

As a member of the Board of the National Center for Missing and Exploited Children (NCMEC), I am thoroughly familiar with the wonderful work of the Center, and with the strong bond which the NCMEC has forged with state and local officers. The proposed Jimmy Ryce Law Enforcement Training Center for the Recovery of Missing Children, which would operate within the framework of the NCMEC, can only enhance that relationship, and will make it even more productive.

We thank both of you for your leadership on this issue, and in the many other areas where both of you have weighed in on the side of tough yet progressive law enforcement.

Sincerely,

GILBERT G. GALLEGOS,
National President.•

By Mr. CONRAD:

S. 1653. A bill to prohibit imports into the United States of grain and grain products from Canada, and for other purposes; to the Committee on Finance.

THE IMPORT PROHIBITION ACT OF 1996

Mr. CONRAD. Mr. President, on another matter, we learned yesterday that Canada is banning all imports of United States durum as a result of the karnal bunt fungus found in Arizona. Mr. President, this ban means that no durum may be exported to Canada. Durum is the wheat that makes pasta. So all the pasta lovers should understand most of the durum that makes pasta in this country is grown in North Dakota. Eighty-seven percent of the durum wheat that makes pasta is grown in North Dakota. And our Canadian friends from the north have now

banned all imports of U.S. durum wheat. What does that mean? Well, it means a lot.

It means that our durum is not going to be able to leave through the Great Lakes. That is where the grain that is grown in North Dakota and the rest of the Midwest is transferred to what we call lakers, ships that go on the lake to transoceanic vessels. Those transfers are made in Canadian ports.

This ban will mean that our grain cannot leave through those Canadian ports. That means our grain is going to have to go south through the gulf adding a lot of cost and expense. That means we are going to be less competitive against the Canadians.

Mr. President, one might understand what the Canadians are doing here if in some way they were threatened. They themselves have acknowledged they are not threatened. They themselves have acknowledged that karnal bunt cannot survive in the cold of Canada. And there is no karnal bunt that has been found in the Midwest. The only place it was found was on isolated farms in some southwestern States.

So the Canadians are engaged, I believe, in a deception. They are saying they are banning our exports of durum wheat through their ports to protect their producers. But by their own statements they know—and they have acknowledged—that they are not threatened.

So what is really going on, Mr. President? I believe it is an attempt to secure a competitive advantage, and we should not allow it. We should fight back.

Today, I am introducing two bills: One that will ban imports of Canadian durum until Canada drops its restriction on our grain. And the second bill would ban the imports of all cattle and beef from Canada given the fact that we have seen the mad cow disease develop in England. We know there have been shipments of cattle from England to Canada in the past.

If they are going to threaten us because of karnal bunt found in Arizona, we can threaten them in the same way and shut off all imports from Canada of their beef and their cattle because of the mad cow syndrome in England when we know there have been shipments of beef from that country to Canada.

It makes just as much sense to ban imports of cattle and beef from Canada where there is no known BSE as it does to ban imports of wheat from the upper midwest where there are no known outbreaks of karnal bunt.

That is equivalent treatment. That is standing up for America. I hope that other of my colleagues will join me in supporting this legislation to send a clear message to our neighbors to the north that we are not going to accept their refusal to take our exports of durum through their markets.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

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

S. 1653

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

SECTION 1. FINDINGS.

The Congress makes the following findings:

(1) The Canadian Government has imposed a ban on the importation of durum wheat from the United States because of an outbreak of karnal bunt in Arizona.

(2) The ban applies to all imports of durum wheat from the United States, including wheat from States where no evidence of karnal bunt has been found.

(3) No karnal bunt has been found in any wheat produced in Montana, North Dakota, South Dakota, Minnesota, or in the Great Lakes region.

(4) The Canadian Government has stated that due to the cold climate in Canada there is no risk of an outbreak of karnal bunt in Canada.

(5) Canada's ban on shipments of durum wheat through the Great Lakes ports is unjustifiable and the ban places unnecessary restrictions on shipments of other wheat through the Great Lakes ports.

SEC. 2. PROHIBITION AGAINST ENTRY OF CERTAIN CANADIAN GRAIN PRODUCTS.

(a) IN GENERAL.—Not later than 15 days after the date of the enactment of this Act, the President shall prohibit the entry, or withdrawal from warehouse for consumption, of all grain products (described in heading 1001 or 1101.00.00 of the Harmonized Tariff Schedule of the United States) which are produced, grown, or manufactured in Canada.

(b) DURATION.—The prohibition imposed under subsection (a) shall remain in full force and effect until the Secretary of Agriculture and the United States Trade Representative—

(1) determine that Canada has removed the prohibition on imports described in subsection (c), and that durum wheat products produced in the United States are permitted full and fair access to the markets of such country; and

(2) submit to the Congress the determination under paragraph (1), together with the reasons underlying the determination.

(c) PROHIBITION DESCRIBED.—The prohibition described in this subsection is a prohibition on the importation of durum wheat products produced in the United States where there is not sufficient evidence that karnal bunt exists with respect to such wheat.

By Mrs. BOXER (for herself and Mr. BRADLEY):

S. 1654. A bill to apply equal standards to certain foreign made and domestically produced handguns; to the Committee on the Judiciary.

THE JUNK GUN VIOLENCE PROTECTION ACT OF 1996

• Mrs. BOXER. Mr. President, I am introducing, along with my distinguished colleague from New Jersey, Senator BRADLEY, a bill to give equal treatment to the manufacture, transfer, and possession of both foreign made and domestically produced junk guns.

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. 1654

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 "Junk Gun Violence Protection Act".

SEC. 2. FINDINGS.

The Congress finds that—

(1) the prohibition on the importation of handguns that are not generally recognized as particularly suitable for or readily adaptable to sporting purposes, often described as junk guns or Saturday night specials, has led to the creation of a high-volume market for these weapons that are domestically manufactured;

(2) traffic in junk guns constitutes a serious threat to public welfare and to law enforcement officers, and the use of such firearms is increasing;

(3) junk guns are used disproportionately in the commission of crimes;

(4) of the firearms traced in 1995, the 3 firearms most commonly traced to crimes were junk guns; and

(5) the domestic manufacture, transfer, and possession of junk guns should be restricted.

SEC. 3. RESTRICTION ON MANUFACTURE, TRANSFER, AND POSSESSION OF CERTAIN HANDGUNS.

(a) RESTRICTION.—Section 922 of title 18, United States Code, is amended by adding at the end the following new subsection:

"(y)(1) It shall be unlawful for a person to manufacture, transfer, or possess a junk gun that has been shipped or transported in interstate or foreign commerce.

"(2) Paragraph (1) shall not apply to—

"(A) the possession or transfer of any junk gun otherwise lawfully possessed under Federal law on the date of the enactment of the Junk Gun Violence Protection Act;

"(B) any firearm or replica of a firearm that has been rendered permanently inoperative;

"(C) the manufacture for, transfer to, or possession by the United States or a State or a department or agency of the United States, or a State or a department, agency, or political subdivision of a State, or a transfer to or possession by a law enforcement officer employed by such an entity for law enforcement purposes (whether on or off duty); or

"(D) the manufacture, transfer, or possession of a junk gun by a licensed manufacturer or licensed importer for the purposes of testing or experimentation authorized by the Secretary.".

(b) DEFINITION OF JUNK GUN.—Section 921(a) of title 18, United States Code, is amended by adding at the end the following new paragraph:

"(33)(A) The term 'junk gun' means any firearm that is not described in section 925(d)(3), and any regulations issued under such section.".•

ADDITIONAL COSPONSORS

S. 704

At the request of Mr. SIMON, the name of the Senator from Rhode Island [Mr. PELL] was added as a cosponsor of S. 704, a bill to establish the Gambling Impact Study Commission.

S. 1219

At the request of Mr. MCCAIN, the name of the Senator from Wisconsin [Mr. KOHL] was added as a cosponsor of S. 1219, a bill to reform the financing of Federal elections, and for other purposes.

S. 1483

At the request of Mr. KYL, the names of the Senator from Wyoming [Mr. THOMAS], the Senator from Texas [Mr. GRAMM], and the Senator from Kansas [Mr. DOLE] were added as cosponsors of S. 1483, a bill to control crime, and for other purposes.

S. 1487

At the request of Mr. GRAMM, the names of the Senator from Nevada [Mr. REID], the Senator from North Carolina [Mr. HELMS], and the Senator from Kansas [Mr. DOLE] were added as cosponsors of S. 1487, a bill to establish a demonstration project to provide that the Department of Defense may receive Medicare reimbursement for health care services provided to certain medicare-eligible covered military beneficiaries.

S. 1612

At the request of Mr. HELMS, the names of the Senator from New Hampshire [Mr. SMITH], and the Senator from Pennsylvania [Mr. SANTORUM] were added as cosponsors of S. 1612, a bill to provide for increased mandatory minimum sentences for criminals possessing firearms, and for other purposes.

S. 1623

At the request of Mr. WARNER, the names of the Senator from Oklahoma [Mr. INHOFE], and the Senator from Illinois [Mr. SIMON] were added as cosponsors of S. 1623, a bill to establish a National Tourism Board and a National Tourism Organization, and for other purposes.

SENATE CONCURRENT RESOLUTION 26

At the request of Mr. LOTT, the name of the Senator from Oklahoma [Mr. INHOFE] was added as a cosponsor of Senate Concurrent Resolution 26, a concurrent resolution to authorize the Newington-Cropsey Foundation to erect on the Capitol Grounds and present to Congress and the people of the United States a monument dedicated to the Bill of Rights.

SENATE RESOLUTION 215

At the request of Mr. LAUTENBERG, the name of the Senator from Oregon [Mr. WYDEN] was added as a cosponsor of Senate Resolution 215, a resolution to designate June 19, 1996, as "National Baseball Day."

SENATE RESOLUTION 226

At the request of Mr. DOMENICI, the names of the Senator from Indiana [Mr. COATS], the Senator from Florida [Mr. MACK], the Senator from Arizona [Mr. MCCAIN], the Senator from Wyoming [Mr. SIMPSON], and the Senator from New Jersey [Mr. BRADLEY] were added as cosponsors of Senate Resolution 226, a resolution to proclaim the week of October 13 through October 19, 1996, as "National Character Counts Week".

SENATE CONCURRENT RESOLUTION 50—RELATIVE TO KOSOVA

Mr. DOLE (for himself, Mr. PELL, Mr. D'AMATO, Mr. PRESSLER, Mr. LEVIN, and Mr. FEINGOLD) submitted the following concurrent resolution; which was referred to the Committee on Foreign Relations:

S. CON. RES. 50

Whereas the Constitution of the Socialist Federal Republic of Yugoslavia, adopted in 1946 and the amended Yugoslav Constitution adopted in 1974, described the status of Kosova as one of the 8 constituent territorial units of the Yugoslav Federation;

Whereas the political rights of the Albanian majority in Kosova were curtailed when the Government of Yugoslavia illegally amended the Yugoslav federal constitution without the consent of the people of Kosova on March 23, 1989, revoking Kosova's autonomous status;

Whereas in 1990, the Parliament and Government of Kosova were abolished by further unlawful amendments to the Constitution of Yugoslavia;

Whereas in September 1990, a referendum on the question of independence for Kosova was held in which 87 percent of those eligible to participate voted and 99 percent of those voting supported independence for Kosova;

Whereas in May 1992, a Kosovar national parliament and President, Dr. Ibrahim Rugova, were freely and fairly elected, but were not permitted to assemble in Kosova;

Wherease according to the State Department Country Reports on Human Rights for 1995, "police repression continued at a high level against the ethnic Albanians of Kosova * * * and reflected a general campaign to keep [those] who are not ethnic Serbs intimidated and unable to exercise basic human and civil rights";

Whereas over 100,000 ethnic Albanians employed in the public sector have been removed from their jobs and replaced by Serbs since 1989;

Whereas the government in Belgrade has severely restricted the access of ethnic Albanians in Kosova to all levels of education, especially in the Albanian language;

Whereas the Organization on Security and Cooperation in Europe observers dispatched to Kosova in 1991 were expelled by the government in Belgrade in July 1993, and have not been reinstated as called for in United Nations Security Council Resolution 855 of August 1993;

Whereas following the departure of such observers, international human rights organizations have documented an increase in abuses;

Whereas the United Nations announced on February 27, 1995, that Serbia had granted it permission to open a Belgrade office to monitor human rights in Serbia and Kosova;

Whereas Congress directed the State Department to establish a United States Information Agency (U.S.I.A.) cultural center in Prishtina, Kosova, in section 223 of the Foreign Relations Authorization Act, Fiscal Years 1992 and 1993;

Whereas Secretary of State Warren Christopher announced on February 27, 1996, that Serbian leader Slobodan Milosevic has agreed to the establishment of such center and that preparations for the establishment of the center are proceeding;

Whereas with the signing of the Dayton agreement on Bosnia, future peace in the Balkans hinges largely on a settlement of the status of Kosova; and

Whereas the President has explicitly warned the Government of Serbia that the United States is prepared to respond in the event of escalated conflict in Kosova caused by Serbia: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That it is the sense of the Congress that—

(1) the situation in Kosova must be resolved before the outer wall of sanctions against Serbia is lifted and Serbia is able to return to the international community;

(2) the human rights of the people of Kosova must be restored to levels guaranteed by international law;

(3) the United States should support the legitimate claims of the people of Kosova to determine their own political future;

(4) international observers should be returned to Kosova as soon as possible;

(5) the elected government of Kosova should be permitted to meet and exercise its legitimate mandate as elected representatives of the people of Kosova;

(6) all individuals whose employment was terminated on the basis of their ethnicity should be reinstated to their previous positions;

(7) the education system in Kosova should be reopened to all residents of Kosova regardless of ethnicity and the majority ethnic Albanian population should be allowed to educate its youth in its native tongue;

(8) progress toward the establishment of a United States Information Agency cultural center in Prishtina, Kosova, is to be commended and the Secretary of State should redouble efforts to open the center as soon as possible; and

(9) the President should appoint a special envoy to aid in negotiating a resolution to the crisis in Kosova.

Mr. DOLE. Mr. President, I rise to submit a concurrent resolution regarding human rights in Kosova and in support of resolving the crisis in Kosova. I am pleased to be joined by Senator PELL, Senator D'AMATO, Senator PRESSLER, Senator LEVIN and Senator FEINGOLD.

This resolution is being submitted today in the House by Representatives ENGEL, MOLINARI, and KING. We are submitting this resolution because Kosova has been pushed to the sidelines by this administration—as well as the previous administration. And, without resolving the crisis in Kosova there is little, if any, hope of achieving a lasting peace in the Balkans.

This resolution cites the course of events since 1989, during which the Albanian people in Kosova have been denied their fundamental human and political rights by the Milosevic regime. The 1995 State Department country human rights reports stated the following about the deplorable situation in Kosova, and I quote, "Police repression continued at a high level against the ethnic Albanians of Kosova, and reflected a general campaign to keep [those] who are not ethnic Serbs intimidated and unable to exercise basic human and civil rights."

Since martial law was imposed in Kosova more than 7 years ago, Albanians have been fired from their jobs, restricted access to all levels of education, especially in their own language, denied basic political rights, and subjected to severe human rights abuses, including torture.

Among other things, this resolution calls on the Clinton administration to maintain the so-called outer wall of sanctions against Serbia until the situation in Kosova is resolved, to redouble efforts to open a USIA cultural center in Pristina, Kosova, and to appoint a special envoy to aid in negotiating a resolution to the crisis in Kosova.

Since the Dayton accords were signed, there are those who claim that peace in the Balkans has been achieved. That is wishful thinking. Let me be clear: There will be no lasting peace or stability in the Balkans unless and until the situation in Kosova has been resolved. Indeed, ignoring Kosova could lead to yet another violent conflict that could bring in our NATO allies on opposite sides. Therefore, the United States must pressure the Milosevic regime diplomatically and economically to end its repression of the 2 million Albanians in Kosova.

Mr. President, we must bring Kosova from the back burner to the front burner. We need a comprehensive approach to the Balkans which includes Kosova. I hope that the submission of this resolution will send a message to the administration that it is high time to exercise U.S. leadership on this critical matter.

Mr. PELL. Mr. President, I am pleased to join Senator DOLE in submitting this resolution on Kosova. Congressman ENGEL has taken the lead in submitting a companion resolution in the House.

I remain concerned about the situation in Kosova, where the majority Albanian population continues to suffer severe human rights abuses. If left unchecked, the situation in Kosova could be the spark that ignites another powder keg of violence in the former Yugoslavia.

Since 1989, more than 100,000 ethnic Albanians employed in the public sector have been removed from their jobs and replaced by Serbs. The Belgrade Government has severely restricted the access of ethnic Albanians in Kosova to all levels of education, and has pursued a general campaign of intimidation and repression. This country has invested a great deal in creating and maintaining peace in Bosnia. Our diplomats and our military personnel are to be commended for the fine job that they are doing with regard to Bosnia. I am concerned, however, that if the situation in Kosova is not resolved, our diplomatic, economic, and military investment in Bosnia will be for naught. A comprehensive solution to the former Yugoslavia must address Kosova.

This resolution is designed to focus attention on Kosova—as a key component to stability in the region. It expresses the sense of Congress that among other things, the situation in Kosova must be resolved before the outer wall of sanctions be lifted against Serbia. In other words, Serbia would continue to be denied access to international financial institution assistance and to be denied full diplomatic relations with the United States and its allies pending the resolution of Kosova and other issues. There are signs that international consensus on maintaining this outer wall is cracking, and this resolution is therefore useful in keeping attention focused on Kosova. I believe it is important to send a signal to Serbian President Milosevic that he cannot hope to bring Serbia back into the international community's fold unless and until he agrees to address the issue of Kosova.

The resolution also welcomes the progress that has been made toward the establishment of a USIA office in Kosova. As one who sponsored legislation several years ago that authorized the creation of such a center, I am particularly interested in ensuring that the United States establish a presence in Kosova. Secretary Christopher should be commended for securing President Milosevic's approval to establish such a center.

The resolution also calls on Serbia to allow international observers to return to Kosova, and urges the President to appoint a special envoy to help in negotiating a resolution to the Kosova issue.

I believe it is in our interest to maintain a spotlight on Kosova, and I would encourage my colleagues to join me in supporting this resolution.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON ARMED SERVICES

Mr. LUGAR. Mr. President, I ask unanimous consent that the Committee on Armed Services be authorized to meet on Thursday, March 28, 1996, at 10 a.m., in open session, to receive testimony from the unified commanders on their military strategies and operational requirements in review of the Defense authorization request for fiscal year 1997 and the future years defense program.

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

COMMITTEE ON BANKING, HOUSING, AND URBAN AFFAIRS

Mr. LUGAR. 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 Thursday, March 28, 1996, to conduct a hearing on S. 1547, "a bill to limit the provision of assistance to the Government of Mexico using the exchange stabilization fund established pursuant to section 5302 of title 31, United States Code, and for other purposes".

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

COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION

Mr. LUGAR. Mr. President, I ask unanimous consent that the Committee on Commerce, Science, and Transportation be allowed to meet during the Thursday, March 28, 1996 session of the Senate for the purpose of conducting an executive session and markup.

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

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. LUGAR. Mr. President, I ask unanimous consent that the Committee on Energy and Natural Resources be granted permission to meet during the session of the Senate on Thursday, March 28, 1996, for purposes of conducting a full committee hearing which is scheduled to begin at 9:30 a.m. The purpose of this oversight hearing is to receive testimony on the issue of competitive change in the electric power industry.

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

COMMITTEE ON ENVIRONMENT AND PUBLIC WORKS

Mr. LUGAR. Mr. President, I ask unanimous consent that the full Committee on Environment and Public Works be granted permission to meet to consider pending business Thursday, March 28, at 9:15 a.m., hearing room SD-406.

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

COMMITTEE ON FOREIGN RELATIONS

Mr. LUGAR. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be authorized to meet during the session of the Senate on Thursday, March 28, 1996 at 10 a.m. to hold hearing, agenda attached.

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

COMMITTEE ON INDIAN AFFAIRS

Mr. LUGAR. Mr. President, I ask unanimous consent that the Committee on Indian Affairs be authorized to conduct an oversight hearing during the session of the Senate on Thursday, March 28, 1996, on the recent settlement and accommodation agreements concerning the Navajo and Hopi land dispute. The hearing will be held at 9 a.m. in room 485 of the Russell Senate Office Building.

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

COMMITTEE ON THE JUDICIARY

Mr. LUGAR. Mr. President, I ask unanimous consent that the Committee on the Judiciary be authorized to meet during the session of the Senate on Thursday, March 28, 1996, at 10 a.m., to hold an executive business meeting.

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

SELECT COMMITTEE ON INTELLIGENCE

Mr. LUGAR. Mr. President, I ask unanimous consent that the Select Committee on Intelligence be authorized to meet during the session of the Senate on Thursday, March 28, 1996 at 2 p.m., in SH-219, to hold a closed briefing on intelligence matters.

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

SPECIAL COMMITTEE ON AGING

Mr. LUGAR. Mr. President, I ask unanimous consent that the Special Committee on Aging be authorized to meet during the session of the Senate on Thursday, March 28, 1996, at 9:30 a.m., to hold a hearing to discuss adverse drug reactions and the effects on the elderly.

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

SUBCOMMITTEE ON AFRICAN AFFAIRS

Mr. LUGAR. Mr. President, I ask unanimous consent that the Subcommittee on African Affairs of the Committee on Foreign Relations be authorized to meet during the session of the Senate on Thursday, March 28, 1996, at 2 p.m., to hold hearing.

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

SUBCOMMITTEE ON SEAPOWER

Mr. LUGAR. Mr. President, I ask unanimous consent that the Subcommittee on Seapower be authorized to meet at 2:30 p.m. on Thursday, March 28, 1996, to receive testimony on the multiyear procurement proposal for the C-17 strategic airlifter.

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

ADDITIONAL STATEMENTS

COST ESTIMATE ON S. 1467

• Mr. MURKOWSKI. Mr. President, when the Committee on Energy and Natural Resources filed its report on S. 1467, the Fort Peck Rural County Water Supply System Act, the estimate from the CBO was not available. We have now received the estimate and I ask that it be printed in the RECORD for the information of the Senate. The CBO estimate states that enactment of S. 1467 would not affect direct spending or receipts and does not contain any unfunded mandates.

The estimate follows:

U.S. CONGRESS,
CONGRESSIONAL BUDGET OFFICE,
Washington, DC, March 27, 1996.

Hon. FRANK H. MURKOWSKI,
Chairman, Committee on Energy and Natural Resources, U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: The Congressional Budget Office has prepared the enclosed cost estimate for S. 1467, the Fort Peck Rural County Water Supply System Act of 1995.

Enactment of S. 1467 would not affect direct spending or receipts. Therefore, pay-as-you-go procedures would not apply to the bill.

If you wish further details on this estimate, we will be pleased to provide them.

Sincerely,

JUNE E. O'NEILL,
Director.

CONGRESSIONAL BUDGET OFFICE—COST ESTIMATE

1. Bill number: S. 1467.

2. Bill title: Fort Peck Rural County Water Supply System Act of 1995.

3. Bill status: As reported by the Senate Committee on Energy and Natural Resources on March 15, 1996.

4. Bill purpose: The bill would authorize the construction of the Fort Peck Rural County Water Supply System and authorize assistance to the Fort Peck Rural County Water District, Inc., a nonprofit corporation, for the planning, design, and construction of the proposed water system.

5. Estimated cost to the Federal Government: Assuming appropriation of the authorized amounts for fiscal year 1997, S. 1467 would result in discretionary spending totaling $6.6 million over the 1996-2000 period. This estimate reflects the basic authorization of $5.8 million, increased, as specified in the bill, by the estimated impact of inflation during the time between October 1, 1994, and the construction period. Outlays are estimated based on historical spending rates for similar water projects. Funding for the Fort Peck project would constitute new spending—to date, no amounts have been appropriate for this project.

[By fiscal year, in millions of dollars]

	1996	1997	1998	1999	2000
Spending subject to appropriations action:					
Authorization level	0	7	0	0	0
Estimated outlays	0	1	5	1	0

The costs of this bill fall within budget function 300.

6. Pay-as-you-go considerations: None.

7. Estimated impact on State, local, and tribal governments: S. 1467 contains no intergovernmental mandates as defined in Public Law 104-4 and would impose no direct costs on state, local, or tribal governments.

The bill would limit the federal share of this project to 80 percent. The Fort Peck Rural County Water District would have to provide matching funds of about $1.5 million in order to receive the full amount of federal assistance authorized. This project would be voluntary on the part of the district, however.

8. Estimated impact on the private sector: The bill would impose no new federal/private sector mandates, as defined in Public Law 104-4.

9. Previous CBO estimate: None.

10. Estimate prepared by: Federal cost estimate: Gary Brown. State and Local Government Impact: Marjorie Miller. Private Sector Impact: Patrice Gordon.

11. Estimate approved by: Robert A. Sunshine, for Paul N. Van de Water, Assistant Director for Budget Analysis.•

U.S. MARSHAL SERVICE'S DISTINGUISHED SERVICE AWARD

• Mr. LEVIN. Mr. President, I rise today to honor U.S. Marshal Barbara C. Lee and the Western District Office of Michigan, United States Marshals Service in Grand Rapids, MI. On March 1, 1996, in a special ceremony in Oklahoma City, Marshal Lee was presented the U.S. Marshals Service's Distinguished Service Award for the district office she heads. I am proud to note that I nominated Marshal Lee, who was sworn into office by President Clinton in 1994.

Before her current appointment, Marshal Lee served as a Deputy U.S. Marshal and as a Special Agent with the Internal Revenue Service. Marshal Lee studied criminal justice and accounting at Grand Valley State University, in Allendale, MI. Marshal Lee was nominated for the Laura Cross Award, the Federal Government's highest honor for career achievement by a female law enforcement officer.

Marshal Lee's office was selected for the district award because of its leadership in accomplishing court security tasks within the confines of a tight budget. The district office shuffled personnel, travel and overtime expenses while continuing to provide exceptional security. During the presentation of the award, Director Eduardo Gonzalez noted the special security Marshal Lee's operation provided for several judicial conferences and high-threat trials.

Despite diminishing resources, Marshal Lee and her office have continued to provide the exceptional security services for which the U.S. Marshals Service is known. I know that my Senate colleagues join me in congratulating U.S. Marshal Barbara C. Lee and the Western District Office of Michigan for being awarded the U.S. Marshals Service's Distinguished Service Award.•

HONORING THE ROTARY CLUB OF MERIDEN

Mr. LIEBERMAN. Mr. President, I rise today to honor the Rotary Club of Meriden, CT, on the occasion of their 75th anniversary.

On April 26, 1921, Meriden joined the nationwide movement of Rotary Clubs under Charter 898. Numbering only 27 businessmen, the club had no idea then that they would grow into one of the pillars of the community. Ever since their founding, the club has immersed itself in the every-day life of Meriden, constantly striving to make the city a better place through the sponsoring of various activities and events.

The Rotary Club of Meriden reaches out to the people in numerous ways. They were the first organization in the city to sponsor Little League Baseball, the great American game. The youth of Meriden are also assisted through college scholarships provided by the Rotary Club, as well as through the Meriden Public Library Career Center, which the club has long supported.

The Rotary Club not only contributes to Meriden's spiritual beauty, but to its physical beauty as well. The club is responsible for planting over one thousand trees in the city. They work closely with other humanitarian

groups, either bell ringing for the Salvation Army or sponsoring bloodmobiles for the Red Cross.

The Rotary Club also strives to help those outside Meriden, its influence reaching as far as the international community. Their exchange study groups bring business and professional people to Meriden from countries such as France, Germany, and Japan, so that all may learn from one another.

Meriden and the entire State of Connecticut is fortunate to have had a group such as the Meriden Rotary Club in its service for 75 years. Another 75 years of service and support is eagerly anticipated.

CAMPAIGN FINANCE REFORM

Mr. KOHL. Mr. President, I rise today to discuss one of the most difficult issues facing our democracy—campaign finance reform. First, we must recognize that our democratic system has come a long way in the last 30 years. Information on who finances campaigns and how that money is spent is now available to any citizen. With the advance of the Internet, most of this information can be found through your home computer.

But, while disclosures laws passed in the 1970's have worked largely as intended, other reforms instituted at that time have created a new set of problems. In order to more clearly identify who was contributing to campaigns, Congress created a new mechanism for democratic involvement—Political Action Committees. Twenty years ago, PAC's were seen as positive vehicles to channel special interest dollars through public organizations.

Unfortunately, the proliferation of PAC's and special interest contributions in our election system has overtaken most other forms of democratic involvement. Because of the high costs of running campaigns, especially the cost of purchasing television ads, American political campaign funding is dominated by special interest contributions.

It should not surprise us that the American public has become increasingly cynical as this trend has become worse. This public disillusionment contributes to pessimism about the future of our Government and has led to a disturbing lack of faith in our democratic institutions. Despite the good efforts of many grassroots citizen organizations and elected officials, every attempt in Congress to reform the campaign finance system since 1979 has failed.

This lack of progress is not the fault of one political party or one branch of government. Democrats and Republicans have tried to push through meaningful reform for the last two decades, and reasonable people can disagree about the best course for the future. But, this gridlock must not be allowed to stand any longer. The American public is demanding a fundamental change in the way campaigns are financed and we must act this year to implement that change.

These are the reasons that I am cosponsoring S. 1219, the Senate Campaign Finance Reform Act. This legislation, sponsored by Senator MCCAIN and my Wisconsin colleague Russ FEINGOLD, is the first meaningful bipartisan campaign finance bill to be seriously considered in two decades. The fact that the House of Representatives has a similar bipartisan bill only adds credibility to this proposal.

S. 1219 strikes at the heart at much of what is wrong with our campaign finance system: it eliminates PAC contributions; caps the amounts that can be spent in campaigns; curtails the practice of bundling contributions; and closes the loopholes allowing so-called "soft money" contributions. The legislation establishes many of these limits through a voluntary system, thereby conforming with Supreme Court rulings governing campaign financing.

Like many Senators, if I had drafted my own bill, I would have omitted some provisions of this legislation and included others. But any meaningful bipartisan reform must be a compromise between competing proposals. And campaign finance reform must be done in a bipartisan fashion—legislation crafted by one party and rammed through the Congress will not and should not get the support of the American people.

Mr. President, I recognize there are deep divisions among Members of Congress over the how to reform our campaign finance system. These divisions have led to stalemate after stalemate over twenty years. And without serious reform the American public will continue to mistrust not only the way we elect candidates, but the very fundamental precipes of our Government. This must not go on.

S. 1219 is the best option currently moving through the Congress to renew America's faith in our elections and curtail the influence of special interest contributions. I am pleased to add my name as a cosponsor of this bill, and urge my colleagues to join us in this important effort.

TRIBUTE TO PLYMOUTH STATE COLLEGE ON THEIR 125TH ANNIVERSARY

• Mr. SMITH. Mr. President, I rise today to pay tribute to Plymouth State College on the occasion of their 125th anniversary. I would like to congratulate this outstanding educational institution on reaching such an important milestone. The trustees, faculty, and students should be proud of the academic excellence and high education standards the college represents; not just in the State of New Hampshire but all over New England.

Located in the foothills of the White Mountains in New Hampshire, Plymouth State College, originally named the Plymouth Normal School, first opened its doors on March 15, 1871 to 80 students pursuing teaching degrees. Today, over 125 years later, 4,000 students attend Plymouth State College, pursuing degrees in the performing arts, the sciences, social work, languages, humanities, interdisciplinary studies, the social sciences, business, and many other academic fields.

The history of Plymouth State College originally stemmed from the Holmes Plymouth Academy, which dates back to 1808, as one of the first teaching institutions in New England. In 1871, the academy buildings were presented to the State of New Hampshire and the campus was renamed the Plymouth Normal School. The school began to grow at a steady rate during the late 1800's. Rounds Hall, which included a library and classrooms, was dedicated in August 1891. The growth of the Normal School under Dr. Charles C. Rounds caused the State legislature to appropriate funds for a new dormitory called Normal Hall. During the turn of the century, the enrollment of the Normal School increased, approaching 150 students.

From 1911 to 1946, Dr. Ernest Silver served as the college's principal. In 1911, Dr. Silver hired the famous American poet and New Hampshire native, Robert L. Frost, to teach psychology and the history of education. Robert Frost also shared Dr. Silver's residence, a house opposite Normal Hall that had recently been purchased. During Dr. Silver's administration, the school saw another period of campus expansion and modernization including the opening of the new training school providing added space in Rounds Hall for manual training and other classes. Two new dormitories were constructed, a modern library was built, and facilities for recreation and physical education were improved.

In 1939, Plymouth Normal School changed its name again to Plymouth Teacher's College. Construction and expansion increased during the 1950's and the new Lamson Library was built across Highland Street in 1964. Boyd Hall, a new fieldhouse and gym were built in 1968 and 1969. The fieldhouse contains an indoor track, gymnasium, swimming pool, and other facilities for the physical education program at the college.

Just last year, the Hartman Union Building opened its new facility on the property where the old high school once stood. This student center contains a full-size court, weight room, snackbar, bookstore, the college radio station, the college newspaper, a sidewalk cafe, complete U.S. Postal Mail Service, and many more student services.

Most recently, Plymouth State College added a business program to the

numerous choices of degrees students can pursue at the college. Today's president of the college, Donald Wharton, believes that every student must receive a strong education and specialized instruction in a particular field. The faculty and staff at Plymouth State College are proud of the fine reputation the teaching program has received over the years, and the specialized degrees in liberal arts majors.

Congratulations to 125 years of academic excellence. Plymouth State College has provided outstanding instruction and a superior learning environment for New Hampshire students for years. Best wishes for continued success and expansion in the years to come.•

TRIBUTE TO DAVID PACKARD

• Mr. BINGAMAN. Mr. President, the Nation lost a great leader Tuesday with the death of David Packard. He was the first and greatest of the acquisition reformers in the top reaches of the Pentagon. As Deputy Secretary of Defense in the first Nixon administration, he fostered competition in a wide range of programs, including the Air Force fighter program that produced the F-16 and F-18. He helped found the Defense Systems Management College at Fort Belvoir in order to bring modern management techniques to the defense acquisition system. And throughout the almost quarter century since he stepped down as Deputy Secretary of Defense, he continued in an advisory capacity to the most senior reaches of Government to argue for the need for change in the way the Pentagon develops and buys weapon systems.

It is perhaps fitting that under Secretary Bill Perry's leadership, the reforms which Mr. Packard advocated for so long are now taking firm root throughout the military services. Dr. Perry and all the reformers with whom I have had the pleasure of working during my 13 years service in the Senate point to David Packard as the first to show the way toward a more rational acquisition system.

Mr. President, I am grateful that I was able to work with David Packard over the last decade on several important issues. He was at an age when most people stop work and take up retirement. But not David Packard. He would answer the call of public service whenever it sounded. He suffered from a bad back, and taking transcontinental plane flights forced him to endure real pain to serve his country, but serve he did.

David Packard always was focused on the art of the possible. He knew that change was incremental and he would take what progress he could make today to build for another day. I first met him in 1985. He came to me, a Democrat then in the minority here in the Senate, because I had indicated an interest in a report he had written in 1983 for the White House Science Council. Its topic was how to improve the Federal Government-operated research laboratories. He had called for significant changes in personnel policy, in acquisition of laboratory equipment, and in improving laboratory infrastructure.

The most important change he and his panel had advocated was to allow all the laboratories to go to a more flexible personnel system along the lines of the system then in place at the Naval Weapons Center at China Lake, CA. Mr. Packard had been frustrated by the slow pace of the Reagan administration in considering his panel's proposals. He wanted to jumpstart congressional consideration with my help and that of then Congressman Don Fuqua, another Democrat.

Unfortunately, all we were able to win in the short run was the adoption of a flexible personnel system at the National Bureau of Standards, now the National Institute of Standards and Technology. As predicted, that personnel system has worked very well and helped NIST maintain its leadership in a broad range of technologies. As usual, David Packard was ahead of his time. What he recommended more than a decade ago on lab personnel reform is now part of the effort to reinvent the Pentagon's laboratories.

Mr. President, I will miss David Packard's wisdom and guidance, and so will many of my colleagues on both sides of the aisle. There's a passage from T. E. Lawrence's book Seven Pillars of Wisdom, which reads:

> All men dream, but not equally. Some dream by night in the dusty recesses of their minds, and wake in the day to find it is vanity. But the dreamers of the day are dangerous men. For they act their dream with open eyes to make it possible.

David Packard was a dreamer of the day who deserves to be remembered by a grateful Nation for the dreams he made possible. I am glad to have known him.•

SAGINAW HIGH SCHOOL TROJANS

• Mr. LEVIN. Mr. President, I rise today to honor the Saginaw High School boys basketball team. On Saturday, March 23, 1996, the Trojans from Saginaw, MI, won the Michigan Class A State basketball championship over Southfield Lathrup by a score of 67 to 60. The game took place in front of 11,000 raucous fans at Michigan State University's Breslin Center.

The Trojans showed great character in their journey to the State championship. In their semifinal game, the Trojans rebounded from a 19-point deficit to win and move on to the championship. Once again in the championship game, the Trojans had to come back from a large deficit to win—this time they were behind by 12 points.

In the championship game, the Trojans succeeded against great odds. The story of David and Goliath comes to mind when envisioning the game between Saginaw and Southfield Lathrup. Saginaw High faced a team with a considerable size advantage, but the Trojans were not intimidated and continued to play the way they had all season long, stressing teamwork and defense. The Trojans caused 21 turnovers, scoring 22 points off those turnovers.

The Trojans' hard work and determination which marked their championship victory is nothing new to those familiar with the team. The Trojans' coach, Marshall Thomas, said after the game, "No other team will outwork us." The Trojans have surely shown us how hard they will work and what heart they have in coming back from two large deficits to win the Michigan State championship.

But it wasn't just the team who showed great heart in winning the State championship, as the players and coaches are quick to point out. Support from the students, faculty and community was vital for the Trojans to overcome such long odds. Trojans' fans traveled all over the State to cheer their team on to victory. The fans continued to give their team strong support regardless of the score of the game.

I know that my Senate colleagues join me in congratulating Saginaw High School on winning the Michigan Class A State basketball championship.•

THE DEATH OF HUNG WO CHING

• Mr. AKAKA. Mr. President, I rise to pay tribute to a very dear friend and pioneer Hawaii businessman, Hung Wo Ching, Aloha Airgroup vice chairman, who died on March 26, 1996, in Honolulu. Since 1958, Mr. Ching served on the interisland carrier's board of directors and held a number of executive positions with the company. Under his leadership, Aloha Airlines Inc. grew from an upstart airline to become the dominant interisland carrier in the State of Hawaii.

Hung Wo Ching was raised in Hawaii by immigrant parents from Canton, China. He graduated from Honolulu's McKinley High School in 1931 and attended the University of Hawaii. Following his freshman year, he studied liberal arts at Yenching University in Beijing, China.

In 1935, he returned to the United States and completed his undergraduate education at Utah State University, where he earned a bachelor's degree in agricultural economics. In 1945, he received his doctorate in agricultural economics from Cornell University. When he was 41 years old, he attended Harvard University as a visiting scholar.

In 1945, Mr. Ching traveled to Tientsin, China to start a sugarbeet industry. The outbreak of civil war in China

2 years later put an end to those dreams, and he returned to Hawaii to concentrate on his real estate investments. Shortly after his return to Hawaii, the founder of Trans Pacific Airlines encouraged him to invest in his upstart airline.

In addition to being on Aloha's board of directors, Mr. Ching was also a director for Bishop Insurance of Hawaii, Inc., and the chairman of the board of directors of Diamond Head Memorial Park and Nuuanu Memorial Park. He was an honorary trustee of the U.S. Committee for Economic Development and the Bishop Museum, and a member of the advisory councils of Cornell University and Utah State University. He was a member of the Judicial Council of the Supreme Court of Hawaii, the Hawaiian Civic Club, and the advisory board of Liliuokalani Trust.

Over the years, Mr. Ching has held trusteeships and directorships with many Hawaii companies and charitable foundations, including Bishop Estate, Bank of Hawaii, Alexander and Baldwin, Matson Navigation Co., Hawaiian Telephone, Hawaiian Life Insurance Co., Ltd., Hawaiian Western Steel, Ltd., and Hauoli Sales, Ltd.

Mr. President, I ask my colleagues in the Senate to join me in paying tribute to the memory of Hung Wo Ching, and pass along our deepest sympathies to his wife, Elizabeth, and his children and grandchildren.•

THE LEARNING WINDOW

• Mr. CONRAD. Mr. President, Newsweek magazine on February 19, 1996, published an article regarding research that is underway by several pediatric neurobiologists in the United States on the development of a child's brain. The research examined the significance of early childhood experiences, particularly for children ages 0–3, on the development of the brain.

According to researchers, "it's the experiences of early childhood, determining which neurons are used, that wire the circuit of the brain as surely as a programmer at a keyboard reconfigures the circuits in a computer. Which keys that are typed—which experiences a child ahs—determines whether the child grows up to be intelligent or dull, fearful or self-assured, articulate or tongue-tied." According to the researchers, almost anything is possible provided children are exposed to the right experiences at an early age. As one researcher, Harry Chugani of Wayne State University remarked, "early experiences are powerful, they can completely change the way a person turns out."

Mr. President, the findings of these neurobiologists support a much closer examination by Congress of whether we are providing sufficient support at the Federal level for Head Start programs, and especially the Zero-to-Three initiative for infants and toddlers. As my colleagues may recall, during consideration of Head Start reauthorization in 1994, authority for a new infant and toddler initiative was adopted as part of the reauthorization of Head Start programs. Under the reauthorization, 3 percent of total appropriations for fiscal year 1995—$3.5 billion—was set aside for Zero-to-Three programs.

Currently, funding for the Zero-to-Three initiative totals $106 million. By 1998, the level of funding for the Zero-to-Three initiative will increase to 5 percent of total appropriations. President Clinton has requested $3.9 billion for Head Start in his fiscal year 1997 budget. Under Head Start fiscal year 1995 appropriations, more than 750,000 children between the ages of 3 and 4 are participating in Head Start programs nationwide.

Mr. President, the research of neurobiologists suggests that we may be missing an opportunity to ensure that our children develop to their fullest potential during the early years in life, ages 0–3. The neurobiologists point out that there is a narrow window of opportunity to develop the brain's potential and that to wait until the ages of 3 and 4 when most children begin Head Start programs may be too late to have a significant impact on the brain's development.

I urge my colleagues to examine the research regarding the development of a child's brain that is discussed in the February 19 issue of Newsweek. I ask that the text of the article from Newsweek appear in the RECORD at the conclusion of my remarks.

[From Newsweek, Feb. 19, 1996]

YOUR CHILD'S BRAIN

(By Sharon Begley)

(A baby's brain is a work in progress, trillions of neurons waiting to be wired into a mind. The experiences of childhood, pioneering research shows, help form the brain's circuits—for music and math, language and emotion)

You hold your newborn so his sky-blue eyes are just inches from the brightly patterned wallpaper, *ZZZt:* a neuron from his retina makes an electrical connection with one in his brain's visual cortex. You gently touch his palm with a clothespin; he grasps it, drops it, and you return it to him with soft words and a smile. *Crackle:* neurons from his hand strengthen their connection to those in his sensory-motor cortex. He cries in the night; you feed him, holding his gaze because nature has seen to it that the distance from a parent's crooked elbow to his eyes exactly matches the distance at which a baby focuses. *Zap:* neurons in the brain's amygdala send pulses of electricity through the circuits that control emotion. You hold him on your lap and talk . . . and neurons from his ears start hard-wiring connections to the auditory cortex.

And you thought you were just playing with your kid.

When a baby comes into the world her brain is a jumble of neurons, all waiting to be woven into the intricate tapestry of the mind. Some of the neurons have already been hard-wired, by the genes in the fertilized egg, into circuits that command breathing or control heartbeat, regulate body temperature or produce reflexes. But trillions upon trillions more are like the Pentium chips in a computer before the factory preloads the software. They are pure and of almost infinite potential, unprogrammed circuits that might one day compose rap songs and do calculus, erupt in fury and melt in ecstasy. If the neurons are used, they become integrated into the circuitry of the brain by connecting to other neurons; if they are not used, they may die. It is the experiences of childhood, determining which neurons are used, that wire the circuits of the brain as surely as a programmer at a keyboard reconfigures the circuits in a computer. Which keys are typed—which experiences a child has—determines whether the child grows up to be intelligent or dull, fearful or self-assured, articulate or tongue-tied. Early experiences are so powerful, says pediatric neurobiologist Harry Chugani of Wayne State University, that "they can completely change the way a person turns out."

By adulthood the brain is crisscrossed with more than 100 billion neurons, each reaching out to thousands of others so that, all told, the brain has more than 100 trillion connections. It is those connections—more than the number of galaxies in the known universe—that give the brain its unrivaled powers. The traditional view was that the wiring diagram is predetermined, like one for a new house, by the genes in the fertilized egg. Unfortunately, even though half the genes—50,000—are involved in the central nervous system in some way, there are not enough of them to specify the brain's incomparably complex wiring. That leaves another possibility: genes might determine only the brain's main circuits, with something else shaping the trillions of finer connections. That something else is the environment, the myriad messages that the brain receives from the outside world. According to the emerging paradigm, "there are two broad stages of brain wiring," says developmental neurobiologist Carla Shatz of the University of California, Berkeley: "an early period, when experience is not required, and a later one, when it is."

Yet, once wired, there are limits to the brain's ability to create itself. Time limits. Called "critical periods," they are windows of opportunity that nature flings open, starting before birth, and then slams shut, one by one, with every additional candle on the child's birthday cake. In the experiments that gave birth to this paradigm in the 1970, Torsten Wiesel and David Hubel found that sewing shut one eye of a newborn kitten rewired its brain: so few neurons connected from the shut eye to the visual cortex that the animal was blind even after its eye was reopened. Such rewiring did not occur in adult cats whose eyes were shut. Conclusion: there is a short, early period when circuits connect the retina to the visual cortex. When brain regions mature dictates how long they stay malleable. Sensory areas mature in early childhood; the emotional limbic system is wired by puberty; the frontal lobes—seat of understanding—develop at least through the age of 16.

The implications of this new understanding are at once promising and disturbing. They suggest that, with the right input at the right time, almost anything is possible. But they imply, too, that if you miss the window you're playing with a handicap. They offer an explanation of why the gains a toddler makes in Head Start are so often evanescent: this intensive instruction begins

too late to fundamentally rewire the brain. And they make clear the mistake of postponing instruction in a second language. As Chugani asks, "What idiot decreed that foreign-language instruction not begin until high school?"

Neurobiologists are still at the dawn of understanding exactly which kinds of experiences, or sensory input, wire the brain in which ways. They know a great deal about the circuit for vision. It has a neuron-growth spurt at the age of 2 to 4 months, which corresponds to when babies start to really notice the world, and peaks at 8 months, when each neuron is connected to an astonishing 15,000 other neurons. A baby whose eyes are clouded by cataracts from birth will, despite cataract-removal surgery at the age of 2, be forever blind. For other systems, researchers know what happens, but not—at the level of neurons and molecules—how. They nevertheless remain confident that cognitive abilities work much like sensory ones, for the brain is parsimonious in how it conducts its affairs: a mechanism that works fine for wiring vision is not likely to be abandoned when it comes to circuits for music. "Connections are not forming willy-nilly," says Dale Purves of Duke University, "but are promoted by activity."

LANGUAGE

Before there are words, in the world of a newborn, there are sounds. In English they are phonemes such as sharp ba's and da's, drawn-out ee's and ll's and sibilant sss's. In Japanese they are different—barked *hi's*, merged rr/ll's. When a child hears a phoneme over and over, neurons from his ear stimulate the formation of dedicated connections in his brain's auditory cortex. This "perceptual map," explains Patricia Kuhl of the University of Washington, reflects the apparent distance—and thus the similarity—between sounds. So in English-speakers, neurons in the auditory cortex that respond to "ra" lie far from those that respond to "la." But for Japanese, where the sounds are nearly identical, neurons that respond to "ra" are practically intertwined, like L.A. freeway spaghetti, with those for "la." As a result, a Japanese-speaker will have trouble distinguishing the two sounds.

Researchers find evidence of these tendencies across many languages. By 6 months of age, Kuhl reports, infants in English-speaking homes already have different auditory maps (as shown by electrical measurements that identify which neurons respond to different sounds) from those in Swedish-speaking homes. Children are functionally deaf to sounds absent from their native tongue. The map is completed by the first birthday. "By 12 months," says Kuhl, "infants have lost the ability to discriminate sounds that are not significant in their language, and their babbling has acquired the sound of their language."

Kuhl's findings help explain why learning a second language after, rather than with, the first is so difficult. "The perceptual map of the first language constrains the learning of a second," she says. In other words, the circuits are already wired for Spanish, and the remaining undedicated neurons have lost their ability to form basic new connections for, say, Greek. A child taught a second language after the age of 10 or so is unlikely ever to speak it like a native. Kuhl's work also suggests why related languages such as Spanish and French are easier to learn than unrelated ones: more of the existing circuits can do double duty.

With this basic circuitry established, a baby is primed to turn sounds into words. The more words a child hears, the faster she learns language, according to psychiatrist Janellen Huttenlocher of the University of Chicago. Infants whose mothers spoke to them a lot knew 131 more words at 20 months than did babies of more taciturn, or less involved, mothers; at 24 months, the gap had widened to 295 words. (Presumably the findings would also apply to a father if he were the primary caregiver.) It didn't matter which words the mother used—monosyllables seemed to work. The sound of words, it seems, builds up neural circuitry that can then absorb more words, much as creating a computer file allows the user to fill it with prose. "There is a huge vocabulary to be acquired," says Huttenlocher, "and it can only be acquired through repeated exposure to words."

MUSIC

Last October researchers at the University of Konstanz in Germany reported that exposure to music rewires neural circuits. In the brains of nine string players examined with magnetic resonance imaging, the amount of somatosensory cortex dedicated to the thumb and fifth finger of the left hand—the fingering digits—was significantly larger than in nonplayers. How long the players practiced each day did not affect the cortical map. But the age at which they had been introduced to their muse did: the younger the child when she took up an instrument, the more cortex she devoted to playing it.

Like other circuits formed early in life, the ones for music endure. Wayne State's Chugani played the guitar as a child, then gave it up. A few years ago he started taking piano lessons with his young daughter. She learned easily, but he couldn't get his fingers to follow his wishes. Yet when Chugani recently picked up a guitar, he found to his delight that "the songs are still there," much like the muscle memory for riding a bicycle.

MATH AND LOGIC

At UC Irvine, Gordon Shaw suspected that all higher-order thinking is characterized by similar patterns of neuron firing. "If you're working with little kids," says Shaw, "you're not going to teach them higher mathematics or chess. But they are interested in and can process music." So Shaw and Frances Rauscher gave 19 preschoolers piano or singing lessons. After eight months, the researchers found, the children "dramatically improved in spatial reasoning," compared with children given no music lessons, as shown in their ability to work mazes, draw geometric figures and copy patterns of two-color blocks. The mechanism behind the "Mozart effect" remains murky, but Shaw suspects that when children exercise cortical neurons by listening to classical music, they are also strengthening circuits used for mathematics. Music, says the UC team, "excites the inherent brain patterns and enhances their use in complex reasoning tasks."

EMOTIONS

The trunk lines for the circuits controlling emotion are laid down before birth. Then parents take over. Perhaps the strongest influence is what psychiatrist Daniel Stern calls attunement—whether caregivers "play back a child's inner feelings." If a baby's squeal of delight at a puppy is met with a smile and hug, if her excitement at seeing a plane overhead is mirrored, circuits for these emotions are reinforced. Apparently, the brain uses the same pathways to generate an emotion as to respond to one. So if an emotion is reciprocated, the electrical and chemical signals that produced it are reinforced. But if emotions are repeatedly met with indifference or a clashing response—Baby is proud of building a skyscraper out of Mom's best pots, and Mom is terminally annoyed—those circuits become confused and fail to strengthen. The key here is "repeatedly": one dismissive harrumph will not scar a child for life. It's the pattern that counts, and it can be very powerful: in one of Stern's studies, a baby whose mother never matched her level of excitement became extremely passive, unable to feel excitement or joy.

Experience can also wire the brain's "calm down" circuit, as Daniel Goleman describes in his best-selling "Emotional Intelligence." One father gently soothes his crying infant, another drops him into his crib; one mother hugs the toddler who just skinned her knee, another screams "It's your own stupid fault!" The first responses are attuned to the child's distress; the others are wildly out of emotional sync. Between 10 and 18 months, a cluster of cells in the rational prefrontal cortex is busy hooking up to the emotion regions. The circuit seems to grow into a control switch, able to calm agitation by infusing reason into emotion. Perhaps parental soothing trains this circuit, strengthening the neural connections that form it, so that the child learns how to calm herself down. This all happens so early that the effects of nurture ean be misperceived as innate nature.

Stress and constant threats also rewire emotion circuits. These circuits are centered on the amygdala, a little almond-shaped structure deep in the brain whose job is to scan incoming sights and sounds for emotional content. According to a wiring diagram worked out by Joseph LeDoux of New York University, impulses from eye and ear reach the amygdala before they get to the rational, thoughtful neocortex. If a sight, sound or experience has proved painful before—Dad's drunken arrival home was followed by a beating—then the amygdala floods the circuits with neurochemicals before the higher brain knows what's happening. The more often this pathway is used, the easier it is to trigger: the mere memory of Dad may induce fear. Since the circuits can stay excited for days, the brain remains on high alert. In this state, says neuroscientist Bruce Perry of Baylor College of Medicine, more circuits attend to nonverbal cues—facial expressions, angry noises—that warn of impending danger. As a result, the cortex falls behind in development and has trouble assimilating complex information such as language.

MOVEMENT

Fetal movements begin at 7 weeks and peak between the 15th and 17th weeks. That is when regions of the brain controlling movement start to wire up. The critical period lasts a while: it takes up to two years for cells in the cerebellum, which controls posture and movement, to form functional circuits. "A lot of organization takes place using information gleaned from when the child moves about in the world," says William Greenough of the University of Illinois. "If you restrict activity you inhibit the formation of synaptic connections in the cerebellum." The child's initially spastic movements send a signal to the brain's motor cortex; the more the arm, for instance, moves, the stronger the circuit, and the better the brain will become at moving the arm intentionally and fluidly. The window lasts only a few years: a child immobilized in a body cast until the age of 4 will learn to walk eventually, but never smoothly.

There are many more circuits to discover, and many more environmental influences to

pin down. Still, neuro labs are filled with an unmistakable air of optimism these days. It stems from a growing understanding of how, at the level of nerve cells and molecules, the brain's circuits form. In the beginning, the brain-to-be consists of only a few advance scouts breaking trail: within a week of conception they march out of the embryo's "neural tube," a cylinder of cells extending from head to tail. Multiplying as they go (the brain adds an astonishing 250,000 neurons per minute during gestation), the neurons clump into the brain stem which commands heartbeat and breathing, build the little cerebellum at the back of the head which controls posture and movement, and form the grooved and rumpled cortex wherein thought and perception originate. The neural cells are so small, and the distance so great, that a neuron striking out for what will be the prefrontal cortex migrates a distance equivalent to a human's walking from New York to California, says developmental neurobiologist Mary Beth Hatten of Rockefeller University.

Only when they reach their destinations do these cells become true neurons. They grow a fiber called an axon that carries electrical signals. The axon might reach only to a neuron next door, or it might wend its way clear across to the other side of the brain. It is the axonal connections that form the brain's circuits. Genes determine the main highways along which axons travel to make their connection. But to reach particular target cells, axons follow chemical cues strewn along their path. Some of these chemicals attract: this way to the motor cortex! Some repel: no, that way to the olfactory cortex. By the fifth month of gestation most axons have reached their general destination. But like the prettiest girl in the bar, target cells attract way more suitors—axons—than they can accommodate.

How does the wiring get sorted out? The baby neurons fire electrical pulses once a minute, in a fit of what Berkeley's Shatz calls auto-dialing. If cells fire together, the target cells "ring" together. The target cells then release a flood of chemicals, called trophic factors, that strengthen the incipient connections. Active neurons respond better to trophic factors than inactive ones, Barbara Barres of Stanford University reported in October. So neurons that are quiet when others throb lose their grip on the target cell. "Cells that fire together wire together," says Shatz.

The same basic process continues after birth. Now, it is not an auto-dialer that sends signals, but stimuli from the senses. In experiments with rats, Illinois's Greenough found that animals raised with playmates and toys and other stimuli grow 25 percent more synapses than rats deprived of such stimuli.

Rats are not children, but all evidence suggests that the same rules of brain development hold. For decades Head Start has fallen short of the high hopes invested in it: the children's IQ gains fade after about three years. Craig Ramey of the University of Alabama suspected the culprit was timing: Head Start enrolls 2-, 3- and 4-year-olds. So in 1972 he launched the Abecedarian Project. Children from 120 poor families were assigned to one of our groups: intensive early education in a day-care center from about 4 months to age 8, from 4 months to 5 years, from 5 to 8 years, or none of all. What does it mean to "educate" a 4-month-old? Nothing fancy: blocks, beads, talking to him, playing games such as peek-a-boo. As outlined in the book "Learningames," each of the 200-odd activities was designed to enhance cognitive, language, social or motor development. In a recent paper, Ramey and Frances Campbell of the University of North Carolina report that children enrolled in Abecedarian as preschoolers still scored higher in math and reading at the age of 15 than untreated children. The children still retained an average IQ edge was 4.6 points. The earlier the children were enrolled, the more enduring the gain. And intervention after age 5 conferred no IQ or academic benefit.

All of which raises a troubling question. If the windows of the mind close, for the most part, before we're out of elementary school, is all hope lost for children whose parents did not have them count beads to stimulate their math circuits, or babble to them to build their language loops? At one level, no: the brain retains the ability to learn throughout life, as witness anyone who was befuddled by Greek in college only to master it during retirement. But on a deeper level the news is sobering. Children whose neural circuits are not stimulated before kindergarten are never going to be what they could have been. "You want to say that it is never too late," says Joseph Sparling, who designed the Abecedarian curriculum. "But there seems to be something very special about the early years."

And yet . . . there is new evidence that certain kinds of intervention can reach even the older brain and, like a microscopic screwdriver. rewire broken circuits. In January, scientists led by Paula Tallal of Rutgers University and Michael Merzenich of UC San Francisco described a study of children who have "language-based learning disabilities"—reading problems. LLD affects 7 million children in the United States. Tallal has long argued that LLD arises from a child's inability to distinguish short staccato sounds—such as "d" and "b." Normally, it takes neurons in the auditory cortex something like .015 second to respond to a signal from the ear, calm down and get ready to respond to the next sound; in LLD children, it takes five to 10 times as long. (Merzenich speculates that the defect might be the result of chronic middle-ear infections in infancy: the brain never "hears" sounds clearly and so fails to draw a sharp auditory map.) Short sounds such as "b" and "d" go by too fast—.04 second—to process. Unable to associate sounds with letters, the children develop reading problems.

The scientists drilled the 5- to 10-year-olds three hours a day with computer-produced sound that draws out short consonants, like an LP played too slow. The result: LLD children who were one to three years behind in language ability improved by a full two years after only four weeks. The improvement has lasted. The training, Merzenich suspect, redrew the wiring diagram in children's auditory cortex to process fast sounds. Their reading problems vanished like the sounds of the letters that, before, they never heard.

Such neural rehab may be the ultimate payoff of the discovery that the experiences of life are etched in the bumps and squiggles of the brain. For now, it is enough to know that we are born with a world of potential—potential that will be realized only if it is tapped. And that is challenge enough.

EXECUTIVE SESSION

EXECUTIVE CALENDAR

Mr. GRASSLEY. Again, for the majority leader, I ask unanimous consent that the Senate immediately proceed to executive session to consider the following nominations on today's Executive Calendar: Executive Calendar nominations Nos. 502, 531, 532, 533, 535, 536, 537, 538, 539, 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, 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, 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 general while assigned to a position of importance and responsibility under Title 10, United States code, Section 601:

To be general

Lt. Gen. Michael E. Ryan, 505-54/9889, U.S. Air Force.

DEPARTMENTOF DEFENSE

Kenneth H. Bacon, of the District of Columbia, to be an Assistant Secretary of Defense. (New Position)

Franklin D. Kramer, of the District of Columbia, to be an Assistant Secretary of Defense.

DEFENSE NUCLEAR FACILITIES SAFETY BOARD

Joseph J. DiNunno, of Maryland to be a Member of the Defense Nuclear Facilities Safety Board for a term expiring October 18, 2000. (Reappointment)

AIR FORCE

The following-named officer for promotion in the Regular Air Force of the United States to the grade indicated under title 19, United States Code, section 624:

To be brigadier general

Col. Timothy J. McMahon, 138-38-1034

The following-named officer for appointment to the grade of lieutenant general wile assigned to a position of importance and responsibility under Title 10, United States Code, Section 601:

To be lieutenant general

Maj. Gen. Kenneth E. Eickmann, 456-72-2203, United States Air Force

The following-named officer for appointment to the grade of lieutenant general while assigned to a position of importance and responsibility under Title 10, United States Code, Section 601:

To be lieutenant general

Maj. Gen. Richard T. Swope, 051-34-6942, U.S. Air Force

ARMY

The following-named officer for reappointment to the grade of lieutenant general in the United States Army while assigned to a position of importance and responsibility under title 10, United States Code, section 601(a):

To be lieutenant general

Lt. Gen. John G. Coburn, 364-38-3232, U.S. Army

The following-named officer for appointment to the grade of lieutenant general in the United States Army 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 J. Cusick, 196-32-4700, U.S. Army

LEGISLATIVE SESSION

The PRESIDING OFFICER. Under the previous order, the Senate will return to legislative session.

APPOINTMENTS BY THE MAJORITY AND MINORITY LEADERS

Mr. GRASSLEY. Mr. President, I ask unanimous consent that pursuant to Public Law 103-432, the following members be named to the Advisory Board on Welfare Indicators:

Jo Anne B. Barnhart, of Virginia; Martin H. Gerry, of Kansas; Gerald H. Miller, of Michigan, upon the recommendation of the majority leader, and Paul E. Barton, of New Jersey, upon the recommendation of the minority leader.

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

ORDERS FOR FRIDAY, MARCH 29, 1996

Mr. GRASSLEY. Mr. President, I further ask unanimous consent that when the Senate completes its business today, it stand in adjournment until the hour of 10 a.m. on Friday, March 29; further, that immediately following the prayer, the Journal of proceedings be deemed approved to date, no resolutions come over under the rule, the call of the calendar be dispensed with, the morning hour be deemed to have expired, and the time for the two leaders be reserved for their use later in the day; that there then be a period for morning business until the hour of 12:30, with Senators to speak for up to 5 minutes each except for the following: Senator THOMAS, 30 minutes; Senator DORGAN, 20 minutes; Senator HATCH, 20 minutes; Senator COHEN, 15 minutes; Senator FAIRCLOTH, 10 minutes; Senator HUTCHISON, 5 minutes; Senator WELLSTONE, 10 minutes; Senator MURKOWSKI, 15 minutes; Senator GLENN, 15 minutes; and Senator MCCONNELL, 10 minutes.

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

Mr. GRASSLEY. I thank the Chair.

PROGRAM

Mr. GRASSLEY. Mr. President, the leader would like me to inform all of our colleagues that there will be a period for morning business for 2½ hours to accommodate a number of requests by Members. It is hoped that during tomorrow's session, the omnibus appropriations conference report will become available. Senators should therefore be aware rollcall votes are possible during Friday's session. The Senate may also be asked to turn to any other legislative or executive items for action.

ORDER FOR ADJOURNMENT

Mr. GRASSLEY. Mr. President, if there is no further business to come before the Senate, I now ask unanimous consent that the Senate stand in adjournment under the previous order immediately following my remarks.

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

Mr. GRASSLEY. Mr. President, for the benefit of everybody, this is probably going to be something less than 10 minutes. I ask permission to speak for a period of time as if in morning business.

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

THE VOID IN MORAL LEADERSHIP PART IV

Mr. GRASSLEY. Mr. President, last week I began giving a series of speeches about the void in moral leadership in the White House.

By moral leadership, I don't mean morality. I mean simply setting a good example for the American people: Being trustworthy, honest, candid, and so on, simple, basic values that all Americans share, and that all Americans expect to see in their leaders.

Frankly, there has been a failure by this White House to set a good example.

And I have been very specific about my observations, what the President, the First Lady and others have done, and where the good example broke down.

I began this series of speeches with the words of two great American presidents in mind.

The first was a pronouncement by Franklin Delano Roosevelt.

FDR said that, the Presidency is preeminently about moral leadership.

It's not about being a good engineer or a good decisionmaker or a good speaker.

It's about moral leadership.

The second was from Teddy Roosevelt.

He talked about the obligation we have to tell the truth about the President, more than any other American.

To not do so, he said, was both base and servile.

And so I have felt an obligation to make this observation, Mr. President:

There has been a failure in this White House of setting a good example for the American people.

Today, I will further support my claim.

I will refer to a new Washington Post-ABC News poll, conducted March 14-17 of 1,512 randomly selected adults.

In the survey, half of the respondents said they thought the First Lady is not telling the truth about Whitewater.

Questions about the candor and straight-forwardness of the First Lady go right to the heart of my point.

It goes beyond the issue of anyone calling anyone dishonest, or a liar.

That would not be proper!

My point is that there is a growing perception out there in grassroots America that the First Lady has not told the truth.

How can the moral authority to lead survive such a perception with this White House?

At this point, the most qualified outside observer of the Whitewater and Travelgate issues is James B. Stewart. Mr. Stewart was given access to sources by the White House. Mr. Stewart is also described as ideologically akin to the Clintons. He is a respected, Pulitzer Prize-winning journalist, formerly with the Wall Street Journal. His bona fides are generally recognized as impeccable.

On March 11, Mr. Stewart was interviewed by ABC's Ted Koppel on "Nightline."

Mr. Koppel asked the following question:

> And to those who say, has all of this investigation, the congressional investigations, the independent prosecutors, the time that you have spent in putting this book together * * * was it all worth all the money and the time and the effort and the pain?

Here is Mr. Stewart's reply:

> I think in the end we'll find that it was—that the truth is important in our society, that justice is important in our society.
>
> I don't think you can put a pricetag on those things.
>
> Yes, It's terribly expensive, and at times it seems very wasteful, and at times it's nasty and partisan.
>
> It often is a blood sport, as Vince Foster said. But why is that?
>
> It's because the truth was never honored in the first place, and I hope if there's any lesson that comes out of that, that people in the future will recognize that.

Mr. President, that is a hard punch taken at the White House.

That truth was never honored in the first place.

But it is a fair punch.

It is observations like Mr. Stewart's which are having an impact out at the grassroots.

The Washington Post ran a story about the new Post-ABC poll in its March 24 edition.

The article was written by R.H. Melton, and was entitled, "First Lady Bears the Brunt of Unfavorable Opinion on Whitewater."

One grocery store manager in Pontiac, MI, seems to support the contention of Mr. Stewart on "Nightline."

The store manager, Dwight Bradford, age 27, said:

> This is something he should have settled before becoming president.

By him not taking action, the Republicans have made him look a little dumbfounded.

And if she knew something, she's been withholding evidence.

And that is wrong for a government official.

It makes the United States look bad.

The Post article also showed that the Whitewater response by the White House is having repercussions that cut across party affiliation.

Rouvain Benison, a Democrat, is also quoted in the story, saying the following:

Whitewater is a symptom, the lack of moral leadership, of moral integrity, strength, courage—all the good things in a person's character.

These were not my words, Mr. President.

In fact, this gentleman stated the case more eloquently than I did in each of my speeches of the past week.

It is a symptom of a lack of moral leadership.

Word is getting out in the countryside, Mr. President.

The people we serve know when their leaders are failing to lead.

They know that moral leadership is not coming from their White House.

Since the time of the Post-ABC survey, a new revelation from the White House has reinforced the perception of a lack of candor.

I am referring to the First Lady's March 21 responses to formal questions from the House Committee on Government Reform and Oversight.

The subject matter was, who knew what, when, about the firing of innocent workers in the White House Travel Office.

Never mind that the White House released her responses too late for the evening news shows to do any serious reporting.

That is an old trick in this town.

If there is bad news, or if you want to minimize coverage, just wait till the TV news shows are over to release it.

But the real news in this story—the real news in the First Lady's responses—was the fueling of the perception of a lack of straight forwardness, of candor.

In a 25-page response, only 16 pages of which contained actual responses, here is what appeared: the words "I do not recall" appeared 21 times; the words "I do not believe" appeared 9 times; the words "I believe" appeared 7 times; the words "I may have" appeared 5 times; the words "it is possible that" appeared 3 times; the words "no specific recollection" appeared 2 times; in one case, she reports "she had heard" something, which is hearsay, yet in three other cases she reports merely that she had "no first-hand knowledge"; and, the following phrases were used once each: "I cannot recall"; "he may have mentioned"; "a vague recollection"; "I do not remember"; "it is hard to remember"; and "a general recollection."

In other words, Mr. President, these were not necessarily totally forthcoming answers.

I believe the First Lady may be totally sincere in these responses, as opposed to taking the advice of some clever lawyer and doing a soft shoe routine.

But, given the White House's history of not being forthcoming, do you not see how this could further fuel the perception of a lack of candor.

Do you not now see why honoring the truth in the first place—as "Blood Sport" author Jim Stewart put it—is so important for our national leaders.

Do you not now see my point about the need for our leaders to set a good example.

That Washington Post-ABC poll tells me that about half the people of this country do not have the level of confidence they should in their leadership in the White House.

In my view, Mr. President, setting the example is the most important thing for our leaders in the White House.

In that respect, I agree with FDR—who I quoted earlier—but I do not believe we are getting that example, and a growing number in this country apparently agree with me.

It is a serious erosion of leadership and public confidence, and it must be restored.

I yield the floor.

ADJOURNMENT UNTIL 10 A.M. TOMORROW

The PRESIDING OFFICER. Under the previous order, the Senate stands adjourned until 10 a.m., Friday, March 29.

Thereupon, the Senate, at 9:46 p.m., adjourned until Friday, March 29, 1996, at 10 a.m.

NOMINATIONS

Executive nominations received by the Senate March 28, 1996:

TENNESSEE VALLEY AUTHORITY

JOHNNY H. HAYES, OF TENNESSEE, TO BE A MEMBER OF THE BOARD OF DIRECTORS OF THE TENNESSEE VALLEY AUTHORITY FOR A TERM EXPIRING MAY 18, 2005. (REAPPOINTMENT)

IN THE ARMY

THE FOLLOWING-NAMED OFFICER FOR REAPPOINTMENT TO THE GRADE OF GENERAL IN THE U.S. ARMY WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, UNITED STATES CODE, SECTION 601(A):

To be general

GEN. JOHN H. TILELLI, JR. [redacted] U.S. ARMY.

IN THE MARINE CORPS

THE FOLLOWING-NAMED OFFICER FOR APPOINTMENT AS ASSISTANT COMMANDANT OF THE MARINE CORPS, HEADQUARTERS, U.S. MARINE CORPS, AND APPOINTMENT TO THE GRADE OF GENERAL WHILE SERVING IN THAT POSITION UNDER THE PROVISIONS OF SECTION 5044, TITLE 10, UNITED STATES CODE:

ASSISTANT COMMANDANT OF THE MARINE CORPS

To be general

LT. GEN. RICHARD I. NEAL [redacted]

THE FOLLOWING-NAMED OFFICER FOR APPOINTMENT TO THE GRADE OF LIEUTENANT GENERAL IN THE U.S. MARINE CORPS WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER SECTION 601, TITLE 10, UNITED STATES CODE:

To be lieutenant general

MAJ. GEN. TERRENCE R. DRAKE [redacted]

IN THE NAVY

THE FOLLOWING-NAMED OFFICERS FOR PROMOTION IN THE NAVY OF THE UNITED STATES TO THE GRADE INDICATED UNDER TITLE 10, UNITED STATES CODE, SECTION 624:

UNRESTRICTED LINE

To be rear admiral

REAR ADM. (LH) JAMES F. AMERAULT [redacted] U.S. NAVY.
REAR ADM. (LH) LYLE G. BIEN [redacted] U.S. NAVY.
REAR ADM. (LH) RICHARD A. BUCHANAN [redacted] U.S. NAVY.
REAR ADM. (LH) WILLIAM V. CROSS II, [redacted] U.S. NAVY.
REAR ADM. (LH) WALTER F. DORAN, [redacted] U.S. NAVY.
REAR ADM. (LH) JAMES O. ELLIS, JR. [redacted] U.S. NAVY.
REAR ADM. (LH) WILLIAM J. FALLON, [redacted] U.S. NAVY.
REAR ADM. (LH) THOMAS B. FARGO [redacted] U.S. NAVY.
REAR ADM. (LH) DENNIS V. MCGINN, [redacted] U.S. NAVY.
REAR ADM. (LH) JOSEPH S. MOBLEY, [redacted] U.S. NAVY.
REAR ADM. (LH) EDWARD MOORE, JR., [redacted] U.S. NAVY.
REAR ADM. (LH) DANIEL J. MURPHY, [redacted] U.S. NAVY.
REAR ADM. (LH) RODNEY P. REMPT [redacted] U.S. NAVY.
REAR ADM. (LH) NORBERT R. RYAN, JR. [redacted] U.S. NAVY.
REAR ADM. (LH) RAYMOND C. SMITH, JR. [redacted]
REAR ADM. (LH) ANTHONY J. WATSON [redacted]

RESTRICTED LINE

To be rear admiral

REAR ADM. (LH) GEORGE P. NANOS, JR. [redacted] U.S. NAVY.
REAR ADM. (LH) CRAIG E. STEIDLE [redacted] U.S. NAVY.
REAR ADM. (LH) JAMES L. TAYLOR [redacted] U.S. NAVY.
REAR ADM. (LH) PATRICIA A. TRACEY [redacted] U.S. NAVY.

CONFIRMATIONS

Executive nominations confirmed by the Senate March 28, 1996:

DEPARTMENT OF DEFENSE

KENNETH H. BACON, OF THE DISTRICT OF COLUMBIA, TO BE AN ASSISTANT SECRETARY OF DEFENSE.

FRANKLIN D. KRAMER, OF THE DISTRICT OF COLUMBIA, TO BE AN ASSISTANT SECRETARY OF DEFENSE.

DEFENSE NUCLEAR FACILITIES SAFETY BOARD

JOSEPH J. DINUNNO, OF MARYLAND, TO BE A MEMBER OF THE DEFENSE NUCLEAR FACILITIES SAFETY BOARD FOR A TERM EXPIRING OCTOBER 18, 2000.

The above nominations were approved subject to the nominees' commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.

IN THE AIR FORCE

THE FOLLOWING-NAMED OFFICER FOR APPOINTMENT TO THE GRADE OF GENERAL WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, UNITED STATES CODE, SECTION 601:

To be general

LT. GEN. MICHAEL E. RYAN, [redacted] U.S. AIR FORCE.

THE FOLLOWING-NAMED OFFICER FOR PROMOTION IN THE REGULAR AIR FORCE OF THE UNITED STATES TO THE GRADE INDICATED UNDER TITLE 10, UNITED STATES CODE, SECTION 624:

To be brigadier general

COL. TIMOTHY J. MCMAHON, [redacted]

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 E. EICKMANN, [redacted] U.S. AIR FORCE.

THE FOLLOWING-NAMED OFFICER FOR APPOINTMENT TO THE GRADE OF LIEUTENANT GENERAL WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, UNITED STATES CODE, SECTION 601:

To be lieutenant general

MAJ. GEN. RICHARD T. SWOPE, [redacted] U.S. AIR FORCE.

IN THE ARMY

THE FOLLOWING-NAMED OFFICER FOR REAPPOINTMENT TO THE GRADE OF LIEUTENANT GENERAL IN THE U.S. ARMY WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, UNITED STATES CODE, SECTION 601(A):

to be lieutenant general

LT. GEN. JOHN G. COBURN [redacted] U.S. ARMY.

THE FOLLOWING-NAMED OFFICER FOR APPOINTMENT TO THE GRADE OF LIEUTENANT GENERAL IN THE U.S. ARMY 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 J. CUSICK [redacted] U.S. ARMY.

IN THE AIR FORCE

AIR FORCE NOMINATIONS BEGINNING HAROLD E. BURCHAM, AND ENDING KEVIN W. MORRILL, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON FEBRUARY 26, 1996.

AIR FORCE NOMINATIONS BEGINNING DOUGLAS W. ANDERSON, AND ENDING HAROLD D. HITES, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON MARCH 5, 1996.

AIR FORCE NOMINATIONS BEGINNING ROBERT J. ABELL, AND ENDING LEO R. SHOCKLEY, JR., WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON MARCH 11, 1996.

IN THE ARMY

ARMY NOMINATION OF GARY N. JOHNSTON, WHICH WAS RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD OF FEBRUARY 20, 1996.

ARMY NOMINATIONS BEGINNING PAT W. SIMPSON, AND ENDING WARNER J. ANDERSON, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON FEBRUARY 20, 1996.

ARMY NOMINATIONS BEGINNING MARGARET B. BAINES, AND ENDING *JEFFREY S. WILLIS, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON FEBRUARY 20, 1996.

ARMY NOMINATIONS BEGINNING ANTHONY C. CRESCENZI, AND ENDING ALBERT R. SMITH, JR., WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON FEBRUARY 20, 1996.

ARMY NOMINATIONS BEGINNING PATRICK V. ADAMCIK, AND ENDING JOSEPH M. ZIMA, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON FEBRUARY 26, 1996.

IN THE NAVY

NAVY NOMINATION OF JOHN M. COONEY, WHICH WAS RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD OF NOVEMBER 7, 1995.

NAVY NOMINATION OF REX A. AUKER, WHICH WAS RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD OF FEBRUARY 20, 1996.

NAVY NOMINATIONS BEGINNING RICHARD D. BOYER, AND ENDING EDWARD J. POSNAK, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON FEBRUARY 20, 1996.

NAVY NOMINATIONS BEGINNING MARK A. ADMIRAL, AND ENDING ALICE A. ZENGEL, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON MARCH 5, 1996.

NAVY NOMINATIONS BEGINNING MICHAEL P. CAVIL, AND ENDING CHARLES K. NIXON, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON MARCH 11, 1996.

NAVY NOMINATIONS BEGINNING JAMES L. ABRAM, AND ENDING ROBERT E. WILLIAMS, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON MARCH 14, 1996.